



IFS Capital (Thailand)
Public Company Limited

IFS 0805-1 / 2024

8th May 2024

Subject: Explanation of the Operating Results for Quarter 1/2024

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 Quarter 1/2024 ended 31st March 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 1 st Quarter ended 31 st March			
	2024	2023	Increase / (decrease)	% Change
Revenues				
Factoring Income	68.26	66.07	2.19	3.31
Hire Purchase Income	0.09	0.05	0.04	77.55
Finance Lease Income	3.09	3.10	(0.01)	(0.47)
Factoring Commission and Service Fees	24.24	24.58	(0.34)	(1.37)
Other Income	11.11	12.26	(1.15)	(9.38)
Total Revenues	106.79	106.06	0.73	0.68
Finance Cost	13.63	10.84	2.79	25.69
Income Before Operating Expenses	93.16	95.22	(2.06)	(2.17)
Expenses				
Selling Expenses	4.51	5.08	(0.57)	(11.12)
Administration Expenses	27.22	26.24	0.98	3.73
Management Benefit Expenses	11.41	10.73	0.68	6.37
Total Expenses	43.14	42.05	1.09	2.61
Profit Before Allowances for ECL	50.01	53.17	(3.16)	(5.94)
Allowance for ECL	14.37	1.06	13.31	1252.15
Profit Before Income Tax Expenses	35.64	52.11	(16.47)	(31.61)
Income Tax Expense	6.08	10.86	(4.78)	(43.99)
Profit for The Periods	29.56	41.25	(11.69)	(28.35)

Quarterly to Quarterly Analysis

For the 1st quarter of 2024, the Company reported a Net Profit of Baht 29.56 million, a decrease of Baht 11.69 million or 28.35% 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 2.06 million or 2.17% mainly due to higher finance cost as a result of higher average cost of fund,
- 2) total expenses increased by Baht 1.09 million or 2.61% mainly due to higher administrative expenses and management benefit expenses,
- 3) allowance for ECL increased by Baht 13.31 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 1st quarter of 2023,
- 4) offset by lower income tax expense of Baht 4.78 million due to lower taxable profit.

As a result, the Earnings Per Share (EPS) showed a decrease to Baht 0.06 per share (1Q/23: Baht 0.08 per share) or a decrease of 26.41%.

Please be informed accordingly.

Sincerely yours,

(Mr. Tan Ley Yen)
Director and CEO

Headline: Financial Performance Quarter 1 (F45) (Reviewed)

Security Symbol: IFS

Announcement Details

Summary of operating result form (F45)

Company name	IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED		
Quarter	Quarter 1		
(In thousands)			
Financial Statement	Quarter 1		
Status	Reviewed		
Ending	31 March		
Year	2024	2023	
Profit (loss) attributable to equity holders of the Company *	29,555	41,247	
EPS (baht)	0.06	0.08	
Type of report	Unqualified opinion		

*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 of IFS Capital (Thailand) Public Company Limited as at March 31, 2024 and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, 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
May 8, 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 MARCH 31, 2024

UNIT : BAHT

	Notes	"Unaudited" As at March 31, 2024	As at December 31, 2023
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		342,418,320	353,267,455
Factoring receivables	7	2,866,455,072	3,049,262,392
Hire purchase current receivables	8	1,878,034	1,823,167
Finance lease current receivables	9	78,002,263	69,510,381
Inventory finance receivables	10	138,715,736	142,464,374
Other current receivables		15,263,748	9,589,449
Other current assets		601,747	332,801
Total Current Assets		3,443,334,920	3,626,250,019
NON-CURRENT ASSETS			
Bank deposits held as collateral		164,366	164,204
Hire purchase non-current receivables	8	1,287,702	1,778,548
Finance lease non-current receivables	9	66,360,111	85,136,215
Investment properties		47,581,466	48,740,620
Plant and equipment		10,983,282	11,816,292
Right-of-use assets		4,513,244	2,329,795
Other intangible assets		1,008,460	1,705,973
Deferred tax assets		40,887,281	35,427,003
Properties foreclosed		6,992,709	4,080,000
Other non-current assets		714,173	626,699
Total Non-current Assets		180,492,794	191,805,349
TOTAL ASSETS		3,623,827,714	3,818,055,368

