

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	2023		2022
Profit (loss) attributable to equity holders of the Company *	41,247		42,627
EPS (baht)	0.08		0.09
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, 2023, and the related statements of comprehensive income for the three-month period ended March 31, 2023, and the related statements of changes in shareholders' equity and cash flows for the three-month period ended March 31, 2023, 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 10, 2023

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, 2023

UNIT : BAHT

	Notes	"Unaudited"	
		As at March 31, 2023	As at December 31, 2022
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		423,687,212	451,556,819
Factoring receivables	6	2,711,516,519	2,910,980,124
Hire purchase current receivables	7	1,436,296	1,399,404
Finance lease current receivables	8	69,815,618	60,750,417
Inventory finance receivables	9	128,949,317	149,486,256
Other current receivables		17,916,167	6,994,631
Other current assets		654,082	1,011,005
Total Current Assets		3,353,975,211	3,582,178,656
NON-CURRENT ASSETS			
Bank deposits held as collateral		164,046	163,960
Hire purchase non-current receivables	7	253,974	626,942
Finance lease non-current receivables	8	114,721,021	74,114,987
Investment properties		52,243,559	53,389,975
Plant and equipment		14,640,044	15,701,400
Right-of-use assets		574,253	708,073
Other intangible assets		1,580,214	1,569,953
Deferred tax assets		35,255,653	35,080,264
Properties foreclosed		400,000	400,000
Other non-current assets		361,815	736,446
Total Non-current Assets		220,194,579	182,492,000
TOTAL ASSETS		3,574,169,790	3,764,670,656

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2023

UNIT : BAHT

	Notes	"Unaudited"	
		As at March 31, 2023	As at December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term borrowings from financial institutions	10	1,495,000,000	1,615,000,000
Other current payables		42,787,616	117,496,379
Current portion of long-term borrowings	11	155,620,000	180,626,667
Current portion of lease liabilities		476,985	546,818
Corporate income tax payable		34,142,108	23,377,847
Other current liabilities		124,997	124,997
Total Current Liabilities		1,728,151,706	1,937,172,708
NON-CURRENT LIABILITIES			
Long-term borrowings	11	73,960,000	98,300,000
Lease liabilities		125,573	191,087
Non-current provisions for employee benefits		36,134,476	33,368,427
Other non-current liabilities		899,404	899,404
Total Non-current Liabilities		111,119,453	132,758,918
TOTAL LIABILITIES		1,839,271,159	2,069,931,626

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2023

UNIT : BAHT

	Notes	"Unaudited"	
		As at March 31, 2023	As at December 31, 2022
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		1,160,302,257	1,120,142,656
TOTAL SHAREHOLDERS' EQUITY		1,734,898,631	1,694,739,030
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,574,169,790	3,764,670,656

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, 2023
"UNAUDITED"

UNIT : BAHT

	Note	2023	2022
REVENUES			
Factoring income		66,072,017	63,538,217
Hire purchase income		48,983	35,052
Finance lease income		3,103,097	2,267,646
Factoring commission and service fees		24,582,489	24,731,551
Other income		12,256,292	10,880,387
Total Revenues		106,062,878	101,452,853
EXPENSES			
Selling expenses		5,082,386	4,254,912
Administrative expenses		26,238,786	24,791,697
Management benefit expenses	4	10,726,391	9,122,415
Total Expenses		42,047,563	38,169,024
Profit from operating activities		64,015,315	63,283,829
Finance cost		10,844,070	8,685,434
Impairment loss determined in accordance with TFRS 9		1,063,093	1,362,236
PROFIT BEFORE INCOME TAX EXPENSE		52,108,152	53,236,159
INCOME TAX EXPENSE		10,860,807	10,609,071
PROFIT FOR THE PERIODS		41,247,345	42,627,088

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023
"UNAUDITED"

UNIT : BAHT

	Note	2023	2022
OTHER COMPREHENSIVE INCOME			
ITEMS THAT WILL NOT BE RECLASSIFIED			
SUBSEQUENTLY TO PROFIT OR LOSS			
LOSS ON RE-MEASUREMENTS OF DEFINED			
BENEFIT PLANS		(1,359,680)	-
INCOME TAX RELATING TO ITEMS THAT			
WILL NOT BE RECLASSIFIED SUBSEQUENTLY		271,936	-
OTHER COMPREHENSIVE LOSS			
FOR THE PERIOD, NET OF TAX		(1,087,744)	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIODS		<u>40,159,601</u>	<u>42,627,088</u>
BASIC EARNINGS PER SHARE	BAHT	0.08	0.09
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, 2023
"UNAUDITED"

