

GENERAL ANNOUNCEMENT::ANNOUNCEMENT BY SUBSIDIARY, IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

Issuer & Securities

Issuer/ Manager

IFS CAPITAL LIMITED

Securities

IFS CAPITAL LIMITED - SG1A35000706 - I49

Stapled Security

No

Announcement Details

Announcement Title

General Announcement

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Status

New

Announcement Sub Title

Announcement by Subsidiary, IFS Capital (Thailand) Public Company Limited

Announcement Reference

SG231108OTHRNAS8

Submitted By (Co./ Ind. Name)

Chionh Yi Chian/Angeline Ng

Designation

Company Secretary/Assistant Company Secretary

Description (Please provide a detailed description of the event in the box below)

Please see attached announcement issued by IFS Capital (Thailand) Public Company Limited on its Third Quarter 2023 Results.

Attachments

[IFST Financial Results 3Q 2023.pdf](#)

Total size =465K MB

Headline: Financial Performance Quarter 3 (F45) (Reviewed)

Security Symbol: IFS

Announcement Details

Summary of operating result form (F45)

Company name	IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED			
Quarter	Quarter 3			

(In thousands)

Financial Statement	Quarter 3		For 9 Months	
Status	Reviewed		Reviewed	
Ending	30 September		30 September	
Year	2023	2022	2023	2022
Profit (loss) attributable to equity holders of the Company *	36,951	40,980	118,097	120,631
EPS (baht)	0.07	0.08	0.24	0.24

Type of report Unqualified opinion

*For consolidated financial statements

Please review financial statement (Full Version) before making investment decision

"The company hereby certifies that the information above is correct and complete. In addition, the company has already reported and disseminated its financial statements in full via the SET Electronic Listed Company Information Disclosure (SET Portal)."

Signature _____

(Mr. Tan Ley Yen)

Director and CEO

Authorized Persons to Disclose Information

This announcement was prepared and disseminated by listed company or issuer through the electronic system which is provided for the purpose of dissemination of the information and related documents of listed company or issuer to the Stock Exchange of Thailand only. The Stock Exchange of Thailand has no responsibility for the correctness and completeness of any statements, figures, reports or opinions contained in this announcement, and has no liability for any losses and damages in any cases. In case you have any inquiries or clarification regarding this announcement, please directly contact listed company or issuer who made this announcement.

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

**TO THE BOARD OF DIRECTORS
IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**

We have reviewed the statement of financial position of IFS Capital (Thailand) Public Company Limited as at September 30, 2023, and the related statements of comprehensive income for the three-month and nine-month periods ended September 30, 2023, and the related statements of changes in shareholders' equity and cash flows for the nine-month period ended September 30, 2023, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and 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 is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

BANGKOK
November 8, 2023

Lasita Magut
Certified Public Accountant (Thailand)
Registration No. 9039
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2023

UNIT : BAHT

	Notes	"Unaudited" As at September 30, 2023	As at December 31, 2022
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		361,855,111	451,556,819
Factoring receivables	6	2,768,224,177	2,910,980,124
Hire purchase current receivables	7	2,266,007	1,399,404
Finance lease current receivables	8	62,278,295	60,750,417
Inventory finance receivables	9	135,504,133	149,486,256
Other current receivables		10,858,123	6,994,631
Other current assets		1,418,319	1,011,005
Total Current Assets		3,342,404,165	3,582,178,656
NON-CURRENT ASSETS			
Bank deposits held as collateral		164,204	163,960
Hire purchase non-current receivables	7	1,761,442	626,942
Finance lease non-current receivables	8	82,467,746	74,114,987
Investment properties		49,912,512	53,389,975
Plant and equipment		12,860,415	15,701,400
Right-of-use assets		2,579,567	708,073
Other intangible assets		1,235,054	1,569,953
Deferred tax assets		35,689,800	35,080,264
Properties foreclosed		4,000,000	400,000
Other non-current assets		351,151	736,446
Total Non-current Assets		191,021,891	182,492,000
TOTAL ASSETS		3,533,426,056	3,764,670,656

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2023

UNIT : BAHT

	Notes	"Unaudited" As at September 30, 2023	As at December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term borrowings from financial institutions	10	1,545,000,000	1,615,000,000
Other current payables		65,935,318	117,496,379
Current portion of long-term borrowings	11	106,026,667	180,626,667
Current portion of lease liabilities		705,739	546,818
Corporate income tax payable		10,504,263	23,377,847
Other current liabilities		1,027,098	124,997
Total Current Liabilities		1,729,199,085	1,937,172,708
NON-CURRENT LIABILITIES			
Long-term borrowings	11	33,280,000	98,300,000
Lease liabilities		1,903,257	191,087
Non-current provisions for employee benefits		37,883,994	33,368,427
Other non-current liabilities		-	899,404
Total Non-current Liabilities		73,067,251	132,758,918
TOTAL LIABILITIES		1,802,266,336	2,069,931,626