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2024

UNIT : BAHT

	Notes	"Unaudited" As at March 31, 2024	As at December 31, 2023
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term borrowings from financial institutions	11	1,635,000,000	1,835,000,000
Other current payables		40,873,232	54,962,634
Current portion of long-term borrowings	12	57,360,000	73,360,000
Current portion of lease liabilities		1,246,494	539,514
Corporate income tax payable		32,621,824	21,078,773
Other current liabilities		887,746	1,061,923
Total Current Liabilities		1,767,989,296	1,986,002,844
NON-CURRENT LIABILITIES			
Long-term borrowings	12	16,600,000	24,940,000
Lease liabilities		3,269,609	1,835,007
Non-current provisions for employee benefits		34,534,911	33,398,871
Other non-current liabilities		136,654	136,654
Total Non-current Liabilities		54,541,174	60,310,532
TOTAL LIABILITIES		1,822,530,470	2,046,313,376

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2024

UNIT : BAHT

	Notes	"Unaudited" As at March 31, 2024	As at December 31, 2023
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
Share premium on ordinary shares		31,746,399	31,746,399
RETAINED EARNINGS			
Appropriated			
Legal reserve		49,350,000	49,350,000
Unappropriated		1,226,700,870	1,197,145,618
TOTAL SHAREHOLDERS' EQUITY		1,801,297,244	1,771,741,992
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,623,827,714	3,818,055,368

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024
"UNAUDITED"

UNIT : BAHT

	Note	2024	2023
REVENUES			
Factoring income		68,257,258	66,072,017
Hire purchase income		86,968	48,983
Finance lease income		3,088,423	3,103,097
Factoring commission and service fees		24,245,836	24,582,489
Other income		11,106,841	12,256,292
Total Revenues		106,785,326	106,062,878
EXPENSES			
Selling expenses		4,516,992	5,082,386
Administrative expenses		27,216,468	26,238,786
Management benefit expenses	4	11,409,457	10,726,391
Total Expenses		43,142,917	42,047,563
Profit from operating activities		63,642,409	64,015,315
Finance cost		13,629,773	10,844,070
Impairment loss determined in accordance with TFRS 9		14,374,611	1,063,093
Profit before income tax expenses		35,638,025	52,108,152
Income tax expenses		6,082,773	10,860,807
PROFIT FOR THE PERIODS		29,555,252	41,247,345

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024
"UNAUDITED"

UNIT : BAHT

	Note	2024	2023
OTHER COMPREHENSIVE INCOME			
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 period, net of tax		-	(1,087,744)
TOTAL COMPREHENSIVE INCOME FOR THE PERIODS		<u>29,555,252</u>	<u>40,159,601</u>
BASIC EARNINGS PER SHARE	BAHT	0.06	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 CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024
"UNAUDITED"

UNIT : BAHT

	<u>Issued and paid-up share capital</u>	<u>Premium on ordinary shares</u>	<u>Retained earnings</u>		<u>Total shareholders' equity</u>
			<u>Appropriated Legal reserve</u>	<u>Unappropriated</u>	
Balance as at January 1, 2023	493,499,975	31,746,399	49,350,000	1,120,142,656	1,694,739,030
Change in shareholder's equity for the period					
Comprehensive income for the period	-	-	-	40,159,601	40,159,601
Balance as at March 31, 2023	<u>493,499,975</u>	<u>31,746,399</u>	<u>49,350,000</u>	<u>1,160,302,257</u>	<u>1,734,898,631</u>
Balance as at January 1, 2024	493,499,975	31,746,399	49,350,000	1,197,145,618	1,771,741,992
Change in shareholder's equity for the period					
Comprehensive income for the period	-	-	-	29,555,252	29,555,252
Balance as at March 31, 2024	<u>493,499,975</u>	<u>31,746,399</u>	<u>49,350,000</u>	<u>1,226,700,870</u>	<u>1,801,297,244</u>

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024
"UNAUDITED"

	Notes	2024	2023
UNIT : BAHT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the periods		29,555,252	41,247,345
Adjustments for			
Income tax expenses		6,082,773	10,860,807
Impairment loss determined in accordance with TFRS 9		14,374,611	1,063,093
Gain on disposal of fixed assets		(322,428)	-
Interest expenses		13,507,692	10,740,973
Interest Income		(71,436,045)	(69,227,151)
Employee benefits expense		1,136,040	1,406,369
Depreciation and amortization		2,713,848	2,567,588
		<u>(4,388,257)</u>	<u>(1,340,976)</u>
Changes in operating assets and liabilities			
Operating assets (increase) decrease			
Factoring receivables		173,566,761	198,843,815
Hire purchase receivables		483,140	336,854
Finance lease receivables		7,449,381	(50,177,912)
Inventory finance receivables		1,582,441	20,735,343
Other current receivables		(4,984,847)	(10,921,536)
Other current assets		(268,946)	356,923
Properties foreclosed		(2,912,709)	-
Other non-current assets		(87,474)	374,631
Operating liabilities increase (decrease)			
Other current payables		(13,188,167)	(73,664,748)
Other current liabilities		(174,177)	-
Net cash flows provided by operation		<u>157,077,146</u>	<u>84,542,394</u>
Interest paid		(14,618,640)	(11,780,415)
Interest received		71,255,708	69,091,257
Net cash flows provided by operating activities		<u><u>213,714,214</u></u>	<u><u>141,853,236</u></u>

