
EASY BUY PUBLIC COMPANY LIMITED

Interim Financial Statements

Three-month period ended March 31, 2018

**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 March 31, 2018 and the related statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the three-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".



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

**BANGKOK
May 10, 2018**

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2018

Unit : Thousand Baht

		“Unaudited”	
	Notes	As at March 31, 2018	As at December 31, 2017
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		466,531	677,233
Loan receivables due within one year	6	47,701,621	48,100,449
Other receivables		266,170	333,584
Total Current Assets		<u>48,434,322</u>	<u>49,111,266</u>
NON-CURRENT ASSETS			
Loan receivables	6	30,563	34,555
Leasehold improvements and equipment	7	240,591	260,000
Intangible assets		132,238	144,323
Deferred tax assets	8	926,265	882,243
Other non-current assets		77,933	78,659
Total Non-current Assets		<u>1,407,590</u>	<u>1,399,780</u>
TOTAL ASSETS		<u><u>49,841,912</u></u>	<u><u>50,511,046</u></u>

See condensed notes to the financial statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2018

Unit : Thousand Baht

	Notes	“Unaudited” As at March 31, 2018	As at December 31, 2017
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term borrowings from financial institutions	5 and 9	3,146,963	3,152,128
Trade accounts payable		2,114	3,009
Other payables	5	458,725	685,182
Current portion of long-term borrowings from financial institutions	5 and 9	4,637,881	2,803,289
Current portion of debentures	9	3,498,175	2,998,951
Current income tax payable		994,769	673,953
Total Current Liabilities		<u>12,738,627</u>	<u>10,316,512</u>
NON-CURRENT LIABILITIES			
Long-term borrowings from financial institutions	5 and 9	6,638,713	8,891,309
Debentures	9	11,071,136	13,066,064
Provisions for employee benefits		100,006	96,988
Decommissioning obligations for leasehold improvement		68,815	68,867
Total Non-current Liabilities		<u>17,878,670</u>	<u>22,123,228</u>
TOTAL LIABILITIES		<u>30,617,297</u>	<u>32,439,740</u>

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2018

Unit : Thousand Baht

	Notes	“Unaudited” As at March 31, 2018	As at December 31, 2017
LIABILITIES AND SHAREHOLDERS' EQUITY			
(CONTINUED)			
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
Authorized share capital			
600,000,000 ordinary shares of Baht 10 each		6,000,000	6,000,000
Issued and paid-up share capital			
600,000,000 ordinary shares of Baht 10 each, fully paid		6,000,000	6,000,000
RETAINED EARNINGS			
Appropriated			
Legal reserve		600,000	600,000
Unappropriated		12,624,615	11,471,306
TOTAL SHAREHOLDERS' EQUITY		19,224,615	18,071,306
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		49,841,912	50,511,046

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 MARCH 31, 2018
“Unaudited”

		Unit : Thousand Baht	
	Notes	2018	2017
INCOME			
Income from personal loans		3,231,139	2,971,888
Income from installment loans		5,270	5,632
Other income	10	277,392	233,613
Total Income		<u>3,513,801</u>	<u>3,211,133</u>
EXPENSES			
Operating expenses		202,212	202,198
Administrative expenses		695,173	686,993
Bad debts and doubtful accounts expenses		939,581	1,040,281
Finance costs		246,678	235,568
Total Expenses		<u>2,083,644</u>	<u>2,165,040</u>
PROFIT BEFORE TAX EXPENSE		1,430,157	1,046,093
TAX EXPENSE	12	(276,848)	(204,489)
PROFIT FOR THE PERIOD		<u>1,153,309</u>	<u>841,604</u>
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u><u>1,153,309</u></u>	<u><u>841,604</u></u>
BASIC EARNINGS PER SHARE	BAHT	1.92	1.87
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	SHARES	600,000,000	450,000,000

See condensed notes to the financial statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018
“Unaudited”

