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***EASY BUY PUBLIC COMPANY LIMITED***

***Interim Financial Information***

***Six-month periods ended June 30, 2017***

**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, 2017 and the related statement of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2017, and the statements of changes in shareholders' equity and cash flows for the six-month period ended June 30, 2017, 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".



Chavala Tienpasertkij  
Certified Public Accountant (Thailand)  
Registration No. 4301

**BANGKOK**  
August 10, 2017

**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**

**EASY BUY PUBLIC COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION**

**AS AT JUNE 30, 2017**

**Unit : Thousand Baht**

		<b>"Unaudited"</b>	
	<b>Notes</b>	<b>As at</b>	<b>As at</b>
		<b>June 30,</b>	<b>December 31,</b>
		<b>2017</b>	<b>2016</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		477,315	750,906
Loan receivables due within one year	6	45,160,645	43,316,700
Other receivables		183,253	262,800
Total Current Assets		<u>45,821,213</u>	<u>44,330,406</u>
<b>NON-CURRENT ASSETS</b>			
Loan receivables	6	47,368	46,348
Leasehold improvements and equipment	7	295,963	335,511
Intangible assets		127,447	151,583
Deferred tax assets	8	767,689	603,522
Other non-current assets		76,814	73,123
Total Non-current Assets		<u>1,315,281</u>	<u>1,210,087</u>
<b>TOTAL ASSETS</b>		<u><u>47,136,494</u></u>	<u><u>45,540,493</u></u>

See condensed notes to the financial statements

**EASY BUY PUBLIC COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT JUNE 30, 2017**

**Unit : Thousand Baht**

		<b>"Unaudited"</b>	
	<b>Notes</b>	<b>As at</b>	<b>As at</b>
		<b>June 30,</b>	<b>December 31,</b>
		<b>2017</b>	<b>2016</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Short-term borrowings from financial institutions	5 and 9	2,469,858	3,588,616
Trade accounts payable		1,542	3,519
Other payables		574,555	640,546
Current portion of long-term borrowings from financial institutions	5 and 9	4,046,388	5,628,356
Current portion of debentures	9	1,499,181	-
Current income tax payable		600,487	468,101
Total Current Liabilities		9,192,011	10,329,138
<b>NON-CURRENT LIABILITIES</b>			
Long-term borrowings from financial institutions	5 and 9	8,386,506	7,900,510
Debentures	9	13,557,815	12,552,143
Employee benefit obligations		89,461	84,244
Provision for restoration cost of leasehold improvements		68,388	66,964
Other non-current liabilities		-	654
Total Non-current Liabilities		22,102,170	20,604,515
<b>TOTAL LIABILITIES</b>		<b>31,294,181</b>	<b>30,933,653</b>

**EASY BUY PUBLIC COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT JUNE 30, 2017**

**Unit : Thousand Baht**

	Notes	<b>"Unaudited"</b> As at June 30, 2017	As at December 31, 2016
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)</b>			
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
Authorized share capital			
600,000,000 ordinary shares of Baht 10 each	12	<u>6,000,000</u>	
450,000,000 ordinary shares of Baht 10 each			<u>4,500,000</u>
Issued and paid-up share capital			
600,000,000 ordinary shares of Baht 10 each, fully paid		6,000,000	
450,000,000 ordinary shares of Baht 10 each, fully paid			4,500,000
RETAINED EARNINGS			
Appropriated			
Legal reserve		450,000	450,000
Unappropriated		9,392,313	9,656,840
TOTAL SHAREHOLDERS' EQUITY		<u>15,842,313</u>	<u>14,606,840</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<u><u>47,136,494</u></u>	<u><u>45,540,493</u></u>

