
EASY BUY PUBLIC COMPANY LIMITED

Interim Financial Statements

*Three-month and six-month periods ended
June 30, 2023*



บริษัท ดีลอยท์ ทูเช โทมatsu ไทยยศ
สอบบัญชี จำกัด
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**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, 2023 and the related statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2023, changes in shareholders' equity and cash flows for the six-month period ended June 30, 2023, 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".

Kasiti Ketsuriyonk
Certified Public Accountant (Thailand)
Registration No. 8833
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK
August 24, 2023



EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023

Unit : Thousand Baht

| | Notes | As at June 30, 2023 | As at December 31, 2022 |
|--------------------------------------|-------|---------------------------|-------------------------------|
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | 364,121 | 355,946 |
| Loan receivables due within one year | 6 | 54,501,698 | 53,323,443 |
| Other receivables | | 142,769 | 135,828 |
| Derivative assets | 9 | 10,032 | 1,204 |
| Total Current Assets | | <u>55,018,620</u> | <u>53,816,421</u> |
| NON-CURRENT ASSETS | | | |
| Loan receivables | 6 | 37,202 | 43,867 |
| Leasehold improvements and equipment | | 121,529 | 147,940 |
| Right-of-use assets | 7 | 574,317 | 585,304 |
| Intangible assets | | 10,258 | 13,790 |
| Deferred tax assets | 8 | 1,041,352 | 1,215,826 |
| Long-term derivative assets | 9 | 982 | 8,213 |
| Other non-current assets | | 68,182 | 66,855 |
| Total Non-current Assets | | <u>1,853,822</u> | <u>2,081,795</u> |
| TOTAL ASSETS | | <u><u>56,872,442</u></u> | <u><u>55,898,216</u></u> |

Notes to the financial statements form an integral part of these statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT JUNE 30, 2023

Unit : Thousand Baht

| | Notes | As at June 30, 2023 | As at December 31, 2022 |
|---|--------------|------------------------------------|--|
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Short-term borrowings from financial institutions | 5 and 9 | 4,231,097 | 4,465,111 |
| Trade accounts payable | | 767 | 2,753 |
| Other payables | | 368,503 | 498,887 |
| Current portion of long-term borrowings from financial institutions | 5 and 9 | 3,616,769 | 3,804,094 |
| Current portion of debentures | 5 and 9 | 6,498,538 | 1,999,251 |
| Current portion of lease liabilities | | 157,362 | 141,793 |
| Current income tax payable | | 601,598 | 660,377 |
| Current portion of decommissioning obligations for leasehold improvement | | 180 | - |
| Derivative liabilities | 9 | 2,165 | 3,388 |
| Total Current Liabilities | | 15,476,979 | 11,575,654 |
| NON-CURRENT LIABILITIES | | | |
| Long-term borrowings from financial institutions | 5 and 9 | 2,119,380 | 3,578,200 |
| Debentures | 5 and 9 | 2,697,068 | 5,696,673 |
| Lease liabilities | | 449,949 | 468,440 |
| Provision for employee benefits | | 218,371 | 207,040 |
| Decommissioning obligations for leasehold improvement | | 57,534 | 57,961 |
| Long-term derivative liabilities | 9 | 10,450 | 27,359 |
| Other non-current liabilities | | 159 | 159 |
| Total Non-current Liabilities | | 5,552,911 | 10,035,832 |
| TOTAL LIABILITIES | | 21,029,890 | 21,611,486 |

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT JUNE 30, 2023

Unit : Thousand Baht

| | Notes | As at June 30, 2023 | As at December 31, 2022 |
|---|--------------|------------------------------------|--|
| 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 | | 29,242,552 | 27,686,730 |
| TOTAL SHAREHOLDERS' EQUITY | | 35,842,552 | 34,286,730 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 56,872,442 | 55,898,216 |

Notes to the financial statements form an integral part of these statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2023

“Unaudited”

Unit : Thousand Baht

| | Notes | 2023 | 2022 |
|---------------------------------------|---------------|-------------------------|-----------------------|
| REVENUES | | | |
| Income from personal loans | | 3,348,091 | 3,279,195 |
| Income from installment loans | | 4,336 | 4,617 |
| Other income | 10 | 396,106 | 353,380 |
| Total Revenues | | <u>3,748,533</u> | <u>3,637,192</u> |
| EXPENSES | | | |
| Operating expenses | | 221,160 | 217,792 |
| Administrative expenses | | 723,996 | 701,178 |
| Expected credit losses | 6 | 571,249 | 1,425,322 |
| Finance costs | | 85,683 | 50,923 |
| Total Expenses | | <u>1,602,088</u> | <u>2,395,215</u> |
| PROFIT BEFORE INCOME TAX | | 2,146,445 | 1,241,977 |
| INCOME TAX EXPENSE | 13 | 455,176 | 281,163 |
| NET PROFIT FOR THE PERIODS | | <u>1,691,269</u> | <u>960,814</u> |
| OTHER COMPREHENSIVE INCOME FOR | | | |
| THE PERIOD, NET OF TAX | | | |
| | | <u>-</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME | | | |
| FOR THE PERIODS | | <u><u>1,691,269</u></u> | <u><u>960,814</u></u> |
| BASIC EARNINGS PER SHARE | BAHT | 2.82 | 1.60 |
| WEIGHTED AVERAGE NUMBER OF | | | |
| ORDINARY SHARES | SHARES | 600,000,000 | 600,000,000 |

Notes to the financial statements form an integral part of these statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023

“Unaudited”

