

EASY BUY PUBLIC COMPANY LIMITED

Interim Financial Information

Six-month period ended June 30, 2014

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

TO THE BOARD OF DIRECTORS EASY BUY PUBLIC COMPANY LIMITED

We have reviewed the statement of financial position of EASY BUY Public Company Limited as at June 30, 2014 and the statements of comprehensive income for the three-month and six-month periods then ended, 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".

Other Matter

The statement of financial position of EASY BUY Public Company Limited as at December 31, 2013, presented herein as comparative information, was audited by other auditors, whose report thereon dated February 26, 2014 expressed an unmodified opinion on that statement. The statements of comprehensive income for the three-month and six-month periods ended June 30, 2013, changes in shareholders' equity and cash flows for the six-month period ended June 30, 2013, presented herein as comparative information, were reviewed by other auditors, whose report thereon dated August 8, 2013, concluded that nothing had come to their attention that caused them to believe that such interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".



Chavala Tienpasertkij

Certified Public Accountant (Thailand)

Registration No. 4301

BANGKOK

August 13, 2014

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

EASY BUY PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2014

Unit : Thousand Baht

		“Unaudited”	
	Notes	June 30,	December 31,
		2014	2013
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		348,127	567,552
Loan receivables due within one year	5	32,323,839	30,794,649
Other receivables		255,844	436,667
Total Current Assets		<u>32,927,810</u>	<u>31,798,868</u>
NON-CURRENT ASSETS			
Loan receivables	5	72,962	118,685
Leasehold improvements and equipment	6	432,444	431,822
Intangible assets		86,337	65,199
Deferred tax assets	7	524,721	537,229
Other non-current assets		63,022	61,497
Total Non-current Assets		<u>1,179,486</u>	<u>1,214,432</u>
TOTAL ASSETS		<u><u>34,107,296</u></u>	<u><u>33,013,300</u></u>

See condensed notes to the financial statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT JUNE 30, 2014

Unit : Thousand Baht

	Notes	“Unaudited” June 30, 2014	December 31, 2013
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term borrowings from financial institutions	4, 8	2,560,000	2,061,000
Trade accounts payable		4,585	6,343
Other payables	4	475,344	662,516
Current portion of long-term borrowings			
from financial institutions	4, 8	6,137,201	7,894,492
Current portion of debentures	8	2,836,389	498,983
Income tax payable		280,320	271,594
Total Current Liabilities		12,293,839	11,394,928
NON-CURRENT LIABILITIES			
Long-term borrowings from financial institutions	4, 8	7,870,369	6,128,757
Debentures	8	5,487,642	7,819,229
Employee benefit obligations		33,172	29,152
Provision for restoration cost of			
leasehold improvements		62,348	61,470
Other non-current liabilities		4,571	6,586
Total Non-current Liabilities		13,458,102	14,045,194
TOTAL LIABILITIES		25,751,941	25,440,122

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT JUNE 30, 2014

Unit : Thousand Baht

	“Unaudited”	
	June 30,	December 31,
	2014	2013
LIABILITIES AND SHAREHOLDERS' EQUITY		
(CONTINUED)		
SHAREHOLDERS' EQUITY		
SHARE CAPITAL		
Authorized share capital		
390,000,000 ordinary shares of Baht 10 each	3,900,000	3,900,000
Issued and paid-up share capital		
390,000,000 ordinary shares of Baht 10 each, fully paid	3,900,000	3,900,000
RETAINED EARNINGS		
Appropriated		
Legal reserve	237,983	237,983
Unappropriated	4,217,372	3,435,195
TOTAL SHAREHOLDERS' EQUITY	8,355,355	7,573,178
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	34,107,296	33,013,300

See condensed notes to the financial statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2014
“Unaudited”