See condensed notes to the financial statements

**EASY BUY PUBLIC COMPANY LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2017**  
**“Unaudited”**

**Unit : Thousand Baht**

	<b>Notes</b>	<b>2017</b>	<b>2016</b>
<b>REVENUES</b>			
Income from personal loans		3,035,287	2,807,026
Income from installment loans		5,776	5,437
Other income	10	237,867	213,473
Total Revenues		<u>3,278,930</u>	<u>3,025,936</u>
<b>EXPENSES</b>			
Selling expenses		205,078	185,556
Administrative expenses		690,410	635,176
Bad debts and doubtful accounts expenses		1,005,375	880,694
Finance costs		239,262	252,414
Total Expenses		<u>2,140,125</u>	<u>1,953,840</u>
PROFIT BEFORE INCOME TAX EXPENSE		1,138,805	1,072,096
INCOME TAX EXPENSE		<u>(231,936)</u>	<u>(207,444)</u>
NET PROFIT FOR THE PERIODS		906,869	864,652
<b>OTHER COMPREHENSIVE INCOME</b>			
FOR THE PERIODS, NET OF TAX		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>			
<b>FOR THE PERIODS</b>		<u><u>906,869</u></u>	<u><u>864,652</u></u>
<b>BASIC EARNINGS PER SHARE</b>			
	<b>BAHT</b>	1.73	1.92
<b>WEIGHTED AVERAGE NUMBER OF</b>			
<b>ORDINARY SHARES (See Note 12)</b>	<b>SHARES</b>	524,175,824	450,000,000

See condensed notes to the financial statements

**EASY BUY PUBLIC COMPANY LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017**  
**“Unaudited”**

**Unit : Thousand Baht**

	<b>Notes</b>	<b>2017</b>	<b>2016</b>
<b>REVENUES</b>			
Income from personal loans		6,007,175	5,527,124
Income from installment loans		11,408	10,870
Other income	10	471,481	427,548
Total Revenues		<u>6,490,064</u>	<u>5,965,542</u>
<b>EXPENSES</b>			
Selling expenses		407,277	349,910
Administrative expenses		1,377,403	1,263,871
Bad debts and doubtful accounts expenses		2,045,656	1,873,976
Finance costs		474,830	520,995
Total Expenses		<u>4,305,166</u>	<u>4,008,752</u>
PROFIT BEFORE INCOME TAX EXPENSE		2,184,898	1,956,790
INCOME TAX EXPENSE		<u>(436,425)</u>	<u>(387,252)</u>
NET PROFIT FOR THE PERIODS		1,748,473	1,569,538
<b>OTHER COMPREHENSIVE INCOME</b>			
FOR THE PERIODS, NET OF TAX			
TOTAL COMPREHENSIVE INCOME		-	-
FOR THE PERIODS		<u>1,748,473</u>	<u>1,569,538</u>
<b>BASIC EARNINGS PER SHARE</b>			
	<b>BAHT</b>	3.59	3.49
<b>WEIGHTED AVERAGE NUMBER OF</b>			
<b>ORDINARY SHARES</b> (See Note 12)	<b>SHARES</b>	487,292,818	450,000,000

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, 2017**  
**“Unaudited”**

**Unit : Thousand Baht**

		Issued and paid-up share capital	Retained earnings Appropriated Legal reserve	Unappropriated	Total shareholders' equity
	Notes				
<b>Balance as at January 1, 2016</b>		4,500,000	450,000	6,648,225	11,598,225
Total comprehensive					
income for the period		-	-	1,569,538	1,569,538
Dividends paid	13.1	-	-	(373,500)	(373,500)
<b>Balance as at June 30, 2016</b>		<u>4,500,000</u>	<u>450,000</u>	<u>7,844,263</u>	<u>12,794,263</u>
<b>Balance as at January 1, 2017</b>		4,500,000	450,000	9,656,840	14,606,840
Total comprehensive					
income for the period		-	-	1,748,473	1,748,473
Stock dividend	12 and 13.2	1,500,000	-	(1,500,000)	-
Dividends paid	13.2	-	-	(513,000)	(513,000)
<b>Balance as at June 30, 2017</b>		<u>6,000,000</u>	<u>450,000</u>	<u>9,392,313</u>	<u>15,842,313</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, 2017**  
**“Unaudited”**