Unit : Thousand Baht

	Share capital	Retained earnings		Total
	Issued and paid-up	Appropriated Legal reserve	Unappropriated	shareholders' equity
Balance as at January 1, 2017	4,500,000	450,000	9,656,840	14,606,840
Total comprehensive income for the period	-	-	841,604	841,604
Balance as at March 31, 2017	4,500,000	450,000	10,498,444	15,448,444
Balance as at January 1, 2018	6,000,000	600,000	11,471,306	18,071,306
Total comprehensive income for the period	-	-	1,153,309	1,153,309
Balance as at March 31, 2018	6,000,000	600,000	12,624,615	19,224,615

See condensed notes to the financial statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018
“Unaudited”

	Unit : Thousand Baht	
	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax expense	1,430,157	1,046,093
Adjustments for:		
Depreciation and amortization expenses	42,131	45,754
Interest income	(3,236,409)	(2,977,520)
Finance costs	246,678	235,568
Bad debts and doubtful accounts expenses	939,581	1,040,281
Employee benefits expense	3,018	2,608
Loss on disposal of equipment and intangible assets	691	987
	<u>(574,153)</u>	<u>(606,229)</u>
Changes in operating assets and liabilities		
Loan receivables	(552,649)	(1,278,214)
Other receivables	67,929	78,181
Other non-current assets	726	(1,995)
Trade accounts payable	(895)	(1,299)
Other payables	(105,683)	(75,556)
Cash paid for operating activities	(1,164,725)	(1,885,112)
Cash received from interest income	3,251,780	2,966,061
Interest paid	(368,061)	(395,316)
Income tax paid	(52)	(69)
Net cash provided by operating activities	<u>1,718,942</u>	<u>685,564</u>

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018
“Unaudited”

	Unit : Thousand Baht	
	2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash paid for purchase of leasehold improvements and equipment	(7,618)	(3,121)
Proceeds from sale of equipment	96	1,372
Cash paid for purchase of intangible assets	(597)	(651)
Net cash used in investing activities	<u>(8,119)</u>	<u>(2,400)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings from financial institutions	7,360,000	7,190,000
Repayment of short-term borrowings from financial institutions	(7,362,816)	(8,760,000)
Proceeds from long-term borrowings from financial institutions	586,740	905,800
Repayment of long-term borrowings from financial institutions	(1,005,449)	(1,797,440)
Proceeds from issuing debentures	-	1,500,000
Repayment of debentures	(1,500,000)	-
Net cash used in financing activities	<u>(1,921,525)</u>	<u>(961,640)</u>
Net decrease in cash and cash equivalents	(210,702)	(278,476)
Cash and cash equivalents as at January 1,	<u>677,233</u>	<u>750,906</u>
Cash and cash equivalents as at March 31,	<u><u>466,531</u></u>	<u><u>472,430</u></u>

See condensed notes to the financial statements

EASY BUY PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018
“Unaudited”

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EASY BUY PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018
“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 2017) 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 statement of financial position as at December 31, 2017, presented herein for comparison, has 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 period ended March 31, 2018 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, 2017. 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 audited financial statements of the Company for the year ended December 31, 2017.

2.2 Thai Financial Reporting Standards affecting the presentation and/or disclosure in the current period financial statements

The Federation of Accounting Professions has issued the Notification regarding 56 Thai Financial Reporting Standards (“TFRSs”) that have been effective for the financial statements for the period beginning on or after January 1, 2018 onwards, which has been announced in the Royal Gazette on September 26, 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.

2.3 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standard (“TFRS”) No.15 “Revenue from Contracts with Customers” which has been announced in the Royal Gazette on March 14, 2018 and will be effective for the financial statements for the period beginning on or after January 1, 2019 onwards.

The Company’s management will adopt such TFRS in the preparation of the Company’s financial statements when it becomes effective. The Company’s management is in the process to assess the impact of this TFRS on the financial statements of the Group in the period of initial application.

