

EASY BUY Public Company Limited

Interim financial statements
for the three-month and six-month periods ended
30 June 2013

and

Independent auditor's report on review of interim financial
information



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Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of EASY BUY Public Company Limited

I have reviewed the accompanying statement of financial position of EASY BUY Public Company Limited as at 30 June 2013; the statements of comprehensive income for the three-month and six-month periods ended 30 June 2013; the statements of changes in equity and cash flows for the six-month periods ended 30 June 2013; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my 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 me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

(Siripen Sukcharoenyingyong)
Certified Public Accountant
Registration No. 3636

KPMG Phoomchai Audit Ltd.
Bangkok
8 August 2013

EASY BUY Public Company Limited
Statements of financial position

		30 June	31 December
Assets	Note	2013	2012
		(Unaudited)	
		(in thousand Baht)	
Current assets			
Cash and cash equivalents		457,947	554,290
Loan receivables due within one year	4	29,595,434	28,287,847
Other receivables		339,294	361,993
Total current assets		30,392,675	29,204,130
Non-current assets			
Loan receivables	4	184,030	251,852
Leasehold improvements and equipment	5	392,487	348,205
Intangible assets		33,785	34,443
Deferred tax assets	6	527,930	524,797
Other non-current assets		70,422	73,878
Total non-current assets		1,208,654	1,233,175
Total assets		31,601,329	30,437,305

The accompanying notes are an integral part of these financial statements.

EASY BUY Public Company Limited

Statements of financial position

		30 June 2013 (Unaudited)	31 December 2012
Liabilities and equity	<i>Note</i>		
		<i>(in thousand Baht)</i>	
<i>Current liabilities</i>			
Short-term loans from financial institutions	3, 7	2,200,000	2,421,000
Trade accounts payable		9,404	13,451
Other payables	3	476,774	495,707
Current portion of long-term loans			
from financial institutions	3, 7	3,953,535	2,161,724
Current portion of debenture	7	499,250	1,498,343
Income tax payable		308,297	410,562
Total current liabilities		7,447,260	7,000,787
<i>Non-current liabilities</i>			
Long-term loans from financial institutions	3, 7	10,181,956	11,398,086
Debenture	7	7,316,438	6,315,300
Employee benefit obligations		26,210	22,152
Provision for demolished cost of			
leasehold improvements		60,316	46,904
Other non-current liabilities		467	467
Total non-current liabilities		17,585,387	17,782,909
Total liabilities		25,032,647	24,783,696
<i>Equity</i>			
Share capital	8		
Authorised share capital		3,900,000	3,900,000
Issued and paid-up share capital		3,900,000	3,900,000
Retained earnings			
Appropriated to legal reserve		127,380	127,380
Unappropriated		2,541,302	1,626,229
Total equity		6,568,682	5,653,609
Total liabilities and equity		31,601,329	30,437,305

The accompanying notes are an integral part of these financial statements.

EASY BUY Public Company Limited

Statements of comprehensive income (Unaudited)

		Three-month period ended		Six-month period ended	
		30 June		30 June	
	<i>Note</i>	2013	2012	2013	2012
		<i>(in thousand Baht)</i>			
<i>Income</i>					
Income from personal loans		2,086,685	1,964,745	4,116,052	3,889,085
Income from installment loans		8,455	11,228	17,431	22,755
Other income		214,640	209,755	492,558	451,206
Total income		2,309,780	2,185,728	4,626,041	4,363,046
<i>Expenses</i>					
Operating expenses		161,983	138,172	316,850	290,874
Administrative expenses		495,880	429,113	987,121	865,519
Bad debts and doubtful accounts expenses	4	587,957	671,514	1,200,598	1,261,172
Finance costs	3	308,410	320,674	609,436	629,091
Total expenses		1,554,230	1,559,473	3,114,005	3,046,656
Profit before income tax expense		755,550	626,255	1,512,036	1,316,390
Income tax expense	9	(151,798)	(140,689)	(304,463)	(306,635)
Profit and total comprehensive income for the period		603,752	485,566	1,207,573	1,009,755
Basic earnings per share (Baht)	11	1.55	1.25	3.10	2.59

The accompanying notes are an integral part of these financial statements.