Unit : Thousand Baht

	Notes	2014	2013
INCOME			
Income from personal loans		2,244,187	2,086,685
Income from installment loans		8,283	8,455
Other income	9	211,938	214,640
Total Income		<u>2,464,408</u>	<u>2,309,780</u>
EXPENSES			
Selling expenses		164,318	161,983
Administrative expenses	4	540,451	495,880
Bad debts and doubtful accounts expenses	5	761,254	587,957
Finance costs	4	304,630	308,410
Total Expenses		<u>1,770,653</u>	<u>1,554,230</u>
PROFIT BEFORE INCOME TAX EXPENSE		693,755	755,550
INCOME TAX EXPENSE		<u>(144,266)</u>	<u>(151,798)</u>
PROFIT AND TOTAL COMPREHENSIVE			
INCOME FOR THE PERIOD		<u>549,489</u>	<u>603,752</u>
BASIC EARNINGS PER SHARE			
	BAHT	1.41	1.55
WEIGHTED AVERAGE NUMBER OF			
ORDINARY SHARES	SHARES	390,000,000	390,000,000

See condensed notes to the financial statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014
“Unaudited”

Unit : Thousand Baht

	Notes	2014	2013
INCOME			
Income from personal loans		4,418,474	4,116,052
Income from installment loans		16,620	17,431
Other income	9	464,483	492,558
Total Income		<u>4,899,577</u>	<u>4,626,041</u>
EXPENSES			
Selling expenses		307,842	316,850
Administrative expenses	4	1,086,864	987,121
Bad debts and doubtful accounts expenses	5	1,488,070	1,200,598
Finance costs	4	610,285	609,436
Total Expenses		<u>3,493,061</u>	<u>3,114,005</u>
PROFIT BEFORE INCOME TAX EXPENSE		1,406,516	1,512,036
INCOME TAX EXPENSE		<u>(292,839)</u>	<u>(304,463)</u>
PROFIT AND TOTAL COMPREHENSIVE			
INCOME FOR THE PERIOD		<u><u>1,113,677</u></u>	<u><u>1,207,573</u></u>
BASIC EARNINGS PER SHARE			
	BAHT	2.86	3.10
WEIGHTED AVERAGE NUMBER OF			
ORDINARY SHARES	SHARES	390,000,000	390,000,000

See condensed notes to the financial statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014
“Unaudited”

Unit : Thousand Baht

	Notes	Issued and paid-up share capital	Retained earnings		Total shareholders' equity
			Appropriated - Legal reserve	Unappropriated	
Balance as at January 1, 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
Dividends paid	11.1	-	-	(292,500)	(292,500)
Balance as at June 30, 2013		<u>3,900,000</u>	<u>127,380</u>	<u>2,541,302</u>	<u>6,568,682</u>
 Balance as at January 1, 2014		 3,900,000	 237,983	 3,435,195	 7,573,178
Profit and total comprehensive income for the period		-	-	1,113,677	1,113,677
Dividends paid	11.2	-	-	(331,500)	(331,500)
Balance as at June 30, 2014		<u>3,900,000</u>	<u>237,983</u>	<u>4,217,372</u>	<u>8,355,355</u>

See condensed notes to the financial statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014
“Unaudited”

Unit : Thousand Baht

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax expense	1,406,516	1,512,036
Adjustments for:		
Depreciation and amortisation expenses	70,899	55,251
Interest income	(4,435,094)	(4,133,484)
Finance cost	610,285	609,436
Bad debts and doubtful accounts expenses	1,488,070	1,200,598
Employee benefit expense	4,020	4,058
(Gain) loss on disposal of equipment and intangible assets	(817)	583
	<u>(856,121)</u>	<u>(751,522)</u>
Changes in operating assets and liabilities		
Loan receivables	(2,892,232)	(2,361,793)
Other receivables	182,590	22,698
Other non-current assets	(1,525)	3,455
Trade accounts payable	(1,758)	(4,047)
Other payables	(90,006)	(23,576)
Other non-current liabilities	(1,968)	(4,406)
Cash paid from operating activities	<u>(3,661,020)</u>	<u>(3,119,191)</u>
Cash received from interest income	4,355,789	4,054,915
Finance cost paid	(643,374)	(598,103)
Income tax paid	<u>(271,606)</u>	<u>(409,861)</u>
Net cash used in operating activities	<u>(220,211)</u>	<u>(72,240)</u>

