

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	2017	2016	2017	2016
Net profit (loss)	37,902	34,395	74,602	68,002
EPS (baht)	0.08	0.07	0.15	0.14

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 to sign on behalf of the company

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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, 2017 and the related statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2017, the 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 3, 2017

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, 2017

UNIT : BAHT

		"Unaudited"	
	Notes	As at	As at
		June 30,	December 31,
		2017	2016
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		313,982,889	253,359,292
Factoring receivables	5	3,082,313,992	2,926,445,857
Current portion of hire purchase receivables	6	7,205,506	707,688
Current portion of lease contract receivables	7	100,132,657	100,311,112
Inventory finance receivables	8	146,902,043	125,431,313
Amounts due from related company	14	-	50,757
Properties foreclosed		-	3,671,152
Other current assets		5,247,891	1,810,576
Total Current Assets		<u>3,655,784,978</u>	<u>3,411,787,747</u>
NON-CURRENT ASSETS			
Bank deposits held as collateral		156,625	156,029
Hire purchase receivables	6	5,824,407	458,727
Lease contract receivables	7	140,511,170	118,801,232
Plant and equipment		23,881,743	25,667,741
Investment property		94,396,962	97,127,336
Intangible assets		4,216,197	5,408,344
Deferred tax assets		50,847,856	48,445,854
Other non-current assets		784,850	351,232
Total Non-current Assets		<u>320,619,810</u>	<u>296,416,495</u>
TOTAL ASSETS		<u><u>3,976,404,788</u></u>	<u><u>3,708,204,242</u></u>

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT JUNE 30, 2017

UNIT : BAHT

		"Unaudited"	
	Notes	As at June 30, 2017	As at December 31, 2016
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term loans from financial institutions	9	2,495,000,000	2,280,000,000
Current portion of long-term loans	10	105,500,000	135,500,000
Amounts due to related company	14	136,102	-
Other current liabilities		51,701,950	48,571,512
Total Current Liabilities		<u>2,652,338,052</u>	<u>2,464,071,512</u>
NON-CURRENT LIABILITIES			
Long-term loans	10	104,000,000	52,000,000
Employee benefit obligations		27,222,412	25,364,610
Other non-current liabilities		-	1,525,950
Total Non-current Liabilities		<u>131,222,412</u>	<u>78,890,560</u>
TOTAL LIABILITIES		<u>2,783,560,464</u>	<u>2,542,962,072</u>

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT JUNE 30, 2017

UNIT : BAHT

	Notes	"Unaudited" As at June 30, 2017	As at December 31, 2016
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)			
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	11		
Authorized share capital			
493,500,000 ordinary shares of Baht 1 each		493,500,000	
470,000,000 ordinary shares of Baht 1 each			470,000,000
Issued and paid-up share capital			
493,499,975 ordinary shares of Baht 1 each,		493,499,975	
470,000,000 ordinary shares of Baht 1 each,			470,000,000
ADDITIONAL PAID-UP CAPITAL			
Premium on ordinary shares		31,746,399	31,746,399
RETAINED EARNINGS			
Appropriated			
Legal reserve		47,000,000	47,000,000
Unappropriated		620,597,950	616,495,771
TOTAL SHAREHOLDERS' EQUITY		1,192,844,324	1,165,242,170
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,976,404,788	3,708,204,242

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, 2017
"UNAUDITED"