2.4 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.

2.5 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 year. 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, 2017.

4. ADDITIONAL CASH FLOW INFORMATION

Significant non-cash items in the interim financial statements for the three-month periods ended March 31, 2018 and 2017 are as follows:

	Unit : Thousand Baht "Unaudited"	
	For the three-month periods ended March 31,	
	2018	2017
Leasehold improvements and equipment		
Liabilities recorded at beginning of period	578	1,507
Purchase of leasehold improvements and equipment	10,323	7,698
	<u>10,901</u>	<u>9,205</u>
<u>Less</u> Cash paid for purchase of leasehold improvements and equipment	<u>(7,618)</u>	<u>(3,121)</u>
Liabilities recorded at ending of period	<u>3,283</u>	<u>6,084</u>

For the three-month periods ended March 31, 2018 and 2017, the Company recorded leasehold improvements related to provision for restoration cost of Baht 0.92 million and Baht 0.66 million, respectively.

	Unit : Thousand Baht "Unaudited"	
	For the three-month periods ended March 31,	
	2018	2017
Intangible assets		
Liabilities recorded at beginning of period	597	655
Purchase of intangible assets	-	626
	<u>597</u>	<u>1,281</u>
<u>Less</u> Cash paid for purchase of intangible assets	<u>(597)</u>	<u>(651)</u>
Liabilities recorded at ending of period	<u>-</u>	<u>630</u>

Reconciliation of liabilities arising from financing activities for the three-month periods ended March 31, 2018 and 2017 are as follows:

	Unit : Thousand Baht			
	Short-term borrowings from financial institutions	Long-term borrowings from financial institutions	Debentures	Total
As at January 1, 2018	3,152,128	11,694,598	16,065,015	30,911,741
Changes in cash flow				
Cash proceeds	-	586,740	-	586,740
Cash repayment	(2,816)	(1,005,449)	(1,500,000)	(2,508,265)
Non-cash changes				
Maturity	(400,000)	-	-	(400,000)
Renewal	400,000	-	-	400,000
Deferred issuance costs	(2,349)	705	4,296	2,652
As at March 31, 2018	3,146,963	11,276,594	14,569,311	28,992,868

	Short-term borrowings from financial institutions	Long-term borrowings from financial institutions	Unit : Thousand Baht Debentures	Total
As at January 1, 2017	3,588,616	13,528,866	12,552,143	29,669,625
Changes in cash flow				
Cash proceeds	-	905,800	1,500,000	2,405,800
Cash repayment	(1,570,000)	(1,797,440)	-	(3,367,440)
Non-cash changes				
Maturity	(1,000,000)	-	-	(1,000,000)
Renewal	1,000,000	-	-	1,000,000
Deferred issuance costs	(1,068)	(959)	1,792	(235)
As at March 31, 2017	2,017,548	12,636,267	14,053,935	28,707,750

5. TRANSACTIONS WITH RELATED PARTIES

For the purposes of these interim financial statements, a party is 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 are 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), 40.18% shareholding in parent company
The Bank of Tokyo - Mitsubishi UFJ, Ltd.	Banking Business	Japan	Financial institution in group of Mitsubishi UFJ Financial Group (MUFG), 40.18% 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), 40.18% shareholding in parent company
Bangkok Mitsubishi UFJ Lease Co., Ltd.	Leasing Business	Thailand	Related party in group of Mitsubishi UFJ Financial Group (MUFG), 40.18% shareholding in parent company
GCT Management (Thailand) Ltd.	Investment Company	Thailand	Shareholder, 25.00% 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 of the Company (whether executive or otherwise)

Significant transactions with related parties for the three-month periods ended March 31, 2018 and 2017 are as follows:

	Unit : Thousand Baht “Unaudited” For the three-month periods ended March 31,	
	2018	2017
Finance costs		
Parent company		
Guarantee fee	-	1,169
Other related parties		
Interest expense	47,852	48,346
Guarantee fee	272	285
Debenture arrangement fee	2,988	2,959
Upfront fee	705	1,016
Loan facility cancellation fee	23,049	-
Administrative expenses		
Key management personnel		
Key management personnel’s compensation	22,648	22,977

