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Miscellaneous

* Asterisks denote mandatory information

| | |
|---|----------------------|
| Name of Announcer * | IFS CAPITAL LIMITED |
| Company Registration No. | 198700827C |
| Announcement submitted on behalf of | IFS CAPITAL LIMITED |
| Announcement is submitted with respect to * | IFS CAPITAL LIMITED |
| Announcement is submitted by * | Chionh Yi Chian |
| Designation * | Company Secretary |
| Date & Time of Broadcast | 11-May-2011 18:50:41 |
| Announcement No. | 00158 |

>> Announcement Details

The details of the announcement start here ...

| | |
|----------------------|--|
| Announcement Title * | Announcement by Subsidiary, IFS Capital (Thailand) Public Company Limited on its Financial Results for the First Quarter 2011 |
| Description | Please see attached announcement issued by IFS Capital (Thailand) Public Company Limited on its First Quarter 2011 Results. |
| Attachments |  IFST_1Q_2011_Results.pdf Total size = 154K (2048K size limit recommended) |

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Headline: Reviewed Quarter 1 F/S (F45-1)
Source: IFS

Announcement Details

The Company Financial Statement (F45-1)

| | | | |
|---------------------------------|---|--------|--|
| Company name | IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED | | |
| Quarter | Quarter 1 | | |
| (In thousands) | | | |
| The Company Financial Statement | | | |
| | Quarter 1 | | |
| Status | Reviewed | | |
| Ending | 31 March | | |
| Year | 2011 | 2010 | |
| Net profit (loss) | 21,087 | 21,723 | |
| EPS (baht) | 0.04 | 0.06 | |
| Type of report | Unqualified opinion with an emphasis of matters | | |

Please see details in financial statements, auditor's report and remarks from SET SMART

"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), and has also submitted the original report to the Securities and Exchange Commission."

Signature _____
(Mr. Tan Ley Yen)
Director and CEO
Authorized to sign on behalf of the company

REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
TO THE BOARD OF DIRECTORS
IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

We have reviewed the statements of financial position of IFS Capital (Thailand) Public Company Limited as at March 31, 2011, and the related statements of comprehensive income, changes in equity and cash flows for the quarters ended March 31, 2011 and 2010 (restates). These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. Our responsibility is to report on these financial statements based on our reviews.

We conducted our reviews in accordance with the Standard on Auditing applicable to review engagements. The Standard requires that we plan and perform our reviews to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards, and accordingly, we do not express an opinion.

Based on our reviews, nothing has come to our attention that causes us to believe that the financial statements referred to in the first paragraph are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the financial statements for the year ended December 31, 2010, and expressed an unqualified opinion on those statements in our report dated February 14, 2011. The financial position as at December 31, 2010, presented herein for comparison, has been derived from such financial statements which we have audited and reported on. We have not performed any other audit procedures subsequent to such report date.

As discussed in Note 4 to the financial statements, the Company had first-time adopted Thai Accounting Standards No. 19 "Employee benefits" and No. 12 "Income Taxes" for the financial statements for the year ended December 31, 2010. As the financial statements for the quarter ended March 31, 2010, which we have previously reviewed and reported, have not applied such accounting policies, the comparative statements of comprehensive income, changes in equity and cash flows for the quarter ended March 31, 2010 thus have been restated to be in accordance with such new accounting policies.

As discussed in Note 5 to the interim financial statements, since January 1, 2011, the Company adopted the new and revised Thai Accounting Standards and Thai Financial Reporting Standards issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2011 onwards, in preparation and presentation of this interim financial statements. The financial statements for the quarter ended March 31, 2010 and the statements of financial position as at December 31, 2010, presented herein for comparison, are presented in the new format to conform to the financial statements for the quarter ended March 31, 2011.

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

BANGKOK
May 4, 2011

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2011 AND DECEMBER 31, 2010

UNIT : BAHT

| | | "Unaudited" | |
|---|--------------|----------------------|----------------------|
| | Notes | As at | As at |
| | | March 31, | December 31, |
| | | 2011 | 2010 |
| ASSETS | | | |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | 114,261,122 | 116,978,870 |
| Temporary investments | 7 | 78,200 | 82,544 |
| Factoring receivable, net | 8 | 1,852,785,620 | 1,736,252,367 |
| Current portion of hire purchase receivable, net | 9 | 11,957,082 | 10,008,111 |
| Current portion of lease contract receivable, net | 10 | 75,135,625 | 56,392,787 |
| Inventory finance receivable, net | 11 | 15,671,603 | 12,909,319 |
| Amounts due from a related company | 22 | 109,171 | 75,626 |
| Other current assets | | 8,742,161 | 3,344,658 |
| Total Current Assets | | 2,078,740,584 | 1,936,044,282 |
| NON-CURRENT ASSETS | | | |
| Bank deposits held as collateral | 12 | 140,366 | 140,001 |
| Hire purchase receivable, net | 9 | 3,969,144 | 6,025,074 |
| Lease contract receivable, net | 10 | 126,480,136 | 71,055,418 |
| Property, plant and equipment, net | | 37,537,334 | 38,867,103 |
| Intangible assets , net | | 1,302,397 | 962,916 |
| Deferred tax assets | 13 | 49,188,667 | 44,737,597 |
| Other non-current assets | | 362,250 | 932,250 |
| Total Non-current Assets | | 218,980,294 | 162,720,359 |
| TOTAL ASSETS | | 2,297,720,878 | 2,098,764,641 |

