



IFS Capital (Thailand)  
Public Company Limited

IFS 608 / 2024

6<sup>th</sup> August 2024

Subject: Explanation of the Operating Results for the 6-month period ended 30<sup>th</sup> June 2024

To: The President  
The Stock Exchange of Thailand

We, IFS Capital (Thailand) Public Company Limited, would like to submit herewith the Reviewed Financial Statements for the 6-month period ended 30<sup>th</sup> June 2024 as certified by our auditor, Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., and to clarify the significant variance of the operating results as follows:

(Unit: Million Baht)

	For the 6-month period ended 30 <sup>th</sup> June			
	2024	2023	Increase / (decrease)	% Change
<b>Revenues</b>				
Factoring Income	135.56	133.99	1.57	1.17
Hire Purchase Income	0.16	0.09	0.07	80.73
Finance Lease Income	6.15	6.73	(0.57)	(8.49)
Factoring Commission and Service Fees	49.40	48.75	0.66	1.35
Other Income	23.52	24.29	(0.77)	(3.17)
<b>Total Revenues</b>	<b>214.80</b>	<b>213.84</b>	<b>0.96</b>	<b>0.45</b>
Finance Cost	27.11	22.76	4.35	19.12
<b>Income Before Operating Expenses</b>	<b>187.69</b>	<b>191.08</b>	<b>(3.39)</b>	<b>(1.77)</b>
<b>Expenses</b>				
Selling Expenses	9.28	9.01	0.28	3.06
Administration Expenses	58.47	57.80	0.67	1.16
Management Benefit Expenses	24.84	23.72	1.13	4.74
<b>Total Expenses</b>	<b>92.59</b>	<b>90.52</b>	<b>2.07</b>	<b>2.29</b>
<b>Profit Before Impairment Loss Determined in Accordance with TFRS 9</b>	<b>95.10</b>	<b>100.56</b>	<b>(5.46)</b>	<b>(5.43)</b>
Impairment loss determined in accordance with TFRS 9	16.91	1.04	15.87	1532.20
<b>Profit Before Income Tax Expenses</b>	<b>78.19</b>	<b>99.53</b>	<b>(21.33)</b>	<b>(21.43)</b>
Income Tax Expense	15.63	18.38	(2.75)	(14.97)
<b>Profit for The Periods</b>	<b>62.56</b>	<b>81.15</b>	<b>(18.58)</b>	<b>(22.90)</b>

#### Comparison of the Operating Results for the 6-month periods ended 30<sup>th</sup> June 2024 and 2023

For the 1<sup>st</sup> half of the year 2024, the Company reported a Net Profit of Baht 62.56 million, a decrease of Baht 18.58 million or 22.90% from the same period last year. The main reasons for the decrease in the Company's Net Profit were:

- 1) income before operating expenses decreased by Baht 3.39 million or 1.77% mainly due to higher finance cost as a result of higher average cost of fund,
- 2) total expenses increased by Baht 2.07 million or 2.29% mainly due to higher administrative expenses as a result of investment in IT enhancement,
- 3) allowance for ECL increased by Baht 15.87 million due to additional allowance provided for new non-performing loans (NPL) during the period, while there was significant amount of bad debt recovery during the 1<sup>st</sup> half of the year 2023,
- 4) offset by lower income tax expense of Baht 2.75 million due to lower taxable profit.

As a result, the Earnings Per Share (EPS) showed a decrease to Baht 0.13 per share (1H/23: Baht 0.16 per share) or a decrease of 18.75%.

Please be informed accordingly.

Sincerely yours,

(Mr. Tan Ley Yen)  
Director and CEO

**Headline:** Financial Performance Quarter 2 (F45) (Reviewed)

**Security Symbol:** IFS

Announcement Details

**Summary of operating result form (F45)**

Company name	IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED			
Quarter	Quarter 2			

(In thousands)

Financial Statement	Quarter 2		For 6 Months	
Status	Reviewed		Reviewed	
Ending	30 June		30 June	
Year	2024	2023	2024	2023
Profit (loss) attributable to equity holders of the Company *	33,009	39,899	62,565	81,146
EPS (baht)	0.07	0.08	0.13	0.16

Type of report	Unqualified opinion
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\*For consolidated financial statements

Please review financial statement (Full Version) before making investment decision

"The company hereby certifies that the information above is correct and complete. In addition, the company has already reported and disseminated its financial statements in full via the SET Electronic Listed Company Information Disclosure (SET Portal)."

Signature \_\_\_\_\_

(Mr. Tan Ley Yen)

Director and CEO

Authorized Persons to Disclose Information

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**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION  
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE BOARD OF DIRECTORS  
IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**

We have reviewed the statement of financial position in which the equity method is applied and the separate statement of financial position of IFS Capital (Thailand) Public Company Limited as at June 30, 2024, and the related statements of comprehensive income in which the equity method is applied and the separate statements of comprehensive income for the three-month and six-month periods ended June 30, 2024, and the related statements of changes in shareholders' equity in which the equity method is applied and the separate statements of changes in shareholders' equity and the related statements of cash flows in which the equity method is applied and the separate statements of cash flows for the six-month period ended June 30, 2024, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

We conducted our 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 us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

**BANGKOK**  
August 6, 2024

Lasita Magut  
Certified Public Accountant (Thailand)  
Registration No. 9039  
**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2024

UNIT : BAHT

	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
	Notes	As at June 30, 2024 “Unaudited”	As at June 30, 2024 “Unaudited”	As at December 31, 2023
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
Cash and cash equivalents		398,393,482	398,393,482	353,267,455
Factoring receivables	7	2,880,816,911	2,880,816,911	3,049,262,392
Hire purchase current receivables	8	1,929,728	1,929,728	1,823,167
Finance lease current receivables	9	69,932,020	69,932,020	69,510,381
Inventory finance receivables	10	118,136,858	118,136,858	142,464,374
Other current receivables		11,154,326	11,154,326	9,589,449
Other current assets		908,574	908,574	332,801
Total Current Assets		<u>3,481,271,899</u>	<u>3,481,271,899</u>	<u>3,626,250,019</u>
<b>NON-CURRENT ASSETS</b>				
Bank deposits held as collateral		164,515	164,515	164,204
Investment in a joint venture	11	12,250,000	12,250,000	-
Hire purchase non-current receivables	8	789,317	789,317	1,778,548
Finance lease non-current receivables	9	74,967,535	74,967,535	85,136,215
Investment properties		46,422,311	46,422,311	48,740,620
Plant and equipment		10,314,828	10,314,828	11,816,292
Right-of-use assets		4,227,099	4,227,099	2,329,795
Other intangible assets		823,290	823,290	1,705,973
Deferred tax assets		43,249,426	43,249,426	35,427,003
Properties foreclosed		5,080,000	5,080,000	4,080,000
Other non-current assets		436,146	436,146	626,699
Total Non-current Assets		<u>198,724,467</u>	<u>198,724,467</u>	<u>191,805,349</u>
<b>TOTAL ASSETS</b>		<u><u>3,679,996,366</u></u>	<u><u>3,679,996,366</u></u>	<u><u>3,818,055,368</u></u>