UNIT : BAHT

	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Retained Earnings		Total Shareholders' Equity
			Appropriated Legal Reserve	Unappropriated	
Beginning balance as at January 1, 2022	493,499,975	31,746,399	49,350,000	1,037,016,664	1,611,613,038
Changes during the period					
Total comprehensive income	-	-	-	42,627,088	42,627,088
Ending balance as at March 31, 2022	<u>493,499,975</u>	<u>31,746,399</u>	<u>49,350,000</u>	<u>1,079,643,752</u>	<u>1,654,240,126</u>
Beginning balance as at January 1, 2023	493,499,975	31,746,399	49,350,000	1,120,142,656	1,694,739,030
Changes during the period					
Total comprehensive income	-	-	-	40,159,601	40,159,601
Ending 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>

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, 2023
"UNAUDITED"

UNIT : BAHT

	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the periods		41,247,345	42,627,088
Adjustments for:			
Income tax expenses		10,860,807	10,609,071
Impairment loss determined in accordance with TFRS 9		1,063,093	1,362,236
Gain on disposal of fixed assets		-	(706)
Interest expenses		10,740,973	8,567,055
Interest Income		(69,227,151)	(65,845,047)
Employee benefits expense		1,406,369	1,119,816
Depreciation and amortization		2,567,588	2,602,813
		<u>(1,340,976)</u>	<u>1,042,326</u>
Operating assets (increase) decrease			
Factoring receivables		198,843,815	222,489,669
Hire purchase receivables		336,854	687,445
Finance lease receivables		(50,177,912)	138,412
Inventory finance receivables		20,735,343	(10,886,776)
Other current receivables		(10,921,536)	(2,592,753)
Other current assets		356,923	(94,179)
Other non-current assets		374,631	(574,801)
Operating liabilities increase (decrease)			
Other current payables		(73,664,748)	(3,597,723)
Other current liabilities		-	1,044,477
Other non-current liabilities		-	(971,025)
Cash received from operating activities		<u>84,542,394</u>	<u>206,685,072</u>
Interest paid		(11,780,415)	(9,199,390)
Interest received		69,091,257	65,788,855
Net cash provided by operating activities		<u>141,853,236</u>	<u>263,274,537</u>

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023
"UNAUDITED"

UNIT : BAHT

	Notes	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash paid for purchases of plant and equipment		-	(27,178)
Cash paid for purchases of other intangible assets		(236,256)	(4,527,345)
Cash received from disposal of assets		-	1,869
Net cash used in investing activities		<u>(236,256)</u>	<u>(4,552,654)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash paid for short-term borrowings			
to financial institutions	5.2	(2,555,000,000)	(2,750,000,000)
Cash received from short-term borrowings			
from financial institutions	5.2	2,435,000,000	2,560,000,000
Cash paid for long-term borrowings	5.2	(49,346,667)	(57,606,666)
Cash paid for lease liabilities	5.2	(139,920)	(134,080)
Net cash used in financing activities		<u>(169,486,587)</u>	<u>(247,740,746)</u>
Net increase (decrease) in cash and cash equivalents		(27,869,607)	10,981,137
Cash and cash equivalents at the beginning of the periods		<u>451,556,819</u>	<u>333,767,948</u>
Cash and cash equivalents at the end of the periods	5.1	<u><u>423,687,212</u></u>	<u><u>344,749,085</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 PERIOD ENDED MARCH 31, 2023
“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.

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, 2022, 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, 2023 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, 2023 should be read in conjunction with the audited financial statements for the year ended December 31, 2022.
- 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, 2023. These financial reporting standards were aimed at alignment with the corresponding Thai 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
- On August 19, 2022, Thai Financial Reporting Standard No.17 "Insurance Contracts" has been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2025 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 is in the process to assess the impact of these TFRSs 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, 2022.

