

Headline: Reviewed Quarter 2 F/S (F45-1)

Security Symbol: IFS

Announcement Details

The Company Financial Statement (F45-1)

Company name IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

Quarter Quarter 2

(In thousands)

The Company Financial Statement

	Quarter 2		For 6 Months	
Status	Reviewed		Reviewed	
Ending	30 June		30 June	
Year	2018	2017	2018	2017
Net profit (loss)	41,397	37,902	79,233	74,602
EPS (baht)	0.08	0.08	0.16	0.15

Type of report Unqualified opinion

Please see details in financial statements, auditor's report and remarks from SET SMART

"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), and has also submitted the original report to the Securities and Exchange Commission."

Signature _____

(Mr. Tan Ley Yen)

Director and CEO

Authorized Persons to Disclose Information

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

TO THE BOARD OF DIRECTORS

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

We have reviewed the statement of financial position of IFS Capital (Thailand) Public Company Limited as at June 30, 2018 and the related statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2018, the related statements of changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and fair 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 has not been prepared in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

BANGKOK
August 6, 2018

Nisakorn Songmanee
Certified Public Accountant (Thailand)
Registration No. 5035
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2018

UNIT : BAHT

	Notes	"Unaudited" As at June 30, 2018	As at December 31, 2017
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		390,258,248	305,290,447
Factoring receivables	5	3,344,888,730	3,281,952,962
Current portion of hire purchase receivables	6	10,433,291	12,543,127
Current portion of lease contract receivables	7	103,299,916	98,037,396
Inventory finance receivables	8	165,971,865	141,825,832
Amounts due from related company	12	2,097	20,900
Other current assets		4,030,040	3,110,107
Total Current Assets		4,018,884,187	3,842,780,771
NON-CURRENT ASSETS			
Bank deposits held as collateral		158,331	157,729
Hire purchase receivables	6	2,867,558	6,917,806
Lease contract receivables	7	121,023,684	113,168,536
Plant and equipment		59,842,633	21,458,883
Investment property	9	51,516,141	91,621,334
Other intangible assets		1,649,413	2,944,801
Deferred tax assets		49,093,560	51,353,488
Other non-current assets		876,650	625,600
Total Non-current Assets		287,027,970	288,248,177
TOTAL ASSETS		4,305,912,157	4,131,028,948

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT JUNE 30, 2018

UNIT : BAHT

	Notes	"Unaudited" As at June 30, 2018	As at December 31, 2017
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term loans from financial institutions	10	2,670,000,000	2,545,000,000
Current portion of long-term loans	11	132,000,000	96,000,000
Other current liabilities		57,520,897	58,461,932
Total Current Liabilities		<u>2,859,520,897</u>	<u>2,699,461,932</u>
NON-CURRENT LIABILITIES			
Long-term loans	11	140,000,000	132,000,000
Provisions for employee benefits		28,444,804	26,604,301
Other non-current liabilities		762,750	-
Total Non-current Liabilities		<u>169,207,554</u>	<u>158,604,301</u>
TOTAL LIABILITIES		<u>3,028,728,451</u>	<u>2,858,066,233</u>

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT JUNE 30, 2018

UNIT : BAHT

	Notes	"Unaudited" As at June 30, 2018	As at December 31, 2017
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)			
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
Authorized share capital			
493,500,000 ordinary shares of Baht 1 each		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
ADDITIONAL PAID-UP CAPITAL			
Premium on ordinary shares		31,746,399	31,746,399
RETAINED EARNINGS			
Appropriated			
Legal reserve		49,350,000	49,350,000
Unappropriated		702,587,332	698,366,341
TOTAL SHAREHOLDERS' EQUITY		1,277,183,706	1,272,962,715
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,305,912,157	4,131,028,948

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2018
"UNAUDITED"