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT JUNE 30, 2024

UNIT : BAHT

	Notes	FINANCIAL	SEPARATE	
		STATEMENTS IN	FINANCIAL STATEMENTS	
		WHICH THE EQUITY		
		METHOD IS APPLIED		
		As at	As at	As at
		June 30,	June 30,	December 31,
		2024	2024	2023
		“Unaudited”	“Unaudited”	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>CURRENT LIABILITIES</b>				
Short-term borrowings from financial institutions	12	1,785,000,000	1,785,000,000	1,835,000,000
Other current payables		38,013,944	38,013,944	54,962,634
Current portion of long-term borrowings	13	33,360,000	33,360,000	73,360,000
Current portion of lease liabilities		1,259,181	1,259,181	539,514
Corporate income tax payable		23,452,024	23,452,024	21,078,773
Other current liabilities		124,995	124,995	1,061,923
Total Current Liabilities		<u>1,881,210,144</u>	<u>1,881,210,144</u>	<u>1,986,002,844</u>
<b>NON-CURRENT LIABILITIES</b>				
Long-term borrowings	13	8,260,000	8,260,000	24,940,000
Lease liabilities		2,964,959	2,964,959	1,835,007
Non-current provisions for employee benefits		35,670,949	35,670,949	33,398,871
Other non-current liabilities		491,672	491,672	136,654
Total Non-current Liabilities		<u>47,387,580</u>	<u>47,387,580</u>	<u>60,310,532</u>
TOTAL LIABILITIES		<u>1,928,597,724</u>	<u>1,928,597,724</u>	<u>2,046,313,376</u>

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT JUNE 30, 2024**

UNIT : BAHT

	FINANCIAL		SEPARATE	
	Notes	As at June 30, 2024 “Unaudited”	As at June 30, 2024 “Unaudited”	As at December 31, 2023
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)</b>				
SHAREHOLDERS' EQUITY				
SHARE CAPITAL				
Authorized share capital				
493,500,000 ordinary shares of Baht 1 each		493,500,000	493,500,000	493,500,000
Issued and paid-up share capital				
493,499,975 ordinary shares of Baht 1 each		493,499,975	493,499,975	493,499,975
Share premium on ordinary shares		31,746,399	31,746,399	31,746,399
RETAINED EARNINGS				
Appropriated				
Legal reserve		49,350,000	49,350,000	49,350,000
Unappropriated		1,176,802,268	1,176,802,268	1,197,145,618
TOTAL SHAREHOLDERS' EQUITY		1,751,398,642	1,751,398,642	1,771,741,992
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>3,679,996,366</b>	<b>3,679,996,366</b>	<b>3,818,055,368</b>

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2024**  
**“UNAUDITED”**

UNIT : BAHT

	Note	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED	SEPARATE FINANCIAL STATEMENTS	
		2024	2024	2023
<b>REVENUES</b>				
Factoring income		67,303,701	67,303,701	67,915,177
Hire purchase income		74,389	74,389	40,296
Finance lease income		3,066,328	3,066,328	3,623,001
Factoring commission and service fees		25,156,688	25,156,688	24,163,358
Other income		12,416,475	12,416,475	12,037,131
Total Revenues		108,017,581	108,017,581	107,778,963
<b>EXPENSES</b>				
Selling expenses		4,763,699	4,763,699	3,922,772
Administrative expenses		31,248,850	31,248,850	31,558,205
Management benefit expenses	4	13,434,458	13,434,458	12,992,123
Total Expenses		49,447,007	49,447,007	48,473,100
<b>Profit from operating activities</b>		58,570,574	58,570,574	59,305,863
Finance costs		13,480,834	13,480,834	11,914,725
Impairment loss determined in accordance with TFRS 9 (reversal)		2,533,519	2,533,519	(27,181)
<b>Profit before income tax expense</b>		42,556,221	42,556,221	47,418,319
Income tax expense		9,546,827	9,546,827	7,519,706
<b>PROFIT FOR THE PERIODS</b>		33,009,394	33,009,394	39,898,613
OTHER COMPREHENSIVE INCOME		-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIODS</b>		33,009,394	33,009,394	39,898,613
<b>BASIC EARNINGS PER SHARE</b>	<b>BAHT</b>	0.07	0.07	0.08
<b>WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES</b>	<b>SHARES</b>	493,499,975	493,499,975	493,499,975

See condensed notes to the financial statements

## IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024

“UNAUDITED”

UNIT : BAHT

	Note	FINANCIAL	SEPARATE	
		STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED	FINANCIAL STATEMENTS	
		2024	2024	2023
<b>REVENUES</b>				
Factoring income		135,560,959	135,560,959	133,987,194
Hire purchase income		161,357	161,357	89,279
Finance lease income		6,154,751	6,154,751	6,726,098
Factoring commission and service fees		49,402,524	49,402,524	48,745,847
Other income		23,523,316	23,523,316	24,293,423
Total Revenues		214,802,907	214,802,907	213,841,841
<b>EXPENSES</b>				
Selling expenses		9,280,691	9,280,691	9,005,158
Administrative expenses		58,465,318	58,465,318	57,796,991
Management benefit expenses	4	24,843,915	24,843,915	23,718,514
Total Expenses		92,589,924	92,589,924	90,520,663
<b>Profit from operating activities</b>		122,212,983	122,212,983	123,321,178
Finance costs		27,110,607	27,110,607	22,758,795
Impairment loss determined in accordance with TFRS 9		16,908,130	16,908,130	1,035,912
<b>Profit before income tax expense</b>		78,194,246	78,194,246	99,526,471
Income tax expense		15,629,600	15,629,600	18,380,513
<b>PROFIT FOR THE PERIODS</b>		62,564,646	62,564,646	81,145,958



**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024**  
**“UNAUDITED”**

**UNIT : BAHT**

	Note	FINANCIAL	SEPARATE	
		STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2024	2024	2023
<b>OTHER COMPREHENSIVE INCOME</b>				
Components of other comprehensive income that will not be reclassified to profit or loss				
Losses on re-measurements of defined benefit plans		-	-	(1,359,680)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss		-	-	271,936
Other comprehensive loss for the periods, net of tax		-	-	(1,087,744)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIODS</b>		<u>62,564,646</u>	<u>62,564,646</u>	<u>80,058,214</u>
<b>BASIC EARNINGS PER SHARE</b>	<b>BAHT</b>	0.13	0.13	0.16
<b>WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES</b>	<b>SHARES</b>	493,499,975	493,499,975	493,499,975