**Unit : Thousand Baht**

	<b>2017</b>	<b>2016</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before income tax expense	2,184,898	1,956,790
Adjustments for:		
Depreciation and amortization expenses	90,518	85,447
Interest income	(6,018,583)	(5,537,994)
Finance cost	474,830	520,995
Bad debts and doubtful accounts expenses	2,045,656	1,873,976
Employee benefit expense	5,217	4,433
Gain (loss) on disposal of equipment and intangible assets	(1,310)	2,006
	<u>(1,218,774)</u>	<u>(1,094,347)</u>
Changes in operating assets and liabilities		
Loan receivables	(3,806,079)	(4,027,445)
Other receivables	81,788	117,126
Other non-current assets	346	(4,584)
Trade accounts payable	(1,977)	(1,870)
Other payables	(45,508)	(42,521)
Other non-current liabilities	-	(676)
Cash paid for operating activities	<u>(4,990,204)</u>	<u>(5,054,317)</u>
Cash received from interest income	5,931,800	5,408,888
Interest paid	(506,121)	(515,936)
Income tax paid	<u>(468,108)</u>	<u>(312,103)</u>
Net cash used in operating activities	<u>(32,633)</u>	<u>(473,468)</u>

**EASY BUY PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017**  
**“Unaudited”**

	<b>Unit : Thousand Baht</b>	
	<b>2017</b>	<b>2016</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Cash paid for purchasing of leasehold improvements and equipment	(14,206)	(47,720)
Proceeds from sale of equipment	1,521	50
Cash paid for purchasing of intangible assets	(1,120)	(10,796)
Net cash used in investing activities	<u>(13,805)</u>	<u>(58,466)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from short-term loans from financial institutions	14,122,048	19,690,000
Repayment of short-term loans from financial institutions	(15,240,000)	(20,650,000)
Proceeds from long-term loans from financial institutions	905,800	2,964,780
Repayment of long-term loans from financial institutions	(2,002,001)	(1,108,088)
Proceeds from issuing debentures	2,500,000	4,000,000
Repayment of debentures	-	(4,000,000)
Dividends paid to owners of the Company	(513,000)	(373,500)
Net cash provided by (used in) financing activities	<u>(227,153)</u>	<u>523,192</u>
Net decrease in cash and cash equivalents	(273,591)	(8,742)
Cash and cash equivalents as at January 1,	<u>750,906</u>	<u>594,237</u>
<b>Cash and cash equivalents as at June 30,</b>	<u><u>477,315</u></u>	<u><u>585,495</u></u>

See condensed notes to the financial statements

**EASY BUY PUBLIC COMPANY LIMITED**  
**CONDENSED NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND THE SIX-MONTH PERIODS ENDED JUNE 30, 2017**  
**“Unaudited”**

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**EASY BUY PUBLIC COMPANY LIMITED**  
**CONDENSED NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND THE SIX-MONTH PERIODS ENDED JUNE 30, 2017**  
**“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 of the company is 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 PREPARATION OF THE INTERIM FINANCIAL STATEMENTS**

**2.1 Statement of compliance**

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2016) 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 statements of financial position as at December 31, 2016, presented herein for comparison, have been derived from the financial statements of the Company for the year then ended which had been previously audited.

The results of operations for the three-month and six-month periods ended June 30, 2017 are not necessarily indicative of the operating results anticipated for the full year.

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2016. 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, this interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended December 31, 2016.

**2.2 Thai Financial Reporting Standards affecting the presentation and/or 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.

**2.3 Functional and presentation currency**

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

**2.4 Use of estimates and judgments**

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) also requires the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenue and expense 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. 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.

#### 4. ADDITIONAL CASH FLOW INFORMATION

Significant non-cash items in the interim financial statements for the six-month periods ended June 30, 2017 and 2016 are as follows:

	Unit : Thousand Baht "Unaudited"	
	2017	2016
<b>Leasehold improvements and equipment</b>		
Liabilities recorded at beginning of period	1,507	3,249
Purchase of leasehold improvements and equipment	28,349	48,571
	<u>29,856</u>	<u>51,820</u>
<u>Less</u> Cash paid for purchasing of leasehold improvements and equipment	<u>(14,206)</u>	<u>(47,720)</u>
<b>Liabilities recorded at ending of period</b>	<b><u>15,650</u></b>	<b><u>4,100</u></b>

For the six-month periods ended June 30, 2017 and 2016, the Company recorded leasehold improvements related to provision for restoration cost of Baht 0.91 million and Baht 1.83 million, respectively.