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2023

UNIT : BAHT

	Notes	"Unaudited" As at September 30, 2023	As at December 31, 2022
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)			
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
Authorized share capital			
493,500,000 ordinary shares of Baht 1 each		493,500,000	493,500,000
Issued and paid-up share capital			
493,499,975 ordinary shares of Baht 1 each		493,499,975	493,499,975
Share premium on ordinary shares		31,746,399	31,746,399
RETAINED EARNINGS			
Appropriated			
Legal reserve		49,350,000	49,350,000
Unappropriated		1,156,563,346	1,120,142,656
TOTAL SHAREHOLDERS' EQUITY		1,731,159,720	1,694,739,030
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,533,426,056	3,764,670,656

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2023
"UNAUDITED"

UNIT : BAHT

	Note	2023	2022
REVENUES			
Factoring income		67,234,284	68,269,017
Hire purchase income		39,301	73,564
Finance lease income		3,122,697	2,368,096
Factoring commission and service fees		24,147,937	26,742,659
Other income		10,942,860	10,002,280
Total Revenues		105,487,079	107,455,616
EXPENSES			
Selling expenses		4,022,808	4,463,370
Administrative expenses		32,680,486	26,833,616
Management benefit expenses	4	10,594,625	8,956,415
Total Expenses		47,297,919	40,253,401
Profit from operating activities		58,189,160	67,202,215
Finance cost		12,326,906	9,973,431
Impairment loss determined in accordance with TFRS 9 (reversal)		(2,095,840)	5,417,360
Profit before income tax		47,958,094	51,811,424
Income tax expense		11,007,073	10,831,198
PROFIT FOR THE PERIODS		36,951,021	40,980,226
Other comprehensive income		-	-
Total comprehensive income for the periods		36,951,021	40,980,226
BASIC EARNINGS PER SHARE	BAHT	0.07	0.08
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	SHARES	493,499,975	493,499,975

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023
"UNAUDITED"

UNIT : BAHT

	Note	2023	2022
REVENUES			
Factoring income		201,221,478	200,104,636
Hire purchase income		128,580	151,713
Finance lease income		9,848,795	6,855,390
Factoring commission and service fees		72,893,784	78,584,443
Other income		35,236,283	32,411,369
Total Revenues		319,328,920	318,107,551
EXPENSES			
Selling expenses		14,358,324	14,724,019
Administrative expenses		89,147,119	78,777,131
Management benefit expenses	4	34,313,139	29,186,246
Total Expenses		137,818,582	122,687,396
Profit from operating activities		181,510,338	195,420,155
Finance cost		35,085,701	28,219,063
Impairment loss determined in accordance with TFRS 9 (reversal)		(1,059,929)	15,929,227
Profit before income tax		147,484,566	151,271,865
Income tax expense		29,387,586	30,640,524
PROFIT FOR THE PERIODS		118,096,980	120,631,341

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023
"UNAUDITED"

		UNIT : BAHT	
	Note	2023	2022
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified subsequently to profit or loss			
Loss on re-measurements of defined benefit plans		(1,359,680)	-
Income tax relating to items that will not be reclassified subsequently		271,936	-
Other comprehensive loss for the period, net of tax		(1,087,744)	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIODS		117,009,236	120,631,341
BASIC EARNINGS PER SHARE	BAHT	0.24	0.24
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	SHARES	493,499,975	493,499,975

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023
"UNAUDITED"

UNIT : BAHT

	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Retained Earnings Appropriated Legal Reserve	Unappropriated	Total Shareholders' Equity
Beginning balance as at January 1, 2022		493,499,975	31,746,399	49,350,000	1,037,016,664	1,611,613,038
Changes during the period						
Total comprehensive income		-	-	-	120,631,341	120,631,341
Dividends paid	12.2	-	-	-	(77,972,996)	(77,972,996)
Ending balance as at September 30, 2022		<u>493,499,975</u>	<u>31,746,399</u>	<u>49,350,000</u>	<u>1,079,675,009</u>	<u>1,654,271,383</u>
Beginning balance as at January 1, 2023		493,499,975	31,746,399	49,350,000	1,120,142,656	1,694,739,030
Changes during the period						
Total comprehensive income		-	-	-	117,009,236	117,009,236
Dividends paid	12.1	-	-	-	(80,588,546)	(80,588,546)
Ending balance as at September 30, 2023		<u>493,499,975</u>	<u>31,746,399</u>	<u>49,350,000</u>	<u>1,156,563,346</u>	<u>1,731,159,720</u>

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023
"UNAUDITED"