EASY BUY Public Company Limited

Statements of changes in equity (Unaudited)

	Issued and paid-up share capital	Retained earnings		Total equity
		Appropriated to legal reserve	Unappropriated	
Six-month period ended 30 June 2012				
		<i>(in thousand Baht)</i>		
Balance at 1 January 2012	300,000	30,000	3,796,007	4,126,007
Profit and total comprehensive income for the period	-	-	1,009,755	1,009,755
Balance at 30 June 2012	300,000	30,000	4,805,762	5,135,762
Six-month period ended 30 June 2013				
Balance at 1 January 2013	3,900,000	127,380	1,626,229	5,653,609
Profit and total comprehensive income for the period	-	-	1,207,573	1,207,573
Dividend	-	-	(292,500)	(292,500)
Balance at 30 June 2013	3,900,000	127,380	2,541,302	6,568,682

The accompanying notes are an integral part of these financial statements.

EASY BUY Public Company Limited

Statements of cash flows (Unaudited)

	Six-month period ended 30 June	
	2013	2012
	(in thousand Baht)	
<i>Cash flows from operating activities</i>		
Profit for the period	1,207,573	1,009,755
<i>Adjustments for</i>		
Depreciation and amortisation	55,251	48,986
Finance costs	609,436	629,091
Bad debts and doubtful accounts expenses	1,200,598	1,261,172
Employee benefit obligations	4,058	1,654
Loss on disposal of equipment and intangible assets	583	1,900
Income tax expense	<u>304,463</u>	<u>306,635</u>
	3,381,962	3,259,193
<i>Changes in operating assets and liabilities</i>		
Loan receivables	(2,440,362)	(2,194,188)
Other receivables	22,698	(37,086)
Other non-current assets	3,455	(298)
Trade accounts payable	(4,047)	(1,828)
Other payables	(75,182)	(49,763)
Other non-current liabilities	(4,406)	(979)
Finance costs paid	<u>(598,103)</u>	<u>(635,557)</u>
Cash generated from operating activities	286,015	339,494
Income tax paid	<u>(409,861)</u>	<u>(266,155)</u>
Net cash from (used in) operating activities	<u>(123,846)</u>	<u>73,339</u>
<i>Cash flows from investing activities</i>		
Purchase of leasehold improvements and equipment	(23,159)	(52,050)
Sale of equipment	1,865	76
Purchase of intangible assets	<u>(4,103)</u>	<u>(856)</u>
Net cash used in investing activities	<u>(25,397)</u>	<u>(52,830)</u>

The accompanying notes are an integral part of these financial statements.

EASY BUY Public Company Limited

Statements of cash flows (Unaudited)

	Six-month period ended 30 June	
	2013	2012
	<i>(in thousand Baht)</i>	
<i>Cash flows from financing activities</i>		
Decrease in short-term loans from financial institutions	(221,000)	(886,000)
Proceeds from long-term loans from financial institutions	1,085,400	446,000
Repayment of long-term loans from financial institutions	(519,000)	(1,531,660)
Proceeds from issuing debenture	1,000,000	1,840,000
Repayment of debenture	(1,000,000)	-
Dividend paid to owners of the Company	(292,500)	-
Net cash from (used in) financing activities	52,900	(131,660)
Net decrease in cash and cash equivalents	(96,343)	(111,151)
Cash and cash equivalents at 1 January	554,290	578,784
Cash and cash equivalents as at 30 June	457,947	467,633

Non-cash transaction

During the six-month period ended 30 June 2013, the Company acquired leasehold improvements and equipment totalling Baht 97.1 million (2012 : Baht 63.5 million) and cash payments of Baht 23.2 million (2012 : Baht 52.1 million) were made to purchase leasehold improvements and equipment.