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014
“Unaudited”

	Unit : Thousand Baht	
	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for purchasing of leasehold improvements and equipment	(112,810)	(74,765)
Proceed from sale of equipment	2,166	1,865
Cash paid for purchasing of intangible assets	(41,444)	(4,103)
Net cash used in investing activities	<u>(152,088)</u>	<u>(77,003)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in short-term loans from financial institutions	499,000	(221,000)
Proceeds from long-term loans from financial institutions	2,295,906	1,085,400
Repayment of long-term loans from financial institutions	(2,310,532)	(519,000)
Proceeds from issuing debentures	-	1,000,000
Repayment of debentures	-	(1,000,000)
Dividend paid to owners of the Company	(331,500)	(292,500)
Net cash provided by financing activities	<u>152,874</u>	<u>52,900</u>
Net decrease in cash and cash equivalents	(219,425)	(96,343)
Cash and cash equivalents as at January 1,	<u>567,552</u>	<u>554,290</u>
Cash and cash equivalents as at June 30,	<u><u>348,127</u></u>	<u><u>457,947</u></u>

See condensed notes to the financial statements

EASY BUY PUBLIC COMPANY LIMITED
NOTES TO THE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2014
“Unaudited”

Notes	Contents
1.	General information
2.	Basis of preparation of the interim financial information
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6.	Leasehold improvements and equipment
7.	Deferred taxes
8.	Interest-bearing liabilities
9.	Other income
10.	Segment information
11.	Dividend paid
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EASY BUY PUBLIC COMPANY LIMITED
NOTES TO THE INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2014
“Unaudited”

1. GENERAL INFORMATION

EASY BUY Public Company Limited, the (“Company”), was incorporated in Thailand. Its registered office is 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 was incorporated in Japan.

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

2. BASIS FOR PREPRATION OF THE INTERIM FINANCIAL INFORMATION

2.1 Statement of compliance

The interim financial information is prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2012) 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 results of operations for the three-month and six-month periods ended June 30, 2014 are not necessarily indicative of the operating results anticipated for the full year.

The interim financial information is prepared to provide an update on the financial statements for the year ended December 31, 2013. It does 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, this interim financial information should be read in conjunction with the financial statements of the Company for the year ended December 31, 2013.

The Federation of Accounting Professions has issued Notifications regarding Thai Financial Reporting Standards, which are effective for the accounting period beginning on or after January 1, 2014 onwards, in the preparation and presentation of interim financial statements, as follows:

Thai Accounting Standards (TAS)

TAS 1 (Revised 2012)	Presentation of Financial Statements
TAS 7 (Revised 2012)	Statement of Cash Flows
TAS 12 (Revised 2012)	Income Taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employee Benefits

Thai Accounting Standards (TAS)

TAS 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (Revised 2012)	Related Party Disclosures
TAS 28 (Revised 2012)	Investments in Associates
TAS 31 (Revised 2012)	Interests in Joint Ventures
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 36 (Revised 2012)	Impairment of Assets
TAS 38 (Revised 2012)	Intangible Assets

Thai Financial Reporting Standards (TFRS)

TFRS 2 (Revised 2012)	Share-based Payment
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2012)	Operating Segments

Thai Accounting Standards Interpretations (TSI)

TSI 15	Operating Leases - Incentives
TSI 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSI 29	Disclosure - Service Concession Arrangements
TSI 32	Intangible Assets - Web Site Costs

Thai Financial Reporting Interpretations (TFRI)

TFRI 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4	Determining Whether an Arrangement Contains a Lease
TFRI 5	Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRI 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRI 10	Interim Financial Reporting and Impairment
TFRI 12	Service Concession Arrangements
TFRI 13	Customer Loyalty Programmes
TFRI 17	Distributions of Non-cash Assets to Owners
TFRI 18	Transfers of Assets from Customers

Guideline on Accounting

Guideline on Accounting regarding Stock Dividend

Those TFRSs do not have significant impact on the Company's financial statements.