		UNIT : BAHT	
	Notes	2018	2017
REVENUES			
Factoring income		72,593,304	66,579,224
Hire purchase income		335,389	289,938
Finance lease income		5,148,031	4,885,130
Factoring commission and service fees		24,933,621	21,855,937
Other income		9,747,099	10,689,207
Total Revenues		112,757,444	104,299,436
EXPENSES			
Selling expenses		5,379,555	4,096,144
Administrative expenses		24,940,715	22,884,749
Management benefit expenses	12	10,334,772	10,457,583
Allowance for doubtful accounts (reverse)		(3,538,845)	1,284,637
Finance cost		19,227,369	17,718,956
Total Expenses		56,343,566	56,442,069
INCOME BEFORE INCOME TAX EXPENSE		56,413,878	47,857,367
INCOME TAX EXPENSE		15,016,403	9,955,587
PROFIT FOR THE PERIODS		41,397,475	37,901,780
BASIC EARNINGS PER SHARE		BAHT	
		0.08	0.08
WEIGHTED AVERAGE NUMBER OF			
ORDINARY SHARES		SHARES	
		493,499,975	493,499,975

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018
"UNAUDITED"

		UNIT : BAHT	
	Notes	2018	2017
REVENUES			
Factoring income		141,795,638	128,367,230
Hire purchase income		760,206	382,933
Finance lease income		9,838,227	9,718,897
Factoring commission and service fees		48,627,420	42,383,930
Other income		21,727,565	20,076,869
Total Revenues		222,749,056	200,929,859
EXPENSES			
Selling expenses		10,156,417	8,465,543
Administrative expenses		48,081,375	45,115,870
Management benefit expenses	12	18,482,047	18,758,544
Allowance for doubtful accounts		5,533,408	1,362,584
Finance cost		36,711,187	33,550,554
Total Expenses		118,964,434	107,253,095
INCOME BEFORE INCOME TAX EXPENSE		103,784,622	93,676,764
INCOME TAX EXPENSE		24,551,635	19,074,585
PROFIT FOR THE PERIODS		79,232,987	74,602,179
BASIC EARNINGS PER SHARE	BAHT	0.16	0.15
WEIGHTED AVERAGE NUMBER OF			
ORDINARY SHARES	SHARES	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, 2018
"UNAUDITED"

UNIT : BAHT

	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Retained Earnings Appropriated Legal Reserve	Unappropriated	Total Shareholders' Equity
Beginning balance as at						
January 1, 2017		470,000,000	31,746,399	47,000,000	616,495,771	1,165,242,170
Changes during the period						
Increase capital		23,499,975	-	-	-	23,499,975
Total comprehensive income		-	-	-	74,602,179	74,602,179
Dividend paid	13.2	-	-	-	(70,500,000)	(70,500,000)
Ending balance as at						
June 30, 2017		<u>493,499,975</u>	<u>31,746,399</u>	<u>47,000,000</u>	<u>620,597,950</u>	<u>1,192,844,324</u>
Beginning balance as at						
January 1, 2018		493,499,975	31,746,399	49,350,000	698,366,341	1,272,962,715
Changes during the period						
Total comprehensive income		-	-	-	79,232,987	79,232,987
Dividend paid	13.1	-	-	-	(75,011,996)	(75,011,996)
Ending balance as at						
June 30, 2018		<u>493,499,975</u>	<u>31,746,399</u>	<u>49,350,000</u>	<u>702,587,332</u>	<u>1,277,183,706</u>

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, 2018
"UNAUDITED"

UNIT : BAHT

	Notes	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax expenses		103,784,622	93,676,764
Adjustments for :			
Allowance for doubtful accounts		5,383,496	1,090,010
Loss from bad debts written off		149,912	272,574
Gain from sales of fixed assets		(1,214,953)	(7,477)
Interest expenses		36,465,683	33,345,111
Employment benefits expense		1,840,503	1,857,802
Depreciation and amortization		6,756,832	6,718,470
		<u>153,166,095</u>	<u>136,953,254</u>
Operating assets (increase) decrease			
Factoring receivables		(68,448,561)	(159,366,777)
Hire purchase receivables		6,189,900	(11,893,598)
Lease contract receivables		(13,168,099)	(19,365,325)
Inventory finance receivables		(24,146,033)	(21,470,730)
Amount due from a related company		18,803	50,757
Properties foreclosed		-	3,671,152
Other current assets		(919,933)	(3,437,315)
Bank deposits held as collateral		(602)	(596)
Non-other current assets		(251,050)	(433,618)
Operating liabilities increase (decrease)			
Amount due to a related company		-	136,102
Other current liabilities		(5,526,392)	(5,206,038)
Other non-current liabilities		762,750	(1,525,950)
Cash received from (paid for) operating activities		<u>47,676,878</u>	<u>(81,888,682)</u>
Interest expense paid		(35,260,862)	(32,931,898)
Interest tax paid		<u>(18,879,072)</u>	<u>(13,509,026)</u>
Net cash used in operating activities		<u>(6,463,056)</u>	<u>(128,329,606)</u>