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024**  
**“UNAUDITED”**

**UNIT : BAHT**

	Note	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED				Total shareholders' equity
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		
				Appropriated		
				Legal reserve	Unappropriated	
<b>Balance as at January 1, 2024</b>		493,499,975	31,746,399	49,350,000	1,197,145,618	1,771,741,992
<b>Change in shareholder's equity for the period</b>						
Dividends	14.1	-	-	-	(82,907,996)	(82,907,996)
Comprehensive income for the period		-	-	-	62,564,646	62,564,646
<b>Total change in shareholder's equity for the period</b>		-	-	-	(20,343,350)	(20,343,350)
<b>Balance as at June 30, 2024</b>		493,499,975	31,746,399	49,350,000	1,176,802,268	1,751,398,642

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024**  
**“UNAUDITED”**

**UNIT : BAHT**

	Notes	SEPARATE FINANCIAL STATEMENTS				Total shareholders' equity
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		
				Appropriated	Unappropriated	
				Legal reserve		
<b>Balance as at January 1, 2023</b>		493,499,975	31,746,399	49,350,000	1,120,142,656	1,694,739,030
<b>Change in shareholder's equity for the period</b>						
Dividends	14.2	-	-	-	(80,588,546)	(80,588,546)
Comprehensive income for the period		-	-	-	80,058,214	80,058,214
<b>Total change in shareholder's equity for the period</b>		-	-	-	(530,332)	(530,332)
<b>Balance as at June 30, 2023</b>		493,499,975	31,746,399	49,350,000	1,119,612,324	1,694,208,698
<b>Balance as at January 1, 2024</b>		493,499,975	31,746,399	49,350,000	1,197,145,618	1,771,741,992
<b>Change in shareholder's equity for the period</b>						
Dividends	14.1	-	-	-	(82,907,996)	(82,907,996)
Comprehensive income for the period		-	-	-	62,564,646	62,564,646
<b>Total change in shareholder's equity for the period</b>		-	-	-	(20,343,350)	(20,343,350)
<b>Balance as at June 30, 2024</b>		493,499,975	31,746,399	49,350,000	1,176,802,268	1,751,398,642

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024**  
**“UNAUDITED”**

UNIT : BAHT

	FINANCIAL		SEPARATE	
	Note	2024	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit for the periods		62,564,646	62,564,646	81,145,958
Adjustments for				
Income tax expense		15,629,600	15,629,600	18,380,513
Impairment loss determined in accordance with TFRS 9		16,908,130	16,908,130	1,035,912
Loss from bad debts written-off		-	-	4,257,210
Loss on disposal of properties foreclosed		1,912,709	1,912,709	150,000
Gain on disposal of fixed assets		(322,429)	(322,429)	-
Loss on written-off assets		1,461	1,461	4
Interest expenses		26,850,950	26,850,950	22,518,533
Interest income		(142,513,816)	(142,513,816)	(141,393,246)
Employee benefits expense		2,272,078	2,272,078	2,578,732
Depreciation and amortization		5,445,185	5,445,185	5,115,539
		(11,251,486)	(11,251,486)	(6,210,845)
Changes in operating assets and liabilities				
Operating assets (increase) decrease				
Factoring receivables		156,399,098	156,399,098	191,444,969
Hire purchase receivables		1,057,404	1,057,404	425,171
Finance lease receivables		5,064,302	5,064,302	(19,640,815)
Inventory finance receivables		22,229,822	22,229,822	47,505,533
Other current receivables		(4,182,031)	(4,182,031)	(9,180,476)
Other current assets		(575,773)	(575,773)	(480,467)
Properties foreclosed		(1,000,000)	(1,000,000)	(8,257,210)
Other non-current assets		190,553	190,553	256,499
Operating liabilities increase (decrease)				
Other current payables		(15,338,209)	(15,338,209)	(45,389,343)
Other current liabilities		(936,928)	(936,928)	1,015,803
Other non-current liabilities		355,018	355,018	(899,404)
Net cash flows provided by operation		152,011,770	152,011,770	150,589,415

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2024**  
**“UNAUDITED”**

UNIT : BAHT

	Notes	FINANCIAL	SEPARATE	
		STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2024	2024	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)</b>				
Interest paid		(28,407,121)	(28,407,121)	(23,550,684)
Interest received		142,345,260	142,345,260	141,354,854
Cash received from disposal of properties foreclosed		-	-	250,000
Employee benefits paid		-	-	(595,200)
Income tax paid		(17,772,676)	(17,772,676)	(19,954,491)
<b>Net cash flows provided by operating activities</b>		<u>248,177,233</u>	<u>248,177,233</u>	<u>248,093,894</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Cash paid for purchase of interest in joint venture		(12,250,000)	(12,250,000)	-
Cash received from disposal of plant and equipment		322,430	322,430	-
Cash paid for purchase of plant and equipment		(583,129)	(583,129)	-
Cash paid for purchase of other intangible assets		(275,311)	(275,311)	(285,690)
<b>Net cash flows used in investing activities</b>		<u>(12,786,010)</u>	<u>(12,786,010)</u>	<u>(285,690)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Cash received from short-term borrowings				
from financial institutions	5	7,305,000,000	7,305,000,000	5,430,000,000
Cash paid for short-term borrowings				
to financial institutions	5	(7,355,000,000)	(7,355,000,000)	(5,445,000,000)
Cash paid for long-term borrowings	5	(56,680,000)	(56,680,000)	(98,613,334)
Cash paid for lease liabilities	5	(677,200)	(677,200)	(279,840)
Dividend paid	14	(82,907,996)	(82,907,996)	(80,588,546)
<b>Net cash flows used in financing activities</b>		<u>(190,265,196)</u>	<u>(190,265,196)</u>	<u>(194,481,720)</u>
Net increase in cash and cash equivalents		45,126,027	45,126,027	53,326,484
Cash and cash equivalents at the beginning of the periods		353,267,455	353,267,455	451,556,819
<b>Cash and cash equivalents at the end of the periods</b>	6	<u><u>398,393,482</u></u>	<u><u>398,393,482</u></u>	<u><u>504,883,303</u></u>

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**CONDENSED NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2024**  
**“UNAUDITED”**

**1. GENERAL INFORMATION AND THE COMPANY’S OPERATION**

IFS Capital (Thailand) Public Company Limited (the “Company”) is incorporated in Thailand and has its registered office at 20<sup>th</sup> Floor Lumpini Tower, 1168/55 Rama IV Road, Tungmahamek, Sathorn, Bangkok. The Company was listed on The Stock Exchange of Thailand on April 18, 2007. The business activities of the Company are factoring, hire purchase, leasing businesses and office rental.