	Unit : Thousand Baht "Unaudited"	
	2017	2016
<b>Intangible assets</b>		
Liabilities recorded at beginning of period	655	10,613
Purchase of intangible assets	1,087	3,416
	<u>1,741</u>	<u>14,029</u>
<u>Less</u> Cash paid for purchasing of intangible assets	<u>(1,120)</u>	<u>(10,796)</u>
<b>Liabilities recorded at ending of period</b>	<b><u>621</u></b>	<b><u>3,233</u></b>

For the six-month periods ended June 30, 2017, the Company had non-cash items related to increase in authorized share capital for the stock dividend payment of Baht 1,500.00 million (see Note 12 and 13.2).

## 5. RELATED PARTIES

For the purposes of this interim 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:

Related Parties	Type of Business	Country of incorporation/ Nationality	Nature of relationships
ACOM CO., LTD.	Consumer Finance Business	Japan	Parent company, 71.00% shareholding
Bank of Ayudhya Public Company Limited	Banking Business	Thailand	Financial institution in group of Mitsubishi UFJ Financial Group (MUFG), 40.20% shareholding in parent company
The Bank of Tokyo - Mitsubishi UFJ, Ltd.	Banking Business	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	Banking Business	Japan	Financial institution in group of Mitsubishi UFJ Financial Group (MUFG), 40.20% shareholding in parent company
Bangkok Mitsubishi UFJ Lease Co., Ltd.	Leasing Business	Thailand	Related party in group of Mitsubishi UFJ Financial Group (MUFG) 40.20% shareholding
GCT Management (Thailand) Ltd.	Investment Company	Thailand	Shareholder, 25.00% 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

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

	Unit :Thousand Baht “Unaudited” For the three-month periods ended June 30, 2017                      2016	
<b>Finance costs</b>		
<b>Parent company</b>		
Guarantee fee	654	2,410
<b>Other related parties</b>		
Interest expense	43,987	60,587
Guarantee fee	286	296
Debenture arrangement fee	3,004	2,991
Upfront fee	814	1,245
<b>Administrative expenses</b>		
<b>Key management personnel</b>		
Key management personnel compensation	20,055	23,064
	Unit :Thousand Baht “Unaudited” For the six-month periods ended June 30, 2017                      2016	
<b>Finance costs</b>		
<b>Parent company</b>		
Guarantee fee	1,822	5,834
<b>Other related parties</b>		
Interest expense	92,334	115,902
Guarantee fee	572	583
Debenture arrangement fee	5,962	5,982
Upfront fee	1,830	2,351
<b>Administrative expenses</b>		
<b>Key management personnel</b>		
Key management personnel compensation	43,033	44,283



Balances as at June 30, 2017 and December 31, 2016 with related parties were as follows:

	Unit : Thousand Baht	
	“Unaudited”	
	June 30,	December 31,
	2017	2016
<b>Short-term borrowings from financial institutions</b>		
<b>Other related parties</b>		
Bank of Ayudhya Public Company Limited	200,000	450,000
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch		
- USD 8.00 million (December 31, 2016 : Nil)	272,048	-
<b>Total</b>	<b>472,048</b>	<b>450,000</b>

As at June 30, 2017, short-term borrowings from financial institutions from related parties bear interest at a rate of 2.06 - 2.30% per annum (December 31, 2016 : 2.06% - 2.11% per annum).

	Unit : Thousand Baht	
	“Unaudited”	
	June 30,	December 31,
	2017	2016
<b>Current portion of long-term borrowings from financial institutions</b>		
<b>Other related parties</b>		
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch		
- Nil (December 31, 2016 : USD 42.30 million)	-	1,376,886
<b>Long-term borrowings from financial institutions</b>		
<b>Other related parties</b>		
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch		
- USD 49.00 million (December 31, 2016 : USD 33.00 million)	1,709,505	1,156,305
Bank of Ayudhya Public Company Limited	1,300,000	1,300,000
Bank of Ayudhya Public Company Limited		
- USD 30.80. million (December 31, 2016 : USD 30.80 million)	1,084,094	1,084,094
Bangkok Mitsubishi UFJ Lease Co., Ltd	300,000	300,000
<b>Total</b>	<b>4,393,599</b>	<b>5,217,285</b>

As at June 30, 2017, long-term borrowings from financial institutions from related parties bear interest at rates ranging from 2.93% - 5.33% per annum (December 31, 2016 : 2.93% - 5.33% per annum).