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018
"UNAUDITED"

UNIT : BAHT

	Notes	2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash paid for purchases of plant and equipment	4.1	(3,772,100)	(806,865)
Cash paid for purchases of intangible assets		-	(247,384)
Cash received from sale of fixed assets		1,214,953	7,477
Net cash used in investing activities		<u>(2,557,147)</u>	<u>(1,046,772)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash paid for short-term loans			
to financial institutions		(6,775,000,000)	(6,543,000,000)
Cash received from short-term loans			
from financial institutions		6,900,000,000	6,758,000,000
Cash paid for long-term loans to financial institutions		(56,000,000)	(78,000,000)
Cash received from long-term loans			
to financial institutions		100,000,000	100,000,000
Cash paid for dividend		(75,011,996)	(47,000,025)
Net cash provided by financing activities		<u>93,988,004</u>	<u>189,999,975</u>
Net increase in cash and cash equivalents		84,967,801	60,623,597
Cash and cash equivalents at beginning of the periods		<u>305,290,447</u>	<u>253,359,292</u>
Cash and cash equivalents at end of the periods	4.2	<u><u>390,258,248</u></u>	<u><u>313,982,889</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, 2018
“UNAUDITED”

1. GENERAL INFORMATION AND THE COMPANY’S OPERATION

The Company was incorporated in March 1991, under the laws of Thailand and registered as a Public Company Limited with the Ministry of Commerce on April 18, 2007. The Company’s office is located at 20th floor Lumpini Tower, 1168/55 Rama IV Road, Tungmahamek, Sathorn, Bangkok. The business activities of the Company are factoring, hire purchase, leasing businesses and office rental.

The major shareholders are IFS Capital Holdings (Thailand) Limited with 36.64% and IFS Capital Limited (registered in Singapore) with 36.49% shareholdings. The major shareholder of IFS Capital Limited is Phillip Asset Pte. Ltd. (registered in Singapore) with 60.13% shareholding.

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

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

On November 27, 2009, the Company had reapplied for a permission to operate a business under annex 3 (21): service businesses of 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 and on April 8, 2010, the Company had obtained the approval from the Department of Business Development.

Subsequently, on June 18, 2015 and June 26, 2016, the Company had applied for a permission to operate a business under annex 3 (21): service businesses of office rental including utility and facility with other company and on September 23, 2015 and July 22, 2016, respectively, the Company had obtained the approval from the Department of Business Development.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

- 2.1 The interim financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2017) “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company present 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 statements of financial position as at December 31, 2017, 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, 2018 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, 2018 should be read in conjunction with the audited financial statements for the year ended December 31, 2017.
- 2.5 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2018. 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 provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's interim financial statements.

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

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standard No.15 "Revenue from Contracts with Customers" which has been announced in the Royal Gazette on March 14, 2018 and will be effective for the financial statements for the period beginning on or after January 1, 2019 onwards.

The Company's management will adopt such TFRSs in the preparation of the Company's financial statements when it becomes effective. The Company's management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim 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, 2017.