The Company’s major shareholder are IFS Capital Limited, which was registered in Singapore with 36.49% of the Company’s shares and IFS Capital Holdings (Thailand) Limited with 36.64% of the Company’s shares. The Company’s ultimate shareholder is Philip Asset Pte. Ltd., which was incorporated in Singapore.

The Company has been foreign and submitted the request to do business under Section 17 of the Foreign Business Act B.E. 2542 and obtained the license of foreign business operations dated July 3, 2009 from the Department of Business Development to do business in category 3 (21) service business as follows:

1. Factoring
2. Leasing and hire purchase businesses only to the existing customers committed under the leasing and hire purchase agreements
3. Leasing and hire purchase of vehicles and machineries used in industry, tools used in transport of goods, vessels and carriages used in agriculture to new clients
4. Service businesses of office rental including utility and facility

Thus, the Company has to comply with the conditions specified in the certificate of foreign business operations.

On May 13, 2024, the Company entered into a Joint Venture Company’s Agreement, named Beyond Leasing Co., Ltd. registered capital of Baht 100 million. The Company was registered with 4,900,000 shares at Baht 10 per share, totaling Baht 49 million. The aims to provide the financial services covering operating lease, financial lease, hire-purchase and other related financial services (see Note 11).

Detail of the joint venture as at June 30, 2024 (as at December 31, 2023: Nil) was as follows:

<b>Name of the entity</b>	<b>Type of business</b>	<b>Country of incorporation</b>	<b>Company ownership interest (%)</b>
<i>Joint venture</i> Beyond Leasing Co., Ltd.	Provide the financial services under lease agreements	Thailand	49

**2. BASIS FOR PREPARATION AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED AND THE INTERIM SEPARATE FINANCIAL STATEMENTS**

- 2.1 These interim financial statements in which the equity method is applied and the interim separate financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No.34 “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.
- 2.2 The separate statement of financial position as at December 31, 2023, presented herein for comparison, have been derived from the financial statements of the Company for the year then ended which had been previously audited.
- 2.3 The unaudited results of operations presented in the three-month and six-month periods ended June 30, 2024 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and six-month periods ended June 30, 2024 should be read in conjunction with the audited financial statements for the year ended December 31, 2023.
- 2.5 The English version of the interim financial statements in which the equity method is applied and the interim separate financial statements have been prepared from the Thai version of the interim financial statements in which the equity method is applied and the interim separate financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version of the interim financial statements in which the equity method is applied and the interim separate financial statements in accordance with the Thai law is superseded.
- 2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Company has adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have any significant impact on the Company’s interim financial statements.

2.7 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

Thai Financial Reporting Standard No.17 “Insurance Contracts” which will be effective for the financial statements for the period beginning on or after January 1, 2025, onwards, establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes Thai Financial Reporting Standard No.4 “Insurance Contracts”. The Company does not have accounting transaction which should be adopted this Financial Reporting Standard.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements in which the equity method is applied and the interim separate financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2023, except the accounting policies of investment in a joint venture as presented to the interim financial statements for the three-month and six-month periods ended June 30, 2024 as follows:

#### Investment in joint venture

Investment in joint venture in the separate financial statements of the Company is accounted for using the cost method. Investment in joint venture in the financial statements in which the equity method is applied is accounted for using the equity method.

An investment in a joint venture is initially recognized in the statement of financial position in which the equity method is applied at cost and adjusted thereafter to recognize the Company’s share of the profit or loss and other comprehensive income of the joint venture. When the Company’s share of losses of a joint venture equals or exceeds the Company’s interest in that joint venture (which includes any long-term interests that, in substance, form part of the Company’s net investment in the joint venture), the Company discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Company has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Company’s share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Company’s share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognized immediately as profit or loss in the statement of comprehensive income in the period in which the investment is acquired.

When the Company transacts with a joint venture, profits and losses resulting from such transactions are recognized in the Company’s financial statements in which the equity method is applied only to the extent of interests in the joint venture that are not related to the Company.



#### 4. RELATED PARTY TRANSACTIONS

The accompanying financial statements include certain transactions with related companies. The relationship may be that of shareholding or the companies may have the same group of shareholders or directors. The financial statements reflect the effects of these transactions in the normal business practice, and the price rates, interest rates, terms and conditions are considered to be at arms length, for related parties as approved by the Board or the shareholders.

Relationships with related parties other than subsidiaries, associates and joint ventures as at June 30, 2024 were as follows:

Name of entities	Nature of relationships
IFS Capital Limited	Major shareholders and common directors
IFS Capital Holdings (Thailand) Limited	Major shareholders and common directors

Significant transactions with related parties for the three-month and six-month periods ended June 30, 2024 and 2023 were as follows:

	Financial statements in which the equity method is applied	Separate financial statements	
	For the three-month period ended June 30, 2024 Baht	For the three-month period ended June 30, 2024 Baht	For the three-month period ended June 30, 2023 Baht
Management benefit expenses			
Short-term benefits	13,206,610	13,206,610	12,731,405
Post-employment benefits	218,993	218,993	252,272
Other long-term benefits	8,855	8,855	8,446
	<u>13,434,458</u>	<u>13,434,458</u>	<u>12,992,123</u>
Other expenses			
Service fees	729,674	729,674	-
	<u>729,674</u>	<u>729,674</u>	<u>-</u>
Dividends paid			
IFS Capital Limited	30,252,600	30,252,600	29,406,248
IFS Capital Holdings (Thailand) Limited	30,376,080	30,376,080	29,526,273
	<u>60,628,680</u>	<u>60,628,680</u>	<u>58,932,521</u>

	<b>Financial statements in which the equity method is applied</b>			<b>Separate financial statements</b>		
	<b>For the six-month period ended June 30, 2024</b>	<b>For the six-month period ended June 30, 2024</b>	<b>For the six-month period ended June 30, 2023</b>	<b>For the six-month period ended June 30, 2024</b>	<b>For the six-month period ended June 30, 2024</b>	<b>For the six-month period ended June 30, 2023</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Management benefit expenses						
Short-term benefits	24,388,220	24,388,220	23,197,071			
Post-employment benefits	437,986	437,986	504,548			
Other long-term benefits	17,709	17,709	16,895			
	<u>24,843,915</u>	<u>24,843,915</u>	<u>23,718,514</u>			
Other expenses						
Service expenses	729,674	729,674	-			
	<u>729,674</u>	<u>729,674</u>	<u>-</u>			
Dividends paid						
IFS Capital Limited	30,252,600	30,252,600	29,406,248			
IFS Capital Holdings (Thailand) Limited	30,376,080	30,376,080	29,526,273			
	<u>60,628,680</u>	<u>60,628,680</u>	<u>58,932,521</u>			