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, 2023 were as follows:

	Relationships
IFS Capital Limited	Major Shareholder
IFS Capital Holdings (Thailand) Limited	Major Shareholder

Significant transactions with related person or parties for the three-month period ended March 31, 2023 and 2022 were as follows:

	For the three-month period ended March 31,	
	2023	2022
	Baht	Baht
Management benefit expenses		
Short-term benefits	10,465,666	8,886,475
Post-employment benefits	252,276	225,995
Other long-term benefits	8,449	9,945
	<u>10,726,391</u>	<u>9,122,415</u>

5. SUPPLEMENTARY DISCLOSURE OF CASH FLOWS INFORMATION

5.1 Cash and cash equivalents as at March 31, 2023 and 2022 consisted of the following:

	2023	2022
	Baht	Baht
Cash on hand	30,000	30,000
Cash at banks - current accounts	22,083,520	14,253,252
Cash at banks - savings accounts	401,573,692	330,465,833
	<u>423,687,212</u>	<u>344,749,085</u>

5.2 Changes in liabilities from financing activities as at March 31, 2023 and 2022 consisted of the following:

	As at January 1, 2023	Changes in cash flows		Non-cash items⁽¹⁾	As at March 31, 2023
		Cash received	Cash paid		
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 car and photocopy machine rental agreements.

	As at January 1, 2022	Changes in cash flows		Non-cash items⁽¹⁾	As at March 31, 2022
		Cash received	Cash paid		
Short-term borrowings from					
financial institutions	1,825,000,000	2,560,000,000	(2,750,000,000)	-	1,635,000,000
Long-term borrowings	392,833,333	-	(57,606,666)	-	335,226,667
Lease liabilities	1,003,655	-	(134,080)	268,948	1,138,523

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

6. FACTORING RECEIVABLES

Factoring receivables as at March 31, 2023 and December 31, 2022 consisted of the following:

	As at March 31, 2023 Baht	As at December 31, 2022 Baht
Factoring receivables	3,648,144,255	3,770,319,209
<u>Less</u> Allowance for expected credit losses	<u>(108,067,489)</u>	<u>(107,447,699)</u>
	3,540,076,766	3,662,871,510
<u>Less</u> Factoring payables	<u>(828,560,247)</u>	<u>(751,891,386)</u>
Factoring receivables, net	<u><u>2,711,516,519</u></u>	<u><u>2,910,980,124</u></u>

Factoring receivables as at March 31, 2023 and December 31, 2022 were classified by staging as follows:

	Unit : Baht		
	As at March 31, 2023		
	Factoring receivables	Allowance for expected credit losses	Expected credit loss rate (Percentage)
Low credit risk receivables	3,093,300,948	158,394	0.01
Significant increase in credit risk receivables	441,574,315	1,308,710	0.30
Default receivables in credit risk	<u>113,268,992</u>	<u>106,600,385</u>	94.11
Total	<u><u>3,648,144,255</u></u>	<u><u>108,067,489</u></u>	

	Unit : Baht		
	As at December 31, 2022		
	Factoring receivables	Allowance for expected credit losses	Expected credit loss rate (Percentage)
Low credit risk receivables	3,182,638,430	441,780	0.01
Significant increase in credit risk receivables	467,875,315	775,993	0.17
Default receivables in credit risk	<u>119,805,464</u>	<u>106,229,926</u>	88.67
Total	<u><u>3,770,319,209</u></u>	<u><u>107,447,699</u></u>	

Allowance for expected credit losses for the three-month period ended March 31, 2023 and for the year ended December 31, 2022 consisted of the following:

	For the three-month period ended March 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	42,280	(117,362)	75,082	-
Changes in risk parameters	(327,222)	666,596	295,377	634,751
New financial assets originated or purchased	1,779	-	-	1,779
Financial assets derecognized	(223)	(16,517)	-	(16,740)
Balance as at March 31, 2023	<u>158,394</u>	<u>1,308,710</u>	<u>106,600,385</u>	<u>108,067,489</u>

	For the year ended December 31, 2022			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under- Performing (Stage 2)	Non-Performing (Stage 3)	
Balance as at January 1, 2022	84,539	228,731	85,763,348	86,076,618
Changes in staging	97,234	(97,336)	102	-
Changes in risk parameters	194,999	653,342	10,144,160	10,992,501
New financial assets originated or purchased	67,692	3,041	10,322,316	10,393,049
Financial assets derecognized	(2,684)	(11,785)	-	(14,469)
Balance as at December 31, 2022	<u>441,780</u>	<u>775,993</u>	<u>106,229,926</u>	<u>107,447,699</u>