			UNIT : BAHT	
	Notes	2017	2016	
REVENUES				
Factoring income		66,579,224	60,670,600	
Hire purchase income		289,938	54,425	
Finance lease income		4,885,130	5,841,252	
Factoring commission and service fees		21,855,937	20,746,573	
Other income		10,689,207	5,622,649	
Total Revenues		<u>104,299,436</u>	<u>92,935,499</u>	
EXPENSES				
Selling expenses		4,096,144	3,455,870	
Administrative expenses		22,884,749	22,146,244	
Management benefit expenses	14	10,457,583	9,314,550	
Allowance for doubtful accounts (reverse)		1,284,637	(164,345)	
Total Expenses		<u>38,723,113</u>	<u>34,752,319</u>	
INCOME BEFORE FINANCE COST AND				
INCOME TAX EXPENSE		65,576,323	58,183,180	
FINANCE COST		<u>17,718,956</u>	<u>15,369,168</u>	
INCOME BEFORE INCOME TAX EXPENSE		47,857,367	42,814,012	
INCOME TAX EXPENSE		<u>9,955,587</u>	<u>8,419,238</u>	
PROFIT FOR THE PERIODS		<u><u>37,901,780</u></u>	<u><u>34,394,774</u></u>	
BASIC EARNINGS PER SHARE				
	BAHT	0.08	0.07	
WEIGHTED AVERAGE NUMBER OF				
ORDINARY SHARES	13 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, 2017
"UNAUDITED"

			UNIT : BAHT
	Notes	2017	2016
REVENUES			
Factoring income		128,367,230	118,665,148
Hire purchase income		382,933	148,128
Finance lease income		9,718,897	11,326,613
Factoring commission and service fees		42,383,930	40,191,954
Other income		20,076,869	11,744,601
Total Revenues		<u>200,929,859</u>	<u>182,076,444</u>
EXPENSES			
Selling expenses		8,465,543	6,930,308
Administrative expenses		45,115,870	42,883,090
Management benefit expenses	14	18,758,544	16,971,601
Allowance for doubtful accounts (reverse)		1,362,584	(771,088)
Total Expenses		<u>73,702,541</u>	<u>66,013,911</u>
INCOME BEFORE FINANCE COST AND			
INCOME TAX EXPENSE		127,227,318	116,062,533
FINANCE COST		33,550,554	29,849,625
INCOME BEFORE INCOME TAX EXPENSE		<u>93,676,764</u>	<u>86,212,908</u>
INCOME TAX EXPENSE		19,074,585	18,211,181
PROFIT FOR THE PERIODS		<u><u>74,602,179</u></u>	<u><u>68,001,727</u></u>
BASIC EARNINGS PER SHARE	BAHT	0.15	0.14
WEIGHTED AVERAGE NUMBER OF			
ORDINARY SHARES	13 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, 2017
"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, 2016		470,000,000	31,746,399	47,000,000	540,669,628	1,089,416,027
Changes during the period						
Total comprehensive income		-	-	-	68,001,727	68,001,727
Dividends paid	12.2	-	-	-	(65,001,000)	(65,001,000)
Ending balance as at						
June 30, 2016		470,000,000	31,746,399	47,000,000	543,670,355	1,092,416,754
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	11	23,499,975	-	-	-	23,499,975
Total comprehensive income		-	-	-	74,602,179	74,602,179
Dividends paid	12.1	-	-	-	(70,500,000)	(70,500,000)
Ending balance as at						
June 30, 2017		493,499,975	31,746,399	47,000,000	620,597,950	1,192,844,324

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, 2017
"UNAUDITED"

UNIT : BAHT

	Notes	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax expenses		93,676,764	86,212,908
Adjustments for :			
Allowance for doubtful accounts (reverse)		1,362,584	(771,088)
Gain from sales of fixed assets		(7,477)	-
Interest expenses		33,345,111	29,625,885
Employment benefits expense		1,857,802	2,368,111
Depreciation and amortization		6,718,470	4,611,515
		<u>136,953,254</u>	<u>122,047,331</u>
Operating assets (increase) decrease			
Factoring receivables		(159,366,777)	(10,060,605)
Hire purchase receivables		(11,893,598)	2,707,369
Lease contract receivables		(19,365,325)	(6,036,505)
Inventory finance receivables		(21,470,730)	(1,989,790)
Amount due from a related company		50,757	19,893
Properties foreclosed		3,671,152	(1,788,997)
Other current assets		(3,437,315)	(4,928,913)
Bank deposits held as collateral		(596)	(766)
Non-other current assets		(433,618)	(298,147)
Operating liabilities increase (decrease)			
Amount due to a related company		136,102	(50,041)
Other current liabilities		(5,206,038)	9,729,247
Other non-current liabilities		(1,525,950)	-
Cash received from (paid for) operating activities		(81,888,682)	109,350,076
Interest expense paid		(32,931,898)	(30,467,592)
Income tax paid		(13,509,026)	(14,010,599)
Net cash provided by (used in) operating activities		<u>(128,329,606)</u>	<u>64,871,885</u>