## 5. ADDITIONAL CASH FLOW INFORMATION

### Reconciliation of liabilities arising from financing activities

Changes in the liabilities arising from financing activities, including both cash and non-cash changes classified as financing activities in the statements of cash flows, were as follows:

<b>As at June 30, 2024</b>	<b>Financial statements in which the equity method is applied and separate financial statements</b>				
	<b>Cash flows from financing activities</b>				
	<b>Balance as at January 1, 2024</b>	<b>Cash received</b>	<b>Cash paid</b>	<b>Non-cash items<sup>(1)</sup></b>	<b>Balance as at June 30, 2024</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Short-term borrowings from financial institutions	1,835,000,000	7,305,000,000	(7,355,000,000)	-	1,785,000,000
Long-term borrowings	98,300,000	-	(56,680,000)	-	41,620,000
Lease liabilities	2,374,521	-	(677,200)	2,526,819	4,224,140

As at June 30, 2023	Separate financial statements				
	Balance as at January 1, 2023 Baht	Cash flows from financing activities			Balance as at June 30, 2023 Baht
		Cash received Baht	Cash paid Baht	Non-cash items <sup>(1)</sup> Baht	
Short-term borrowings from financial institutions	1,615,000,000	5,430,000,000	(5,445,000,000)	-	1,600,000,000
Long-term borrowings	278,926,667	-	(98,613,334)	-	180,313,333
Lease liabilities	737,905	-	(279,840)	8,232	466,297

(1) Non-cash items were arisen from additions to car and photocopy machine rental agreements.

## 6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at June 30, 2024 and 2023 consisted of the following:

	Separate financial statements		
	Financial statements in which the equity method is applied		
	2024 Baht	2024 Baht	2023 Baht
Cash on hand	30,000	30,000	30,000
Cash at banks - current accounts	25,800,918	25,800,918	63,523,476
Cash at banks - savings accounts	372,562,564	372,562,564	441,329,827
<b>Total</b>	<b>398,393,482</b>	<b>398,393,482</b>	<b>504,883,303</b>

## 7. FACTORING RECEIVABLES

Factoring receivables as at June 30, 2024 and December 31, 2023 consisted of the following:

	Separate financial statements		
	Financial statements in which the equity method is applied		
	As at June 30, 2024 Baht	As at June 30, 2024 Baht	As at December 31, 2023 Baht
Factoring receivables	3,969,705,988	3,969,705,988	4,070,849,061
<u>Less</u> Allowance for expected credit losses	<u>(120,903,381)</u>	<u>(120,903,381)</u>	<u>(108,856,998)</u>
	3,848,802,607	3,848,802,607	3,961,992,063
<u>Less</u> Factoring payables	<u>(967,985,696)</u>	<u>(967,985,696)</u>	<u>(912,729,671)</u>
Factoring receivables, net	<u>2,880,816,911</u>	<u>2,880,816,911</u>	<u>3,049,262,392</u>

Factoring receivables as at June 30, 2024 and December 31, 2023 were classified by staging as follows:

	Unit : Baht		
	<b>Financial statements in which the equity method is applied and separate financial statements</b>		
	<b>As at June 30, 2024</b>		
	<b>Factoring receivables</b>	<b>Allowance for expected credit losses</b>	<b>Expected credit loss rate (%)</b>
Low credit risk receivables	3,327,542,596	172,403	0.01
Significant increase in credit risk receivables	521,996,938	1,855,376	0.36
Default receivables in credit risk	120,166,454	118,875,602	98.93
Total	<u>3,969,705,988</u>	<u>120,903,381</u>	

	Unit : Baht		
	<b>Separate financial statements</b>		
	<b>As at December 31, 2023</b>		
	<b>Factoring receivables</b>	<b>Allowance for expected credit losses</b>	<b>Expected credit loss rate (%)</b>
Low credit risk receivables	3,628,746,815	154,893	0.01
Significant increase in credit risk receivables	332,792,613	865,415	0.26
Default receivables in credit risk	109,309,633	107,836,690	98.65
Total	<u>4,070,849,061</u>	<u>108,856,998</u>	

Allowance for expected credit losses for the six-month period ended June 30, 2024 and for the year ended December 31, 2023 consisted of the following:

	Unit : Baht			
	<b>Financial statements in which the equity method is applied and separate financial statements</b>			
	<b>For the six-month period ended June 30, 2024</b>			
	<b>Allowance for expected credit losses</b>			
	<b>Performing (Stage 1)</b>	<b>Under-Performing (Stage 2)</b>	<b>Non-Performing (Stage 3)</b>	<b>Total</b>
Balance as at January 1, 2024	154,893	865,415	107,836,690	108,856,998
Changes in staging	(1,607)	185	1,422	-
Changes in risk parameters	(10,410)	990,088	11,037,490	12,017,168
New financial assets originated or purchased	29,963	-	-	29,963
Financial assets derecognized	(436)	(312)	-	(748)
Balance as at June 30, 2024	<u>172,403</u>	<u>1,855,376</u>	<u>118,875,602</u>	<u>120,903,381</u>

	<b>Separate financial statements</b>			<b>Unit : Baht</b>
	<b>For the year ended December 31, 2023</b>			
	<b>Allowance for expected credit losses</b>			
	<b>Performing (Stage 1)</b>	<b>Under- Performing (Stage 2)</b>	<b>Non-Performing (Stage 3)</b>	<b>Total</b>
Balance as at January 1, 2023	441,780	775,993	106,229,926	107,447,699
Changes in staging	496,970	(574,229)	77,259	-
Changes in risk parameters	(773,452)	708,872	1,529,505	1,464,925
New financial assets originated or purchased	24,853	-	-	24,853
Financial assets derecognized	(35,258)	(45,221)	-	(80,479)
Balance as at December 31, 2023	<u>154,893</u>	<u>865,415</u>	<u>107,836,690</u>	<u>108,856,998</u>

## 8. HIRE PURCHASE RECEIVABLES

Hire purchase receivables as at June 30, 2024 and December 31, 2023 consisted of the following:

	<b>Financial statements in which the equity method is applied</b>	<b>Separate financial statements</b>	
	<b>As at June 30, 2024 Baht</b>	<b>As at June 30, 2024 Baht</b>	<b>As at December 31, 2023 Baht</b>
Outstanding contract price	3,781,816	3,781,816	5,000,576
<u>Less</u> Unearned financing income	<u>(229,195)</u>	<u>(229,195)</u>	<u>(390,551)</u>
	3,552,621	3,552,621	4,610,025
<u>Less</u> Allowance for expected credit losses	<u>(833,576)</u>	<u>(833,576)</u>	<u>(1,008,310)</u>
	<u>2,719,045</u>	<u>2,719,045</u>	<u>3,601,715</u>
Due within one year	2,101,148	2,101,148	2,101,148
<u>Less</u> Unearned financing income	<u>(164,379)</u>	<u>(164,379)</u>	<u>(270,940)</u>
<u>Less</u> Allowance for expected credit losses	<u>(7,041)</u>	<u>(7,041)</u>	<u>(7,041)</u>
Hire purchase current receivables, net	<u>1,929,728</u>	<u>1,929,728</u>	<u>1,823,167</u>
Hire purchase non-current receivables, net	<u>789,317</u>	<u>789,317</u>	<u>1,778,548</u>