	Unit : Thousand Baht	
	“Unaudited”	
	June 30, 2017	December 31, 2016
<b>Other payables</b>		
<b>Accrued interest expense</b>		
<b>Other related parties</b>		
Bank of Ayudhya Public Company Limited	21,534	23,578
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch	1,024	18,247
Bangkok Mitsubishi UFJ Lease Co., Ltd	2,609	2,637
<b>Total</b>	<b>25,167</b>	<b>44,462</b>
<b>Accrued guarantee fee</b>		
<b>Parent company</b>		
ACOM CO., LTD.	213	602
<b>Total</b>	<b>213</b>	<b>602</b>
<b>Deferred issuance cost for long-term borrowings and debentures(presented net from long-term borrowings and debentures)</b>		
<b>Other related parties</b>		
Bank of Ayudhya Public Company Limited	67	-
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	30,079	35,977
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch	6,593	6,079
<b>Total</b>	<b>36,739</b>	<b>42,056</b>

## Significant agreements with related parties

### Guarantee fee agreements

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

The Company entered into agreements with The Bank of Tokyo-Mitsubishi UFJ, Ltd., a financial institution in the group of Mitsubishi UFJ Financial Group, which has guaranteed the debentures due performance of obligations by the Company under conditions of debentures. In consideration thereof, the Company is committed to pay guarantee fee based on certain percentage of the outstanding balances of debentures as stipulated in the agreement.

### Cross currency and interest rate swap agreements

The Company entered into the agreement with Bank of Ayudhya Public Company Limited 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.

6. LOAN RECEIVABLES

	Unit : Thousand Baht					
	“Unaudited” June 30, 2017		December 31, 2016			Total
	Personal Loan Receivables	Installment Loan Receivables	Total	Personal Loan Receivables	Installment Loan Receivables	Total
Due within one year						
Loan receivables	48,227,731	135,398	48,363,129	46,247,723	113,753	46,361,476
Less Unearned interest income	-	(15,505)	(15,505)	-	(15,453)	(15,453)
Allowance for doubtful accounts	(3,183,732)	(3,247)	(3,186,979)	(3,026,451)	(2,872)	(3,029,323)
Net	45,043,999	116,646	45,160,645	43,221,272	95,428	43,316,700
Due over one year						
Loan receivables	-	52,272	52,272	-	52,511	52,511
Less Unearned interest income	-	(3,662)	(3,662)	-	(5,009)	(5,009)
Allowance for doubtful accounts	-	(1,242)	(1,242)	-	(1,154)	(1,154)
Net	-	47,368	47,368	-	46,348	46,348
Total	45,043,999	164,014	45,208,013	43,221,272	141,776	43,363,048
Bad debts and doubtful accounts expenses for the three-month periods ended June 30,		2017			2016	
- Bad debt	959,375	1,271	960,646	878,026	1,516	879,542
- Doubtful account	45,628	232	45,860	1,861	340	2,201
Total	1,005,003	1,503	1,006,506	879,887	1,856	881,743
Bad debts and doubtful accounts expenses for the six-month periods ended June 30,						
- Bad debt	1,887,298	2,854	1,890,152	1,785,575	2,835	1,788,410
- Doubtful account	157,281	464	157,745	77,733	474	78,207
Total	2,044,579	3,318	2,047,897	1,863,308	3,309	1,866,617

Aging analysis for loan receivables was as follows:

	Unit : Thousand Baht				
	“Unaudited” June 30, 2017		December 31, 2016		
	Personal Loan Receivables	Installment Loan Receivables	Total	Personal Loan Receivables	Installment Loan Receivables
Current	45,653,018	184,212	45,837,230	43,638,797	162,236
Overdue payment					
Less than and equal to 3 months	1,599,014	1,699	1,600,713	1,588,431	2,286
More than 3 months	975,699	1,759	977,458	1,020,495	1,742
	48,227,731	187,670	48,415,401	46,247,723	166,264
Less Unearned interest income	-	(19,167)	(19,167)	-	(20,462)
<b>Total</b>	48,227,731	168,503	48,396,234	46,247,723	145,802
Less Allowance for doubtful accounts	(3,183,732)	(4,489)	(3,188,221)	(3,026,451)	(4,026)
<b>Net</b>	<b>45,043,999</b>	<b>164,014</b>	<b>45,208,013</b>	<b>43,221,272</b>	<b>141,776</b>
					<b>43,363,048</b>