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017
"UNAUDITED"

		UNIT : BAHT	
	Notes	2017	2016
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash paid for purchases of plant and equipment	4.1	(806,865)	(827,439)
Cash paid for purchases of investment property		-	(41,792,375)
Cash paid for purchases of intangible assets	4.2	(247,384)	(2,484,673)
Cash received from sale of fixed assets		7,477	-
Net cash used in investing activities		<u>(1,046,772)</u>	<u>(45,104,487)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash paid for short-term loans			
to financial institutions		(6,543,000,000)	(5,470,000,000)
Cash received from short-term loans			
from financial institutions		6,758,000,000	5,525,000,000
Cash paid for long-term loans to financial institutions		(78,000,000)	(99,600,000)
Cash received for long-term loans			
to financial institutions		100,000,000	100,000,000
Cash paid for dividend		(47,000,025)	(65,001,000)
Net cash provided by (used in) financing activities		<u>189,999,975</u>	<u>(9,601,000)</u>
Net increase in cash and cash equivalents		60,623,597	10,166,398
Cash and cash equivalents at beginning of the periods		<u>253,359,292</u>	<u>227,228,991</u>
Cash and cash equivalents at end of the periods	4.3	<u><u>313,982,889</u></u>	<u><u>237,395,389</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, 2017
“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 59.85% 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 2016) “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, 2016, presented herein for comparison, have been derived from the consolidated and separate 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, 2017 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, 2017 should be read in conjunction with the audited financial statements for the year ended December 31, 2016.
- 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, 2017. 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.

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, 2016. Moreover, the Company paid stock dividend during this period so there is additional associate accounting policy as follow:

Basic earnings per share from stock dividend payment

Basic earnings per share are calculated by dividing net income by the number of weighted average ordinary shares outstanding at the date of statement of financial position. In the case of a capital increase, the number of weighted average ordinary shares is calculated according to the period of the subscription received from increase in and paid-up share capital.

In case of stock dividend payment, the number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

4. SUPPLEMENTARY DISCLOSURE OF CASH FLOWS INFORMATION

- 4.1 Plant and equipment for the six-month periods ended June 30, 2017 and 2016 are as follows:

	2017 Baht	2016 Baht
Other payable - plant and equipment, beginning balance (included in other current liabilities)	-	40,981
<u>Add</u> Purchases of plant and equipment	806,865	832,371
<u>Less</u> Cash paid for purchases of plant and equipment	<u>(806,865)</u>	<u>(827,439)</u>
Other payable - plant and equipment, ending balance (included in other current liabilities)	<u>-</u>	<u>45,913</u>

- 4.2 Intangible assets for the six-month periods ended June 30, 2017 and 2016 are as follows:

	2017 Baht	2016 Baht
Other payable - intangible assets, beginning balance (included in other current liabilities)	44,298	43,335
<u>Add</u> Purchases of intangible assets	203,086	2,441,338
<u>Less</u> Cash paid for purchases of intangible assets	<u>(247,384)</u>	<u>(2,484,673)</u>
Other payable - intangible asset, ending balance (included in other current liabilities)	<u>-</u>	<u>-</u>

- 4.3 Cash and cash equivalents as at June 30, 2017 and 2016 consist of the following:

	2017 Baht	2016 Baht
Cash on hands	30,000	30,000
Cash at banks - current accounts	13,523,856	22,245,486
Cash at banks - savings accounts	<u>300,429,033</u>	<u>215,119,903</u>
	<u>313,982,889</u>	<u>237,395,389</u>

5. FACTORING RECEIVABLES

Factoring receivables as at June 30, 2017 and December 31, 2016 consist of the following:

	As at June 30, 2017 Baht	As at December 31, 2016 Baht
Factoring receivables	3,944,237,683	3,692,674,349
<u>Less</u> Allowance for doubtful accounts (*)	<u>(119,044,127)</u>	<u>(115,545,485)</u>
	3,825,193,556	3,577,128,864
<u>Less</u> Factoring payables	<u>(742,879,564)</u>	<u>(650,683,007)</u>
Factoring receivables, net	<u>3,082,313,992</u>	<u>2,926,445,857</u>

(*) As at June 30, 2017 and December 31, 2016, 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 3,765,016 and Baht 3,897,356, respectively.