The Federation of Accounting Professions has issued the Notifications regarding the Thai Financial Reporting Standard (TFRS), which has been announced in the Royal Gazette and effective for the financial statements for the periods beginning on or after January 1, 2016 onwards as follows:

Thai Financial Reporting Standard (TFRS)

TFRS 4	Insurance contract
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The Company's management will adopt the above Thai Financial Reporting Standard ("TFRS") in the preparation of the Company's financial statements when it becomes effective. The Company's management has assessed the effects of this TFRS and believes that it will not have any significant impact on the financial statements for the period in which it is initially applied.

Accounting policies and methods of computation applied in these interim financial information are consistent with those applied in the financial statements for the year ended December 31, 2013.

2.2 Functional and presentation currency

The interim financial information is 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 thousand Baht unless otherwise stated.

2.3 Use of estimates and judgements

The preparation of interim financial information in conformity with Thai Financial Reporting Standards (TFRSs) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

3. ADDITIONAL CASH FLOW INFORMATION

Significant non-cash items in the interim financial information for the six-month periods ended June 30, 2014 and 2013 were as follows:

	Unit : Thousand Baht "Unaudited"	
	2014	2013
Leasehold improvements and equipment		
Liabilities recorded at beginning of period	48,500	1,581
Purchase of leasehold improvements and equipment	65,746	79,293
	<u>114,246</u>	<u>80,874</u>
<u>Less</u> Cash paid for purchasing of leasehold improvements and equipment	<u>(112,810)</u>	<u>(74,765)</u>
Liabilities recorded at ending of period	<u>1,436</u>	<u>6,109</u>

For the six-month periods ended June 30, 2014 and 2013, the Company recorded leasehold improvements related to provision for restoration cost of Baht 0.27 million and Baht 17.82 million, respectively.

		Unit : Thousand Baht "Unaudited"	
		2014	2013
Intangible assets			
Liabilities recorded at beginning of period		22,893	-
Purchase of intangible assets		27,384	4,211
		50,277	4,211
Less Cash paid for purchasing of intangible assets		(41,444)	(4,103)
Liabilities recorded at ending of period		8,833	108

4. RELATED PARTIES

For the purposes of this interim financial information, 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:

Related Parties	Type of Business	Country of incorporation/ nationality	Nature of relationships
ACOM Co., Ltd.	Consumer Finance Business	Japan	Parent company, 71% shareholding
ACOM (U.S.A.) Inc.	Currently suspending its operation	The United States of America	Related party, wholly owned by the parent company
The Bank of Tokyo - Mitsubishi UFJ, Bangkok branch	Banking Business	Japan	Financial institution in group of Mitsubishi UFJ Financial Group (MUFG), 40.38% shareholding in parent company
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch	Banking Business	Japan	Financial institution in group of Mitsubishi UFJ Financial Group (MUFG), 40.38% shareholding in parent company
GCT Management (Thailand) Ltd.	Investment Company	Thailand	Shareholder, 25% shareholding
Key management personnel	-	Japanese, Thai	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

Significant transactions for the three-month and six-month periods ended June 30, 2014 and 2013 with related parties were as follows:

	Unit :Thousand Baht “Unaudited” For the three-month periods ended June 30,	
	2014	2013
Finance costs		
Parent		
Guarantee fee	9,022	9,728
Other related parties		
Interest expense	83,486	92,148
Administrative expenses		
Key management personnel		
Key management personnel compensation	19,798	19,024

	Unit :Thousand Baht “Unaudited” For the six-month periods ended June 30,	
	2014	2013
Finance costs		
Parent		
Guarantee fee	17,813	19,825
Other related parties		
Interest expense	173,206	183,282
Administrative expenses		
Key management personnel		
Key management personnel compensation	38,799	39,802

Balances as at June 30, 2014 and December 31, 2013 with related parties were as follows:

	Unit :Thousand Baht “Unaudited” June 30, 2014		December 31, 2013
Short-term borrowings from financial institutions			
Other related parties			
The Bank of Tokyo - Mitsubishi UFJ, Bangkok branch	440,000		350,000

As at June 30, 2014, short-term borrowings from financial institutions from related parties bear interest at rates 2.85% - 2.95% per annum (December 31, 2013: 3.1% - 3.2% per annum).