	Notes	2023	2022
UNIT : BAHT			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the periods		118,096,980	120,631,341
Adjustments for:			
Income tax expenses		29,387,586	30,640,524
Impairment loss determined in accordance with TFRS 9 (reversal)		(1,059,929)	15,929,227
Impairment loss from properties foreclosed		-	300,000
Loss from bad debts written-off	5.3	4,257,210	-
Loss on disposal of properties foreclosed		150,000	-
Gain on disposal of fixed assets		(782,706)	(709)
Loss on written-off assets		4	19
Interest expenses		34,736,729	27,853,404
Interest Income		(211,793,365)	(207,387,435)
Employee benefits expense		3,751,087	3,359,439
Depreciation and amortization		7,741,101	8,083,311
		<u>(15,515,303)</u>	<u>(590,879)</u>
Operating assets (increase) decrease			
Factoring receivables		142,506,138	379,308,134
Hire purchase receivables		(3,099,996)	(828,083)
Finance lease receivables		(14,383,534)	(17,122,732)
Inventory finance receivables		16,730,800	(18,672,193)
Other current receivables		(12,036,929)	(9,126,598)
Other current assets		(407,314)	1,596,143
Properties foreclosed		(4,000,000)	-
Other non-current assets		385,295	(112,759)
Operating liabilities increase (decrease)			
Other current payables		(51,929,595)	21,431,418
Other current liabilities		902,101	173,770
Other non-current liabilities		(899,404)	(971,025)
Cash received from operating activities		<u>58,252,259</u>	<u>355,085,196</u>

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2023
"UNAUDITED"

		UNIT : BAHT	
	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)			
Interest paid		(34,349,102)	(28,631,634)
Interest received		211,698,762	207,696,877
Cash received from sell of properties foreclosed		250,000	-
Employee benefits paid		(595,200)	(459,699)
Income tax paid		(34,425,331)	(35,301,500)
Net cash provided by operating activities		<u>(200,831,388)</u>	<u>498,389,240</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash paid for purchases of plant and equipment		(280,918)	(1,321,878)
Cash paid for purchases of other intangible assets		(366,582)	(605,754)
Cash received from sell of assets		782,710	1,869
Net cash provided by (used in) investing activities		<u>135,210</u>	<u>(1,925,763)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash paid for short-term borrowings			
to financial institutions	5.2	(9,435,000,000)	(9,630,000,000)
Cash received from short-term borrowings			
from financial institutions	5.2	9,365,000,000	9,425,000,000
Cash paid for long-term borrowings	5.2	(139,620,000)	(156,300,000)
Cash received from long-term borrowings	5.2	-	100,000,000
Cash paid for lease liabilities	5.2	(459,760)	(413,920)
Cash paid for dividend	12	(80,588,546)	(77,972,996)
Net cash used in financing activities		<u>(290,668,306)</u>	<u>(339,686,916)</u>
Net increase (decrease) in cash and cash equivalents		(89,701,708)	156,776,561
Cash and cash equivalents at the beginning of the periods		<u>451,556,819</u>	<u>333,767,948</u>
Cash and cash equivalents at the end of the periods	5.1	<u><u>361,855,111</u></u>	<u><u>490,544,509</u></u>

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2023
“UNAUDITED”

1. GENERAL INFORMATION AND THE COMPANY’S OPERATION

IFS Capital (Thailand) Public Company Limited (the “Company”) is incorporated in Thailand and has its registered office at 20th floor Lumpini Tower, 1168/55 Rama IV Road, Tungmahamek, Sathorn, Bangkok. The Company was listed on The Stock Exchange of Thailand on April 18, 2007. The business activities of the Company are factoring, hire purchase, leasing businesses and office rental.

The Company’s major shareholder are IFS Capital Limited, which was registered in Singapore with 36.49% of the Company’s shares and IFS Capital Holdings (Thailand) Limited with 36.64% of the Company’s shares. The Company’s ultimate shareholder is Philip Asset Pte. Ltd., which was incorporated in Singapore.

The Company has been foreign and submitted the request to do business under Section 17 of the Foreign Business Act B.E. 2542 and obtained the license of foreign business operations dated July 3, 2009 from the Department of Business Development to do business in category 3 (21) service business as follows:

- 1) Factoring
- 2) Leasing and hire purchase businesses only to the existing customers committed under the leasing and hire purchase agreements
- 3) Leasing and hire purchase of vehicles and machineries used in industry, tools used in transport of goods, vessels and carriages used in agriculture to new clients
- 4) Service businesses of office rental including utility and facility

Thus, the Company has to comply with the conditions specified in the certificate of foreign business operations.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

2.1 These interim financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No.34 “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.

2.2 The statement of financial position as at December 31, 2022, presented herein for comparison, have been derived from the financial statements of the Company for the year then ended which had been previously audited.

2.3 The unaudited results of operations presented in the three-month and nine-month periods ended September 30, 2023 are not necessarily an indication nor anticipation of the operating results for the full year.