Unit : Thousand Baht

| | Notes | 2023 | 2022 |
|---------------------------------------|---------------|-------------------------|-------------------------|
| REVENUES | | | |
| Income from personal loans | | 6,582,199 | 6,459,625 |
| Income from installment loans | | 8,602 | 8,570 |
| Other income | 10 | 746,402 | 716,101 |
| Total Revenues | | <u>7,337,203</u> | <u>7,184,296</u> |
| EXPENSES | | | |
| Operating expenses | | 441,663 | 441,469 |
| Administrative expenses | | 1,436,422 | 1,391,719 |
| Expected credit losses | 6 | 1,652,891 | 2,172,803 |
| Finance costs | | 178,396 | 128,081 |
| Total Expenses | | <u>3,709,372</u> | <u>4,134,072</u> |
| PROFIT BEFORE INCOME TAX | | 3,627,831 | 3,050,224 |
| INCOME TAX EXPENSE | 13 | 776,009 | 660,925 |
| NET PROFIT FOR THE PERIODS | | <u>2,851,822</u> | <u>2,389,299</u> |
| OTHER COMPREHENSIVE INCOME FOR | | | |
| THE PERIOD, NET OF TAX | | | |
| | | <u>-</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME | | | |
| FOR THE PERIODS | | <u><u>2,851,822</u></u> | <u><u>2,389,299</u></u> |
| BASIC EARNINGS PER SHARE | | | |
| | BAHT | 4.75 | 3.98 |
| WEIGHTED AVERAGE NUMBER OF | | | |
| ORDINARY SHARES | | | |
| | SHARES | 600,000,000 | 600,000,000 |

Notes to the financial statements form an integral part of these statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023
“Unaudited”

Unit : Thousand Baht

| | Notes | Share capital | Retained earnings | | Total shareholders' equity |
|---|-------|---------------|--------------------|----------------------------|----------------------------|
| | | | Issued and paid-up | Appropriated Legal reserve | |
| | | | | | |
| Balance as at January 1, 2022 | | 6,000,000 | 600,000 | 24,628,604 | 31,228,604 |
| Total comprehensive income for the period | | - | - | 2,389,299 | 2,389,299 |
| Dividends paid | 12.1 | - | - | (1,302,000) | (1,302,000) |
| Balance as at June 30, 2022 | | 6,000,000 | 600,000 | 25,715,903 | 32,315,903 |
| Balance as at January 1, 2023 | | 6,000,000 | 600,000 | 27,686,730 | 34,286,730 |
| Total comprehensive income for the period | | - | - | 2,851,822 | 2,851,822 |
| Dividends paid | 12.2 | - | - | (1,296,000) | (1,296,000) |
| Balance as at June 30, 2023 | | 6,000,000 | 600,000 | 29,242,552 | 35,842,552 |

Notes to the financial statements form an integral part of these statements

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023
“Unaudited”

Unit : Thousand Baht

| | Notes | 2023 | 2022 |
|---|--------------|--------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Net profit for the period | | 2,851,822 | 2,389,299 |
| Adjustments for : | | | |
| Income tax expense | | 776,009 | 660,925 |
| Depreciation and amortization expenses | | 154,626 | 167,078 |
| Interest income | | (6,590,801) | (6,468,195) |
| Finance costs | | 178,396 | 128,081 |
| Expected credit losses | | 1,652,891 | 2,172,803 |
| Employee benefits expense | | 11,331 | 11,182 |
| Loss (gain) on disposal of equipment and intangible assets | | (113) | 115 |
| Gain on lease modification | | - | (1,425) |
| Loss (gain) on discount received from lease agreement | | 363 | (895) |
| | | <u>(965,476)</u> | <u>(941,032)</u> |
| Changes in operating assets and liabilities | | | |
| Loan receivables | | (2,792,296) | (2,939,654) |
| Other receivables | | (7,578) | 20,775 |
| Other non-current assets | | (1,327) | (744) |
| Trade accounts payable | | (1,986) | (2,153) |
| Other payables | | (101,463) | (116,418) |
| Other non-current liabilities | | - | (21) |
| Cash paid for operating activities | | <u>(3,870,126)</u> | <u>(3,979,247)</u> |
| Cash received from interest income | | 6,558,616 | 6,484,726 |
| Interest paid | | (216,635) | (228,013) |
| Income tax paid | | <u>(660,315)</u> | <u>(688,122)</u> |
| Net cash provided by operating activities | | <u>1,811,540</u> | <u>1,589,344</u> |

EASY BUY PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2023
“Unaudited”

| | | Unit : Thousand Baht | |
|---|--------------|-----------------------------|-----------------------|
| | Notes | 2023 | 2022 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Cash paid for purchase of leasehold improvements and equipment | 4 | (9,995) | (24,774) |
| Proceeds from sale of equipment | | 255 | 75 |
| Cash paid for purchase of intangible assets | 4 | - | (11,983) |
| Net cash used in investing activities | | <u>(9,740)</u> | <u>(36,682)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Proceeds from short-term borrowings from financial institutions | 4 | 24,575,986 | 17,258,494 |
| Repayment of short-term borrowings from financial institutions | 4 | (24,810,986) | (14,868,494) |
| Proceeds from long-term borrowings from financial institutions | 4 | - | 600,000 |
| Repayment of long-term borrowings from financial institutions | 4 | (1,646,740) | (900,000) |
| Proceeds from issuing debentures | 4 | 1,500,000 | 700,000 |
| Repayment of debentures | 4 | - | (3,000,000) |
| Repayment of the lease liabilities | 4 | (115,885) | (116,415) |
| Dividends paid to owners of the Company | 12 | (1,296,000) | (1,302,000) |
| Net cash used in financing activities | | <u>(1,793,625)</u> | <u>(1,628,415)</u> |
| Net increase (decrease) in cash and cash equivalents | | 8,175 | (75,753) |
| Cash and cash equivalents as at January 1, | | <u>355,946</u> | <u>472,019</u> |
| Cash and cash equivalents as at June 30, | | <u><u>364,121</u></u> | <u><u>396,266</u></u> |