4. SUPPLEMENTARY DISCLOSURE OF CASH FLOWS INFORMATION

4.1 Plant and equipment for six-month period ended June 30, 2018 and 2017 are as follows:

	2018 Baht	2017 Baht
Other payable - plant and equipment, beginning balance (included in other current liabilities)	32,100	-
<u>Add</u> Purchases of plant and equipment	3,740,000	806,865
<u>Less</u> Cash paid for purchases of plant and equipment	<u>(3,772,100)</u>	<u>(806,865)</u>
Other payable - plant and equipment, ending balance (included in other current liabilities)	<u>-</u>	<u>-</u>

4.2 Cash and cash equivalents as at June 30, 2018 and 2017 consist of the following:

	2018 Baht	2017 Baht
Cash on hands	30,000	30,000
Cash at banks - current accounts	14,251,033	13,523,856
Cash at banks - savings accounts	375,977,215	300,429,033
	<u>390,258,248</u>	<u>313,982,889</u>

5. FACTORING RECEIVABLES

Factoring receivables as at June 30, 2018 and December 31, 2017 consist of the following:

	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Factoring receivables	4,295,254,403	4,186,348,383
<u>Less</u> Allowance for doubtful accounts (*)	<u>(128,071,196)</u>	<u>(122,708,315)</u>
	4,167,183,207	4,063,640,068
<u>Less</u> Factoring payables	<u>(822,294,477)</u>	<u>(781,687,106)</u>
Factoring receivables, net	<u>3,344,888,730</u>	<u>3,281,952,962</u>

(*) As at June 30, 2018 and December 31, 2017, the Company has provided for the allowance for doubtful accounts on a collective basis for factoring receivables which were classified as normal and overdue for less than 3 months which amounted to Baht 3,750,219 and Baht 4,008,873, respectively.

Factoring receivables as at June 30, 2018 and December 31, 2017 were classified by aging as follows:

	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Current	3,020,160,016	2,947,564,818
Overdue :		
Not more than 3 months	1,136,517,350	1,108,595,424
Over 3 months but not more than 6 months	3,538,765	18,273,225
Over 6 months but not more than 12 months	20,046,562	-
Debtors subject to legal proceedings	114,991,710	111,914,916
	<u>4,295,254,403</u>	<u>4,186,348,383</u>

6. HIRE PURCHASE RECEIVABLES

Hire purchase receivables as at June 30, 2018 and December 31, 2017 consist of the following:

	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Outstanding contract price	14,120,772	21,058,425
<u>Less</u> Unearned financing income	<u>(800,572)</u>	<u>(1,548,325)</u>
	13,320,200	19,510,100
<u>Less</u> Allowance for doubtful accounts (*)	<u>(19,351)</u>	<u>(49,167)</u>
	13,300,849	19,460,933
Due within one year	11,152,025	13,823,070
<u>Less</u> Unearned financing income	<u>(718,734)</u>	<u>(1,279,943)</u>
Current portion of hire purchase receivables, net	<u>10,433,291</u>	<u>12,543,127</u>
Hire purchase receivables, net	<u>2,867,558</u>	<u>6,917,806</u>

(*) As at June 30, 2018 and December 31, 2017, the Company has provided for the allowance for doubtful accounts on a collective basis for hire purchase receivables which were classified as normal and overdue for less than 3 months which amounted to Baht 19,351 and Baht 49,167, respectively.

Hire purchase receivables as at June 30, 2018 and December 31, 2017 were classified by aging as follows:

	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Current	13,272,790	19,510,100
Overdue:		
Not more than 3 months	47,410	-
	<u>13,320,200</u>	<u>19,510,100</u>

7. LEASE CONTRACT RECEIVABLES

Lease contract receivables as at June 30, 2018 and December 31, 2017 consist of the following:

	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Outstanding contract price	385,399,076	369,104,004
<u>Less</u> Deposits on long-term lease contracts	(123,588,287)	(122,867,910)
<u>Less</u> Unearned financing income	<u>(27,820,315)</u>	<u>(25,413,719)</u>
	233,990,474	220,822,375
<u>Less</u> Allowance for doubtful accounts (*)	<u>(9,666,874)</u>	<u>(9,616,443)</u>
	<u>224,323,600</u>	<u>211,205,932</u>
Due within one year	155,675,088	146,469,668
<u>Less</u> Deposits on long-term lease contracts	(36,946,538)	(34,266,479)
<u>Less</u> Unearned financing income	<u>(15,428,634)</u>	<u>(14,165,793)</u>
Current portion of lease contract receivables, net	<u>103,299,916</u>	<u>98,037,396</u>
Lease contract receivables, net	<u>121,023,684</u>	<u>113,168,536</u>

(*) As at June 30, 2018 and December 31, 2017, the Company has provided for the allowance for doubtful accounts on a collective basis for lease contract receivables which were classified as normal and overdue for less than 3 months which amounted to Baht 326,369 and Baht 533,598, respectively.