Balances with related parties as at March 31, 2018 and December 31, 2017 are as follows:

	Unit : Thousand Baht “Unaudited”	
	As at March 31, 2018	As at December 31, 2017
Short-term borrowings from financial institutions		
Other related parties		
Bank of Ayudhya Public Company Limited	480,000	50,000
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch		
- Nil (as at December 31, 2017 : USD 16.00 million)	-	532,816
Total	480,000	582,816

As at March 31, 2018, short-term borrowings from financial institutions from other related parties bear interest at a rate of 2.06% per annum (as at December 31, 2017 : 2.06% - 2.40% per annum).

	Unit : Thousand Baht	
	“Unaudited”	
	As at March 31, 2018	As at December 31, 2017
Current portion of long-term borrowings from financial institutions		
Other related parties		
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch		
- USD 16.00 million (as at December 31, 2017 : USD 8.00 million)	567,680	284,960
Bank of Ayudhya Public Company Limited	800,000	500,000
Bangkok Mitsubishi UFJ Lease Co., Ltd.	300,000	300,000
Long-term borrowings from financial institutions		
Other related parties		
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch		
- USD 33.00 million (as at December 31, 2017 : USD 41.00 million)	1,141,825	1,424,545
Bank of Ayudhya Public Company Limited	1,886,740	1,600,000
Bank of Ayudhya Public Company Limited		
- USD 14.30 million (as at December 31, 2017 : USD 30.80 million)	497,354	1,084,094
Total	5,193,599	5,193,599

As at March 31, 2018, long-term borrowings from financial institutions from other related parties bear interest at rates ranging from 2.62% - 5.33% per annum (as at December 31, 2017 : 2.87% - 5.33% per annum).

	Unit : Thousand Baht	
	“Unaudited”	
	As at March 31, 2018	As at December 31, 2017
Other payables		
Accrued interest expense		
Other related parties		
Bank of Ayudhya Public Company Limited	37,148	25,554
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch	1,283	4,552
Bangkok Mitsubishi UFJ Lease Co., Ltd	57	2,665
Total	38,488	32,771
Accrued guarantee fee		
Parent company		
ACOM CO., LTD.	-	34
Total	-	34
Deferred issuance cost (presented net from long-term borrowings and debentures)		
Other related parties		
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	21,289	23,963
Bank of Ayudhya Public Company Limited	73	63
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch	4,445	5,151
Total	25,807	29,177

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 financial institutions (if any). 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 agreements unless the Company gives prior written notice to terminate 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 agreements.

Cross currency and interest rate swap agreements

The Company entered into agreements with Bank of Ayudhya Public Company Limited to hedge financial liabilities denominated in foreign currencies with volatility of interest rate by swapping foreign currencies and interest rates as specified in the agreements (see Note 9).

Interest rate swap agreements

The Company entered into agreements with Bank of Ayudhya Public Company Limited to hedge financial liabilities denominated in Thai Baht currency with floating interest rates by paying interest in Baht in fixed rates as specified in the agreements (see Note 9).