See notes to the interim financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2011 AND DECEMBER 31, 2010

UNIT : BAHT

| | Notes | "Unaudited" As at March 31, 2011 | As at December 31, 2010 |
|--|-------|---|-------------------------------|
| LIABILITIES AND EQUITY | | | |
| CURRENT LIABILITIES | | | |
| Short-term loans from financial institutions | 14 | 1,125,000,000 | 1,020,000,000 |
| Current portion of long-term loan | 15 | 132,000,000 | 100,000,000 |
| Amount due to a related company | 22 | 67,344 | - |
| Other current liabilities | | 35,757,171 | 38,763,540 |
| Total Current Liabilities | | 1,292,824,515 | 1,158,763,540 |
| NON-CURRENT LIABILITIES | | | |
| Long-term loan | 15 | 168,000,000 | 125,000,000 |
| Post-employment benefits obligation | 17 | 16,380,917 | 15,569,469 |
| Total Non-Current Liabilities | | 184,380,917 | 140,569,469 |
| TOTAL LIABILITIES | | 1,477,205,432 | 1,299,333,009 |
| EQUITY | | | |
| SHARE CAPITAL | | | |
| Authorized share capital | 18 | | |
| 470,000,000 ordinary shares of Baht 1 each | | 470,000,000 | 470,000,000 |
| Issued and paid-up share capital | | | |
| 470,000,000 ordinary shares of Baht 1 each, fully paid-up | | 470,000,000 | 470,000,000 |
| ADDITIONAL PAID-IN CAPITAL | | | |
| Premium on ordinary shares | | 31,746,399 | 31,746,399 |
| OTHER COMPONENTS OF EQUITY - UNREALIZED LOSS | | | |
| ON INVESTMENTS | | (41,815) | (38,774) |
| RETAINED EARNINGS | | | |
| Appropriated | | | |
| Legal reserve | 19 | 22,224,590 | 17,984,452 |
| Unappropriated | | 296,586,272 | 279,739,555 |
| TOTAL EQUITY | | 820,515,446 | 799,431,632 |
| TOTAL LIABILITIES AND EQUITY | | 2,297,720,878 | 2,098,764,641 |

See notes to the interim financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTERS ENDED MARCH 31, 2011 AND 2010

| | | UNIT : BAHT | |
|---|-------|---------------------------|--------------------|
| | Notes | 2011 | 2010 "Restated" |
| REVENUES | | | |
| Factoring income | | 40,216,783 | 41,000,229 |
| Hire purchase income | | 475,894 | 849,628 |
| Finance lease income | | 3,431,387 | 3,556,216 |
| Factoring commission and service fees | | 14,485,572 | 13,466,437 |
| Other income | | 2,579,537 | 2,495,898 |
| Total Revenues | | 61,189,173 | 61,368,408 |
| EXPENSES | | | |
| Selling expenses | | 3,526,348 | 3,130,902 |
| Administrative expenses | | 13,862,622 | 11,925,528 |
| Management benefit expenses | 22 | 5,716,888 | 5,678,238 |
| Allowance for doubtful accounts (Reversal) | | 2,813,491 | (891,723) |
| Total Expenses | | 25,919,349 | 19,842,945 |
| INCOME BEFORE FINANCE COST AND | | | |
| INCOME TAX EXPENSES | | 35,269,824 | 41,525,463 |
| FINANCE COST | | 9,705,047 | 9,952,639 |
| INCOME BEFORE INCOME TAX EXPENSES | | 25,564,777 | 31,572,824 |
| INCOME TAX EXPENSE | 21 | 4,477,922 | 9,850,166 |
| PROFIT FOR THE YEAR | | 21,086,855 | 21,722,658 |
| OTHER COMPREHENSIVE INCOME | | | |
| Unrealized gain (loss) on investments | | (3,041) | 69,141 |
| OTHER COMPREHENSIVE INCOME FOR THE YEAR, | | | |
| NET OF TAX | | (3,041) | 69,141 |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 21,083,814 | 21,791,799 |
| BASIC EARNINGS PER SHARE | | BAHT | |
| | | 0.04 | 0.06 |
| WEIGHTED AVERAGE NUMBER OF | | | |
| ORDINARY SHARES | 18 | SHARES 470,000,000 | 350,000,000 |

See notes to the interim financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTERS ENDED MARCH 31, 2011 AND 2010