Factoring receivables as at June 30, 2017 and December 31, 2016 were classified by aging as follows:

	As at June 30, 2017 Baht	As at December 31, 2016 Baht
Current	2,864,926,167	2,711,217,102
Overdue :		
Not more than 3 months	949,264,271	868,478,828
Over 3 months but not more than 6 months	17,055,426	1,662,863
Over 6 months but not more than 12 months	2,222,441	-
Debtors subject to legal proceedings	<u>110,769,378</u>	<u>111,315,556</u>
	<u>3,944,237,683</u>	<u>3,692,674,349</u>

6. HIRE PURCHASE RECEIVABLES

Hire purchase receivables as at June 30, 2017 and December 31, 2016 consist of the following:

	As at June 30, 2017 Baht	As at December 31, 2016 Baht
Outstanding contract price	14,325,491	1,272,198
<u>Less</u> Unearned financing income	<u>(1,262,659)</u>	<u>(102,964)</u>
	13,062,832	1,169,234
<u>Less</u> Allowance for doubtful accounts (*)	<u>(32,919)</u>	<u>(2,819)</u>
	<u>13,029,913</u>	<u>1,166,415</u>
Due within one year	8,213,571	784,685
<u>Less</u> Unearned financing income	<u>(1,008,065)</u>	<u>(76,997)</u>
Current portion of hire purchase receivables, net	<u>7,205,506</u>	<u>707,688</u>
Hire purchase receivables, net	<u>5,824,407</u>	<u>458,727</u>

(*) As at June 30, 2017 and December 31, 2016, 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 32,919 and Baht 2,819, respectively.

Hire purchase receivables as at June 30, 2017 and December 31, 2016 were classified by aging as follows:

	As at June 30, 2017 Baht	As at December 31, 2016 Baht
Current	<u>13,062,832</u>	<u>1,169,234</u>
	<u>13,062,832</u>	<u>1,169,234</u>

7. LEASE CONTRACT RECEIVABLES

Lease contract receivables as at June 30, 2017 and December 31, 2016 consist of the following:

	As at June 30, 2017 Baht	As at December 31, 2016 Baht
Outstanding contract price	410,916,188	387,951,038
<u>Less</u> Deposits on long-term lease contracts	(128,959,277)	(129,835,262)
<u>Less</u> Unearned financing income	(31,622,268)	(26,873,884)
	250,334,643	231,241,892
<u>Less</u> Allowance for doubtful accounts (*)	(9,690,816)	(12,129,548)
	<u>240,643,827</u>	<u>219,112,344</u>
Due within one year	149,439,669	148,787,517
<u>Less</u> Deposits on long-term lease contracts	(32,537,853)	(33,036,964)
<u>Less</u> Unearned financing income	(16,769,159)	(15,439,441)
Current portion of lease contract receivables, net	<u>100,132,657</u>	<u>100,311,112</u>
Lease contract receivables, net	<u>140,511,170</u>	<u>118,801,232</u>

(*) As at June 30, 2017 and December 31, 2016, 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 607,971 and Baht 529,512, respectively.