- 2.4 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 nine-month periods ended September 30, 2023 should be read in conjunction with the audited financial statements for the year ended December 31, 2022.
- 2.5 The English version of the interim financial statements have been prepared from the Thai version of the interim financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version interim financial statements in accordance with the Thai law is superseded.
- 2.6 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 Thai 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.

- 2.7 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2024, onwards

On August 8, 2023, the revised TFRSs have been announced in the Royal Gazette which mostly are the amendments of wordings and the references of Thai Financial Reporting Standard No.17 "Insurance Contracts". TFRSs which have been amended and are relevant to the Company are as follows:

Thai Accounting Standard No.1 "Presentation of Financial Statements"

The amendments change the requirements regarding the disclosure of accounting policies from "significant accounting policies" to "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Thai Accounting Standard No.8 "Accounting Policies, Changes in Accounting Estimates and Errors"

The amendments change the definition of accounting estimates to be "monetary amounts in financial statements that are subject to measurement uncertainty", to help an entity to be able to segregate the difference of "change in accounting estimates" from "change in accounting policies".

Thai Accounting Standard No.12 “Income Taxes”

The amendments add the requirements for the initial recognition of deferred tax, which give rise to equal taxable and deductible temporary differences such as right-of-use assets and lease liabilities and decommissioning obligation. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognizes a deferred tax asset, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, and a deferred tax liability for all deductible and taxable temporary differences associated with such transactions. The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate).

The Company’s management will adopt such TFRSs 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 these TFRSs on the financial statements of the Company in the period of initial application.

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2025, onwards

On August 19, 2022, Thai Financial Reporting Standard No.17 “Insurance Contracts” has been announced in the Royal Gazette. This Standard establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes Thai Financial Reporting Standard No.4 “Insurance Contracts”. The Company does not have accounting transaction which should be adopted this Financial Reporting Standard.

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. RELATED PARTY TRANSACTIONS

The accompanying financial statements include certain transactions with related companies. The relationship may be that of shareholding or the companies may have the same group of shareholders or directors. The financial statements reflect the effects of these transactions in the normal business practice, and the price rates, interest rates, terms and conditions are considered to be at arms length, for related party as approved by the Board or the shareholders.

Relationships with related parties other than subsidiaries, associates and joint ventures as at September 30, 2023 were as follows:

	Relationships
IFS Capital Limited	Major Shareholder
IFS Capital Holdings (Thailand) Limited	Major Shareholder

Significant transactions with related person or parties for the three-month and nine-month periods ended September 30, 2023 and 2022 were as follows:

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
Management benefit expenses				
Short-term benefits	10,333,905	8,720,475	33,530,976	28,478,425
Post-employment benefits	252,272	225,996	756,820	677,988
Other long-term benefits	8,448	9,944	25,343	29,833
	<u>10,594,625</u>	<u>8,956,415</u>	<u>34,313,139</u>	<u>29,186,246</u>
Dividends paid				
IFS Capital Limited	-	-	29,406,248	28,451,850
IFS Capital Holdings (Thailand) Limited	-	-	29,526,273	28,567,980
	<u>-</u>	<u>-</u>	<u>58,932,521</u>	<u>57,019,830</u>

5. SUPPLEMENTARY DISCLOSURE OF CASH FLOWS INFORMATION

5.1 Cash and cash equivalents as at September 30, 2023 and 2022 consisted of the following:

	2023	2022
	Baht	Baht
Cash on hand	30,000	30,000
Cash at banks - current accounts	15,953,132	15,711,602
Cash at banks - savings accounts	345,871,979	474,802,907
	<u>361,855,111</u>	<u>490,544,509</u>

5.2 Changes in liabilities from financing activities as at September 30, 2023 and 2022 consisted of the following:

	As at January 1, 2023	Changes in cash flows		Non-cash items⁽¹⁾	As at September 30, 2023
		Cash received	Cash paid		
Short-term borrowings from financial institutions	1,615,000,000	9,365,000,000	(9,435,000,000)	-	1,545,000,000
Long-term borrowings	278,926,667	-	(139,620,000)	-	139,306,667
Lease liabilities	737,905	-	(459,760)	2,330,851	2,608,996

(1) Non-cash items were arisen from car and photocopy machine rental agreements.

	As at January 1, 2022	Changes in cash flows		Non-cash items ⁽¹⁾	As at September 30, 2022
		Cash received	Cash paid		
Short-term borrowings from financial institutions	1,825,000,000	9,425,000,000	(9,630,000,000)	-	1,620,000,000
Long-term borrowings	392,833,333	100,000,000	(156,300,000)	-	336,533,333
Lease liabilities	1,003,655	-	(413,920)	282,609	872,344

(1) Non-cash items were arisen from car and photocopy machine rental agreements.