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2024
"UNAUDITED"

		2024	2023
UNIT : BAHT			
	Notes		
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash received from disposal of plant and equipment		322,430	-
Cash paid for purchases of plant and equipment		(206,499)	-
Cash paid for purchases of other intangible assets		-	(236,256)
Net cash flows provided by (used in) investing activities		115,931	(236,256)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash received from short-term borrowings			
from financial institutions	5	3,340,000,000	2,435,000,000
Cash paid for short-term borrowings			
to financial institutions	5	(3,540,000,000)	(2,555,000,000)
Cash paid for long-term borrowings	5	(24,340,000)	(49,346,667)
Cash paid for lease liabilities	5	(339,280)	(139,920)
Net cash flows used in financing activities		(224,679,280)	(169,486,587)
Net decrease in cash and cash equivalents		(10,849,135)	(27,869,607)
Cash and cash equivalents at the beginning of the periods		353,267,455	451,556,819
Cash and cash equivalents at the end of the periods	6	342,418,320	423,687,212

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 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 20th 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.

On March 1, 2024, the Board of Directors’ Meeting resolved to approve the entering into a Joint-Venture and establishing a joint venture company, named Beyond Leasing Co., Ltd. registered capital of Baht 100 million. The proposed joint venture company aims to provide the financial services covering operating lease, financial lease, hire-purchase and other related financial services. The Company was registered with 4,900,000 shares at Baht 10 per share, totaling Baht 49 million. The Company will complete the registration capital in May 2024.

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.

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

- 2.1 These interim 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 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 period ended March 31, 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 period ended March 31, 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 have been prepared from the Thai version of the interim financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version interim 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. MATERIAL ACCOUNTING POLICY INFORMATION

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, 2023.

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 party as approved by the Board or the shareholders.

Relationships with related parties other than subsidiaries, associates and joint ventures as at March 31, 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 person or parties for the three-month periods ended March 31, 2024 and 2023 were as follows:

	For the three-month periods ended March 31,	
	2024	2023
	Baht	Baht
Management benefit expenses		
Short-term benefits	11,181,610	10,465,666
Post-employment benefits	218,993	252,276
Other long-term benefits	8,854	8,449
	<u>11,409,457</u>	<u>10,726,391</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:

As at March 31, 2024	Balance as at January 1, 2024 Baht	Cash flows from financing activities		Non-cash items ⁽¹⁾ Baht	Balance as at March 31, 2024 Baht
		Cash received Baht	Cash paid Baht		
Short-term borrowings from financial institutions	1,835,000,000	3,340,000,000	(3,540,000,000)	-	1,635,000,000
Long-term borrowings	98,300,000	-	(24,340,000)	-	73,960,000
Lease liabilities	2,374,521	-	(339,280)	2,480,862	4,516,103

As at March 31, 2023	Balance as at January 1, 2023 Baht	Cash flows from financing activities		Non-cash items ⁽¹⁾ Baht	Balance as at March 31, 2023 Baht
		Cash received Baht	Cash paid Baht		
Short-term borrowings from financial institutions	1,615,000,000	2,435,000,000	(2,555,000,000)	-	1,495,000,000
Long-term borrowings	278,926,667	-	(49,346,667)	-	229,580,000
Lease liabilities	737,905	-	(139,920)	4,573	602,558

(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 March 31, 2024 and 2023 consisted of the following:

	2024 Baht	2023 Baht
Cash on hand	30,000	30,000
Cash at banks - current accounts	19,216,347	22,083,520
Cash at banks - savings accounts	323,171,973	401,573,692
Total	<u>342,418,320</u>	<u>423,687,212</u>