Lease contract receivables as at June 30, 2017 and December 31, 2016 were classified by aging as follows:

	As at June 30, 2017 Baht	As at December 31, 2016 Baht
Current	229,210,871	209,018,771
Overdue :		
Not more than 3 months	9,723,911	8,032,020
Over 3 months but not more than 6 months	469,216	-
More than 12 months	1,847,800	2,981,004
Debtors subject to legal proceedings	9,082,845	11,210,097
	<u>250,334,643</u>	<u>231,241,892</u>

8. INVENTORY FINANCE RECEIVABLES

Inventory finance receivables as at June 30, 2017 and December 31, 2016 consist of the following:

	As at June 30, 2017 Baht	As at December 31, 2016 Baht
Inventory finance receivables	159,623,947	138,153,217
<u>Less</u> Allowance for doubtful accounts (*)	<u>(12,721,904)</u>	<u>(12,721,904)</u>
Inventory finance receivables, net	<u>146,902,043</u>	<u>125,431,313</u>

(*) As at June 30, 2017 and December 31, 2016, 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, 2017 and December 31, 2016 were classified by aging as follows:

	As at June 30, 2017 Baht	As at December 31, 2016 Baht
Current	146,902,043	125,431,313
Debtors subject to legal proceedings	<u>12,721,904</u>	<u>12,721,904</u>
	<u>159,623,947</u>	<u>138,153,217</u>

9. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans from financial institutions as at June 30, 2017 and December 31, 2016 consist of the following:

	As at June 30, 2017 Baht	As at December 31, 2016 Baht
Promissory notes	<u>2,495,000,000</u>	<u>2,280,000,000</u>

As at June 30, 2017 and December 31, 2016, the company have short-term loans from financial institutions bearing interest rates at 2.60% to 3.30% per annum and 2.60% to 2.89% per annum, respectively.

10. LONG-TERM LOANS

Long-term loans from financial institutions as at June 30, 2017 and December 31, 2016 consist of the following:

	As at June 30, 2017 Baht	As at December 31, 2016 Baht
Long-term loans	209,500,000	187,500,000
Current portion of long-term loans	<u>(105,500,000)</u>	<u>(135,500,000)</u>
	<u>104,000,000</u>	<u>52,000,000</u>

As at June 30, 2017 and December 31, 2016, the company entered into long-term loans with financial institutions at the floating interest rates 3.44% to 4.28% p.a. and 3.44% to 4.40% p.a. respectively, and are repayable quarterly installments, the last installment of such loans fall due in August 2020.

11. SHARE CAPITAL

On April 19, 2017, the ordinary shareholders' meeting passed a resolution to increase the share capital from Baht 470,000,000 (470,000,000 ordinary shares of Baht 1 each) to Baht 493,500,000 (493,500,000 ordinary shares of Baht 1 each) by issuing 23,500,000 new ordinary shares with a par value of Baht 1 each, to be stock dividend to the existing shareholders. The Company totally paid stock dividend 23,499,975 ordinary shares of Baht 23,499,975 (see Note 12). The Company has registered increase in share capital with the Department of Business Development on May 18, 2017.

12. DIVIDENDS PAID

12.1 On April 19, 2017, the ordinary shareholders' 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 1 per share. The Company totally paid stock dividend 23,499,975 shares of Baht 23,499,975 (see Note 11) 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.

12.2 On April 22, 2016, the ordinary Shareholder's meeting passed a resolution to pay dividend of Baht 0.1383 per share on 470,000,000 shares, totaling Baht 65.00 million. Such dividend was paid on May 19, 2016.

13. BASIC EARNINGS PER SHARE

Basic earnings per share for the three-month and six-month periods ended June 30, 2017 and 2016 were as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2017	2016	2017	2016
Net profit (Baht '000)	37,902	34,395	74,602	68,001
Issued and paid-up share capital (shares)	470,000,000	470,000,000	470,000,000	470,000,000
Additional stock dividend in 2017 (shares) (see Notes 3 and 11)	23,499,975	23,499,975	23,499,975	23,499,975
Number of shares after stock dividend (shares)	493,499,975	493,499,975	493,499,975	493,499,975
Basic earnings per share (Baht)	0.08	0.07	0.15	0.14

14. 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, 2017 and December 31, 2016 consist of the following:

	Relationship	2017 Baht	2016 Baht
Amount due from related company			
IFS Capital Limited	Major Shareholder company	-	50,757
Amount due to related company			
IFS Capital Limited	Major Shareholder company	136,102	-