The accompanying notes are an integral part of these financial statements.

EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

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EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 8 August 2013.

1 General information

EASY BUY Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 5th Floor, Sathorn Square Office Tower, 98 North Sathorn Road, Silom, Bangrak, Bangkok.

The immediate parent company during the financial period was ACOM Co., Ltd. which is incorporated in Japan.

The principal businesses of the Company are consumer finance business representing personal loans and installment loans.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2009) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2012. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended 31 December 2012.

The FAP has issued the following new and revised TFRS relevant to the Company’s operations and effective for accounting periods beginning on or after 1 January 2013:

TFRS	Topic
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments

The adoption of these new and revised TFRS did not have any impact on accounting policies and financial position or performance of the Company.

In addition to the above new and revised TFRS, as at 30 June 2013 the FAP had issued a number of new interpretations which are effective for financial statements beginning on or after 1 January 2014 and have not been adopted in the preparation of these interim financial statements. Those new interpretations that are relevant to the Company’s operations are disclosed in note 14.

Accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2012.

EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

(b) Functional and presentation currency

The interim financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest million unless otherwise stated.

(c) Use of estimates and judgements

The preparation of interim financial statements in conformity with Thai Financial Reporting Standards (TFRS) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2012.

3 Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
ACOM Co., Ltd.	Japan	Parent company, 71% shareholding
ACOM (U.S.A.) Inc.	The United States of America	Related party, wholly owned by the parent company
The Bank of Tokyo-Mitsubishi UFJ, Bangkok branch	Japan	Financial institution in group of Mitsubishi UFJ Financial Group (MUFG), 40.20% shareholding in parent company
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch	Japan	Financial institution in group of Mitsubishi UFJ Financial Group (MUFG), 40.20% shareholding in parent company
GCT Management (Thailand) Ltd.	Thailand	Shareholder, 25% shareholding
Key management personnel	Japan, Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company

EASY BUY Public Company Limited
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2013 (Unaudited)

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
<i>Finance costs</i>	
Interest expense	as agreed in contracts
Guarantee fee	as agreed in contracts

Significant transactions for the three-month and six-month periods ended 30 June 2013 and 2012 with related parties were as follows:

	Three-month periods		Six-month periods	
	2013	2012	2013	2012
	<i>(in million Baht)</i>			
Parent				
Guarantee fee	10	11	20	22
Other related parties				
Interest expense	92	93	183	192
Key management personnel				
Key management personnel compensation	19	26	40	42

Balances as at 30 June 2013 and 31 December 2012 with related parties were as follows:

<i>Long-term loans from financial institutions</i>	30 June 2013	31 December 2012
	<i>(in million Baht)</i>	
Other related parties		
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch - JPY 6,050 million (31 December 2012 : JPY 6,050 million)	2,244	2,244
The Bank of Tokyo-Mitsubishi UFJ, Bangkok branch	3,900	3,900
ACOM (U.S.A.) Inc. - USD 52 million (31 December 2012 : USD 52 million)	1,615	1,615
Less long-term loan issuance cost	(7)	(9)
Total	7,752	7,750
Less current portion	(3,044)	(1,117)
Net	4,708	6,633

As at 30 June 2013, loans from related parties bear interest at rates ranging from 2.29% per annum to 6.67% per annum (31 December 2012: 2.29% per annum to 6.67% per annum).