UNIT : BAHT

| | Notes | Issued and paid-up share capital | Premium on Ordinary Share | Other Components of Equity - Unrealized Gain (Loss) on investments | Retained earnings Appropriated Legal reserve | Unappropriated | Total Equity |
|--|-------|--|---------------------------------|---|--|--------------------|--------------------|
| "As restated" | | | | | | | |
| Beginning balance as at January 1, 2010 | | | | | | | |
| as previously reported | | 350,000,000 | - | 138,097 | 14,384,452 | 205,289,567 | 569,812,116 |
| Cumulative effect of the change in | | | | | | | |
| accounting policy for deferred tax asset | 4 | - | - | (41,429) | - | 33,738,425 | 33,696,996 |
| Cumulative effect of the change in | | | | | | | |
| accounting policy for employee benefits | 4 | - | - | - | - | (8,991,201) | (8,991,201) |
| Beginning balance as at January 1, 2010 | | | | | | | |
| as restated | | 350,000,000 | - | 96,668 | 14,384,452 | 230,036,791 | 594,517,911 |
| Profit for the year | | - | - | - | - | 21,722,658 | 21,722,658 |
| Changes in investment value | | - | - | 69,141 | - | - | 69,141 |
| Ending balance as at March 31, 2010 | | <u>350,000,000</u> | <u>-</u> | <u>165,809</u> | <u>14,384,452</u> | <u>251,759,449</u> | <u>616,309,710</u> |
| Beginning balance as at January 1, 2011 | | | | | | | |
| 470,000,000 | | 470,000,000 | 31,746,399 | (38,774) | 17,984,452 | 279,739,555 | 799,431,632 |
| Changes during the period | | | | | | | |
| Profit for the year | | - | - | - | - | 21,086,855 | 21,086,855 |
| Legal reserve | 19 | - | - | - | 4,240,138 | (4,240,138) | - |
| Changes in investment value | | - | - | (3,041) | - | - | (3,041) |
| Ending balance as at March 31, 2011 | | <u>470,000,000</u> | <u>31,746,399</u> | <u>(41,815)</u> | <u>22,224,590</u> | <u>296,586,272</u> | <u>820,515,446</u> |

See notes to the interim financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED MARCH 31, 2011 AND 2010
"UNAUDITED"

| | | 2011 | 2010 |
|---|--------------|---------------|--------------------|
| | | | UNIT : BAHT |
| | Notes | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Income before income tax expenses | | 25,564,777 | 31,572,824 |
| Adjustments for : | | | |
| Allowance for doubtful accounts (reversal) | | 2,813,491 | (891,723) |
| Interest expenses | | 9,429,892 | 9,712,991 |
| Employment benefits expense | | 811,448 | 696,482 |
| Depreciation and amortization | | 1,649,184 | 1,223,513 |
| | | 40,268,792 | 42,314,087 |
| Operating assets (increase) decrease | | | |
| Factoring receivable | | (117,124,576) | (86,767,347) |
| Hire purchase receivable | | (24,611) | 5,879,770 |
| Lease contract receivable | | (76,044,924) | 21,745,344 |
| Inventory finance receivable | | (2,975,514) | (1,805,637) |
| Amounts due from a related company | | (33,545) | 26,951 |
| Other current assets | | (5,397,503) | 1,034,540 |
| Fixed deposits pledged as collateral | | (365) | (734) |
| Operating liabilities increase (decrease) | | | |
| Amounts due to a related company | | 67,344 | (10,026) |
| Other current liabilities | | (11,827,652) | (13,082,232) |
| Cash paid for operating activities | | (173,092,554) | (30,665,284) |
| Interest expenses paid | | (9,422,690) | (10,212,391) |
| Net cash used in operating activities | | (182,515,244) | (40,877,675) |

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE QUARTRS ENDED MARCH 31, 2011 AND 2010
"UNAUDITED"

| | | UNIT : BAHT | |
|---|--------------|---------------------------|--------------------------|
| | Notes | 2011 | 2010 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Cash paid for purchases of fixed assets | 6.1 | (66,340) | (4,186,966) |
| Cash paid for purchases of intangible assets | 6.2 | <u>(136,164)</u> | <u>-</u> |
| Net cash used in investing activities | | <u>(202,504)</u> | <u>(4,186,966)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Cash paid for short-term loan | | - | (235,000,000) |
| Cash received from short-term loans | | 105,000,000 | - |
| Cash paid for long-term loan | | (25,000,000) | - |
| Cash received from long-term loans | | <u>100,000,000</u> | <u>300,000,000</u> |
| Net cash provided by financing activities | | <u>180,000,000</u> | <u>65,000,000</u> |
| Net (decrease) increase in cash and cash equivalents | | (2,717,748) | 19,935,359 |
| Cash and cash equivalents at beginning of the period | | <u>116,978,870</u> | <u>73,896,147</u> |
| Cash and cash equivalents at end of the period | | <u><u>114,261,122</u></u> | <u><u>93,831,506</u></u> |

See notes to the interim financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE QUARTERS ENDED MARCH 31, 2011 AND 2010
“UNAUDITED”

1. GENERAL INFORMATION AND THE COMPANY’S OPERATION

The Company was incorporated in March 1991, under the laws of Thailand and registered as a Public Company Limited with the Ministry of Commerce on April 18, 2007. The Company’s office is located at 20th floor Lumpini Tower, 1168/55 Rama IV Road, Tungmahamek, Sathorn, Bangkok. The principal business activities of the Company are factoring, hire purchase and leasing businesses.