Hire purchase receivables as at June 30, 2024 and December 31, 2023 were classified by staging as follows:

	Unit : Baht		
	<b>Financial statements in which the equity method is applied and separate financial statements</b>		
	<b>As at June 30, 2024</b>		
	<b>Hire purchase receivables</b>	<b>Allowance for expected credit losses</b>	<b>Expected credit loss rate (%)</b>
Low credit risk receivables	2,319,537	492	0.02
Default receivables in credit risk	1,233,084	833,084	67.56
Total	<u>3,552,621</u>	<u>833,576</u>	

	Unit : Baht		
	<b>Separate financial statements</b>		
	<b>As at December 31, 2023</b>		
	<b>Hire purchase receivables</b>	<b>Allowance for expected credit losses</b>	<b>Expected credit loss rate (%)</b>
Low credit risk receivables	3,208,756	7,041	0.22
Default receivables in credit risk	1,401,269	1,001,269	71.45
Total	<u>4,610,025</u>	<u>1,008,310</u>	

Allowance for expected credit losses for the six-month period ended June 30, 2024 and for the year ended December 31, 2023 consisted of the following:

	Unit : Baht			
	<b>Financial statements in which the equity method is applied and separate financial statements</b>			
	<b>For the six-month period ended June 30, 2024</b>			
	<b>Allowance for expected credit losses</b>			
	<b>Performing (Stage 1)</b>	<b>Under-Performing (Stage 2)</b>	<b>Non-Performing (Stage 3)</b>	<b>Total</b>
Balance as at January 1, 2024	7,041	-	1,001,269	1,008,310
Changes in risk parameters	(6,549)	-	(168,185)	(174,734)
Balance as at June 30, 2024	<u>492</u>	<u>-</u>	<u>833,084</u>	<u>833,576</u>

	Unit : Baht			
	<b>Separate financial statements</b>			
	<b>For the year ended December 31, 2023</b>			
	<b>Allowance for expected credit losses</b>			
	<b>Performing (Stage 1)</b>	<b>Under-Performing (Stage 2)</b>	<b>Non-Performing (Stage 3)</b>	<b>Total</b>
Balance as at January 1, 2023	1,035	-	-	1,035
Changes in staging	(1,035)	-	1,035	-
Changes in risk parameters	-	-	1,000,234	1,000,234
New financial assets originated or purchased	7,041	-	-	7,041
Balance as at December 31, 2023	<u>7,041</u>	<u>-</u>	<u>1,001,269</u>	<u>1,008,310</u>

## 9. FINANCE LEASE RECEIVABLES

Finance lease receivables as at June 30, 2024 and December 31, 2023 consisted of the following:

	<b>Financial statements in which the equity method is applied</b>	<b>Separate financial statements</b>	
	<b>As at June 30, 2024 Baht</b>	<b>As at June 30, 2024 Baht</b>	<b>As at December 31, 2023 Baht</b>
Outstanding contract price	244,019,111	244,019,111	259,751,972
<u>Less</u> Deposits on finance lease	(73,985,734)	(73,985,734)	(77,497,048)
<u>Less</u> Unearned financing income	(16,996,879)	(16,996,879)	(18,199,450)
	<u>153,036,498</u>	<u>153,036,498</u>	<u>164,055,474</u>
<u>Less</u> Allowance for expected credit losses	<u>(8,136,943)</u>	<u>(8,136,943)</u>	<u>(9,408,878)</u>
	<u>144,899,555</u>	<u>144,899,555</u>	<u>154,646,596</u>
Due within one year	95,032,272	95,032,272	100,473,157
<u>Less</u> Deposits on finance lease	(15,447,411)	(15,447,411)	(20,969,342)
<u>Less</u> Unearned financing income	(9,652,841)	(9,652,841)	(9,993,434)
Finance lease current receivables, net	<u>69,932,020</u>	<u>69,932,020</u>	<u>69,510,381</u>
Finance lease non-current receivables, net	<u>74,967,535</u>	<u>74,967,535</u>	<u>85,136,215</u>

Finance lease receivables as at June 30, 2024 and December 31, 2023 were classified by staging as follows:

	<b>Unit : Baht</b>		
	<b>Financial statements in which the equity method is applied and separate financial statements</b>		
	<b>As at June 30, 2024</b>		
	<b>Finance lease receivables</b>	<b>Allowance for expected credit losses</b>	<b>Expected credit loss rate (%)</b>
Low credit risk receivables	136,007,902	166,288	0.12
Significant increase in credit risk receivables	7,784,508	274,227	3.52
Default receivables in credit risk	9,244,088	7,696,428	83.26
Total	<u>153,036,498</u>	<u>8,136,943</u>	

	<b>Separate financial statements</b>			<b>Unit : Baht</b>
	<b>As at December 31, 2023</b>			
	<b>Finance lease receivables</b>	<b>Allowance for expected credit losses</b>	<b>Expected credit loss rate (%)</b>	
Low credit risk receivables	140,577,136	287,906	0.20	
Significant increase in credit risk receivables	9,683,722	111,725	1.15	
Default receivables in credit risk	13,794,616	9,009,247	65.31	
Total	<u>164,055,474</u>	<u>9,408,878</u>		

Allowance for expected credit losses for the six-month period ended June 30, 2024 and for the year ended December 31, 2023 consisted of the following:

	<b>Financial statements in which the equity method is applied and separate financial statements</b>			<b>Unit : Baht</b>
	<b>For the six-month period ended June 30, 2024</b>			
	<b>Allowance for expected credit losses</b>			
	<b>Performing (Stage 1)</b>	<b>Under- Performing (Stage 2)</b>	<b>Non- Performing (Stage 3)</b>	<b>Total</b>
Balance as at January 1, 2024	287,906	111,725	9,009,247	9,408,878
Changes in staging	22,381	(22,381)	-	-
Changes in risk parameters	(172,360)	206,731	126,923	161,294
New financial assets originated or purchased	31,530	-	-	31,530
Financial assets derecognized	(3,169)	-	(141,531)	(144,700)
Written-off	-	(21,848)	(1,298,211)	(1,320,059)
Balance as at June 30, 2024	<u>166,288</u>	<u>274,227</u>	<u>7,696,428</u>	<u>8,136,943</u>