As at June 30, 2017 and December 31, 2016, personal loan receivables comprised the following:

	<b>Unit : Thousand Baht</b>	
	<b>“Unaudited”</b>	
	<b>June 30,</b>	<b>December 31,</b>
	<b>2017</b>	<b>2016</b>
Revolving loan receivables	46,464,501	44,572,535
Minimum payment loan receivables	1,763,230	1,675,188
<b>Total</b>	<b>48,227,731</b>	<b>46,247,723</b>

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.

As at June 30, 2017, the Company had loan receivables which were overdue for over three payment periods of Baht 977.46 million (December 31, 2016 : Baht 1,022.24 million) on which the Company has continued to recognize the interest income. The Company recognized interest income on such loan receivables for the three-month and six-month periods ended June 30, 2017 amounting to Baht 47.79 million and Baht 99.06 million respectively (2016 : Baht 43.35 million and Baht 91.58 million, respectively) of which full allowance for doubtful accounts has been made.

Loan receivables of the Company as at June 30, 2017 and December 31, 2016 were denominated entirely in Baht currency.

## **7. LEASEHOLD IMPROVEMENTS AND EQUIPMENT**

During the six-month period ended June 30, 2017, the Company acquired leasehold improvements and equipment at the total cost of Baht 28.35 million (December 31, 2016 : Baht 142.70 million). In addition, the leasehold improvements and equipment decreased due to depreciation of Baht 68.60 million (2016 : Baht 66.94 million).

**8. DEFERRED TAX**

Deferred tax assets consist of:

	Unit : Thousand Baht	
	<b>“Unaudited”</b>	
	<b>June 30,</b>	<b>December 31,</b>
	<b>2017</b>	<b>2016</b>
<b>Deferred tax assets</b>		
Loan receivables		
(allowance for doubtful accounts)	638,237	607,136
Loan receivables (bad debt written-off)	109,950	94,322
Employee benefit obligations	17,892	16,849
Provision for restoration costs of		
leasehold improvements	11,872	10,881
Others	2,695	2,818
<b>Total</b>	<b>780,646</b>	<b>732,006</b>
<b>Deferred tax liabilities</b>		
Debenture and long-term loan issuance cost	(10,740)	(11,767)
Long-term borrowings from financial		
institutions (including cross currency swap)	(2,217)	(116,717)
<b>Total</b>	<b>(12,957)</b>	<b>(128,484)</b>
<b>Net</b>	<b>767,689</b>	<b>603,522</b>

9. INTEREST-BEARING LIABILITIES

		Unit : Thousand Baht				
		“Unaudited”		December 31, 2016		
		June 30, 2017				
		Short-term borrowings from financial institutions	Long-term borrowings from financial institutions	Debtentures	Total	Total
<b>Current</b>						
Principal		2,472,048	4,046,630	1,500,000	8,018,678	
Less Deferred finance cost		(2,190)	(242)	(819)	(3,251)	
Net		<u>2,469,858</u>	<u>4,046,388</u>	<u>1,499,181</u>	<u>8,015,427</u>	<u>9,219,921</u>
						<u>(2,949)</u>
						<u>9,216,972</u>
<b>Non-current</b>						
Principal		-	8,393,099	13,604,400	21,997,499	20,510,409
Less Deferred finance cost		-	(6,593)	(46,585)	(53,178)	(57,756)
Net		-	<u>8,386,506</u>	<u>13,557,815</u>	<u>21,944,321</u>	<u>20,452,653</u>
Total		<u>2,469,858</u>	<u>12,432,894</u>	<u>15,056,996</u>	<u>29,959,748</u>	<u>29,669,625</u>
- Secured*		-	1,027,920	2,073,934	3,101,854	4,678,524
- Unsecured		2,469,858	11,404,974	12,983,062	26,857,894	24,991,101
Total		<u>2,469,858</u>	<u>12,432,894</u>	<u>15,056,996</u>	<u>29,959,748</u>	<u>29,669,625</u>

\* The Company has letter of guarantees issued by a related party and a related foreign financial institution for guarantee payment of the Company under loan agreements and conditions of debtentures with the financial institutions.