	Unit : Thousand Baht	
	"Unaudited" June 30, 2014	December 31, 2013
Long-term borrowings from financial institutions		
Other related parties		
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch		
• USD 59.3 million (December 31, 2013 : USD 17 million)	1,907,796	530,910
• JPY - million (December 31, 2013 : JPY 4,350 million)	-	1,626,399
	<u>1,907,796</u>	<u>2,157,309</u>
The Bank of Tokyo - Mitsubishi UFJ, Bangkok branch	<u>3,900,000</u>	<u>3,900,000</u>
ACOM (U.S.A.) Inc.		
• USD 52 million (December 31, 2013 : USD 52 million)	<u>1,614,730</u>	<u>1,614,730</u>
	<u>7,422,526</u>	<u>7,672,039</u>

As at June 30, 2014, long-term borrowings from financial institutions from related parties bear interest at rates ranging from 2.29% - 5.33% per annum (December 31, 2013 : 2.29% - 6.67% per annum).

	Unit : Thousand Baht	
	"Unaudited" June 30, 2014	December 31, 2013
Other payables		
Accrued interest expense		
Other related parties		
The Bank of Tokyo-Mitsubishi UFJ, Bangkok branch	31,826	30,469
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch	21,104	34,444
ACOM (U.S.A.) Inc.	<u>9,357</u>	<u>9,328</u>
Total	<u>62,287</u>	<u>74,241</u>
Accrued guarantee fee		
Parent		
ACOM Co., Ltd.	<u>3,006</u>	<u>3,110</u>
Total	<u>65,293</u>	<u>77,351</u>

Significant agreements with related parties

Guarantee fee agreements

The Company entered into agreements with ACOM Co., Ltd., the 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 agreement.

5. LOAN RECEIVABLES

	Unit: Thousand Baht				
	“Unaudited” June 30, 2014		December 31, 2013		
	Personal loan receivables	Installment loan receivables	Total	Personal loan receivables	Installment loan receivables
Due within one year					
Loan receivables	34,440,198	163,510	34,603,708	32,813,141	201,255
Less Unearned interest income	(12,200)	(20,315)	(32,515)	(21,398)	(21,732)
Allowance for doubtful accounts	(2,243,041)	(4,313)	(2,247,354)	(2,170,811)	(5,806)
Net	32,184,957	138,882	32,323,839	30,620,932	173,717
					30,794,649
Due over one year					
Loan receivables	43,661	47,749	91,410	96,799	58,066
Less Unearned interest income	(2,036)	(6,200)	(8,236)	(7,525)	(7,468)
Allowance for doubtful accounts	(9,138)	(1,074)	(10,212)	(19,621)	(1,566)
Net	32,487	40,475	72,962	69,653	49,032
Total	32,217,444	179,357	32,396,801	30,690,585	222,749
					30,913,334
Bad debts and doubtful accounts expenses for					
- three-month periods ended June 30	759,702	1,552	761,254	586,714	1,243
- six-month periods ended June 30	1,485,872	2,198	1,488,070	1,198,232	2,366
					587,957
					1,200,598

As at June 30, 2014 and December 31, 2013, personal loan receivables comprised the following:

	Unit : Thousand Baht	
	“Unaudited” June 30, 2014	December 31, 2013
Revolving loan receivables	33,034,004	31,782,028
Minimum payment loan receivables	1,311,156	902,886
Term loan receivables	138,699	225,026
Total	34,483,859	32,909,940

Revolving loans are repayable at any time subject to a minimum monthly payment of 3.0% 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 June 30, 2014, this monthly repayment amount repayable within one year was Baht 94.8 million (December 31, 2013: Baht 128 million).

As at June 30, 2014, the Company had loan receivables which were overdue for over three payment periods of Baht 735.7 million (December 31, 2013: Baht 734.7 million) on which the Company has continued to recognize the interest income. The Company recognized income on such loan receivables for the three-month and six-month periods ended June 30, 2014 amounting to Baht 39.6 million and Baht 77.9 million, respectively (for the three-month and six-month periods ended June 30, 2013: Baht 40.2 million and Baht 80.6 million, respectively) of which full allowance for doubtful accounts has been made.