The major shareholders as at March 31, 2011 and December 31, 2010 were IFS Capital Holdings (Thailand) Limited with 36.64% and 36.64% shareholdings, respectively and IFS Capital Limited (registered in Singapore) with 36.49% and 36.49% shareholdings, respectively. The major shareholder of IFS Capital Limited is Phillip Asset Pte. Ltd. (registered in Singapore) with 40.4% shareholding.

The status of 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 the 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

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

On November 27, 2009, the Company had reapplied for a permission to operate a business under annex 3 (21): service businesses of 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 and on April 8, 2010, the Company had obtained the approval from the Department of Business Development.

On April 27, 2010, the Company obtained approval from IFS Capital Limited in Singapore, who is the Company’s major shareholder, for its public offering and its listing on the Stock Exchange of Thailand.

On August 3, 2010, the Company had made its public offering and sold 120 million shares at Baht 1.35 per share totaling of Baht 162 million and on August 5, 2010, the Company had registered such additional paid-up capital of 120 million shares equivalent to Baht 120 million with the Ministry of Commerce.

On August 6, 2010, the Company has paid the fee and received a license to operate a business under annex 3 (21) : service businesses of leasing and hire purchase of vehicles and machineries used in industry, tools used in transport of goods, vessels and carriages used in agriculture and on the same day the Stock Exchange of Thailand (SET) informed that the SET's board has approved a listing of common shares of IFS Capital (Thailand) Public Company Limited amounting to 470 million shares with a par value of Baht 1 per share, total amounting to Baht 470 million, to be traded on the SET using the trading name of "IFS" commencing from August 10, 2010.

2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (Revised 2007) "Interim Financial Statements" (see Note 4) and practices generally accepted in Thailand where the format of financial statements is based on Thai Accounting Standard No. 1 (Revised 2009) "Presentation to Financial Statements", and in accordance with the regulations of The Stock Exchange of Thailand dated January 22, 2001, regarding the basis, conditions and procedures for the preparation and submission of financial statements and reports for the financial position and results of operations of listed companies B.E. 2544.

Certain financial information which is normally included in the financial statements prepared in accordance with generally accepted accounting principles, which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements should be read in conjunction with the financial statements and notes thereto included in the audited financial statements for the year ended December 31, 2010.

For the convenience of the readers, an English version of interim financial statements have been translated from the Thai version of interim financial statements. Such financial statements have been prepared for domestic reporting purpose.

The statements of financial position as at December 31, 2010, presented herein for comparison, has been derived from the financial statements of the Company for the year then ended which have already been audited.

The results of operations presented in the quarter ended March 31, 2011, are not necessarily an indication nor anticipation of the operating results for the full year.

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. The actual results may differ from those estimates.

3. NEW AND REVISED THAI ACCOUNTING STANDARDS AND THAI ACCOUNTING STANDARD INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The Federation of Accounting Professions has issued the Notifications regarding the new and revised Thai Accounting Standards (TASs) and Thai Accounting Standard Interpretations (TSIS), which will become effective for the financial statements for the accounting periods beginning on or after January 1, 2013 onwards as follows:

Thai Accounting Standards (TASs)

| | |
|-----------------------|--|
| TAS 12 | Income Taxes |
| TAS 20 | Accounting for Government Grants and Disclosure of Government Assistance |
| TAS 21 (Revised 2009) | The Effects of Changes in Foreign Exchange Rates |

Thai Accounting Standard Interpretations (TSIs)

| | |
|--------|---|
| TSI 10 | Government Assistance - No Specific Relation to Operating Activities |
| TSI 21 | Income Taxes - Recovery of Revalued Non-Depreciable Assets |
| TSI 25 | Income Taxes - Changes in the Tax Status of an Entity or its Shareholders |

The management of the Company anticipates that the Company will adopt the above Thai Accounting Standards and Thai Accounting Standard Interpretations relevant to the Company in the preparation of financial statements of the Company when they become effective. The Company's management is in the process of assessing the impact of these standards on the financial statements for the period in which they are initially applied. However, the Company has elected to early adopt TAS 12 "Income Tax" (see Note 4).

4. SIGNIFICANT ACCOUNTING POLICIES

The Company used the same accounting policies and calculation method in these interim financial statements consistent with the financial statements for the year ended December 31, 2010 except as adopted of new and revised Thai Accounting Standards and Thai Financial Reporting Standards in Note 5.