6. LOAN RECEIVABLES

	Unit : Thousand Baht			
	“Unaudited” As at March 31, 2018		As at December 31, 2017	
	Personal Loan Receivables	Installment Loan Receivables	Personal Loan Receivables	Installment Loan Receivables
	Total	Total	Total	Total
Due within one year				
Loan receivables	50,834,815	129,163	51,272,454	132,870
Less Unearned interest income	-	(11,787)	-	(13,166)
Allowance for doubtful accounts	(3,247,561)	(3,009)	(3,288,936)	(2,773)
Net	47,587,254	114,367	47,983,518	116,931
Due over one year				
Loan receivables	-	33,072	-	37,659
Less Unearned interest income	-	(1,766)	-	(2,415)
Allowance for doubtful accounts	-	(743)	-	(689)
Net	-	30,563	-	34,555
Total	47,587,254	144,930	47,983,518	48,135,004
2018				
Bad debts and doubtful accounts expenses for the three-month periods ended March 31,				
- Bad debts	980,411	772	927,923	1,584
- Doubtful accounts (reversal)	(41,375)	290	111,653	231
Total	939,036	1,062	1,039,576	1,815
2017				
Bad debts and doubtful accounts expenses for the three-month periods ended March 31,				
- Bad debts				929,507
- Doubtful accounts (reversal)				111,884
Total				1,041,391

Aging analysis for loan receivables is as follows:

	“Unaudited”				Unit : Thousand Baht			
	As at March 31, 2018		As at December 31, 2017					
	Personal Loan Receivables	Installment Loan Receivables	Total	Personal Loan Receivables	Installment Loan Receivables	Total		
Current	48,307,825	159,094	48,466,919	48,399,002	167,432	48,566,434		
Overdue payment								
Less than and equal to 3 months	1,436,394	1,574	1,437,968	1,750,828	2,181	1,753,009		
More than 3 months	1,090,596	1,567	1,092,163	1,122,624	916	1,123,540		
	50,834,815	162,235	50,997,050	51,272,454	170,529	51,442,983		
Less Unearned interest income	-	(13,553)	(13,553)	-	(15,581)	(15,581)		
Total	50,834,815	148,682	50,983,497	51,272,454	154,948	51,427,402		
Less Allowance for doubtful accounts	(3,247,561)	(3,752)	(3,251,313)	(3,288,936)	(3,462)	(3,292,398)		
Net	47,587,254	144,930	47,732,184	47,983,518	151,486	48,135,004		

As at March 31, 2018 and December 31, 2017, personal loan receivables comprise the following:

	Unit : Thousand Baht	
	“Unaudited”	
	As at March 31, 2018	As at December 31, 2017
Revolving loan receivables	48,952,279	49,404,675
Minimum payment loan receivables	1,882,536	1,867,779
Total	<u>50,834,815</u>	<u>51,272,454</u>

Revolving loans are repayable at any time subject to a minimum monthly payment of 3% 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% to 8% 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 March 31, 2018 the Company had loan receivables which were overdue for over three payment periods of Baht 1,092.16 million (as at December 31, 2017 : Baht 1,123.54 million) on which the Company has continued to recognize the interest income. The Company recognized income on such loan receivables for the three-month period ended March 31, 2018 amounting to Baht 53.24 million (2017 : Baht 51.26 million) of which full allowance for doubtful accounts has been made.

Loan receivables of the Company as at March 31, 2018 and December 31, 2017 were denominated entirely in Baht currency.

7. LEASEHOLD IMPROVEMENTS AND EQUIPMENT

During the three-month period ended March 31, 2018, the Company acquired additional leasehold improvements and equipment at the total cost of Baht 10.32 million (December 31, 2017 : Baht 60.23 million). In addition, the Company had depreciation expense of leasehold improvements and equipment for the three-month period ended March 31, 2018 totaling Baht 29.86 million (2017 : Baht 34.64 million).

Additionally, in the current period, the Company acquired additional leasehold improvements with assets retirement obligation in the amount of Baht 0.92 million and had depreciation expenses of assets retirement obligation for the three-month period ended March 31, 2018 totaling Baht 1.26 million (2017 : Baht 2.29 million).