Notes to the financial statements form an integral part of these statements

EASY BUY PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2023
“Unaudited”

| Notes | Contents |
|--------------|---|
| 1. | General information |
| 2. | Basis for preparation of the interim financial statements |
| 3. | Significant accounting policies |
| 4. | Additional cash flow information |
| 5. | Transactions with related parties |
| 6. | Loan receivables |
| 7. | Right-of-use assets |
| 8. | Deferred taxes |
| 9. | Interest-bearing liabilities |
| 10. | Other income |
| 11. | Segment information |
| 12. | Dividend paid |
| 13. | Income tax expense |
| 14. | Commitments with non-related parties |
| 15. | Approval of the interim financial statements |

EASY BUY PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2023
“Unaudited”

1. GENERAL INFORMATION

EASY BUY Public Company Limited (the “Company”) was incorporated in Thailand. Its registered office is located at 8th - 11th floors, Rasa Two, 1818 Phetchaburi Road, Makkasan, Ratchathewi, 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 in Thai Baht and compliance with Thai Accounting Standard (“TAS”) No. 34 “Interim Financial Reporting” and accounting practices generally accepted in Thailand and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statement (No.3) B.E. 2562” dated December 26, 2019.

The statement of financial position as at December 31, 2022, 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 unaudited results of operations presented in the three-month and six-month periods ended June 30, 2023 are not necessarily indicative of the operating results anticipated for the full year.

Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and six-month periods ended June 30, 2023 should be read in conjunction with the audited financial statements for the year ended December 31, 2022.

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

During the period, the Company has adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2023. 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 clarification of accounting requirements. 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 prepared and 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, liabilities, and the disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenue and expense during the 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, 2022.

4. ADDITIONAL CASH FLOW INFORMATION

Significant non-cash items in the interim financial statements for the six-month periods ended June 30, 2023 and 2022 are as follows:

| | Unit : Thousand Baht | |
|--|-------------------------------|-------------------|
| | “Unaudited” | |
| | For the six-month | |
| | periods ended June 30, | |
| | 2023 | 2022 |
| Leasehold improvements and equipment | | |
| Liabilities recorded at beginning of periods | 4,394 | 16,073 |
| Purchase of leasehold improvements and equipment | 5,708 | 9,247 |
| | <u>10,102</u> | <u>25,320</u> |
| <u>Less</u> Cash paid for purchase of leasehold improvements and equipment | (9,995) | (24,774) |
| Liabilities recorded at ending of periods | <u>107</u> | <u>546</u> |

For the six-month periods ended June 30, 2023 and 2022, the Company recorded leasehold improvements related to provision for restoration cost of Baht 0.49 million and Baht 0.17 million, respectively.

| | Unit : Thousand Baht | |
|---|-------------------------------|-------------|
| | “Unaudited” | |
| | For the six-month | |
| | periods ended June 30, | |
| | 2023 | 2022 |
| Intangible assets | | |
| Liabilities recorded at beginning of period | - | - |
| Purchase of intangible assets | - | 11,983 |
| | - | 11,983 |
| <u>Less</u> Cash paid for purchase of intangible assets | - | (11,983) |
| Liabilities recorded at ending of period | - | - |

Reconciliation of liabilities arising from financing activities for the six-month periods ended June 30, 2023 and 2022 are as follows:

| | Unit : Thousand Baht | | | | |
|--|---|--|------------------|-------------------|-------------------|
| | Short-term borrowings from financial institutions | Long-term borrowings from financial institutions | Debentures | Lease liabilities | Total |
| As at January 1, 2023 | 4,465,111 | 7,382,294 | 7,695,924 | 610,233 | 20,153,562 |
| Changes in cash flow | | | | | |
| Cash proceeds | 24,575,986 | - | 1,500,000 | - | 26,075,986 |
| Cash repayment | (24,810,986) | (1,646,740) | - | (115,885) | (26,573,611) |
| Non-cash changes | | | | | |
| Deferred issuance costs on debentures and borrowings | 986 | 595 | (318) | - | 1,263 |
| New lease agreement | - | - | - | 107,002 | 107,002 |
| Others* | - | - | - | 5,961 | 5,961 |
| As at June 30, 2023 | <u>4,231,097</u> | <u>5,736,149</u> | <u>9,195,606</u> | <u>607,311</u> | <u>19,770,163</u> |

* Others consist of interest expense and lease agreement cancellation.

| | Unit : Thousand Baht | | | | |
|--|--|---|------------------|-------------------|-------------------|
| | Short-term borrowings from financial institutions | Long-term borrowings from financial institutions | Debentures | Lease liabilities | Total |
| As at January 1, 2022 | 2,998,149 | 7,382,162 | 10,993,573 | 665,055 | 22,038,939 |
| Changes in cash flow | | | | | |
| Cash proceeds | 17,258,494 | 600,000 | 700,000 | - | 18,558,494 |
| Cash repayment | (14,868,494) | (900,000) | (3,000,000) | (116,415) | (18,884,909) |
| Non-cash changes | | | | | |
| Deferred issuance costs on debentures and borrowings | (1,546) | 446 | 700 | - | (400) |
| New lease agreement | - | - | - | 91,172 | 91,172 |
| Others* | - | - | - | (8,866) | (8,866) |
| As at June 30, 2022 | <u>5,386,603</u> | <u>7,082,608</u> | <u>8,694,273</u> | <u>630,946</u> | <u>21,794,430</u> |

* Others consist of interest expense and lease agreement cancellation.