7. FACTORING RECEIVABLES

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

	As at March 31, 2024 Baht	As at December 31, 2023 Baht
Factoring receivables	3,851,223,377	4,070,849,061
<u>Less</u> Allowance for expected credit losses	<u>(118,097,557)</u>	<u>(108,856,998)</u>
	3,733,125,820	3,961,992,063
<u>Less</u> Factoring payables	<u>(866,670,748)</u>	<u>(912,729,671)</u>
Factoring receivables, net	<u><u>2,866,455,072</u></u>	<u><u>3,049,262,392</u></u>

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

	As at March 31, 2024		Unit : Baht
	Factoring receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	3,325,688,978	249,988	0.01
Significant increase in credit risk receivables	406,981,389	638,429	0.16
Default receivables in credit risk	<u>118,553,010</u>	<u>117,209,140</u>	98.87
Total	<u><u>3,851,223,377</u></u>	<u><u>118,097,557</u></u>	

	As at December 31, 2023		Unit : Baht
	Factoring receivables	Allowance for expected credit losses	Expected credit loss rate (%)
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	<u>109,309,633</u>	<u>107,836,690</u>	98.65
Total	<u><u>4,070,849,061</u></u>	<u><u>108,856,998</u></u>	

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

	For the three-month period ended March 31, 2024			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under- Performing (Stage 2)	Non-Performing (Stage 3)	
Balance as at January 1, 2024	154,893	865,415	107,836,690	108,856,998
Changes in staging	(1,760)	408	1,352	-
Changes in risk parameters	86,575	(227,394)	9,371,098	9,230,279
New financial assets originated or purchased	10,280	-	-	10,280
Balance as at March 31, 2024	<u>249,988</u>	<u>638,429</u>	<u>117,209,140</u>	<u>118,097,557</u>

	For the year ended December 31, 2023			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under- Performing (Stage 2)	Non-Performing (Stage 3)	
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 March 31, 2024 and December 31, 2023 consisted of the following:

	As at March 31, 2024 Baht	As at December 31, 2023 Baht
Outstanding contract price	4,430,468	5,000,576
<u>Less</u> Unearned financing income	<u>(303,583)</u>	<u>(390,551)</u>
	4,126,885	4,610,025
<u>Less</u> Allowance for expected credit losses	<u>(961,149)</u>	<u>(1,008,310)</u>
	<u>3,165,736</u>	<u>3,601,715</u>
Due within one year	2,101,148	2,101,148
<u>Less</u> Unearned financing income	<u>(218,414)</u>	<u>(270,940)</u>
<u>Less</u> Allowance for expected credit losses	<u>(4,700)</u>	<u>(7,041)</u>
Hire purchase current receivables, net	<u>1,878,034</u>	<u>1,823,167</u>
Hire purchase non-current receivables, net	<u>1,287,702</u>	<u>1,778,548</u>

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

	As at March 31, 2024		Unit : Baht
	Hire purchase receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	2,770,436	4,700	0.17
Default receivables in credit risk	1,356,449	956,449	70.51
Total	4,126,885	961,149	

	As at December 31, 2023		Unit : Baht
	Hire purchase receivables	Allowance for expected credit losses	Expected credit loss rate (%)
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	4,610,025	1,008,310	

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

	For the three-month period ended March 31, 2024			Unit : Baht
	Allowance for expected credit losses			
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	Total
Balance as at January 1, 2024	7,041	-	1,001,269	1,008,310
Changes in risk parameters	(2,341)	-	(44,820)	(47,161)
Balance as at March 31, 2024	4,700	-	956,449	961,149

	For the year ended December 31, 2023			Unit : Baht
	Allowance for expected credit losses			
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	Total
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	7,041	-	1,001,269	1,008,310

9. FINANCE LEASE RECEIVABLES

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

	As at March 31, 2024 Baht	As at December 31, 2023 Baht
Outstanding contract price	242,397,408	259,751,972
<u>Less</u> Deposits on finance lease	(70,369,117)	(77,497,048)
<u>Less</u> Unearned financing income	<u>(16,540,233)</u>	<u>(18,199,450)</u>
	155,488,058	164,055,474
<u>Less</u> Allowance for expected credit losses	<u>(11,125,684)</u>	<u>(9,408,878)</u>
	<u>144,362,374</u>	<u>154,646,596</u>
Due within one year	102,735,160	100,473,157
<u>Less</u> Deposits on finance lease	(15,097,411)	(20,969,342)
<u>Less</u> Unearned financing income	<u>(9,635,486)</u>	<u>(9,993,434)</u>
Finance lease current receivables, net	<u>78,002,263</u>	<u>69,510,381</u>
Finance lease non-current receivables, net	<u>66,360,111</u>	<u>85,136,215</u>