Significant transactions with related parties for the three-month and six-month periods ended June 30, 2017 and 2016 are as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Management benefit expenses				
Short-term benefits	10,121,595	8,878,700	18,095,690	16,099,900
Post-employment benefits	326,016	423,343	642,129	846,686
Other long-term benefits	9,972	12,507	20,725	25,015
	10,457,583	9,314,550	18,758,544	16,971,601

15. COMMITMENTS

As at June 30, 2017 and December 31, 2016, the Company has the committed credit facility agreements with financial institutions for general corporate funding requirements as follows:

	As at June 30, 2017 Baht	As at December 31, 2016 Baht
Total credit facilities	4,761,000,000	4,970,000,000

As at June 30, 2017 and December 31, 2016, the Company has utilized the letter of credit amounting to Baht 6.61 million and Baht 5.82 million, respectively, for factoring, hire purchase and leasing contract. However, as at June 30, 2017 and December 31, 2016, the Company has unused such credit facilities with banks totaling Baht 1,509 million and Baht 1,934 million, respectively.

16. 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, 2017 and 2016, 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, 2017 and 2016 were as follow:

							Unit : Baht '000
For the three-month periods ended June 30,							
2017				2016			
Factoring business	Hire purchase and Leasing business	Others	Total	Factoring business	Hire purchase and Leasing business	Others	Total

Unit : Baht '000

	For the three-month periods ended June 30,				2016			
	2017							
	Factoring business	Hire purchase and Leasing business	Others	Total	Factoring business	Hire purchase and Leasing business	Others	Total
Income from operations	88,435	5,175	-	93,610	81,417	5,896	-	87,313
Other income	9,383	1,306	-	10,689	5,417	205	-	5,622
Total income	97,818	6,481		104,299	86,834	6,101	-	92,935
Allowance for doubtful accounts (reverse)	3,232	(1,947)	-	1,285	(1,241)	1,077	-	(164)
Selling and administrative expenses	35,112	2,326	-	37,438	32,619	2,297	-	34,916
Total operation expenses	38,344	379	-	38,723	31,378	3,374	-	34,752
Net income before finance cost and income tax	59,474	6,102	-	65,576	55,456	2,727	-	58,183
Finance cost	16,618	1,101	-	17,719	14,359	1,010	-	15,369
Income tax expenses	8,392	1,563	-	9,955	7,980	439	-	8,419
Net income for the periods	34,464	3,438	-	37,902	33,117	1,278	-	34,395

Unit : Baht '000

	For the six-month periods ended June 30,				2016			
	2017,							
	Factoring business	Hire purchase and Leasing business	Others	Total	Factoring business	Hire purchase and Leasing business	Others	Total
Income from operations	170,751	10,102	-	180,853	158,857	11,475	-	170,332
Other income	17,506	2,571	-	20,077	10,698	1,046	-	11,744
Total income	188,257	12,673	-	200,930	169,555	12,521	-	182,076
Allowance for doubtful accounts (reverse)	3,499	(2,136)	-	1,363	(1,466)	695	-	(771)
Selling and administrative expenses	67,777	4,563	-	72,340	62,192	4,593	-	66,785
Total operation expenses	71,276	2,427	-	73,703	60,726	5,288	-	66,014
Net income before finance cost and income tax	116,981	10,246	-	127,227	108,829	7,233	-	116,062
Finance cost	31,435	2,116	-	33,551	27,797	2,053	-	29,850
Income tax expenses	16,663	2,411	-	19,074	15,725	2,486	-	18,211
Net income for the periods	68,883	5,719	-	74,602	65,307	2,694	-	68,001

Unit : Baht '000

	As at June 30, 2017				As at December 31, 2016			
	Factoring business	Hire purchase and Leasing business	Others	Total	Factoring business	Hire purchase and Leasing business	Others	Total
Total assets	3,229,216	253,674	493,515	3,976,405	3,051,877	220,279	436,048	3,708,204

17. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved for issue by the authorized director of the Company on August 3, 2017.