Loan receivables of the Company as at June 30, 2014 and December 31, 2013 were denominated entirely in Thai Baht.

6. LEASEHOLD IMPROVEMENTS AND EQUIPMENT

During the six-month period ended June 30, 2014, the Company acquired leasehold improvements and equipment at the total cost of Baht 66.02 million (2013: Baht 97.11 million). In addition, the leasehold improvements and equipment decreased due to depreciation of Baht 63.89 million (2013: Baht 50.38 million).

7. DEFERRED TAXES

Deferred tax assets consist of:

	Unit : Thousand Baht	
	“Unaudited”	
	At June 30, 2014	At December 31, 2013
Deferred tax assets		
Loan receivables		
(allowance for doubtful accounts)	451,513	439,561
Loan receivables (bad debt written-off)	88,415	77,056
Employee benefit obligations	6,634	5,830
Provision for restoration costs of leasehold improvements	6,248	5,201
Long-term borrowings from financial institutions (including cross currency swap)	-	10,182
Others	7,186	6,394
Total	<u>559,996</u>	<u>544,224</u>
Deferred tax liabilities		
Debenture and long-term loan issuance cost	(6,042)	(6,995)
Long-term borrowings from financial institutions (including cross currency swap)	(29,233)	-
Total	<u>(35,275)</u>	<u>(6,995)</u>
Net	<u>524,721</u>	<u>537,229</u>

8. INTEREST-BEARING LIABILITIES

Unit : Thousand Baht

	December 31, 2013				December 31, 2013			
	Short-term borrowings from financial institutions		Long-term borrowings		Short-term borrowings from financial institutions		Long-term borrowings	
Current								
Principal	2,560,000	6,141,473	2,840,000	11,541,473	2,061,000	7,902,532	500,000	10,463,532
Less Debenture and long-term loan issuance cost	-	(4,272)	(3,611)	(7,883)	-	(8,040)	(1,017)	(9,057)
Net	2,560,000	6,137,201	2,836,389	11,533,590	2,061,000	7,894,492	498,983	10,454,475
Non-current								
Principal	-	7,880,339	5,500,000	13,380,339	-	6,133,907	7,840,000	13,973,907
Less Debenture and long-term loan issuance cost	-	(9,970)	(12,358)	(22,328)	-	(5,150)	(20,771)	(25,921)
Net	-	7,870,369	5,487,642	13,358,011	-	6,128,757	7,819,229	13,947,986
Total	2,560,000	14,007,570	8,324,031	24,891,601	2,061,000	14,023,249	8,318,212	24,402,461
- Secured*	1,680,000	10,892,840	5,510,213	18,083,053	1,261,000	11,208,519	5,506,272	17,975,791
- Unsecured	880,000	3,114,730	2,813,818	6,808,548	800,000	2,814,730	2,811,940	6,426,670
Total	2,560,000	14,007,570	8,324,031	24,891,601	2,061,000	14,023,249	8,318,212	24,402,461

* The Company has letter of guarantees and letter of credits issued by a related party and local bank for guarantee payment of the Company under loan agreements with the financial institutions.

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

	Unit : Thousand Baht	
	“Unaudited”	
	June 30, 2014	December 31, 2013
Thai Baht	20,369,759	20,047,958
US Dollars	4,521,842	2,728,104
Japanese Yen	-	1,626,399
Total	<u>24,891,601</u>	<u>24,402,461</u>

As at June 30, 2014, above liabilities bear interest at the rates ranging from 2.29% - 6.50% per annum (December 31, 2013: 2.29% - 6.67% per annum).

Cross currency and interest rate swap agreements

Thai Baht

As at June 30, 2014, the Company had interest rate swap agreements with a local bank totaling Baht 1,800 million (December 31, 2013 : Baht 1,800 million) to hedge the volatility of interest rate by paying interest fixed rate as specified in the agreement in exchange for floating rates.