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

	As at March 31, 2024		Unit : Baht
	Finance lease receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	133,155,162	209,620	0.16
Significant increase in credit risk receivables	8,354,737	285,566	3.42
Default receivables in credit risk	13,978,159	10,630,498	76.05
Total	<u>155,488,058</u>	<u>11,125,684</u>	

	As at December 31, 2023		Unit : Baht
	Finance lease receivables	Allowance for expected credit losses	Expected credit loss rate (%)
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 three-month period ended March 31, 2024 and for the year ended December 31, 2023 consisted of the following:

	For the three-month period ended March 31, 2024			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under- Performing (Stage 2)	Non- Performing (Stage 3)	
Balance as at January 1, 2024	287,906	111,725	9,009,247	9,408,878
Changes in staging	22,381	(44,229)	21,848	-
Changes in risk parameters	(112,510)	218,070	3,039,145	3,144,705
New financial assets originated or purchased	12,177	-	-	12,177
Financial assets derecognized	(334)	-	(141,531)	(141,865)
Written-off			(1,298,211)	
	<u>-</u>	<u>-</u>	<u>)</u>	<u>(1,298,211)</u>
Balance as at March 31, 2024	<u>209,620</u>	<u>285,566</u>	<u>10,630,498</u>	<u>11,125,684</u>

	For the year ended December 31, 2023			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under- Performing (Stage 2)	Non- Performing (Stage 3)	
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 March 31, 2024 and December 31, 2023 consisted of the following:

	As at March 31, 2024 Baht	As at December 31, 2023 Baht
Inventory finance receivables	146,128,499	147,710,940
<u>Less</u> Allowance for expected credit losses	<u>(7,412,763)</u>	<u>(5,246,566)</u>
Inventory finance receivables, net	<u>138,715,736</u>	<u>142,464,374</u>

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

	As at March 31, 2024		Unit : Baht
	Inventory finance receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	121,579,116	582,929	0.48
Significant increase in credit risk receivables	17,996,378	276,829	1.54
Default receivables in credit risk	6,553,005	6,553,005	100.00
Total	146,128,499	7,412,763	

	As at December 31, 2023		Unit : Baht
	Inventory finance receivables	Allowance for expected credit losses	Expected credit loss rate (%)
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	147,710,940	5,246,566	

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

	For the three-month period ended March 31, 2024			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	
Balance as at January 1, 2024	464,553	236,289	4,545,724	5,246,566
Changes in staging	(23,896)	6,380	17,516	-
Changes in risk parameters	131,735	34,160	1,989,765	2,155,660
New financial assets originated or purchased	10,537	-	-	10,537
Balance as at March 31, 2024	582,929	276,829	6,553,005	7,412,763

	For the year ended December 31, 2023			Unit : Baht
	Allowance for expected credit loss			Total
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	
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. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

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

	As at March 31, 2024 Baht	As at December 31, 2023 Baht
Promissory notes	<u>1,635,000,000</u>	<u>1,835,000,000</u>

As at March 31, 2024 and December 31, 2023, the Company had short-term borrowings from financial institutions which bear interest rate at 3.22% to 3.88% per annum and 2.05% to 3.55% per annum, respectively.

12. LONG-TERM BORROWINGS

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

	As at March 31, 2024 Baht	As at December 31, 2023 Baht
Long-term borrowings	73,960,000	98,300,000
Current portion of long-term borrowings	<u>(57,360,000)</u>	<u>(73,360,000)</u>
	<u>16,600,000</u>	<u>24,940,000</u>

As at March 31, 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.

13. COMMITMENTS

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

	As at March 31, 2024 Baht	As at December 31, 2023 Baht
Total credit facilities	<u>5,158,000,000</u>	<u>5,147,000,000</u>

As at March 31, 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 March 31, 2024 and December 31, 2023, the Company had unused such credit facilities with financial institutions totaling Baht 3,012 million and Baht 2,792 million, respectively.

14. 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: 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 property have fair value as disclosed in Note 12 which fair value is determined based on the quoted price for similar assets in active market, fair value hierarchy level 2.

16. EVENT AFTER THE REPORTING PERIOD

On April 22, 2024, the Ordinary Shareholder's Meeting passed the resolutions to pay dividend at Baht 0.168 per share on 493,499,975 shares, totaling Baht 82.91 million. The Company will pay such dividend to shareholders on May 15, 2024.

17. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were authorized for issuance by the Board of Directors of the Company on May 8, 2024.