Movements during the six-month periods ended 30 June 2013 and 2012 of loans from related parties were as follows:

<i>Six-month periods ended 30 June</i>	2013	2012
	<i>(in million Baht)</i>	
Short-term loans		
Other related party		
At 1 January	-	600
Increase	-	1,200
Decrease	-	(1,200)
At 30 June	-	600

EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

Six-month periods ended 30 June

2013 2012
(in million Baht)

Long-term loans

Other related parties

At 1 January

7,759 8,064

Decrease

- (1,372)

Less long-term loan issuance cost

(7) (12)

At 30 June

7,752 6,680

Accrued finance costs

30 June 31 December
2013 2012
(in million Baht)

Accrued interest expense

Other related parties

The Bank of Tokyo-Mitsubishi UFJ, Bangkok branch

31 31

Mitsubishi UFJ Trust and Banking Corporation, Singapore branch

35 35

ACOM (U.S.A.) Inc.

9 9

Total

75 75

Accrued guarantee fee

Parent

ACOM Co., Ltd.

3 4

Total

78 79

Significant agreements with related parties

Guarantee fee agreements

The Company entered into agreements with ACOM Co., Ltd., a parent company, which such company has guaranteed the financial institutions due performance of obligations by the Company under loan agreements and derivatives with those financial institutions. In consideration thereof, the Company is committed to pay guarantee fee based on certain percentage of the outstanding balances of loans and derivatives as stipulated in the agreement unless the Company gives prior notice in writing for termination of the agreements.

Cross currency and interest rate swap agreements

The Company entered into the agreement with The Bank of Tokyo-Mitsubishi UFJ, Bangkok branch, to hedge financial liabilities denominated in foreign currencies and the volatility of interest rate by swapping the foreign currency and interest rate as specified in the agreements.

EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

4 Loan receivables

	Personal loan receivables	30 June 2013 Installment loan receivables	Total (in million Baht)	Personal loan receivables	31 December 2012 Installment loan receivables	Total
Due within one year						
Loan receivables	31,369	252	31,621	30,172	232	30,404
Less unearned interest income	(34)	(23)	(57)	(51)	(23)	(74)
allowance for doubtful accounts	(1,962)	(7)	(1,969)	(2,032)	(10)	(2,042)
Net	29,373	222	29,595	28,089	199	28,288
Due over one year						
Loan receivables	180	70	250	295	67	362
Less unearned interest income	(18)	(8)	(26)	(38)	(8)	(46)
allowance for doubtful accounts	(38)	(2)	(40)	(62)	(2)	(64)
Net	124	60	184	195	57	252
Total	29,497	282	29,779	28,284	256	28,540
		2013			2012	
			(in million Baht)			
Bad debts and doubtful accounts expenses for						
three-month periods ended 30 June	587	1	588	669	3	672
six-month periods ended 30 June	1,199	2	1,201	1,256	5	1,261

EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

Aging analyses for loan receivables were as follow:

	Personal loan receivables	30 June 2013 Installment loan receivables	Total <i>(in million Baht)</i>	Personal loan receivables	31 December 2012 Installment loan receivables	Total
Not yet due	29,609	316	29,925	28,536	291	28,827
Overdue payment periods						
Less than 3 periods	1,293	4	1,297	1,296	5	1,301
3 - 5 periods	646	2	648	634	3	637
6 - 12 periods	1	-	1	1	-	1
	<u>31,549</u>	<u>322</u>	<u>31,871</u>	<u>30,467</u>	<u>299</u>	<u>30,766</u>
Less unearned interest income	(52)	(31)	(83)	(89)	(31)	(120)
Total	31,497	291	31,788	30,378	268	30,646
Less allowance for doubtful accounts	<u>(2,000)</u>	<u>(9)</u>	<u>(2,009)</u>	<u>(2,094)</u>	<u>(12)</u>	<u>(2,106)</u>
Net	29,497	282	29,779	28,284	256	28,540

EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

As at 30 June 2013 and 31 December 2012, personal loan receivables comprised the following:

	30 June 2013	31 December 2012
	<i>(in million Baht)</i>	
Revolving loan receivables	30,489	29,186
Minimum payment loan receivables	710	764
Term loan receivables	350	517
Total	31,549	30,467

Revolving loans are repayable at any time subject to a minimum monthly payment of from 3.5% to 8.0% of the outstanding balances, as specified in the loan agreements. The Company classifies the total balance of revolving loan receivables within current assets.