7. HIRE PURCHASE RECEIVABLES

Hire purchase receivables as at March 31, 2023 and December 31, 2022 consisted of the following:

	As at March 31, 2023 Baht	As at December 31, 2022 Baht
Outstanding contract price	1,800,575	2,186,412
<u>Less</u> Unearned financing income	<u>(110,048)</u>	<u>(159,031)</u>
	1,690,527	2,027,381
<u>Less</u> Allowance for expected credit losses	<u>(257)</u>	<u>(1,035)</u>
	<u>1,690,270</u>	<u>2,026,346</u>
Due within one year	1,543,350	1,543,349
<u>Less</u> Unearned financing income	<u>(106,797)</u>	<u>(142,910)</u>
<u>Less</u> Allowance for expected credit losses	<u>(257)</u>	<u>(1,035)</u>
Hire purchase current receivables, net	<u>1,436,296</u>	<u>1,399,404</u>
Hire purchase non-current receivables, net	<u>253,974</u>	<u>626,942</u>

Hire purchase receivables as at March 31, 2023 and December 31, 2022 were classified by staging as follows:

	As at March 31, 2023		Unit : Baht
	Hire purchase receivables	Allowance for expected credit losses	Expected credit loss rate (Percentage)
Low credit risk receivables	1,690,527	257	0.02
Total	<u>1,690,527</u>	<u>257</u>	

	As at December 31, 2022		Unit : Baht
	Hire purchase receivables	Allowance for expected credit losses	Expected credit loss rate (Percentage)
Low credit risk receivables	2,027,381	1,035	0.05
Total	<u>2,027,381</u>	<u>1,035</u>	

Allowance for expected credit losses for the three-month period ended March 31, 2023 and for the year ended December 31, 2022 consisted of the following:

	For the three-month period ended March 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	1,035	-	-	1,035
Changes in risk parameters	<u>(778)</u>	<u>-</u>	<u>-</u>	<u>(778)</u>
Balance as at March 31, 2023	<u>257</u>	<u>-</u>	<u>-</u>	<u>257</u>

	For the year ended December 31, 2022			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	
Balance as at January 1, 2022	359	-	-	359
New financial assets originated or purchased	1,035	-	-	1,035
Financial assets derecognized	<u>(359)</u>	<u>-</u>	<u>-</u>	<u>(359)</u>
Balance as at December 31, 2022	<u>1,035</u>	<u>-</u>	<u>-</u>	<u>1,035</u>

8. FINANCE LEASE RECEIVABLES

Finance lease receivables as at March 31, 2023 and December 31, 2022 consisted of the following:

	As at March 31, 2023 Baht	As at December 31, 2022 Baht
Outstanding contract price	310,821,779	242,286,267
<u>Less</u> Deposits on finance lease	(93,831,213)	(81,350,188)
<u>Less</u> Unearned financing income	<u>(21,619,551)</u>	<u>(15,878,784)</u>
	195,371,015	145,057,295
<u>Less</u> Allowance for expected credit losses	<u>(10,834,376)</u>	<u>(10,191,891)</u>
	<u>184,536,639</u>	<u>134,865,404</u>
Due within one year	108,113,255	98,937,630
<u>Less</u> Deposits on finance lease	(26,903,102)	(29,450,334)
<u>Less</u> Unearned financing income	<u>(11,394,535)</u>	<u>(8,736,879)</u>
Finance lease current receivables, net	<u>69,815,618</u>	<u>60,750,417</u>
Finance lease non-current receivables, net	<u>114,721,021</u>	<u>74,114,987</u>

Finance lease receivables as at March 31, 2023 and December 31, 2022 were classified by staging as follows:

	Unit : Baht		
	As at March 31, 2023		
	Finance lease receivables	Allowance for expected credit losses	Expected credit loss rate (Percentage)
Low credit risk receivables	156,541,654	1,256,913	0.80
Significant increase in credit risk receivables	15,541,111	1,055,003	6.79
Default receivables in credit risk	23,288,250	8,522,460	36.60
Total	<u>195,371,015</u>	<u>10,834,376</u>	
	Unit : Baht		
	As at December 31, 2022		
	Finance lease receivables	Allowance for expected credit losses	Expected credit loss rate (Percentage)
Low credit risk receivables	107,080,999	897,054	0.84
Significant increase in credit risk receivables	15,164,652	1,625,644	10.72
Default receivables in credit risk	22,811,644	7,669,193	33.62
Total	<u>145,057,295</u>	<u>10,191,891</u>	