	<b>Separate financial statements</b>			<b>Unit : Baht</b>
	<b>For the year ended December 31, 2023</b>			
	<b>Allowance for expected credit losses</b>			
	<b>Performing (Stage 1)</b>	<b>Under- Performing (Stage 2)</b>	<b>Non- Performing (Stage 3)</b>	<b>Total</b>
Balance as at January 1, 2023	897,054	1,625,644	7,669,193	10,191,891
Changes in staging	1,038,476	(1,038,476)	-	-
Changes in risk parameters	(1,584,821)	(475,443)	1,340,054	(720,210)
New financial assets originated or purchased	89,754	-	-	89,754
Financial assets derecognized	(151,660)	-	-	(151,660)
Written-off	(897)	-	-	(897)
Balance as at December 31, 2023	<u>287,906</u>	<u>111,725</u>	<u>9,009,247</u>	<u>9,408,878</u>



## 10. INVENTORY FINANCE RECEIVABLES

Inventory finance receivables as at June 30, 2024 and December 31, 2023 consisted of the following:

	<b>Separate financial statements</b>		
	<b>Financial statements in which the equity method is applied</b>	<b>As at June 30, 2024</b>	<b>As at December 31, 2023</b>
	<b>As at June 30, 2024</b>	<b>As at June 30, 2024</b>	<b>As at December 31, 2023</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Inventory finance receivables	125,481,118	125,481,118	147,710,940
<u>Less</u> Allowance for expected credit losses	<u>(7,344,260)</u>	<u>(7,344,260)</u>	<u>(5,246,566)</u>
Inventory finance receivables, net	<u>118,136,858</u>	<u>118,136,858</u>	<u>142,464,374</u>

Inventory finance receivables as at June 30, 2024 and December 31, 2023 were classified by staging as follows:

	<b>Unit : Baht</b>		
	<b>Financial statements in which the equity method is applied and separate financial statements</b>		
	<b>As at June 30, 2024</b>		
	<b>Inventory finance receivables</b>	<b>Allowance for expected credit losses</b>	<b>Expected credit loss rate (%)</b>
Low credit risk receivables	102,131,094	579,369	0.57
Significant increase in credit risk receivables	16,850,091	264,958	1.57
Default receivables in credit risk	6,499,933	6,499,933	100.00
Total	<u>125,481,118</u>	<u>7,344,260</u>	

  

	<b>Unit : Baht</b>		
	<b>Separate financial statements</b>		
	<b>As at December 31, 2023</b>		
	<b>Inventory finance receivables</b>	<b>Allowance for expected credit losses</b>	<b>Expected credit loss rate (%)</b>
Low credit risk receivables	127,410,269	464,553	0.36
Significant increase in credit risk receivables	15,754,947	236,289	1.50
Default receivables in credit risk	4,545,724	4,545,724	100.00
Total	<u>147,710,940</u>	<u>5,246,566</u>	

Allowance for expected credit losses for the six-month period ended June 30, 2024 and for the year ended December 31, 2023 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements For the six-month period ended June 30, 2024 Allowance for expected credit losses			Unit : Baht
	Performing (Stage 1)	Under- Performing (Stage 2)	Non- Performing (Stage 3)	Total
Balance as at January 1, 2024	464,553	236,289	4,545,724	5,246,566
Changes in staging	(39,854)	22,338	17,516	-
Changes in risk parameters	152,134	6,331	1,936,693	2,095,158
New financial assets originated or purchased	2,536	-	-	2,536
Balance as at June 30, 2024	579,369	264,958	6,499,933	7,344,260

	Separate financial statements For the year ended December 31, 2023 Allowance for expected credit loss			Unit : Baht
	Performing (Stage 1)	Under- Performing (Stage 2)	Non- Performing (Stage 3)	Total
Balance as at January 1, 2023	1,775,244	1,533,870	4,545,724	7,854,838
Changes in staging	1,111,321	(1,111,321)	-	-
Changes in risk parameters	(2,470,072)	(186,260)	-	(2,656,332)
New financial assets originated or purchased	48,060	-	-	48,060
Balance as at December 31, 2023	464,553	236,289	4,545,724	5,246,566

## 11. INVESTMENT IN A JOINT VENTURE

### 11.1 Details of a joint venture:

As at June 30, 2024, the Company had investment in a joint venture as follows:

Company name	Type of business	Percentage of shareholding 2024 Percent	Financial statements in which the equity method is applied	Separate financial statements
			Carrying value under equity method 2024 Baht	Cost 2024 Baht
<b>Joint venture</b> Beyond Leasing Co., Ltd.	Provide the financial services under lease agreements	49	12,250,000	12,250,000

In May 2024, the Company has invested in Beyond Leasing Co., Ltd., which established and registered in Thailand with share capital of 10,000,000 shares at Baht 10 per share, totaling Baht 100 million. The Company's shareholding proportion is 49% of the registered capital of the joint venture company. The Company paid for share capital in the amount of Baht 12.25 million in June 2024.

11.2 Summarized financial information about material joint venture.

Summarized information about financial position as at June 30, 2024

	<b>Beyond Leasing Co., Ltd.</b>
	<b>2024</b>
	<b>Baht</b>
Net assets	25,000,000
Shareholding percentage (%)	49%
Share of net assets	<u>12,250,000</u>
Carrying amounts of joint ventures based on equity method	<u>12,250,000</u>

**12. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS**

Short-term borrowings from financial institutions as at June 30, 2024 and December 31, 2023 consisted of the following:

	<b>Financial statements in which the equity method is applied</b>	<b>Separate financial statements</b>	
	<b>As at June 30, 2024</b>	<b>As at June 30, 2024</b>	<b>As at December 31, 2023</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Promissory notes	<u>1,785,000,000</u>	<u>1,785,000,000</u>	<u>1,835,000,000</u>

As at June 30, 2024 and December 31, 2023, the Company had short-term borrowings from financial institutions which bear interest rate at 3.15% to 3.30% per annum and 2.05% to 3.55% per annum, respectively.

### 13. LONG-TERM BORROWINGS

Long-term borrowings as at June 30, 2024 and December 31, 2023 consisted of the following:

	<b>Financial statements in which the equity method is applied</b>	<b>Separate financial statements</b>	
	<b>As at June 30, 2024 Baht</b>	<b>As at June 30, 2024 Baht</b>	<b>As at December 31, 2023 Baht</b>
Long-term borrowings	41,620,000	41,620,000	98,300,000
Current portion of long-term borrowings	(33,360,000)	(33,360,000)	(73,360,000)
	<u>8,260,000</u>	<u>8,260,000</u>	<u>24,940,000</u>

As at June 30, 2024 and December 31, 2023, the Company entered into long-term borrowings with financial institutions at the floating interest rates 4.25% to 4.65% per annum and 3.20% to 4.64% per annum, respectively, and are repayable quarterly installments, the last installment of such borrowings fall due in July 2025. The Company has to comply with the conditions specified in the borrowing agreements with each financial institution that the Company has to maintain its debt to equity ratio at the rate prescribed in the agreements.