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

	Unit : Thousand Baht	
	<b>“Unaudited”</b>	
	<b>June 30, 2017</b>	<b>December 31, 2016</b>
Baht Currency	21,280,638	20,171,817
United States Dollars Currency	7,730,910	8,549,608
Yen Currency	948,200	948,200
<b>Total</b>	<b>29,959,748</b>	<b>29,669,625</b>

As at June 30, 2017, above liabilities bear interest at the rates ranging from 1.60% - 5.33% per annum (December 31, 2016 : 1.65% - 5.33% per annum).

#### **Cross currency and interest rate swap agreement, interest rate swap agreement and forward foreign exchange contract agreements**

##### *Baht Currency*

As at June 30, 2017, the Company had interest rate swap agreements with a related local bank and a local bank totaling Baht 1,500.00 million (December 31, 2016 : Baht 1,500.00 million) to hedge the volatility of interest rate by paying interest fixed rates as specified in the agreement in exchange for floating rates.

##### *United States Dollars Currency*

As at June 30, 2017, 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 USD monthly, quarterly and semi-annually. The cross currency agreements were as follows:

- With a related local bank and the local banks totaling USD 156.80 million by swapping to Baht 5,280.92 million (December 31, 2016 : swapping USD 183.10 million to Baht 6,104.61 million).
- With a local branch of the foreign banks totaling USD 62.83 million by swapping to Baht 2,215.01 million. (December 31, 2016 : swapping USD 71.50 million to Baht 2,487.52 million).

As at June 30, 2017, the Company had a forward foreign exchange contract agreement with a local bank totaling USD 8.00 million or equivalent to Baht 272.05 million to hedge financial liabilities denominated in foreign currencies.

##### *Yen Currency*

As at June 30, 2017, the Company had cross currency and interest rate swap agreements with a related local bank and a local bank totaling JPY 3,200.00 million by swapping to Baht 948.20 million (December 31, 2016: swapping JPY 3,200.00 million to Baht 948.20 million) 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.



## Debentures

Debentures as at June 30, 2017 and December 31, 2016 were as follows:

					“Unaudited”	
					June 30, 2017	December 31, 2016
					(Thousand Baht) (Thousand Baht)	
Issuance Date	Maturity Date	Tranche Number	Secured/ Unsecured	Unit	Par value	
1 September 26, 2014	September 26, 2019	1 <sup>st</sup>	Secured	30	USD 1,000,000	964,800
2 February 24, 2015	February 24, 2020	1 <sup>st</sup>	Secured	35	USD 1,000,000	1,139,600
3 March 12, 2015	March 12, 2018	1 <sup>st</sup>	Unsecured	1,500,000	Baht 1,000	1,500,000
	March 12, 2020	2 <sup>nd</sup>	Unsecured	1,000,000	Baht 1,000	1,000,000
4 September 30, 2015	September 30, 2018	1 <sup>st</sup>	Unsecured	1,500,000	Baht 1,000	1,500,000
	September 30, 2020	2 <sup>nd</sup>	Unsecured	500,000	Baht 1,000	500,000
5 February 25, 2016	February 25, 2019	1 <sup>st</sup>	Unsecured	2,000,000	Baht 1,000	2,000,000
	February 25, 2021	2 <sup>nd</sup>	Unsecured	2,000,000	Baht 1,000	2,000,000
6 September 15, 2016	September 15, 2019	1 <sup>st</sup>	Unsecured	1,000,000	Baht 1,000	1,000,000
	September 15, 2023	2 <sup>nd</sup>	Unsecured	1,000,000	Baht 1,000	1,000,000
7 March 30, 2017	March 30, 2022	1 <sup>st</sup>	Unsecured	1,500,000	Baht 1,000	-
8 June 7, 2017	June 7, 2024	1 <sup>st</sup>	Unsecured	1,000,000	Baht 1,000	-
					15,104,400	12,604,400
					(47,404)	(52,257)
					15,056,996	12,552,143
					(1,499,181)	-
					<b>13,557,815</b>	<b>12,552,143</b>
					Less Debenture issuance cost	
					Less Current portion	
					<b>Debentures - net</b>	

As at June 30, 2017, debentures bear interest at rates ranging from 2.07% - 4.10% per annum (December 31, 2016 : 2.07% - 4.10% per annum).