Minimum payment loans are loans which the borrowers have the option to repay in full at any time or by monthly installments of not less than the minimum payment of from 3.0% to 8.0% of the total loan amount, as specified in the loan agreements. The Company classifies the total balance of minimum payment loan receivables within current assets.

Term loan receivables are repayable by monthly installments, as specified in the loan agreements. The Company classifies the balance of term loan receivables within current and non-current assets. As 30 June 2013, this monthly repayment amount repayable within one year was Baht 136.0 million (31 December 2012: Baht 169.0 million).

As at 30 June 2013, the Company had loan receivables which were overdue for over three payment periods of Baht 649.4 million (31 December 2012 : Baht 638.1 million and 30 June 2012: Baht 566.1 million) on which the Company has continued to recognise the interest income. The Company recognised income on such loan receivables for the three-month and six-month period ended 30 June 2013 amounting to Baht 40.2 million and Baht 80.6 million, respectively (2012: Baht 31.9 million and Baht 70.3 million, respectively) against which full allowance for doubtful accounts has been made.

Loan receivables of the Company as at 30 June 2013 and 31 December 2012 were denominated entirely in Thai Baht.

5 Leasehold improvements and equipment

During the six-month period ended 30 June 2013, the Company acquired leasehold improvements and equipment at the total cost of Baht 97.1 million (2012: Baht 63.5 million).

EASY BUY Public Company Limited**Notes to the interim financial statements****For the three-month and six-month periods ended 30 June 2013 (Unaudited)****6 Deferred tax**

Movements in total deferred tax assets and liabilities during the periods were as follows:

	At 1 January 2013	(Charged)/ Credited to Profit or loss (in million Baht)	At 30 June 2013
<i>Deferred tax assets</i>			
Loan receivables (<i>allowance for doubtful accounts</i>)	421	(19)	402
Loan receivables (<i>bad debt written-off</i>)	82	(16)	66
Employee benefit obligations	5	-	5
Provision for demolished costs of leasehold improvements	4	1	5
Long-term loans from financial institutions (<i>cross currency swap</i>)	19	35	54
Others	5	-	5
Total	536	1	537
<i>Deferred tax liabilities</i>			
Debenture and long-term loan issuance cost	(11)	2	(9)
Total	(11)	2	(9)
Net	525	3	528

EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

7 Interest-bearing liabilities

	30 June 2013				31 December 2012			
	Short-term loans from financial institutions	Long-term loans	Debenture	Total <i>(in million Baht)</i>	Short-term loans from financial institutions	Long-term Loans	Debenture	Total
<i>Current</i>								
Principal	2,200	3,959	500	6,659	2,421	2,167	1,500	6,088
Less debenture and long-term loan issuance cost	-	(5)	(1)	(6)	-	(5)	(2)	(7)
Net	2,200	3,954	499	6,653	2,421	2,162	1,498	6,081
<i>Non-current</i>								
Principal	-	10,195	7,340	17,535	-	11,420	6,340	17,760
Less debenture and long-term loan issuance cost	-	(13)	(24)	(37)	-	(22)	(25)	(47)
Net	-	10,182	7,316	17,498	-	11,398	6,315	17,713
Total	2,200	14,136	7,815	24,151	2,421	13,560	7,813	23,794
- Secured	2,200	13,636	6,001	21,837	2,421	11,945	6,997	21,363
- Unsecured	-	500	1,814	2,314	-	1,615	816	2,431
Total	2,200	14,136	7,815	24,151	2,421	13,560	7,813	23,794

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The currency denomination of interest-bearing liabilities is as follows:

	30 June 2013	31 December 2012
	<i>(in million Baht)</i>	
Thai Baht (THB)	19,708	19,936
United States Dollars	2,200	1,615
Japanese Yen	2,243	2,243
Total	24,151	23,794

As at 30 June 2013, above liabilities bear interest at the rates ranging from 2.29% per annum to 6.67% per annum (31 December 2012: 2.29% per annum to 6.67% per annum).