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), 40.22% shareholding in parent company |
| MUFG Bank, Ltd. | Banking Business | Japan | Financial institution in group of Mitsubishi UFJ Financial Group (MUFG), 40.22% 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 and six-month periods ended June 30, 2023 and 2022 are as follows:

| | Unit : Thousand Baht “Unaudited” For the three-month periods ended June 30, 2023 2022 | |
|---|--|--------|
| Finance costs | | |
| Related parties | | |
| Interest expense | 20,368 | 17,948 |
| Debenture arrangement fee | 367 | 287 |
| Administrative expenses | | |
| Key management personnel | | |
| Key management personnel’s compensation (Short-term benefits) | 17,539 | 18,153 |
| Key management personnel’s compensation (Long-term benefits) | 401 | 232 |

| | Unit : Thousand Baht “Unaudited” For the six-month periods ended June 30, 2023 2022 | |
|---|--|--------|
| Finance costs | | |
| Related parties | | |
| Interest expense | 42,248 | 32,671 |
| Debenture arrangement fee | 533 | 508 |
| Administrative expenses | | |
| Key management personnel | | |
| Key management personnel’s compensation (Short-term benefits) | 34,788 | 38,611 |
| Key management personnel’s compensation (Long-term benefits) | 803 | 465 |

Balances with a related party as at June 30, 2023 and December 31, 2022 are as follows:

| | Unit : Thousand Baht “Unaudited” As at As at June 30, December 31, 2023 2022 | |
|---|---|----------------|
| Short-term borrowings from a financial institution | | |
| A related party | | |
| Bank of Ayudhya Public Company Limited | 30,000 | 160,000 |
| Total | 30,000 | 160,000 |

As at June 30, 2023 and December 31, 2022, short-term borrowings from a financial institution - related party bear interest at 2.32% per annum and 1.56% per annum, respectively.

| | Unit : Thousand Baht “Unaudited” As at As at June 30, December 31, 2023 2022 | |
|---|---|------------------|
| Current portion of long-term borrowings from a financial institution | | |
| A related party | | |
| Bank of Ayudhya Public Company Limited | 1,817,354 | 1,604,094 |
| Long-term borrowings from a financial institution | | |
| A related party | | |
| Bank of Ayudhya Public Company Limited | 1,820,000 | 2,880,000 |
| Total | 3,637,354 | 4,484,094 |

As at June 30, 2023 and December 31, 2022, long-term borrowings from a financial institution - related party bear interest at rates ranging from 2.00% to 2.87% per annum and 1.23% to 2.62% per annum, respectively.

| | Unit : Thousand Baht | |
|--|----------------------|---------------|
| | “Unaudited” | |
| | As at | As at |
| | June 30, | December 31, |
| | 2023 | 2022 |
| Other payables | | |
| Accrued interest expense | | |
| A related party | | |
| Bank of Ayudhya Public Company Limited | 19,671 | 22,050 |
| Total | 19,671 | 22,050 |

| | Unit : Thousand Baht | |
|--|----------------------|--------------|
| | “Unaudited” | |
| | As at | As at |
| | June 30, | December 31, |
| | 2023 | 2022 |
| Deferred issuance cost (presented net from long-term borrowings and debentures) | | |
| A related party | | |
| Bank of Ayudhya Public Company Limited | 1,381 | 550 |
| Total | 1,381 | 550 |

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.

Interest rate swap agreements

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

6. LOAN RECEIVABLES

Unit : Thousand Baht

| | “Unaudited” As at June 30, 2023 | | | As at December 31, 2022 | | |
|--------------------------------------|------------------------------------|------------------------------------|-------------------|---------------------------------|------------------------------------|-------------------|
| | Personal Loan Receivables | Installment Loan Receivables | Total | Personal Loan Receivables | Installment Loan Receivables | Total |
| Due within one year | | | | | | |
| Loan receivables | 58,614,390 | 143,988 | 58,758,378 | 58,231,694 | 145,638 | 58,377,332 |
| <u>Less</u> Unearned interest income | - | (5,730) | (5,730) | - | (6,847) | (6,847) |
| Allowance for expected credit loss | (4,249,873) | (1,077) | (4,250,950) | (5,046,062) | (980) | (5,047,042) |
| Net | 54,364,517 | 137,181 | 54,501,698 | 53,185,632 | 137,811 | 53,323,443 |
| Due over one year | | | | | | |
| Loan receivables | - | 37,414 | 37,414 | - | 44,055 | 44,055 |
| <u>Less</u> Unearned interest income | - | - | - | - | - | - |
| Allowance for expected credit loss | - | (212) | (212) | - | (188) | (188) |
| Net | - | 37,202 | 37,202 | - | 43,867 | 43,867 |
| Total | 54,364,517 | 174,383 | 54,538,900 | 53,185,632 | 181,678 | 53,367,310 |

Expected credit losses for the three-month periods ended June 30, 2023 and 2022 comprise the following:

| | “Unaudited” For the three-month period ended June 30, 2023 | | | Unit : Thousand Baht “Unaudited” For the three-month period ended June 30, 2022 | | |
|-----------------------------------|---|---|----------------|--|---|------------------|
| | Personal Loan Receivables | Installment Loan Receivables | Total | Personal Loan Receivables | Installment Loan Receivables | Total |
| Bad debts | 1,260,376 | 646 | 1,261,022 | 1,881,011 | 497 | 1,881,508 |
| Expected credit losses (reversal) | (689,818) | 45 | (689,773) | (456,231) | 45 | (456,186) |
| Total | 570,558 | 691 | 571,249 | 1,424,780 | 542 | 1,425,322 |