8. DEFERRED TAX

Deferred tax assets consist of:

	Unit : Thousand Baht	
	“Unaudited”	
	As at March 31, 2018	As at December 31, 2017
Deferred tax assets		
Loan receivables		
(allowance for doubtful accounts)	650,263	658,607
Loan receivables (bad debt written-off)	143,682	130,897
Provisions for employee benefits	20,001	19,397
Decommissioning obligation for leasehold improvements	12,481	12,403
Long-term borrowings from financial institutions (including cross currency and interest rate swap)	105,776	67,321
Others	2,265	2,431
Total	<u>934,468</u>	<u>891,056</u>
Deferred tax liabilities		
Debentures and borrowings issuance cost	(8,203)	(8,813)
Total	<u>(8,203)</u>	<u>(8,813)</u>
Net	<u>926,265</u>	<u>882,243</u>

The movements of deferred tax assets and liabilities for the three-month periods ended March 31, 2018 and 2017 consist of tax effects from the following items:

	Unit : Thousand Baht		
	Balance as at January 1, 2018	Item as recognized into profit (loss)	Balance as at March 31, 2018
Deferred tax assets			
Loan receivables			
(allowance for doubtful accounts)	658,607	(8,344)	650,263
Loan receivables (bad debt written-off)	130,897	12,785	143,682
Provisions for employee benefits	19,397	604	20,001
Decommissioning obligation for leasehold improvements	12,403	78	12,481
Long-term borrowings from financial institutions (including cross currency and interest rate swap)	67,321	38,455	105,776
Others	2,431	(166)	2,265
	<u>891,056</u>	<u>43,412</u>	<u>934,468</u>
Deferred tax liabilities			
Debentures and borrowings issuance cost	(8,813)	610	(8,203)
	<u>(8,813)</u>	<u>610</u>	<u>(8,203)</u>
Deferred tax assets	<u>882,243</u>	<u>44,022</u>	<u>926,265</u>

	Unit : Thousand Baht		
	Balance as at January 1, 2017	Item as recognized into profit (loss)	Balance as at March 31, 2017
Deferred tax assets			
Loan receivables			
(allowance for doubtful accounts)	607,136	22,154	629,290
Loan receivables (bad debt written-off)	94,322	9,161	103,483
Provisions for employee benefits	16,849	521	17,370
Decommissioning obligation for leasehold improvements	10,881	491	11,372
Others	2,818	(106)	2,712
	<u>732,006</u>	<u>32,221</u>	<u>764,227</u>
Deferred tax liabilities			
Debentures and borrowings issuance cost	(11,767)	234	(11,533)
Long-term borrowings from financial institutions (including cross currency and interest rate swap)	(116,717)	88,838	(27,879)
	<u>(128,484)</u>	<u>89,072</u>	<u>(39,412)</u>
Deferred tax assets	<u>603,522</u>	<u>121,293</u>	<u>724,815</u>

9. INTEREST - BEARING LIABILITIES

	“Unaudited”					Unit : Thousand Baht		
	As at March 31, 2018		As at December 31, 2017					
	Short-term borrowings from financial institutions	Long-term borrowings from financial institutions	Debtentures	Total	Short-term borrowings from financial institutions	Long-term borrowings from financial institutions	Debtentures	Total
Current								
Principal	3,150,000	4,638,680	3,500,000	11,288,680	3,152,816	2,803,669	3,000,000	8,956,485
Less Deferred issuance cost	(3,037)	(799)	(1,825)	(5,661)	(688)	(380)	(1,049)	(2,117)
Net	3,146,963	4,637,881	3,498,175	11,283,019	3,152,128	2,803,289	2,998,951	8,954,368
Non-current								
Principal	-	6,642,359	11,104,400	17,746,759	-	8,896,079	13,104,400	22,000,479
Less Deferred issuance cost	-	(3,646)	(33,264)	(36,910)	-	(4,770)	(38,336)	(43,106)
Net	-	6,638,713	11,071,136	17,709,849	-	8,891,309	13,066,064	21,957,373
Total	3,146,963	11,276,594	14,569,311	28,992,868	3,152,128	11,694,598	16,065,015	30,911,741
- Secured*	-	-	2,082,846	2,082,846	-	-	2,080,132	2,080,132
- Unsecured	3,146,963	11,276,594	12,486,465	26,910,022	3,152,128	11,694,598	13,984,883	28,831,609
Total	3,146,963	11,276,594	14,569,311	28,992,868	3,152,128	11,694,598	16,065,015	30,911,741

* The Company has letter of guarantees issued by the parent company and a related foreign financial institution for guarantee payment of the Company under the conditions of long-term borrowings and debtentures, respectively.