5.3 In 2023, the Company has transferred finance lease receivables totaling by Baht 8.26 million to properties foreclosed totaling by Baht 4.00 million and recognized loss from bad debts written-off amounted to Baht 4.26 million as administrative expenses and presented in the statement of comprehensive income for the nine-month period ended September 30, 2023.

6. FACTORING RECEIVABLES

Factoring receivables as at September 30, 2023 and December 31, 2022 consisted of the following:

	As at September 30, 2023 Baht	As at December 31, 2022 Baht
Factoring receivables	3,654,698,164	3,770,319,209
<u>Less</u> Allowance for expected credit losses	<u>(107,697,508)</u>	<u>(107,447,699)</u>
	3,547,000,656	3,662,871,510
<u>Less</u> Factoring payables	<u>(778,776,479)</u>	<u>(751,891,386)</u>
Factoring receivables, net	<u>2,768,224,177</u>	<u>2,910,980,124</u>

Factoring receivables as at September 30, 2023 and December 31, 2022 were classified by staging as follows:

	Unit : Baht		
	As at September 30, 2023		
	Factoring receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	3,210,596,256	103,308	0.00
Significant increase in credit risk receivables	335,235,886	157,821	0.05
Default receivables in credit risk	108,866,022	107,436,379	98.69
Total	<u>3,654,698,164</u>	<u>107,697,508</u>	
	Unit : Baht		
	As at December 31, 2022		
	Factoring receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	3,182,638,430	441,780	0.01
Significant increase in credit risk receivables	467,875,315	775,993	0.17
Default receivables in credit risk	119,805,464	106,229,926	88.67
Total	<u>3,770,319,209</u>	<u>107,447,699</u>	

Allowance for expected credit losses for the nine-month period ended September 30, 2023 and for the year ended December 31, 2022 consisted of the following:

	For the nine-month period ended September 30, 2023			Unit : Baht
	Allowance for expected credit losses			
	Performing (Stage 1)	Under- Performing (Stage 2)	Non-Performing (Stage 3)	Total
Balance as at January 1, 2023	441,780	775,993	106,229,926	107,447,699
Changes in staging	245,569	(322,771)	77,202	-
Changes in risk parameters	(559,144)	(262,730)	1,129,251	307,377
New financial assets originated or purchased	9,425	-	-	9,425
Financial assets derecognized	(34,322)	(32,671)	-	(66,993)
Balance as at September 30, 2023	<u>103,308</u>	<u>157,821</u>	<u>107,436,379</u>	<u>107,697,508</u>

	For the year ended December 31, 2022			Unit : Baht
	Allowance for expected credit losses			
	Performing (Stage 1)	Under- Performing (Stage 2)	Non-Performing (Stage 3)	Total
Balance as at January 1, 2022	84,539	228,731	85,763,348	86,076,618
Changes in staging	97,234	(97,336)	102	-
Changes in risk parameters	194,999	653,342	10,144,160	10,992,501
New financial assets originated or purchased	67,692	3,041	10,322,316	10,393,049
Financial assets derecognized	(2,684)	(11,785)	-	(14,469)
Balance as at December 31, 2022	<u>441,780</u>	<u>775,993</u>	<u>106,229,926</u>	<u>107,447,699</u>

7. HIRE PURCHASE RECEIVABLES

Hire purchase receivables as at September 30, 2023 and December 31, 2022 consisted of the following:

	As at September 30, 2023 Baht	As at December 31, 2022 Baht
Outstanding contract price	5,654,475	2,186,412
<u>Less</u> Unearned financing income	<u>(489,747)</u>	<u>(159,031)</u>
	5,164,728	2,027,381
<u>Less</u> Allowance for expected credit losses	<u>(1,137,279)</u>	<u>(1,035)</u>
	<u>4,027,449</u>	<u>2,026,346</u>
Due within one year	3,773,110	1,543,349
<u>Less</u> Unearned financing income	<u>(369,824)</u>	<u>(142,910)</u>
<u>Less</u> Allowance for expected credit losses	<u>(1,137,279)</u>	<u>(1,035)</u>
Hire purchase current receivables, net	<u>2,266,007</u>	<u>1,399,404</u>
Hire purchase non-current receivables, net	<u>1,761,442</u>	<u>626,942</u>

Hire purchase receivables as at September 30, 2023 and December 31, 2022 were classified by staging as follows:

	As at September 30, 2023		Unit : Baht
	Hire purchase receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	3,634,846	7,397	0.20
Default receivables in credit risk	1,529,882	1,129,882	73.85
Total	<u>5,164,728</u>	<u>1,137,279</u>	

	As at December 31, 2022		Unit : Baht
	Hire purchase receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	<u>2,027,381</u>	<u>1,035</u>	0.05
Total	<u>2,027,381</u>	<u>1,035</u>	