Allowance for expected credit losses for the three-month period ended March 31, 2023 and for the year ended December 31, 2022 consisted of the following:

	For the three-month period ended March 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	569,017	(569,914)	897	-
Changes in risk parameters	(387,875)	(727)	852,370	463,768
New financial assets originated or purchased	178,926	-	-	178,926
Financial assets derecognized	(209)	-	-	(209)
Balance as at March 31, 2023	<u>1,256,913</u>	<u>1,055,003</u>	<u>8,522,460</u>	<u>10,834,376</u>

	For the year ended December 31, 2022			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under- Performing (Stage 2)	Non- Performing (Stage 3)	
Balance as at January 1, 2022	1,575,384	59,867	7,628,310	9,263,561
Changes in staging	(791,963)	519,002	272,961	-
Changes in risk parameters	(402,091)	322,351	(232,078)	(311,818)
New financial assets originated or purchased	533,143	778,118	-	1,311,261
Financial assets derecognized	(17,419)	(40,454)	-	(57,873)
Written off	-	(13,240)	-	(13,240)
Balance as at December 31, 2022	<u>897,054</u>	<u>1,625,644</u>	<u>7,669,193</u>	<u>10,191,891</u>

9. INVENTORY FINANCE RECEIVABLES

Inventory finance receivables as at March 31, 2023 and December 31, 2022 consisted of the following:

	As at March 31, 2023 Baht	As at December 31, 2022 Baht
Inventory finance receivables	136,605,751	157,341,094
<u>Less Allowance for expected credit losses</u>	<u>(7,656,434)</u>	<u>(7,854,838)</u>
Inventory finance receivables, net	<u>128,949,317</u>	<u>149,486,256</u>

Inventory finance receivables as at March 31, 2023 and December 31, 2022 were classified by staging as follows:

	As at March 31, 2023		Unit : Baht
	Inventory finance receivables	Allowance for expected credit losses	Expected credit loss rate (Percentage)
Low credit risk receivables	111,692,929	1,661,496	1.49
Significant increase in credit risk receivables	20,367,098	1,449,214	7.12
Default receivables in credit risk	4,545,724	4,545,724	100.00
Total	<u>136,605,751</u>	<u>7,656,434</u>	

	As at December 31, 2022		Unit : Baht
	Inventory finance receivables	Allowance for expected credit losses	Expected credit loss rate (Percentage)
Low credit risk receivables	129,595,484	1,775,244	1.37
Significant increase in credit risk receivables	23,199,886	1,533,870	6.61
Default receivables in credit risk	4,545,724	4,545,724	100.00
Total	<u>157,341,094</u>	<u>7,854,838</u>	

Allowance for expected credit losses for the three-month period ended March 31, 2023 and for the year ended December 31, 2022 consisted of the following:

	For the three-month period ended March 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	1,775,244	1,533,870	4,545,724	7,854,838
Changes in staging	113,152	(113,152)	-	-
Changes in risk parameters	(226,900)	28,496	-	(198,404)
Balance as at March 31, 2023	<u>1,661,496</u>	<u>1,449,214</u>	<u>4,545,724</u>	<u>7,656,434</u>

	For the year ended December 31, 2022			Unit : Baht
	Allowance for expected credit loss			Total
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	
Balance as at January 1, 2022	1,769,995	1,111,464	4,545,724	7,427,183
Changes in staging	854,112	(854,112)	-	-
Changes in risk parameters	(1,006,019)	1,174,790	-	168,771
New financial assets originated or purchased	157,156	101,728	-	258,884
Balance as at December 31, 2022	<u>1,775,244</u>	<u>1,533,870</u>	<u>4,545,724</u>	<u>7,854,838</u>

10. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Short-term borrowings from financial institutions as at March 31, 2023 and December 31, 2022 consisted of the following:

	As at March 31, 2023 Baht	As at December 31, 2022 Baht
Promissory notes	<u>1,495,000,000</u>	<u>1,615,000,000</u>

As at March 31, 2023 and December 31, 2022, the Company had short-term borrowings from financial institutions which bear interest rate at 2.10% to 2.85% per annum and 1.50% to 2.75% per annum, respectively.