Interest-bearing liabilities as at March 31, 2018 and December 31, 2017 classified by currencies are as follows:

	Unit : Thousand Baht	
	“Unaudited”	
	As at March 31, 2018	As at December 31, 2017
Baht Currency	22,020,169	22,403,887
United States Dollars Currency	6,375,499	7,910,654
Yen Currency	597,200	597,200
Total	28,992,868	30,911,741

As at March 31, 2018, above liabilities bear interest at the rates ranging from 1.52% - 5.33% per annum (as at December 31, 2017 : 1.53% - 5.33% per annum).

Cross currency and interest rate swap, interest rate swap and forward foreign exchange agreements

Baht Currency

As at March 31, 2018, the Company has interest rate swap agreements with a related local bank and a local bank totaling Baht 1,900.00 million (as at December 31, 2017 : Baht 1,900.00 million) to hedge the volatility of interest rate by paying interest in fixed rates as specified in the agreements.

United States Dollars Currency

As at March 31, 2018, the Company has cross currency and interest rate swap agreements to hedge financial liabilities denominated in foreign currencies and the volatility of interest rate by paying interest in Baht in fixed rates as specified in the agreements in exchange for interest payable in USD monthly, quarterly and semi-annually. The cross currency and interest rate swap agreements are as follows:

- With a related local bank and local banks totaling USD 128.30 million by swapping to Baht 4,311.26 million (as at December 31, 2017 : totaling USD 144.80 million by swapping to Baht 4,898.00 million).
- With a local branch of foreign banks totaling USD 59.50 million by swapping to Baht 2,090.24 million. (as at December 31, 2017 : totaling USD 71.83 million by swapping to Baht 2,508.95 million).

As at December 31, 2017, the Company had a forward foreign exchange agreement with a local bank totaling USD 16.00 million or equivalent to Baht 532.82 million to hedge financial liabilities denominated in foreign currencies. As at March 31, 2018, such financial liabilities had been fully repaid by the Company.

Yen Currency

As at March 31, 2018, the Company has cross currency and interest rate swap agreements with a related local bank and a local bank totaling JPY 2,000.00 million by swapping to Baht 597.20 million (as at December 31, 2017 : totaling JPY 2,000.00 million by swapping to Baht 597.20 million) to hedge financial liabilities denominated in foreign currencies and the volatility of interest rate by paying interest in Baht in fixed rates as specified in the agreements in exchange for interest payable in JPY quarterly and semi-annually.

Debentures

Debentures as at March 31, 2018 and December 31, 2017 are as follows:

	Issuance Date	Maturity Date	Tranche Number	Secured/ Unsecured	Unit	Par value	“Unaudited” As at March 31, 2018 (Thousand Baht)	As at December 31, 2017 (Thousand Baht)
1	September 26, 2014	September 26, 2019	1 st	Secured	30	USD 1,000,000	964,800	964,800
2	February 24, 2015	February 24, 2020	1 st	Secured	35	USD 1,000,000	1,139,600	1,139,600
3	March 12, 2015	March 12, 2018	1 st	Unsecured	1,500,000	Baht 1,000	-	1,500,000
		March 12, 2020	2 nd	Unsecured	1,000,000	Baht 1,000	1,000,000	1,000,000
4	September 30, 2015	September 30, 2018	1 st	Unsecured	1,500,000	Baht 1,000	1,500,000	1,500,000
		September 30, 2020	2 nd	Unsecured	500,000	Baht 1,000	500,000	500,000
5	February 25, 2016	February 25, 2019	1 st	Unsecured	2,000,000	Baht 1,000	2,000,000	2,000,000
		February 25, 2021	2 nd	Unsecured	2,000,000	Baht 1,000	2,000,000	2,000,000
6	September 15, 2016	September 15, 2019	1 st	Unsecured	1,000,000	Baht 1,000	1,000,000	1,000,000
		September 15, 2023	2 nd	Unsecured	1,000,000	Baht 1,000	1,000,000	1,000,000
7	March 30, 2017	March 30, 2022	1 st	Unsecured	1,500,000	Baht 1,000	1,500,000	1,500,000
8	June 7, 2017	June 7, 2024	1 st	Unsecured	1,000,000	Baht 1,000	1,000,000	1,000,000
9	November 24, 2017	June 24, 2021	1 st	Unsecured	1,000,000	Baht 1,000	1,000,000	1,000,000
							14,604,400	16,104,400
Less Debenture deferred issuance cost							(35,089)	(39,385)
							14,569,311	16,065,015
Less Current portion of debentures							(3,498,175)	(2,998,951)
Debentures- net							11,071,136	13,066,064

As at March 31, 2018, debentures bear interest at rates ranging from 2.07% - 4.10% per annum (as at December 31, 2017: 2.07% - 4.10% per annum).

10. OTHER INCOME

Other income for the three-month periods ended March 31, 2018 and 2017 are as follows:

	Unit : Thousand Baht "Unaudited"	
	For the three-month periods ended March 31,	
	2018	2017
Recovery of bad debts	252,194	210,003
Others	25,198	23,610
Total	277,392	233,613

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 a domestic market; consequently, management determines that it has only one geographical segment.

12. TAX EXPENSE

Tax expense for the three-month periods ended March 31, 2018 and 2017 are as follows:

	Unit : Thousand Baht "Unaudited"	
	For the three-month periods ended March 31,	
	2018	2017
Current tax expense		
Current year	320,870	325,782
	320,870	325,782
Deferred tax expense		
Movements in temporary differences	(44,022)	(121,293)
	(44,022)	(121,293)
Total	276,848	204,489

Reconciliations of effective tax rates for the three-month periods ended March 31, 2018 and 2017 are as follows:

		2018		Unit : Thousand Baht 2017
	Tax Rate (%)		Tax Rate (%)	
Accounting profit before tax expense		<u>1,430,157</u>		<u>1,046,093</u>
Tax expense at domestic tax rate	20.0	286,031	20.0	209,219
Tax effect of non-deductible expenses		<u>34,839</u>		<u>116,563</u>
Tax expense per income tax return		320,870		325,782
Adjustment for deferred tax relating to the origination and reversal of temporary differences		<u>(44,022)</u>		<u>(121,293)</u>
Tax expense	19.4	<u>276,848</u>	19.5	<u>204,489</u>

13. COMMITMENTS WITH NON-RELATED PARTIES

Commitments with non-related parties as at March 31, 2018 and December 31, 2017 are as follows:

	Unit : Thousand Baht "Unaudited"	
	As at March 31, 2018	As at December 31, 2017
Capital commitments		
Furniture, fixtures and office equipment	161	-
Software	<u>1,956</u>	<u>1,956</u>
Total	<u>2,117</u>	<u>1,956</u>

	Unit : Thousand Baht "Unaudited"	
	As at March 31, 2018	As at December 31, 2017
Non-cancellable operating lease commitments		
Within one year	227,829	233,792
After one year but within five years	<u>162,864</u>	<u>179,334</u>
Total	<u>390,693</u>	<u>413,126</u>

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.

14. EVENT AFTER THE REPORTING PERIOD

At the Annual General Meeting of the Shareholders of the Company held on April 19, 2018, the shareholders approved the appropriation of dividends at Baht 1.32 per share, amounting to Baht 792.00 million. The dividends were paid to the shareholders on May 9, 2018.

15. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issuing by the Board of Directors of the Company on May 10, 2018.