### 14. DIVIDENDS PAID

14.1 On April 22, 2024, the Ordinary Shareholder's Meeting passed the resolutions to pay dividend at the rate of Baht 0.1680 per share on 493,499,975 shares, totaling Baht 82,907,996. Such dividend was paid on May 15, 2024.

14.2 On April 18, 2023, the Ordinary Shareholder's Meeting passed the resolutions to pay dividend at the rate of Baht 0.1633 per share on 493,499,975 shares, totaling Baht 80,588,546. Such dividend was paid on May 15, 2023.

## 15. COMMITMENTS

As at June 30, 2024 and December 31, 2023, the Company had the committed credit facility agreements with financial institutions for general corporate funding requirements as follows:

	<b>Financial statements in which the equity method is applied</b>	<b>Separate financial statements</b>	
	<b>As at June 30, 2024 Baht</b>	<b>As at June 30, 2024 Baht</b>	<b>As at December 31, 2023 Baht</b>
Total credit facilities	<u>4,960,000,000</u>	<u>4,960,000,000</u>	<u>5,147,000,000</u>

As at June 30, 2024 and December 31, 2023, the Company had utilized the letters of credit with financial institutions amounting to Baht 1.20 million in each year for factoring, hire purchase and finance lease receivables. However, as at June 30, 2024 and December 31, 2023, the Company had unused such credit facilities with financial institutions totaling Baht 2,872 million and Baht 2,792 million, respectively.

## 16. FAIR VALUE MEASUREMENTS

Considerable judgment is necessarily required in estimation of fair value of financial assets or financial liabilities. Accordingly, the estimated fair value presented herein is not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Company in estimating fair values of financial instruments.

### 1. Financial assets or financial liabilities not measured at fair value

Cash and cash equivalents, other current receivables, other current assets, bank deposits held as collateral, short-term borrowings from financial institutions, other current payables and other current liabilities; the fair values approximate their carrying amounts due to the relatively short period to maturity.

Factoring receivables, finance lease receivables and inventory finance receivables, which carry a floating interest rate receivable expect for hire purchase receivables which carry a fixed interest rate receivables. The fair value is approximated by the outstanding balance less allowance for expected credit losses.

Long-term borrowings with floating interest rate: the fair values approximate their carrying amount presented in the statement of financial position.

### 2. Non-financial assets measured at cost but their fair values are disclosed

Investment properties have fair value which is determined based on the quoted price for similar assets in active market, fair value hierarchy level 2.

## 17. FINANCIAL INFORMATION BY SEGMENT

The business segment results are prepared based on the Management of the Company. The operating results by business segment provided to Chief Operating Decision Maker to make decisions about allocating resources to, and assessing the performance of, operating segments is measured in accordance with Thai Financial Reporting Standard.

The business segments are described below:

Factoring business: is a short-term loan that provides liquidity to the business immediately and enables the business to increase its turnover in the form of buying accounts receivables. The factoring facility is applicable to both domestic and international sales.

Hire purchase and finance lease business: are long-term loans for invested in business industry.

Others: encompasses a range of activities from corporate decisions, income and expenses not attributed to the business segments described.

For the three-month and six-month periods ended June 30, 2024 and 2023, there is no revenue from a single external customer contributed 10% or more to the Company's total revenue.

The financial information by business segment for the three-month and six-month periods ended June 30, 2024 and 2023, were as follows:

	Financial statements in which the equity method is applied and separate financial statements				Separate financial statements			
	For the three-month period ended June 30, 2024				For the three-month period ended June 30, 2023			
	Factoring business	Hire purchase and finance lease business	Unallocated	Total	Factoring business	Hire purchase and finance lease business	Unallocated	Total
Income from operations	92,461	3,141	-	95,602	92,078	3,664	-	95,742
Other income	12,038	378	-	12,416	11,373	664	-	12,037
Total income	104,499	3,519	-	108,018	103,451	4,328	-	107,779
Selling and administrative expenses	45,979	3,468	-	49,447	46,538	1,935	-	48,473
Finance costs	13,042	439	-	13,481	11,437	477	-	11,914
Impairment loss determined in accordance with TFRS 9 (reversal)	2,738	(204)	-	2,534	1,358	(1,385)	-	(27)
Total operation expenses	61,759	3,703	-	65,462	59,333	1,027	-	60,360
Profit (loss) before income tax expense	42,740	(184)	-	42,556	44,118	3,301	-	47,419
Income tax expense	9,022	525	-	9,547	8,664	(1,144)	-	7,520
Net profit (loss) for the periods	33,718	(709)	-	33,009	35,454	4,445	-	39,899

Unit : Thousand Baht

Unit : Thousand Baht

	Financial statements in which the equity method is applied and separate financial statements				Separate financial statements			
	For the six-month period ended June 30, 2024				For the six-month period ended June 30, 2023			
	Factoring business	Hire purchase and finance lease business	Unallocated	Total	Factoring business	Hire purchase and finance lease business	Unallocated	Total
Income from operations	184,964	6,316	-	191,280	182,733	6,816	-	189,549
Other income	22,479	1,044	-	23,523	22,923	1,370	-	24,293
Total income	207,443	7,360	-	214,803	205,656	8,186	-	213,842
Selling and administrative expenses	87,570	5,020	-	92,590	87,055	3,465	-	90,520
Finance costs	26,182	929	-	27,111	21,888	871	-	22,759
Impairment loss determined in accordance with TFRS 9	14,144	2,764	-	16,908	1,779	(743)	-	1,036
Total operation expenses	127,896	8,713	-	136,609	110,722	3,593	-	114,315
Profit (loss) before income tax expense	79,547	(1,353)	-	78,194	94,934	4,593	-	99,527
Income tax expense	15,881	(252)	-	15,629	18,524	(143)	-	18,381
Net profit (loss) for the periods	63,666	(1,101)	-	62,565	76,410	4,736	-	81,146

Unit : Thousand Baht

	Financial statements in which the equity method is applied and separate financial statements				Separate financial statements			
	As at June 30, 2024				As at December 31, 2023			
	Factoring business	Hire purchase and finance lease business	Unallocated	Total	Factoring business	Hire purchase and finance lease business	Unallocated	Total
Total assets	2,998,954	147,619	533,423	3,679,996	3,191,727	158,248	468,080	3,818,055

## 18. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were authorized for issuance by the Board of Directors of the Company on August 6, 2024.