Allowance for expected credit losses for the nine-month period ended September 30, 2023 and for the year ended December 31, 2022 consisted of the following:

	For the nine-month period ended September 30, 2023			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	
Balance as at January 1, 2023	1,035	-	-	1,035
Changes in staging	(1,035)	-	1,035	-
Changes in risk parameters	-	-	1,128,847	1,128,847
New financial assets originated or purchased	<u>7,397</u>	<u>-</u>	<u>-</u>	<u>7,397</u>
Balance as at September 30, 2023	<u>7,397</u>	<u>-</u>	<u>1,129,882</u>	<u>1,137,279</u>

	For the year ended December 31, 2022			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	
Balance as at January 1, 2022	359	-	-	359
New financial assets originated or purchased	1,035	-	-	1,035
Financial assets derecognized	<u>(359)</u>	<u>-</u>	<u>-</u>	<u>(359)</u>
Balance as at December 31, 2022	<u>1,035</u>	<u>-</u>	<u>-</u>	<u>1,035</u>

8. FINANCE LEASE RECEIVABLES

Finance lease receivables as at September 30, 2023 and December 31, 2022 consisted of the following:

	As at September 30, 2023 Baht	As at December 31, 2022 Baht
Outstanding contract price	243,148,131	242,286,267
<u>Less</u> Deposits on finance lease	(71,551,593)	(81,350,188)
<u>Less</u> Unearned financing income	<u>(16,355,911)</u>	<u>(15,878,784)</u>
	155,240,627	145,057,295
<u>Less</u> Allowance for expected credit losses	<u>(10,494,586)</u>	<u>(10,191,891)</u>
	<u>144,746,041</u>	<u>134,865,404</u>
Due within one year	92,850,456	98,937,630
<u>Less</u> Deposits on finance lease	(21,068,467)	(29,450,334)
<u>Less</u> Unearned financing income	<u>(9,503,694)</u>	<u>(8,736,879)</u>
Finance lease current receivables, net	<u>62,278,295</u>	<u>60,750,417</u>
Finance lease non-current receivables, net	<u>82,467,746</u>	<u>74,114,987</u>

Finance lease receivables as at September 30, 2023 and December 31, 2022 were classified by staging as follows:

	Unit : Baht		
	As at September 30, 2023		
	Finance lease receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	135,046,665	322,475	0.24
Significant increase in credit risk receivables	5,357,904	121,423	2.27
Default receivables in credit risk	14,836,058	10,050,688	67.75
Total	<u>155,240,627</u>	<u>10,494,586</u>	

	Unit : Baht		
	As at December 31, 2022		
	Finance lease receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	107,080,999	897,054	0.84
Significant increase in credit risk receivables	15,164,652	1,625,644	10.72
Default receivables in credit risk	22,811,644	7,669,193	33.62
Total	<u>145,057,295</u>	<u>10,191,891</u>	

Allowance for expected credit losses for the nine-month period ended September 30, 2023 and for the year ended December 31, 2022 consisted of the following:

	For the nine-month period ended September 30, 2023			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under- Performing (Stage 2)	Non- Performing (Stage 3)	
Balance as at January 1, 2023	897,054	1,625,644	7,669,193	10,191,891
Changes in staging	1,105,839	(1,106,736)	897	-
Changes in risk parameters	(1,594,484)	(397,485)	2,380,598	388,629
New financial assets originated or purchased	65,420	-	-	65,420
Financial assets derecognized	(151,354)	-	-	(151,354)
Balance as at September 30, 2023	<u>322,475</u>	<u>121,423</u>	<u>10,050,688</u>	<u>10,494,586</u>

	For the year ended December 31, 2022			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under- Performing (Stage 2)	Non- Performing (Stage 3)	
Balance as at January 1, 2022	1,575,384	59,867	7,628,310	9,263,561
Changes in staging	(791,963)	519,002	272,961	-
Changes in risk parameters	(402,091)	322,351	(232,078)	(311,818)
New financial assets originated or purchased	533,143	778,118	-	1,311,261
Financial assets derecognized	(17,419)	(40,454)	-	(57,873)
Written-off	-	(13,240)	-	(13,240)
Balance as at December 31, 2022	<u>897,054</u>	<u>1,625,644</u>	<u>7,669,193</u>	<u>10,191,891</u>

9. INVENTORY FINANCE RECEIVABLES

Inventory finance receivables as at September 30, 2023 and December 31, 2022 consisted of the following:

	As at September 30, 2023 Baht	As at December 31, 2022 Baht
Inventory finance receivables	140,610,294	157,341,094
<u>Less</u> Allowance for expected credit losses	<u>(5,106,161)</u>	<u>(7,854,838)</u>
Inventory finance receivables, net	<u>135,504,133</u>	<u>149,486,256</u>