Japanese Yen

As at December 31, 2013, the Company had cross currency and interest rate swap agreements with various branches of the local banks totaling JPY 4,350 million by swapping to Baht 1,626.40 million (June 30, 2014 : nil) 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.

United States Dollars

As at June 30, 2014, 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:

- With various local branches of the foreign related bank and the local banks totaling USD 111.30 million by swapping to Baht 3,522.53 million (December 31, 2013 : swapping USD 69 million to Baht 2,145.64 million).
- With a local branch of the foreign bank totaling USD 32.33 million by swapping to Baht 1,009.29 million. (December 31, 2013 : swapping USD 20 million to Baht 585.40 million)

Debentures

Debentures as at June 30, 2014 and December 31, 2013 were as follows:

		Unit : Thousand Baht				“Unaudited”	
		June 30, 2014		December 31, 2013			
	Issuance date	Maturity date	Tranch Number	Secured/Unsecured	Unit	Par value	
1	December 23, 2011	December 23, 2014 December 23, 2015	2nd 3rd	Secured Secured	500,000 500,000	1,000 1,000	500,000 500,000
2	March 30, 2012	February 27, 2015 February 29, 2016 February 27, 2015	1st 2nd 3rd	Secured Secured Unsecured	500,000 1,000,000 340,000	1,000 1,000 1,000	500,000 1,000,000 340,000
3	July 13, 2012	June 12, 2015 February 12, 2016 June 12, 2015	1st 2nd 3rd	Secured Secured Unsecured	1,020,000 2,000,000 480,000	1,000 1,000 1,000	1,020,000 2,000,000 480,000
4	March 14, 2013	March 14, 2016	1st	Unsecured	1,000,000	1,000	1,000,000
5	December 4, 2013	December 2, 2016	1st	Unsecured	1,000,000	1,000	1,000,000
					8,340,000		8,340,000
					(15,969)		(21,788)
					8,324,031		8,318,212
					(2,836,389)		(498,983)
					5,487,642		7,819,229
					Less Debenture issuance cost		
					Less Current portion		
					Debentures - net		

As at June 30, 2014, debentures bear interest at rates ranging from 4.80% - 6.00% per annum (December 31, 2013 : 4.80% - 6.00% per annum).

9. OTHER INCOME

Other income for the three-month and six-month periods ended June 30, 2014 and 2013 were as follows:

	Unit : Thousand Baht "Unaudited"	
	For the three-month periods ended June 30,	
	2014	2013
Recovery of bad debts	186,323	189,980
Others	25,615	24,660
Total	211,938	214,640

	Unit : Thousand Baht "Unaudited"	
	For the six-month periods ended June 30,	
	2014	2013
Recovery of bad debts	415,278	440,780
Others	49,205	51,778
Total	464,483	492,558

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.

11. DIVIDENDS PAID

- 11.1 At the annual general meeting of the shareholders meeting of the Company held on April 23, 2013, the shareholders approved the appropriation of dividends of Baht 0.75 per share, amounting to Baht 292.50 million. The dividends were paid to shareholders on April 30, 2013.
- 11.2 At the annual general meeting of the shareholders meeting of the Company held on April 22, 2014, the shareholders approved the appropriation of dividends of Baht 0.85 per share, amounting to Baht 331.50 million. The dividends were paid to shareholders on April 30, 2014.

12. COMMITMENTS WITH NON-RELATED PARTIES

Commitments with non-related parties as at June 30, 2014 and December 31, 2013 were as follows:

	Unit : Thousand Baht	
	“Unaudited”	
	June 30,	December 31,
	2014	2013
Capital commitments		
Furniture, fixtures and office equipment	1,873	15,303
Software	10,222	3,786
Total	<u>12,095</u>	<u>19,089</u>
 Non-cancellable operating lease commitments		
Within one year	175,623	160,704
After one year but within five years	208,638	174,336
After five years	2,639	3,439
Total	<u>386,900</u>	<u>338,479</u>

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.

13. APPROVAL OF INTERIM FINANCIAL INFORMATION

These interim financial information were approved for issuing by the Board of Directors of the Company on August 13, 2014.