Lease contract receivables as at June 30, 2018 and December 31, 2017 were classified by aging as follows:

	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Current	199,633,185	202,646,167
Overdue :		
Not more than 3 months	22,475,684	7,537,709
Over 3 months but not more than 6 months	1,857,660	-
Over 6 months but not more than 12 months	142,396	548,191
More than 12 months	798,704	1,007,463
Debtors subject to legal proceedings	9,082,845	9,082,845
	<u>233,990,474</u>	<u>220,822,375</u>

8. INVENTORY FINANCE RECEIVABLES

Inventory finance receivables as at June 30, 2018 and December 31, 2017 consist of the following:

	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Inventory finance receivables	178,693,769	154,547,736
<u>Less</u> Allowance for doubtful accounts (*)	<u>(12,721,904)</u>	<u>(12,721,904)</u>
Inventory finance receivables, net	<u>165,971,865</u>	<u>141,825,832</u>

(*) As at June 30, 2018 and December 31, 2017, the Company has not provided for the allowance for doubtful accounts on a collective basis for inventory finance receivables which were classified as normal and overdue for less than 3 months.

Inventory finance receivables as at June 30, 2018 and December 31, 2017 were classified by aging as follows:

	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Current	165,971,865	141,825,832
Debtors subject to legal proceedings	12,721,904	12,721,904
	<u>178,693,769</u>	<u>154,547,736</u>

9. INVESTMENT PROPERTY

In May 2018, the Company transferred partial of condominium at cost and net book value of Baht 41.79 million and Baht 37.74 million, respectively, from investment property to plant and equipment because of change in purposed from investing to owner-occupation in order to using space to support business expansion in the future.

10. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans from financial institutions as at June 30, 2018 and December 31, 2017 consist of the following:

	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Promissory notes	<u>2,670,000,000</u>	<u>2,545,000,000</u>

As at June 30, 2018 and December 31, 2017, the Company has short-term loans from financial institutions bearing interest rates at 2.28% to 2.97% per annum and 2.28% to 3.30% per annum, respectively.

11. LONG-TERM LOANS

Long-term loans from financial institutions as at June 30, 2018 and December 31, 2017 consist of the following:

	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Long-term loans	272,000,000	228,000,000
Current portion of long-term loans	<u>(132,000,000)</u>	<u>(96,000,000)</u>
	<u>140,000,000</u>	<u>132,000,000</u>

As at June 30, 2018 and December 31, 2017, the company entered into long-term loans with financial institutions at the floating interest rate 4.00% p.a. and 3.42% to 4.28% p.a. respectively, and are repayable quarterly installments, the last installment of such loans fall due in March 2021.

12. 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 party as at the date received by the Board or the shareholders approved.

Balance with related companies as at June 30, 2018 and December 31, 2017 consist of the following:

	Relationship	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Amount due from related company			
IFS Capital Limited	Major Shareholder company	<u>2,097</u>	<u>20,900</u>

Significant transactions with related parties for the three-month and six month periods ended June 30, 2018 and 2017 are as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Management benefit expenses				
Short-term benefits	10,134,525	10,121,595	18,081,550	18,095,690
Post-employment benefits	184,312	326,016	368,624	642,129
Other long-term benefits	<u>15,935</u>	<u>9,972</u>	<u>31,873</u>	<u>20,725</u>
	<u>10,334,772</u>	<u>10,457,583</u>	<u>18,482,047</u>	<u>18,758,544</u>

13. DIVIDENDS PAID

13.1 On April 18, 2018, the Ordinary Shareholder's Meeting passed a resolution to pay dividend of Baht 0.152 per share on 493,499,975 shares, totaling Baht 75,011,996. Such dividend was paid on May 17, 2018.