11. LONG-TERM BORROWINGS

Long-term borrowings as at March 31, 2023 and December 31, 2022 consisted of the following:

	As at March 31, 2023 Baht	As at December 31, 2022 Baht
Long-term borrowings	229,580,000	278,926,667
Current portion of long-term borrowings	<u>(155,620,000)</u>	<u>(180,626,667)</u>
	<u>73,960,000</u>	<u>98,300,000</u>

As at March 31, 2023 and December 31, 2022, the Company entered into long-term borrowings with financial institutions at the floating interest rates 3.20% to 3.95% per annum and 2.62% to 3.60% 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.

12. COMMITMENTS

As at March 31, 2023 and December 31, 2022, the Company had the committed credit facility agreements with financial institutions for general corporate funding requirements as follows:

	As at March 31, 2023 Baht	As at December 31, 2022 Baht
Total credit facilities	<u>5,346,000,000</u>	<u>5,349,000,000</u>

As at March 31, 2023 and December 31, 2022, the Company had utilized the letters of credit for factoring, hire purchase and finance lease receivables with financial institutions amounting to Baht 1.20 million and Baht 0.50 million, respectively. However, as at March 31, 2023 and December 31, 2022, the Company had unused such credit facilities with financial institutions totaling Baht 3,099 million and Baht 2,965 million, respectively.

13. 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 and/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 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 and hire purchase receivables which carry a fixed interest rate receivables which are close to the market rate. 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

Investment properties have fair value which is determined based on the market price equivalent approach, fair value hierarchy level 2.

14. 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 periods ended March 31, 2023 and 2022, 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 periods ended March 31, 2023 and 2022 were as follows:

	Unit : Thousand Baht							
	For the three-month period ended March 31, 2023				For the three-month period ended March 31, 2022			
	Factoring business	Hire purchase and finance lease business	Unallocated	Total	Factoring business	Hire purchase and finance lease business	Unallocated	Total
Income from operations	90,655	3,152	-	93,807	88,270	2,303	-	90,573
Other income	11,550	706	-	12,256	10,147	733	-	10,880
Total income	<u>102,205</u>	<u>3,858</u>	<u>-</u>	<u>106,063</u>	<u>98,417</u>	<u>3,036</u>	<u>-</u>	<u>101,453</u>
Selling and administrative expenses	40,518	1,530	-	42,048	37,027	1,142	-	38,169
Impairment loss determined in accordance with TFRS 9 (reversal)	421	642	-	1,063	1,564	(202)	-	1,362
Finance cost	10,450	394	-	10,844	8,426	260	-	8,686
Total operation expenses	<u>51,389</u>	<u>2,566</u>	<u>-</u>	<u>53,955</u>	<u>47,017</u>	<u>1,200</u>	<u>-</u>	<u>48,217</u>
Profit before income tax expenses	50,816	1,292	-	52,108	51,400	1,836	-	53,236
Income tax expenses	9,860	1,001	-	10,861	10,067	542	-	10,609
Net profit for the periods	<u>40,956</u>	<u>291</u>	<u>-</u>	<u>41,247</u>	<u>41,333</u>	<u>1,294</u>	<u>-</u>	<u>42,627</u>

	Unit : Thousand Baht							
	As at March 31, 2023				As at December 31, 2022			
	Factoring business	Hire purchase and finance lease business	Unallocated	Total	Factoring business	Hire purchase and finance lease business	Unallocated	Total
Total assets	<u>2,840,466</u>	<u>186,227</u>	<u>547,477</u>	<u>3,574,170</u>	<u>3,060,466</u>	<u>136,892</u>	<u>567,313</u>	<u>3,764,671</u>

15. EVENT AFTER THE REPORTING PERIOD

On April 18, 2023, the Ordinary Shareholder's Meeting passed the resolutions to pay dividend at Baht 0.1633 per share on 493,499,975 shares, totaling Baht 80.59 million. The Company will pay such dividend to shareholders on May 15, 2023.

16. APPROVAL FOR ISSUANCE OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the authorized director of the Company on May 10, 2023.