Furthermore, the financial statements for the quarter ended March 31, 2010 has been retrospectively adjusted due to the changes in accounting policies for the financial statements for the year ended December 31, 2010 as follows:

4.1) Change in accounting policy of employee benefits

The Company has first time adopted Thai Accounting Standard No.19 "Employee benefits" for the financial statements as at December 31, 2010 by the Company has retrospectively adjusted the beginning balance of retained earnings for year 2010.

4.2) Change in accounting policy of income tax

The Company had first time adopted Thai Accounting Standard No.12 “Income Taxes” for the financial statements for the year ended December 31, 2010 by the Company has retrospectively adjusted the statements of comprehensive income, statements of changes in equity and statements of cash flows for the quarter ended March 31, 2010 presented for comparison, as the Company carrying the new policy on income tax had always been in use.

The Company believed that the changes in the accounting policies are appropriate as the Company’s result of operations presented is consistent with business aspects and the obligation of income tax payable or refundable in the future can be recognized in the financial statements.

The financial statements for the quarter ended March 31, 2010, presented herein for comparison, have been restated accordingly and the effects are as follows:

| | 2010 Baht |
|--|----------------------|
| Unrealized gain on investments | |
| Balance at January 1, before change in accounting policy | 138,097 |
| Decrease in deferred tax | (41,429) |
| Balance at January 1, after change in accounting policy | <u>96,668</u> |
| Retained earnings - Unappropriated | |
| Balance at January 1, before change in accounting policies | 205,289,567 |
| Increase in deferred tax assets | 33,738,425 |
| Increase in provision for employee benefits | (8,991,201) |
| Balance at January 1, after change in accounting policies | <u>230,036,791</u> |
| Net profit | |
| Net profit for the year before change in accounting policies | 21,808,098 |
| Increase in provision for employee benefits | (696,482) |
| Decrease in income tax | 611,042 |
| Net profit for the year after change in accounting policies | <u>21,722,658</u> |
| Increase in Earnings Per Share (“EPS”) | |
| Basic earnings per share | |
| Weighted-average number of ordinary shares (Thousand shares) | <u>350,000</u> |
| EPS before change in accounting policies | 0.06 |
| Increase in provision for employee benefits | (0.002) |
| Decrease in income tax | 0.002 |
| EPS after change in accounting policies | <u>0.06</u> |

5. ADOPTION OF NEW AND REVISED THAI ACCOUNTING STANDARDS AND THAI FINANCIAL REPORTING STANDARDS

Since January 1, 2011, the Company has adopted the new and revised Thai Accounting Standards (TASs) and Thai Financial Reporting Standards (TFRSs) issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2011 onwards, in preparation of interim financial statements. Such TASs and TFRSs have no significant impact to the Company's financial statements except for TAS 1 (Revised 2009) "Presentation of Financial Statements" changes requirements about the presentation in the financial statements. Therefore, it affected the reclassification in the financial statements for the quarter ended March 31, 2010 and the statements of financial position as at December 31, 2010, presented for comparison (see Note 2).

6. SUPPLEMENTARY DISCLOSURE OF CASH FLOWS INFORMATION

6.1 Property, plant and equipment for the quarters ended March 31, 2011 and 2010 are as follows:

| | 2011 Baht | 2010 Baht |
|--|----------------------|----------------------|
| Other payable - equipments, beginning balance | 21,935 | 84,831 |
| <u>Add</u> Purchases of equipment | 44,405 | 10,172,843 |
| <u>Less</u> Cash paid for purchases of equipment | <u>(66,340)</u> | <u>(4,186,966)</u> |
| Other payable - equipment, ending balance (included in other current liabilities) | <u>-</u> | <u>6,070,708</u> |

6.2 Intangible assets for the quarter ended March 31, 2011 are as follows:

| | Baht |
|---|------------------|
| Other payable - intangible assets, beginning balance | 91,673 |
| <u>Add</u> Purchases of intangible assets | 44,491 |
| <u>Less</u> Cash paid for purchases of intangible assets | <u>(136,164)</u> |
| Other payable - intangible asset, ending balance (included in other current liabilities) | <u>-</u> |

7. TEMPORARY INVESTMENTS

Temporary investments as at March 31, 2011 and December 31, 2010 consist of the following:

| | 2011 | | |
|---|----------------|----------------------------|-------------------|
| | Cost | Unrealized Loss | Fair Value |
| | Baht | Baht | Baht |
| Temporary investment - available for sale securities | | | |
| Marketable equity securities | 137,936 | (59,736) | 78,200 |
| Total temporary investments | <u>137,936</u> | <u>(59,736)</u> | <u>78,200</u> |

| | 2010 | | |
|---|----------------|----------------------------|-------------------|
| | Cost | Unrealized Loss | Fair Value |
| | Baht | Baht | Baht |
| Temporary investment - available for sale securities | | | |
| Marketable equity securities | 137,936 | (55,392) | 82,544 |
| Total temporary investments | <u>137,936</u> | <u>(55,392)</u> | <u>82,544</u> |