Cross currency and interest rate swap agreements

Thai Baht

As at 30 June 2013, the Company had interest rate swap agreements with local branch of the foreign related bank and local bank totaling Baht 2,300 million (31 December 2012 : Baht 3,300 million) to hedge the volatility of interest rate by paying interest fixed rates as specified in the agreement in exchange for floating rates.

Japanese Yen

As at 30 June 2013, the Company had cross currency and interest rate swap agreements to hedge financial liabilities denominated in foreign currencies and the volatility of interest rate by paying the interest in Baht in fixed rate as specified in the agreement in exchange for interest payable in JPY semi-annually. The cross currency agreements were as follows:

- a local branch of the foreign bank totaling JPY 1,700 million by swapping to Baht 617.3 million (31 December 2012 : swapping JPY 1,700 million to Baht 617.3 million).
- various branches of the local banks totaling JPY 4,350 million by swapping to Baht 1,626.4 million (31 December 2012 : swapping JPY 4,350 million to Baht 1,626.4 million).

United States Dollars

As at 30 June 2013, the Company had cross currency and interest rate swap agreements to hedge financial liabilities denominated in foreign currencies and the volatility of interest rate and paying the interest in Baht in fixed rate as specified in the agreement in exchange for interest payable in USD semi-annually. The cross currency agreements were as follows:

- a local branch of the foreign related bank and the local bank totaling USD 52 million by swapping to Baht 1,614.7 million (31 December 2012 : swapping USD 52 million to Baht 1,614.7 million).
- a local branch of the foreign banks totaling USD 20 million by swapping to Baht 585.4 million.

EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

Debentures

Debentures as at 30 June 2013 and 31 December 2012 were as follows:

	Issuance date	Maturity date	Tranch Number	Secured/ Unsecured	Unit	Par value (in Baht)	30 June 2013 (in million Baht)	31 December 2012
1	30 September 2009	15 March 2013	1st	Secured	1,000,000	1,000	-	1,000
2	23 December 2011	23 December 2013	1st	Secured	500,000	1,000	500	500
		23 December 2014	2nd	Secured	500,000	1,000	500	500
		23 December 2015	3rd	Secured	500,000	1,000	500	500
3	30 March 2012	27 February 2015	1st	Secured	500,000	1,000	500	500
		29 February 2016	2nd	Secured	1,000,000	1,000	1,000	1,000
		27 February 2015	3rd	Unsecured	340,000	1,000	340	340
4	13 July 2012	12 June 2015	1st	Secured	1,020,000	1,000	1,020	1,020
		12 February 2016	2nd	Secured	2,000,000	1,000	2,000	2,000
		12 June 2015	3rd	Unsecured	480,000	1,000	480	480
5	14 March 2013	14 March 2016	1st	Unsecured	1,000,000	1,000	1,000	-
							<hr/>	<hr/>
							7,840	7,840
<i>Less debenture issuance cost</i>							(25)	(27)
							<hr/>	<hr/>
							7,815	7,813
<i>Less current portion</i>							(499)	(1,498)
Debenture – net							<hr/>	<hr/>
							7,316	6,315

EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

8 Share capital

Six-month periods ended 30 June

		2013		2012	
	Par value per share (in Baht)	Number	Baht (million share/million Baht)	Number	Baht
Authorised					
At 1 January					
- ordinary shares	10	390	3,900	30	300
At 30 June					
- ordinary shares	10	390	3,900	30	300
Issued and paid					
At 1 January					
- ordinary shares	10	390	3,900	30	300
At 30 June					
- ordinary shares	10	390	3,900	30	300

Issue of ordinary shares

At the extraordinary shareholders' meeting held on 18 October 2012, the shareholders unanimously approved to increase the Company's authorized share capital from Baht 300 million (30,000,000 shares at Baht 10 par value) to Baht 3,900 million (390,000,000 shares at Baht 10 par value) by the issuance of 360,000,000 new common shares at a ratio of 1 existing share to 12 stock dividend with a par value of Baht 10 per share. The Company registered the increase in share capital with the Ministry of Commerce on 31 October 2012.