13.2 On April 19, 2017, the ordinary shareholder's meeting of the Company passed a resolution to pay the dividend of Baht 0.15 per share for 470,000,000 shares, totaling Baht 70,500,000. Dividends will be paid by ordinary shares, when registration of increase in share capital is made, at 20 existing shares to 1 new share, representing stock dividend of Baht 0.05 per share and payment by cash of Baht 0.10 per share. The Company totally paid stock dividend 23,499,975 shares of Baht 23,499,975 and the remaining amount of Baht 25 was paid by cash and also paid dividend of Baht 47,000,000. Dividends were paid to shareholders on May 18, 2017.

14. COMMITMENTS

As at June 30, 2018 and December 31, 2017, the Company has the committed credit facility agreements with financial institutions for general corporate funding requirements as follows:

	As at June 30, 2018 Baht	As at December 31, 2017 Baht
Total credit facilities	<u>4,902,000,000</u>	<u>4,954,000,000</u>

As at June 30, 2018 and December 31, 2017, the Company has utilized the letter of credit amounting to Baht 5.10 million and Baht 6.72 million, respectively, for factoring, hire purchase and leasing contract. However, as at June 30, 2018 and December 31, 2017, the Company has unused such credit facilities with banks totaling Baht 1,627 million and Baht 1,753 million, respectively.

15. 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 receivable. The factoring facility is applicable to both domestic and international sales.

Hire purchase and Leasing 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, 2018 and 2017, there is no revenue from a single external customer contributed 10% or more to the Company's total revenue.

The financial statements by business segment for the three-month and six-month periods ended June 30, 2018 and 2017 were as follow:

Unit : Baht '000

	For the three-month periods ended June 30,							
	2018				2017			
	Factoring business	Hire purchase and Leasing business	Others	Total	Factoring business	Hire purchase and Leasing business	Others	Total
Income from operations	97,527	5,483	-	103,010	88,435	5,175	-	93,610
Other income	8,889	858	-	9,747	9,383	1,306	-	10,689
Total income	106,416	6,341	-	112,757	97,818	6,481	-	104,299
Selling and administrative expenses	38,365	2,291	-	40,656	35,112	2,326	-	37,438
Allowance for doubtful accounts (reverse)	(3,792)	253	-	(3,539)	3,232	(1,947)	-	1,285
Finance cost	18,144	1,083	-	19,227	16,618	1,101	-	17,719
Total operation expenses	52,717	3,627	-	56,344	54,962	1,480	-	56,442
Net income before income tax	53,699	2,714	-	56,413	42,856	5,001	-	47,857
Income tax expenses	11,917	3,099	-	15,016	8,392	1,563	-	9,955
Net income for the periods	41,782	(385)	-	41,397	34,464	3,438	-	37,902

Unit : Baht '000

	For the six-month periods ended June 30,							
	2018				2017			
	Factoring business	Hire purchase and Leasing business	Others	Total	Factoring business	Hire purchase and Leasing business	Others	Total
Income from operations	190,423	10,598	-	201,021	170,751	10,102	-	180,853
Other income	19,572	2,156	-	21,728	17,506	2,571	-	20,077
Total income	209,995	12,754	-	222,749	188,257	12,673	-	200,930
Selling and administrative expenses	72,327	4,393	-	76,720	67,777	4,563	-	72,340
Allowance for doubtful accounts (reverse)	5,513	20	-	5,533	3,499	(2,136)	-	1,363
Finance cost	34,609	2,102	-	36,711	31,435	2,116	-	33,551
Total operation expenses	112,449	6,515	-	118,964	102,711	4,543	-	107,254
Net income before income tax	97,546	6,239	-	103,785	85,546	8,130	-	93,676
Income tax expenses	20,489	4,063	-	24,552	16,663	2,411	-	19,074
Net income for the periods	77,057	2,176	-	79,233	68,883	5,719	-	74,602

Unit : Baht '000

	As at June 30, 2018				As at December 31, 2017			
	Factoring business	Hire purchase and Leasing business	Others	Total	Factoring business	Hire purchase and Leasing business	Others	Total
Total assets	3,510,861	237,624	557,427	4,305,912	3,423,779	230,667	476,583	4,131,029

16. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved for issue by the authorized director of the Company on August 6, 2018.