# 10. OTHER INCOME

Other income for the three-month and six-month periods ended June 30, 2017 and 2016 were as follows:

	Unit : Thousand Baht "Unaudited"	
	For the three-month periods ended June 30,	
	2017	2016
Recovery of bad debts	213,440	190,630
Others	24,427	22,843
<b>Total</b>	<b>237,867</b>	<b>213,473</b>

	Unit : Thousand Baht "Unaudited"	
	For the six-month periods ended June 30,	
	2017	2016
Recovery of bad debts	423,442	382,873
Others	48,039	44,675
<b>Total</b>	<b>471,481</b>	<b>427,548</b>

# 11. 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.

# 12. SHARE CAPITAL

At the Annual General Meeting of Shareholders, the shareholders approved to increase Company's authorized share capital from the existing authorized share capital of Baht 4,500.00 million to the authorized share capital of Baht 6,000.00 million for the stock dividend payment of Baht 1,500.00 million to the Company's shareholders. The Company has registered such increase of its authorized share capital with the Ministry of Commerce on April 27, 2017 and the Company paid stock dividend to shareholders on May 17, 2017 (see Note 13.2).

For the three-month and six-month periods ended June 30, the Company calculated weighted average number of ordinary shares as follows:

	<b>“Unaudited”</b>		<b>Unit: Shares</b>	
	<b>For the three-month periods</b>		<b>“Unaudited”</b>	
	<b>ended June 30,</b>		<b>For the six-month periods</b>	
	<b>ended June 30,</b>		<b>ended June 30,</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
Beginning balance	450,000,000	450,000,000	450,000,000	450,000,000
Increase during the period	74,175,824	-	37,292,818	-
<b>Weighted average number of ordinary shares</b>	<b><u>524,175,824</u></b>	<b><u>450,000,000</u></b>	<b><u>487,292,818</u></b>	<b><u>450,000,000</u></b>

### 13. DIVIDENDS PAID

13.1 At the Annual General Meeting of the Shareholders of the Company held on April 21, 2016, the shareholder approved the appropriation of dividends of Baht 0.83 per share, amounting to Baht 373.50 million. The dividends were paid to shareholders on April 28, 2016.

13.2 At the Annual General Meeting of the Shareholders of the Company held on April 20, 2017, the shareholders approved the appropriation of cash dividend payment of Baht 1.14 per share, amounting to Baht 513.00 million and approved stock dividend payment of 150 million shares, with par value of Baht 10.00 per share, to the shareholders of the Company at the ratio of 15 existing shares for 5 dividend stocks totaling Baht 1,500.00 million. The Company paid the cash dividend to shareholders on May 9, 2017 and paid stock dividend to shareholders on May 17, 2017 (see Note 12).

### 14. COMMITMENTS WITH NON-RELATED PARTIES

Commitments with non-related parties as at June 30, 2017 and December 31, 2016 were as follows:

	<b>Unit : Thousand Baht</b>	
	<b>“Unaudited”</b>	
	<b>June 30,</b>	<b>December 31,</b>
	<b>2017</b>	<b>2016</b>
<b>Capital commitments</b>		
Software	-	243
<b>Total</b>	<b><u>-</u></b>	<b><u>243</u></b>

	Unit : Thousand Baht	
	“Unaudited”	
	June 30, 2017	December 31, 2016
<b>Non-cancellable operating lease commitments</b>		
Within one year	204,136	231,107
After one year but within five years	141,457	118,982
<b>Total</b>	<b>345,593</b>	<b>350,089</b>

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

#### 15. APPROVAL OF INTERIM FINANCIAL STATEMENTS

This interim financial statements were approved for issuing by the Board of Directors of the Company on August 10, 2017.