Expected credit losses for the six-month periods ended June 30, 2023 and 2022 comprise the following:

| | “Unaudited” For the six-month period ended June 30, 2023 | | | Unit : Thousand Baht “Unaudited” For the six-month period ended June 30, 2022 | | |
|-----------------------------------|---|---|------------------|--|---|------------------|
| | Personal Loan Receivables | Installment Loan Receivables | Total | Personal Loan Receivables | Installment Loan Receivables | Total |
| Bad debts | 2,508,884 | 1,169 | 2,510,053 | 2,944,693 | 1,112 | 2,945,805 |
| Expected credit losses (reversal) | (857,278) | 116 | (857,162) | (772,941) | (61) | (773,002) |
| Total | 1,651,606 | 1,285 | 1,652,891 | 2,171,752 | 1,051 | 2,172,803 |

Staging analysis for loan receivables as at June 30, 2023 and December 31, 2022 are as follows:

| | “Unaudited” As at June 30, 2023 | | | As at December 31, 2022 | | |
|--|------------------------------------|------------------------------------|--------------------------|---------------------------------|------------------------------------|--------------------------|
| | Personal Loan Receivables | Installment Loan Receivables | Total | Personal Loan Receivables | Installment Loan Receivables | Total |
| Performing (Stage 1) | 56,004,352 | 180,213 | 56,184,565 | 55,372,954 | 188,730 | 55,561,684 |
| Under-performing (Stage 2) | 1,215,903 | 631 | 1,216,534 | 1,396,260 | 436 | 1,396,696 |
| Non-performing (Stage 3) | 1,394,135 | 558 | 1,394,693 | 1,462,480 | 527 | 1,463,007 |
| | <u>58,614,390</u> | <u>181,402</u> | <u>58,795,792</u> | <u>58,231,694</u> | <u>189,693</u> | <u>58,421,387</u> |
| <u>Less</u> Unearned interest income | - | (5,730) | (5,730) | - | (6,847) | (6,847) |
| Total | <u>58,614,390</u> | <u>175,672</u> | <u>58,790,062</u> | <u>58,231,694</u> | <u>182,846</u> | <u>58,414,540</u> |
| <u>Less</u> Allowance for expected credit losses | <u>(4,249,873)</u> | <u>(1,289)</u> | <u>(4,251,162)</u> | <u>(5,046,062)</u> | <u>(1,168)</u> | <u>(5,047,230)</u> |
| Net | <u>54,364,517</u> | <u>174,383</u> | <u>54,538,900</u> | <u>53,185,632</u> | <u>181,678</u> | <u>53,367,310</u> |

Unit : Thousand Baht

Allowance for expected credit loss

Allowance for expected credit loss as at June 30, 2023 and 2022 are as follows:

| | Unit: Thousand Baht | | | |
|--|------------------------------------|----------------|------------------|------------------|
| | “Unaudited” | | | |
| | Allowance for expected credit loss | | | Total |
| | 12-month ECL | Lifetime ECL- | Lifetime ECL- | |
| | (Stage 1) | not credit | credit | |
| | | impaired | impaired | |
| | | (Stage 2) | (Stage 3) | |
| Balance as at January 1, 2023 | 2,888,337 | 871,456 | 1,287,437 | 5,047,230 |
| Changes in staging | (466,788) | (1,119,858) | 1,586,646 | - |
| New financial assets originated or purchased | 103,070 | - | - | 103,070 |
| Net remeasurement of loss allowance | (237,919) | 1,084,635 | 316,537 | 1,163,253 |
| Financial assets derecognised | (30,461) | (2,029) | (1,490) | (33,980) |
| Written off | (17,080) | (55,973) | (1,955,358) | (2,028,411) |
| Balance as at June 30, 2023 | 2,239,159 | 778,231 | 1,233,772 | 4,251,162 |

| | Unit: Thousand Baht | | | |
|--|------------------------------------|----------------|------------------|------------------|
| | “Unaudited” | | | |
| | Allowance for expected credit loss | | | Total |
| | 12-month ECL | Lifetime ECL- | Lifetime ECL- | |
| | (Stage 1) | not credit | credit | |
| | | impaired | impaired | |
| | | (Stage 2) | (Stage 3) | |
| Balance as at January 1, 2022 | 2,646,238 | 1,522,556 | 1,113,552 | 5,282,346 |
| Changes in staging | (388,354) | (1,474,037) | 1,862,391 | - |
| New financial assets originated or purchased | 79,193 | - | - | 79,193 |
| Net remeasurement of loss allowance | 530,702 | 710,754 | 396,189 | 1,637,645 |
| Financial assets derecognised | (26,173) | (2,240) | (1,039) | (29,452) |
| Written off | (22,796) | (43,431) | (2,318,230) | (2,384,457) |
| Balance as at June 30, 2022 | 2,818,810 | 713,602 | 1,052,863 | 4,585,275 |

As at June 30, 2023 and December 31, 2022, personal loan receivables comprise the following:

| | Unit : Thousand Baht | |
|----------------------------------|----------------------|-------------------|
| | “Unaudited” | |
| | As at | As at |
| | June 30, | December 31, |
| | 2023 | 2022 |
| Revolving loan receivables | 56,369,670 | 56,076,108 |
| Minimum payment loan receivables | 2,244,720 | 2,155,586 |
| Total | 58,614,390 | 58,231,694 |

Revolving loans are repayable at any time subject to a minimum monthly payment of 3% of the principal 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.

Loan receivables of the Company as at June 30, 2023 and December 31, 2022 were denominated entirely in Baht currency.

7. RIGHT-OF-USE ASSETS

During the six-month period ended June 30, 2023, the Company had additional right-of-use assets at the total cost of Baht 107.68 million from several lease agreements comprise of buildings, equipment and vehicles amounting to Baht 72.67 million, Baht 22.17 million and Baht 12.84 million, respectively.

During the six-month period ended June 30, 2022, the Company had additional right-of-use assets at the total cost of Baht 92.14 million from several lease agreements comprise of buildings, equipment and vehicles amounting to Baht 56.11 million, Baht 21.25 million and Baht 14.78 million, respectively.