8. FACTORING RECEIVABLE, NET

Factoring receivable, net as at March 31, 2011 and December 31, 2010 consist of the following:

| | 2011 Baht | 2010 Baht |
|---|----------------------|----------------------|
| Factoring receivable | 2,375,091,991 | 2,169,944,831 |
| <u>Less</u> Allowance for doubtful accounts (*) | <u>(76,126,170)</u> | <u>(75,534,847)</u> |
| | 2,298,965,821 | 2,094,409,984 |
| <u>Less</u> Factoring payable | <u>(446,180,201)</u> | <u>(358,157,617)</u> |
| Factoring receivable, net | <u>1,852,785,620</u> | <u>1,736,252,367</u> |

(*) As at March 31, 2011 and December 31, 2010, the Company has provided for the allowance for doubtful accounts on a collective approach for factoring receivable which were classified as normal and overdue for less than 3 months which amounted to Baht 1,669,009 and Baht 1,893,877, respectively.

Factoring receivable as at March 31, 2011 and December 31, 2010 were classified by aging as follows:

| | 2011 Baht | 2010 Baht |
|--------------------------------------|----------------------|----------------------|
| Current | 1,802,966,826 | 1,389,337,862 |
| Over due : | | |
| Less than 3 months | 493,687,781 | 693,818,634 |
| 3 - 6 months | 2,535,016 | 14,595,612 |
| 6 - 12 months | 4,600,506 | 981,752 |
| Restructuring | 1,475,350 | 1,475,350 |
| Debtors subject to legal proceedings | 69,826,512 | 69,735,621 |
| | <u>2,375,091,991</u> | <u>2,169,944,831</u> |

9. HIRE PURCHASE RECEIVABLE, NET

Hire purchase receivable, net as at March 31, 2011 and December 31, 2010 consist of the following:

| | 2011 Baht | 2010 Baht |
|--|----------------------|----------------------|
| Outstanding contract price | 19,637,387 | 19,858,422 |
| <u>Less</u> Unearned financing income | <u>(1,440,139)</u> | <u>(1,685,785)</u> |
| | 18,197,248 | 18,172,637 |
| <u>Less</u> Allowance for doubtful accounts (*) | <u>(2,271,022)</u> | <u>(2,139,452)</u> |
| | <u>15,926,226</u> | <u>16,033,185</u> |
| | | |
| Due within one year | 12,996,924 | 11,146,049 |
| <u>Less</u> Unearned financing income | <u>(1,039,842)</u> | <u>(1,137,938)</u> |
| Current portion of hire purchase receivable, net | <u>11,957,082</u> | <u>10,008,111</u> |
| Hire purchase receivable, net | <u>3,969,144</u> | <u>6,025,074</u> |

(*) As at March 31, 2011 and December 31, 2010, the Company has provided for the allowance for doubtful accounts, on a collective approach, for hire purchase receivable which were classified as normal and overdue for less than 3 months which amounted to Baht 176,530 and Baht 44,960, respectively.

Aging of hire purchase receivable as at March 31, 2011 and December 31, 2010 were classified by aging as follows:

| | 2011 Baht | 2010 Baht |
|--------------------------------------|----------------------|----------------------|
| Current | 17,331,923 | 17,552,958 |
| Over due : | | |
| Debtors subject to legal proceedings | <u>2,305,464</u> | <u>2,305,464</u> |
| | <u>19,637,387</u> | <u>19,858,422</u> |

10. LEASE CONTRACT RECEIVABLE, NET

Lease contract receivable, net as at March 31, 2011 and December 31, 2010 consist of the following:

| | 2011 Baht | 2010 Baht |
|---|----------------------|----------------------|
| Outstanding contract price | 310,956,203 | 197,086,563 |
| <u>Less</u> Deposits on long-term lease contracts | (76,531,800) | (53,212,814) |
| <u>Less</u> Unearned financing income | <u>(30,573,888)</u> | <u>(16,068,158)</u> |
| | 203,850,515 | 127,805,591 |
| <u>Less</u> Allowance for doubtful accounts (*) | <u>(2,234,754)</u> | <u>(357,386)</u> |
| | <u>201,615,761</u> | <u>127,448,205</u> |
| Due within one year | 112,870,077 | 86,956,756 |
| <u>Less</u> Deposits on long-term lease contracts | (15,773,447) | (21,510,848) |
| <u>Less</u> Unearned financing income | <u>(21,961,005)</u> | <u>(9,053,121)</u> |
| Current portion of lease contract receivable, net | <u>75,135,625</u> | <u>56,392,787</u> |
| Lease contract receivable, net | <u>126,480,136</u> | <u>71,055,418</u> |

(*) As at March 31, 2011 and December 31, 2010, the Company has provided for the allowance for doubtful accounts on a collective approach, for lease contract receivable which were classified as normal and overdue for less than 3 months which amounted to Baht 2,234,754 and Baht 357,386, respectively.