Inventory finance receivables as at September 30, 2023 and December 31, 2022 were classified by staging as follows:

	As at September 30, 2023		Unit : Baht
	Inventory finance receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	119,717,450	368,386	0.31
Significant increase in credit risk receivables	16,347,120	192,051	1.17
Default receivables in credit risk	4,545,724	4,545,724	100.00
Total	140,610,294	5,106,161	

	As at December 31, 2022		Unit : Baht
	Inventory finance receivables	Allowance for expected credit losses	Expected credit loss rate (%)
Low credit risk receivables	129,595,484	1,775,244	1.37
Significant increase in credit risk receivables	23,199,886	1,533,870	6.61
Default receivables in credit risk	4,545,724	4,545,724	100.00
Total	157,341,094	7,854,838	

Allowance for expected credit losses for the nine-month period ended September 30, 2023 and for the year ended December 31, 2022 consisted of the following:

	For the nine-month period ended September 30, 2023			Unit : Baht
	Allowance for expected credit losses			Total
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	
Balance as at January 1, 2023	1,775,244	1,533,870	4,545,724	7,854,838
Changes in staging	780,611	(780,611)	-	-
Changes in risk parameters	(2,187,469)	(561,208)	-	(2,748,677)
Balance as at September 30, 2023	368,386	192,051	4,545,724	5,106,161

	For the year ended December 31, 2022			Unit : Baht
	Allowance for expected credit loss			Total
	Performing (Stage 1)	Under-Performing (Stage 2)	Non-Performing (Stage 3)	
Balance as at January 1, 2022	1,769,995	1,111,464	4,545,724	7,427,183
Changes in staging	854,112	(854,112)	-	-
Changes in risk parameters	(1,006,019)	1,174,790	-	168,771
New financial assets originated or purchased	157,156	101,728	-	258,884
Balance as at December 31, 2022	1,775,244	1,533,870	4,545,724	7,854,838

10. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Short-term borrowings from financial institutions as at September 30, 2023 and December 31, 2022 consisted of the following:

	As at September 30, 2023 Baht	As at December 31, 2022 Baht
Promissory notes	<u>1,545,000,000</u>	<u>1,615,000,000</u>

As at September 30, 2023 and December 31, 2022, the Company had short-term borrowings from financial institutions which bear interest rate at 2.05% to 3.55% per annum and 1.50% to 2.75% per annum, respectively.

11. LONG-TERM BORROWINGS

Long-term borrowings as at September 30, 2023 and December 31, 2022 consisted of the following:

	As at September 30, 2023 Baht	As at December 31, 2022 Baht
Long-term borrowings	139,306,667	278,926,667
Current portion of long-term borrowings	<u>(106,026,667)</u>	<u>(180,626,667)</u>
	<u>33,280,000</u>	<u>98,300,000</u>

As at September 30, 2023 and December 31, 2022, the Company entered into long-term borrowings with financial institutions at the floating interest rates 3.20% to 4.63% per annum and 2.62% to 3.60% per annum, respectively, and are repayable quarterly installments, the last installment of such borrowings fall due in July 2025. The Company has to comply with the conditions specified in the borrowing agreements with each financial institution that the Company has to maintain its debt to equity ratio at the rate prescribed in the agreements.

12. DIVIDENDS PAID

12.1 On April 18, 2023, the Ordinary Shareholder's Meeting passed the resolutions to pay dividend at the rate of Baht 0.1633 per share on 493,499,975 shares, totaling Baht 80,588,546. Such dividend was paid on May 15, 2023.

12.2 On April 20, 2022, the Ordinary Shareholder's Meeting passed the resolutions to pay dividend at the rate of Baht 0.158 per share on 493,499,975 shares, totaling Baht 77,972,996. Such dividend was paid on May 13, 2022.

13. COMMITMENTS

As at September 30, 2023 and December 31, 2022, the Company had the committed credit facility agreements with financial institutions for general corporate funding requirements as follows:

	As at September 30, 2023 Baht	As at December 31, 2022 Baht
Total credit facilities	<u>5,359,000,000</u>	<u>5,349,000,000</u>

As at September 30, 2023 and December 31, 2022, the Company had utilized the letters of credit for factoring, hire purchase and finance lease receivables with financial institutions amounting to Baht 1.20 million and Baht 0.50 million, respectively. However, as at September 30, 2023 and December 31, 2022, the Company had unused such credit facilities with financial institutions totaling Baht 3,086 million and Baht 2,965 million, respectively.

14. FAIR VALUE MEASUREMENTS

Considerable judgment is necessarily required in estimation of fair value of financial assets or financial liabilities. Accordingly, the estimated fair value presented herein is not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Company in estimating fair values of financial instruments.