9 Income tax expense

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period. The Company's effective tax rate in respect of continuing operations for the six-months ended 30 June 2013 was 20.14% (30 June 2012: 23.29%). This change in effective tax rate was caused mainly by the expenses not deductible for tax purposes.

10 Segment information

The Company's operations are consumer finance business representing personal loans and installment loans as integrated and complementary activities that constitute one line of business. Consequently, management considers that it has only one business segment. Moreover, the Company operates in the domestic market; consequently, management determines that it has only one geographical segment.

EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

11 Basic earnings per share

During the year of 2012, the Company issued the stock dividend (as set out in note 8). The Company has restated the number of ordinary shares used in the computation of basic earnings per share for the three-month and six-month period ended 30 June 2012 from 30,000,000 shares to 390,000,000 shares by adjusting to give effect to the stock dividends granted to the existing shareholders at a ratio of 1 existing share to 12 stocks dividend assuming the stock dividends occurred on 1 January 2012. As a result, the basic earnings per share of the financial statements for the three-month and six-month periods ended 30 June 2012 were changed from Baht 16.19 per share to Baht 1.25 per share and Baht 33.66 per share to Baht 2.59 per share, respectively. This was made in order to reflect the change in numbers of all issued common shares.

The calculations of basic earnings per share for the three-month and six-month periods ended 30 June 2013 and 2012 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

	Three-month periods		Six-month periods	
	2013	2012	2013	2012
	<i>(in million Baht / million shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>604</u>	<u>486</u>	<u>1,208</u>	<u>1,010</u>
Number of ordinary shares outstanding at 1 January	390	30	390	30
Effect of stock dividend issued on 31 October 2012	<u>-</u>	<u>360</u>	<u>-</u>	<u>360</u>
Number of ordinary shares outstanding (basic)	<u>390</u>	<u>390</u>	<u>390</u>	<u>390</u>
Basic earnings per share (basic) <i>(in Baht)</i>	<u>1.55</u>	<u>1.25</u>	<u>3.10</u>	<u>2.59</u>

12 Dividend

At the annual general meeting of the shareholders of the Company held on 23 April 2013, the shareholders approved the appropriation of dividend of Baht 0.75 per share, amounting to Baht 292.5 million. The dividend was paid to shareholders on 30 April 2013.

EASY BUY Public Company Limited

Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2013 (Unaudited)

13 Commitments with non-related parties

	30 June 2013	31 December 2012
	(in million Baht)	
Capital commitments		
Leasehold improvements	-	39
Software	-	1
Total	-	40
Non-cancellable operating lease commitments		
Within one year	162	162
After one year but within five years	209	254
After five years	8	3
Total	379	419

The Company entered into several lease agreements covering office premises, vehicles and computer equipment for periods of from one to nine years. In consideration thereof, the Company is committed to pay rental fee at various annual rental rates as specified in the agreements.

14 Thai Financial Reporting Standards (TFRS) not yet adopted

The Company has not adopted the new interpretations that have been issued as of the reporting date but are not yet effective. Those new interpretations that are applicable to the Company, which become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table, are as follows:

TFRS	Topic	Year effective
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2014
TFRIC 4	Determining whether an Arrangement contains a Lease	2014
TFRIC 13	Customer Loyalty Programmes	2014

Management expects to adopt and apply these new interpretations in accordance with the FAP's announcement and has made a preliminary assessment of the potential initial impact on the Company's financial statements of these new interpretations and expects that there will be no material impact on the financial statements in the period of initial application.