Lease contract receivable as at March 31, 2011 and December 31, 2010 were classified by aging as follows:

| | 2011 Baht | 2010 Baht |
|--------------------|---------------------------|---------------------------|
| Current | 310,932,447 | 197,086,537 |
| Over due : | | |
| Less than 3 months | <u>23,756</u> | <u>26</u> |
| | <u><u>310,956,203</u></u> | <u><u>197,086,563</u></u> |

11. INVENTORY FINANCE RECEIVABLE, NET

Inventory finance receivable, net as at March 31, 2011 and December 31, 2010 consist of the follows:

| | 2011 Baht | 2010 Baht |
|--|--------------------------|--------------------------|
| Inventory finance receivable | 18,670,823 | 15,695,309 |
| Less Allowance for doubtful accounts (*) | <u>(2,999,220)</u> | <u>(2,785,990)</u> |
| Inventory finance receivable, net | <u><u>15,671,603</u></u> | <u><u>12,909,319</u></u> |

(*) As at March 31, 2011 and December 31, 2010, the Company has provided for the allowance for doubtful accounts on a collective approach, for inventory finance receivable which were classified as normal and overdue for less than 3 months which amounted to Baht 227,317 and Baht 14,087, respectively.

Inventory finance receivable as at March 31, 2011 and December 31, 2010 were classified by aging as follows:

| | 2011 Baht | 2010 Baht |
|--------------------|--------------------------|--------------------------|
| Current | 13,887,961 | 12,923,405 |
| Over due : | | |
| Less than 3 months | 2,010,958 | 2,771,904 |
| 3 - 6 months | <u>2,771,904</u> | <u>-</u> |
| | <u><u>18,670,823</u></u> | <u><u>15,695,309</u></u> |

12. BANK DEPOSIT HELD AS COLLATERAL

As at March 31, 2011 and December 31, 2010, fixed deposit at bank of Baht 140,366 and Baht 140,001, respectively, have been pledged with a bank as security for issuing bank guarantees by a bank on behalf of the Company.

13. DEFERRED TAX ASSETS

Deferred tax assets as at March 31, 2011 and December 31, 2011 consist of tax effects from the following items:

| | As at December 31, 2010 | Transaction recognized in the statement of comprehensive income | Transaction recognized in the Equity | As at March 31, 2011 |
|--|--|--|---|-------------------------------------|
| | Baht | Baht | Baht | Baht |
| Allowance for doubtful accounts | 24,245,303 | 814,238 | - | 25,059,541 |
| Bad debt on process of litigation | 7,275,949 | - | - | 7,275,949 |
| Assets from lease contract | 8,448,590 | 3,472,391 | - | 11,920,981 |
| Unrealized gain on the change in value of investments - available- for-sale securities | 16,617 | - | 1,303 | 17,920 |
| Post-employment benefits obligation | 4,670,841 | 243,435 | - | 4,914,276 |
| Other | 80,297 | (80,297) | - | - |
| | <u>44,737,597</u> | <u>4,449,767</u> | <u>1,303</u> | <u>49,188,667</u> |

| | As at December 31, 2009 | Transaction recognized in the statement of comprehensive income | Transaction recognized in the Equity | As at December 31, 2010 |
|--|--|--|---|--|
| | Baht | Baht | Baht | Baht |
| Allowance for doubtful accounts | 27,063,106 | (2,817,803) | - | 24,245,303 |
| Bad debt on process of litigation | 1,785,299 | 5,490,650 | - | 7,275,949 |
| Assets from lease contract | 4,890,020 | 3,558,570 | - | 8,448,590 |
| Unrealized gain (loss) on the change in value of investments - available-for-sale securities | (41,429) | - | 58,046 | 16,617 |
| Post-employment benefits obligation | - | 817,469 | 3,853,372 | 4,670,841 |
| Other | - | 80,297 | - | 80,297 |
| | <u>33,696,996</u> | <u>7,129,183</u> | <u>3,911,418</u> | <u>44,737,597</u> |

14. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans from financial institutions as at March 31, 2011 and December 31, 2010 consist of the following:

| | 2011 Baht | 2010 Baht |
|------------------|----------------------|----------------------|
| Promissory notes | 1,125,000,000 | 1,020,000,000 |

As at March 31, 2011 and December 31, 2010, the company has short-term loans from financial institutions bearing interest rate at 2.15% - 3.15% per annum and 2.15% - 2.95% per annum respectively.

15. LONG-TERM LOANS

Long-term loans as at March 31, 2011 and December 31, 2010 consist of the following:

| | 2011 Baht | 2010 Baht |
|---|----------------------|----------------------|
| Long-term loan | 300,000,000 | 225,000,000 |
| <u>Less</u> Current portion of long-term loan | <u>132,000,000</u> | <u>100,000,000</u> |
| | <u>168,000,000</u> | <u>125,000,000</u> |

As at March 31, 2011 and December 31, 2010, the company has long-term loans with a financial institution at the interest rate THBFIX (3 months) +2.75% p.a. and is repayable by quarterly from March 2010 to March 2013.