In addition, the Company had depreciation of right-of-use assets for the three-month and six-month periods ended June 30, 2023 totaling Baht 59.16 million and Baht 118.63 million, respectively (2022 : Baht 59.97 million and Baht 120.62 million, respectively).

8. DEFERRED TAXES

Deferred tax assets consist of:

| | Unit : Thousand Baht | |
|---|--|-------------------------------|
| | “Unaudited” As at June 30, 2023 | As at December 31, 2022 |
| Deferred tax assets | | |
| Loan receivables (allowance for expected credit losses) | 850,326 | 1,009,541 |
| Loan receivables (bad debt written off) | 130,146 | 145,448 |
| Provisions for employee benefits | 43,674 | 41,408 |
| Decommissioning obligation for leasehold improvements | 8,782 | 8,400 |
| Derivatives | 320 | 4,266 |
| Lease liabilities | 6,509 | 4,942 |
| Others | 3,007 | 3,079 |
| Total | 1,042,764 | 1,217,084 |
| Deferred tax liabilities | | |
| Debentures and borrowings issuance cost | (1,412) | (1,258) |
| Total | (1,412) | (1,258) |
| Net | 1,041,352 | 1,215,826 |

The movements of deferred tax assets and liabilities for the three-month periods ended June 30, 2023 and 2022 consist of tax effects from the following items:

| | Unit : Thousand Baht | | |
|--|-----------------------------------|---|-----------------------------------|
| | | “Unaudited” | |
| | Balance as at April 1, 2023 | Item as recognized into profit (loss) | Balance as at June 30, 2023 |
| Deferred tax assets | | | |
| Loan receivables | | | |
| (allowance for expected credit losses) | 988,783 | (138,457) | 850,326 |
| Loan receivables (bad debt written off) | 130,270 | (124) | 130,146 |
| Provisions for employee benefits | 42,541 | 1,133 | 43,674 |
| Decommissioning obligation for leasehold improvements | 8,611 | 171 | 8,782 |
| Derivatives | 3,445 | (3,125) | 320 |
| Lease liabilities | 5,267 | 1,242 | 6,509 |
| Others | 3,148 | (141) | 3,007 |
| | <u>1,182,065</u> | <u>(139,301)</u> | <u>1,042,764</u> |
| Deferred tax liabilities | | | |
| Debentures and borrowings issuance cost | (1,775) | 363 | (1,412) |
| | <u>(1,775)</u> | <u>363</u> | <u>(1,412)</u> |
| Deferred tax assets | <u>1,180,290</u> | <u>(138,938)</u> | <u>1,041,352</u> |

| | Unit : Thousand Baht | | |
|--|-----------------------------------|---|-----------------------------------|
| | | “Unaudited” | |
| | Balance as at April 1, 2022 | Item as recognized into profit (loss) | Balance as at June 30, 2022 |
| Deferred tax assets | | | |
| Loan receivables | | | |
| (allowance for expected credit losses) | 1,007,972 | (90,814) | 917,158 |
| Loan receivables (bad debt written off) | 137,796 | 15,263 | 153,059 |
| Provisions for employee benefits | 46,623 | 1,119 | 47,742 |
| Decommissioning obligation for leasehold improvements | 7,713 | 211 | 7,924 |
| Lease liabilities | 3,057 | 1,248 | 4,305 |
| Others | 3,121 | (90) | 3,031 |
| | <u>1,206,282</u> | <u>(73,063)</u> | <u>1,133,219</u> |
| Deferred tax liabilities | | | |
| Debentures and borrowings issuance cost | (1,804) | 92 | (1,712) |
| Derivatives | 7,792 | (9,305) | (1,513) |
| | <u>5,988</u> | <u>(9,213)</u> | <u>(3,225)</u> |
| Deferred tax assets | <u>1,212,270</u> | <u>(82,276)</u> | <u>1,129,994</u> |

The movements of deferred tax assets and liabilities for the six-month periods ended June 30, 2023 and 2022 consist of tax effects from the following items:

| | Unit : Thousand Baht | | |
|--|-------------------------------------|---|-----------------------------------|
| | “Unaudited” | | |
| | Balance as at January 1, 2023 | Item as recognized into profit (loss) | Balance as at June 30, 2023 |
| Deferred tax assets | | | |
| Loan receivables | | | |
| (allowance for expected credit losses) | 1,009,541 | (159,215) | 850,326 |
| Loan receivables (bad debt written off) | 145,448 | (15,302) | 130,146 |
| Provisions for employee benefits | 41,408 | 2,266 | 43,674 |
| Decommissioning obligation for leasehold improvements | 8,400 | 382 | 8,782 |
| Derivatives | 4,266 | (3,946) | 320 |
| Lease liabilities | 4,942 | 1,567 | 6,509 |
| Others | 3,079 | (72) | 3,007 |
| | <u>1,217,084</u> | <u>(174,320)</u> | <u>1,042,764</u> |
| Deferred tax liabilities | | | |
| Debentures and borrowings issuance cost | (1,258) | (154) | (1,412) |
| | <u>(1,258)</u> | <u>(154)</u> | <u>(1,412)</u> |
| Deferred tax assets | <u>1,215,826</u> | <u>(174,474)</u> | <u>1,041,352</u> |

| | Unit : Thousand Baht | | |
|--|-------------------------------------|---|-----------------------------------|
| | “Unaudited” | | |
| | Balance as at January 1, 2022 | Item as recognized into profit (loss) | Balance as at June 30, 2022 |
| Deferred tax assets | | | |
| Loan receivables | | | |
| (allowance for expected credit losses) | 1,056,589 | (139,431) | 917,158 |
| Loan receivables (bad debt written off) | 132,350 | 20,709 | 153,059 |
| Provisions for employee benefits | 45,505 | 2,237 | 47,742 |
| Decommissioning obligation for leasehold improvements | 7,405 | 519 | 7,924 |
| Lease liabilities | 2,965 | 1,340 | 4,305 |
| Others | 3,258 | (227) | 3,031 |
| | <u>1,248,072</u> | <u>(114,853)</u> | <u>1,133,219</u> |
| Deferred tax liabilities | | | |
| Debentures and borrowings issuance cost | (1,752) | 40 | (1,712) |
| Derivatives | 12,176 | (13,689) | (1,513) |
| | <u>10,424</u> | <u>(13,649)</u> | <u>(3,225)</u> |
| Deferred tax assets | <u>1,258,496</u> | <u>(128,502)</u> | <u>1,129,994</u> |