1. Financial assets or financial liabilities not measured at fair value

Cash and cash equivalents, other current assets, bank deposits held as collateral, short-term borrowings from financial institutions, other current payables and other current liabilities; the fair values approximate their carrying amounts due to the relatively short period to maturity.

Factoring receivables, finance lease receivables and inventory finance receivables, which carry a floating interest rate receivable and hire purchase receivables which carry a fixed interest rate receivables which are close to the market rate. The fair value is approximated by the outstanding balance less allowance for expected credit losses.

Long-term borrowings with floating interest rate: the fair values approximate their carrying amount presented in the statement of financial position.

2. Non-financial assets measured at cost but their fair values

Investment properties have fair value which is determined based on the market price equivalent approach, fair value hierarchy level 2.

15. FINANCIAL INFORMATION BY SEGMENT

The business segment results are prepared based on the Management of the Company. The operating results by business segment provided to Chief Operating Decision Maker to make decisions about allocating resources to, and assessing the performance of, operating segments is measured in accordance with Thai Financial Reporting Standard.

The business segments are described below:

Factoring business: is a short-term loan that provides liquidity to the business immediately and enables the business to increase its turnover in the form of buying accounts receivables. The factoring facility is applicable to both domestic and international sales.

Hire purchase and finance lease business: are long-term loans for invested in business industry.

Others: encompasses a range of activities from corporate decisions, income and expenses not attributed to the business segments described.

For the three-month and nine-month periods ended September 30, 2023 and 2022, there is no revenue from a single external customer contributed 10% or more to the Company's total revenue.

The financial information by business segment for the three-month and nine-month periods ended September 30, 2023 and 2022 were as follows:

	Unit : Thousand Baht							
	For the three-month period ended September 30, 2023				For the three-month period ended September 30, 2022			
	Factoring business	Hire purchase and finance lease business	Unallocated	Total	Factoring business	Hire purchase and finance lease business	Unallocated	Total
Income from operations	91,382	3,162	-	94,544	95,012	2,441	-	97,453
Other income	10,263	680	-	10,943	9,235	767	-	10,002
Total income	<u>101,645</u>	<u>3,842</u>	<u>-</u>	<u>105,487</u>	<u>104,247</u>	<u>3,208</u>	<u>-</u>	<u>107,455</u>
Selling and administrative expenses	45,571	1,727	-	47,298	39,050	1,204	-	40,254
Impairment loss determined in accordance with TFRS 9 (reversal)	(4,278)	2,182	-	(2,096)	4,128	1,289	-	5,417
Finance cost	11,876	451	-	12,327	9,676	297	-	9,973
Total operation expenses	<u>53,169</u>	<u>4,360</u>	<u>-</u>	<u>57,529</u>	<u>52,854</u>	<u>2,790</u>	<u>-</u>	<u>55,644</u>
Profit before income tax expenses	48,476	(518)	-	47,958	51,393	418	-	51,811
Income tax expenses	9,754	1,253	-	11,007	10,065	766	-	10,831
Net profit for the periods	<u>38,722</u>	<u>(1,771)</u>	<u>-</u>	<u>36,951</u>	<u>41,328</u>	<u>(348)</u>	<u>-</u>	<u>40,980</u>

Unit : Thousand Baht

	For the nine-month period ended September 30, 2023				For the nine-month period ended September 30, 2022			
	Factoring business	Hire purchase and finance lease business	Unallocated	Total	Factoring business	Hire purchase and finance lease business	Unallocated	Total
Income from operations	274,115	9,978	-	284,093	278,689	7,007	-	285,696
Other income	33,187	2,049	-	35,236	30,153	2,258	-	32,411
Total income	307,302	12,027	-	319,329	308,842	9,265	-	318,107
Selling and administrative expenses	132,628	5,190	-	137,818	119,114	3,573	-	122,687
Impairment loss determined in accordance with TFRS 9 (reversal)	(2,499)	1,439	-	(1,060)	13,713	2,216	-	15,929
Finance cost	33,764	1,322	-	35,086	27,397	822	-	28,219
Total operation expenses	163,893	7,951	-	171,844	160,224	6,611	-	166,835
Profit before income tax expenses	143,409	4,076	-	147,485	148,618	2,654	-	151,272
Income tax expenses	28,278	1,110	-	29,388	29,171	1,470	-	30,641
Net profit for the periods	115,131	2,966	-	118,097	119,447	1,184	-	120,631

Unit : Thousand Baht

	As at September 30, 2023				As at December 31, 2022			
	Factoring business	Hire purchase and finance lease business	Unallocated	Total	Factoring business	Hire purchase and finance lease business	Unallocated	Total
Total assets	2,903,728	148,773	480,925	3,533,426	3,060,466	136,892	567,313	3,764,671

16. APPROVAL FOR ISSUANCE OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the authorized director of the Company on November 8, 2023.