9. INTEREST - BEARING LIABILITIES

Unit : Thousand Baht

| | “Unaudited” As at June 30, 2023 | | | | As at December 31, 2022 | | | |
|--|--|---|-------------------------|--------------------------|--|---|-------------------------|--------------------------|
| | Short-term borrowings from financial institutions | Long-term borrowings from financial institutions | Debentures | Total | Short-term borrowings from financial institutions | Long-term borrowings from financial institutions | Debentures | Total |
| Current | | | | | | | | |
| Principal | 4,235,000 | 3,617,354 | 6,500,000 | 14,352,354 | 4,470,000 | 3,804,094 | 2,000,000 | 10,274,094 |
| <u>Less</u> Deferred issuance cost on debentures and borrowings | (3,903) | (585) | (1,462) | (5,950) | (4,889) | - | (749) | (5,638) |
| Net | <u>4,231,097</u> | <u>3,616,769</u> | <u>6,498,538</u> | <u>14,346,404</u> | <u>4,465,111</u> | <u>3,804,094</u> | <u>1,999,251</u> | <u>10,268,456</u> |
| Non-current | | | | | | | | |
| Principal | - | 2,120,000 | 2,700,000 | 4,820,000 | - | 3,580,000 | 5,700,000 | 9,280,000 |
| <u>Less</u> Deferred issuance cost on debentures and borrowings | - | (620) | (2,932) | (3,552) | - | (1,800) | (3,327) | (5,127) |
| Net | <u>-</u> | <u>2,119,380</u> | <u>2,697,068</u> | <u>4,816,448</u> | <u>-</u> | <u>3,578,200</u> | <u>5,696,673</u> | <u>9,274,873</u> |
| Total | <u>4,231,097</u> | <u>5,736,149</u> | <u>9,195,606</u> | <u>19,162,852</u> | <u>4,465,111</u> | <u>7,382,294</u> | <u>7,695,924</u> | <u>19,543,329</u> |
| - Secured* | - | - | - | - | - | - | - | - |
| - Unsecured | <u>4,231,097</u> | <u>5,736,149</u> | <u>9,195,606</u> | <u>19,162,852</u> | <u>4,465,111</u> | <u>7,382,294</u> | <u>7,695,924</u> | <u>19,543,329</u> |
| Total | <u>4,231,097</u> | <u>5,736,149</u> | <u>9,195,606</u> | <u>19,162,852</u> | <u>4,465,111</u> | <u>7,382,294</u> | <u>7,695,924</u> | <u>19,543,329</u> |

* The Company has letter of guarantees issued by the parent company for guarantee payment of the Company under the conditions of long-term borrowings.

Interest-bearing liabilities as at June 30, 2023 and December 31, 2022 classified by currency are as follows:

| | Unit : Thousand Baht | |
|---------------|------------------------------------|--|
| | “Unaudited” | |
| | As at June 30, 2023 | As at December 31, 2022 |
| Baht Currency | 19,162,852 | 19,543,329 |
| Total | 19,162,852 | 19,543,329 |

As at June 30, 2023 and December 31, 2022, above liabilities bear interest at the rates ranging from 1.08% to 3.37% per annum.

Interest rate swap agreement

Baht Currency

As at June 30, 2023 and December 31, 2022, the Company had interest rate swap agreements to hedge the volatility of floating interest rate by paying interest in fixed rates as specified in the agreements with a related local bank totaling Baht 2,740.00 million and Baht 2,900.00 million, respectively.

As at June 30, 2023, the Company recognized such agreements as derivative assets and derivative liabilities at fair value totaling Baht 11.01 million and Baht 12.62 million, respectively.

As at December 31, 2022, the Company recognized such agreements as derivative assets and derivative liabilities at fair value totaling Baht 9.42 million and Baht 30.75 million, respectively.

Debenture

Debentures as at June 30, 2023 and December 31, 2022 are as follows:

| | Issuance Date | Maturity Date | Tranche Number | Secured/ Unsecured | Unit | Par Value | “Unaudited” As at June 30, 2023 (Thousand Baht) | As at December 31, 2022 (Thousand Baht) |
|---|--------------------|--------------------|-------------------|-----------------------|-----------|------------|--|---|
| 1 | September 15, 2016 | September 15, 2023 | 2 nd | Unsecured | 1,000,000 | Baht 1,000 | 1,000,000 | 1,000,000 |
| 2 | June 7, 2017 | June 7, 2024 | 1 st | Unsecured | 1,000,000 | Baht 1,000 | 1,000,000 | 1,000,000 |
| 3 | January 24, 2020 | January 24, 2024 | 1 st | Unsecured | 1,500,000 | Baht 1,000 | 1,500,000 | 1,500,000 |
| 4 | April 30, 2021 | April 26, 2024 | 1 st | Unsecured | 2,000,000 | Baht 1,000 | 2,000,000 | 2,000,000 |
| 5 | October 14, 2021 | October 12, 2023 | 1 st | Unsecured | 1,000,000 | Baht 1,000 | 1,000,000 | 1,000,000 |
| 6 | October 14, 2021 | October 11, 2024 | 2 nd | Unsecured | 500,000 | Baht 1,000 | 500,000 | 500,000 |
| 7 | April 8, 2022 | April 4, 2025 | 1 st | Unsecured | 700,000 | Baht 1,000 | 700,000 | 700,000 |
| 8 | March 29, 2023 | March 27, 2026 | 1 st | Unsecured | 1,500,000 | Baht 1,000 | 1,500,000 | - |
| | | | | | | | <u>9,200,000</u> | <u>7,700,000</u> |
| | | | | | | | (4,394) | (4,076) |
| | | | | | | | <u>9,195,606</u> | <u>7,695,924</u> |
| | | | | | | | (6,498,538) | (1,999,251) |
| | | | | | | | <u>2,697,068</u> | <u>5,696,673</u> |

Less Debenture deferred issuance cost

Less Current portion of debentures

Debentures - net

As at June 30, 2023 and December 31, 2022, debentures bear interest at rates ranging from 1.08% to 3.37% per annum.

10. OTHER INCOME

Other income for the three-month and six-month periods ended June 30, 2023 and 2022 are as follows:

| | Unit : Thousand Baht “Unaudited” For the three-month periods ended June 30, | |
|-----------------------|--|----------------|
| | 2023 | 2022 |
| Recovery of bad debts | 373,477 | 326,206 |
| Others | 22,629 | 27,174 |
| Total | 396,106 | 353,380 |

| | “Unaudited” For the six-month periods ended June 30, | |
|-----------------------|--|----------------|
| | 2023 | 2022 |
| Recovery of bad debts | 700,190 | 660,903 |
| Others | 46,212 | 55,198 |
| Total | 746,402 | 716,101 |

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. DIVIDEND PAID

- 12.1 At the Annual General Meeting of the Shareholders of the Company held on April 21, 2022, the shareholder approved the appropriation of dividends of Baht 2.17 per share, amounting to Baht 1,302.00 million. The dividends were paid to the shareholders on May 20, 2022.
- 12.2 At the Annual General Meeting of the Shareholders of the Company held on April 20, 2023, the shareholder approved the appropriation of dividends of Baht 2.16 per share, amounting to Baht 1,296.00 million. The dividends were paid to the shareholders on May 19, 2023.

13. INCOME TAX EXPENSE

Tax expense for the three-month periods ended June 30, 2023 and 2022 are as follows:

| | | Unit : Thousand Baht “Unaudited” For the three-month periods ended June 30, | |
|------------------------------------|--|--|-----------------------|
| | | 2023 | 2022 |
| Current tax expense | | | |
| Current year | | 316,238 | 198,887 |
| | | <u>316,238</u> | <u>198,887</u> |
| Deferred tax expense | | | |
| Movements in temporary differences | | 138,938 | 82,276 |
| | | <u>138,938</u> | <u>82,276</u> |
| Total | | <u>455,176</u> | <u>281,163</u> |

Reconciliations of effective tax rates for the three-month periods ended June 30, 2023 and 2022 are as follows:

| | | Unit : Thousand Baht | |
|---|--------------|-----------------------|-----------------------|
| | | 2023 | 2022 |
| | Tax Rate (%) | | Tax Rate (%) |
| Accounting profit before income tax | | 2,146,445 | 1,241,977 |
| Tax expense at domestic tax rate | 20.0 | 429,289 | 248,395 |
| Tax effect of non-taxable income | | (113,051) | (49,508) |
| Tax expense per income tax return | | 316,238 | 198,887 |
| Adjustment for deferred tax relating to the origination and reversal of temporary differences | | 138,938 | 82,276 |
| Income tax expense | 21.2 | <u>455,176</u> | <u>281,163</u> |

Tax expense for the six-month periods ended June 30, 2023 and 2022 are as follows:

| | | Unit : Thousand Baht “Unaudited” For the six-month periods ended June 30, | |
|------------------------------------|--|--|-----------------------|
| | | 2023 | 2022 |
| Current tax expense | | | |
| Current year | | 601,535 | 532,423 |
| | | <u>601,535</u> | <u>532,423</u> |
| Deferred tax expense | | | |
| Movements in temporary differences | | 174,474 | 128,502 |
| | | <u>174,474</u> | <u>128,502</u> |
| Total | | <u>776,009</u> | <u>660,925</u> |

Reconciliations of effective tax rates for the six-month periods ended June 30, 2023 and 2022 are as follows:

| | | 2023 | | Unit : Thousand Baht 2022 |
|---|--------------|----------------|--------------|------------------------------|
| | Tax Rate (%) | | Tax Rate (%) | |
| Accounting profit before income tax | | 3,627,831 | | 3,050,224 |
| Tax expense at domestic tax rate | 20.0 | 725,566 | 20.0 | 610,045 |
| Tax effect of non-taxable income | | (124,031) | | (77,622) |
| Tax expense per income tax return | | 601,535 | | 532,423 |
| Adjustment for deferred tax relating to the origination and reversal of temporary differences | | 174,474 | | 128,502 |
| Income tax expense | 21.4 | 776,009 | 21.7 | 660,925 |

14. COMMITMENTS WITH NON-RELATED PARTIES

Commitments with non-related parties as at June 30, 2023 and December 31, 2022 are as follows:

| | Unit : Thousand Baht “Unaudited” | |
|---|-------------------------------------|-------------------------------|
| | As at June 30, 2023 | As at December 31, 2022 |
| Non-cancellable short-term lease and service commitments | | |
| Within one year | 10,174 | 8,362 |
| After one year but within five years | 345 | 132 |
| Total | 10,519 | 8,494 |

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

15. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issuance by the Board of Directors of the Company on August 24, 2023.