As at March 31, 2011, the Company has long-term loans with a financial institution at the interest rate 3.70% p.a. and is repayable by quarterly from February 2011 to February 2014 (December 31, 2010 : Nil).

16. PROVIDENT FUND

The Company has a contributory staff provident fund for its employees who apply to join after one year's service which has been registered as the provident fund in accordance with the Provident Fund Act B.E. 2530 (1987).

For the quarters ended March 31, 2011 and 2010, the Company's contributions included in selling and administrative expenses in the financial statements amounting to Baht 0.57 million and Baht 0.53 million, respectively.

17. PROVISION FOR EMPLOYEE BENEFITS

The Company calculated provision for employee benefits by using actuarial technique. The assumptions included are discount rate at 4%, resignation rate at 2%, 6% and 11% depending on age group of employees, salary increase rate at 9% and retirement age at 60 years.

Provision for employee benefits for the period ended March 31, 2011 and December 31, 2010 and for the quarters ended March 31, 2011 and 2010 consist of the following:

| | 2011 Baht | 2010 Baht |
|---|----------------------|----------------------|
| Provision for severance pay (see Note 17.1) | 14,195,734 | 13,536,314 |
| Provision for long service awards (see Note 17.2) | <u>2,185,183</u> | <u>2,033,155</u> |
| Provision for employee benefits | <u>16,380,917</u> | <u>15,569,469</u> |

17.1 Provision for severance pay

Change in the present value of provision for severance pay as at March 31, 2011 and December 31, 2010 are as follows:

| | 2011 Baht | 2010 Baht |
|--|----------------------|----------------------|
| Present value of obligation, beginning balance | 13,536,314 | 11,240,453 |
| Cost of service - current period | 524,057 | 1,846,243 |
| Finance cost | 135,363 | 449,618 |
| Benefits paid during the period | - | - |
| Present value of obligation, ending balance | <u>14,195,734</u> | <u>13,536,314</u> |

Provision for severance pay for the quarters ended March 31, 2011 and 2010 are as follows;

| | 2011 Baht | 2010 Baht |
|---|----------------------|----------------------|
| Cost of service - current period | 524,057 | 461,561 |
| Finance cost | <u>135,363</u> | <u>112,404</u> |
| Total provision for severance pay expenses recognized in statements of comprehensive income | <u>659,420</u> | <u>573,965</u> |

17.2 Provision for long service awards

Change in the present value of provision for long service awards for the period ended March 31, 2011 and December 31, 2010 are as follows:

| | 2011 Baht | 2010 Baht |
|--|----------------------|----------------------|
| Present value of obligation, beginning balance | 2,033,155 | 1,604,120 |
| Cost of service - current period | 131,696 | 425,904 |
| Finance cost | 20,332 | 64,164 |
| Benefits paid during the period | - | (61,033) |
| Present value of obligation, ending balance | <u>2,185,183</u> | <u>2,033,155</u> |

Provision for long service awards for the quarters ended March 31, 2011 and 2010 are as follows:

| | 2011 Baht | 2010 Baht |
|---|----------------------|----------------------|
| Cost of service - current period | 131,696 | 106,476 |
| Finance Cost | <u>20,332</u> | <u>16,041</u> |
| Total provision for long service awards expenses recognized in statement of comprehensive income | <u>152,028</u> | <u>122,517</u> |

18. SHARE CAPITAL

On March 5, 2010, the Company obtained the approval of the public offering from the Office of the Securities and Exchange Commission.

On May 10, 2010, the Board of Directors' Meeting no. 3/2010 passed a resolution stating that the Chairman or Chief Executive Officer were authorized to determine the offer price, the offer period, the terms and conditions relating to the Initial Public Offering (IPO).

On July 28, 2010, the Company signed the Underwriting Agreements with the Co-Lead Underwriters and the Co-Underwriters were to underwrite 120,000,000 shares with offering price at Baht 1.35 per share. The Company sold the shares on August 3, 2010 for Baht 162,000,000 and on August 5, 2010, the Company had registered an additional paid-up new ordinary shares of 120,000,000 shares equivalent to Baht 120,000,000 with the Ministry of Commerce.

19. LEGAL RESERVE

Pursuant to the Public Companies Act. B.E. 2535 (1992), the Company must allocate to a reserve fund from the annual net profit, not less than five percent of the annual net profit deducted by the total accumulated loss brought forward (if any) until the reserve fund reaches an amount of not less than ten percent of the registered capital. The legal reserve could not be used for dividend payment.

20. CAPITAL MANAGEMENT

The Company's objectives in managing capital are to safeguard the Company ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

The Company has to comply with the conditions specified in the certificate of foreign business operations in that the total amount of loans used in the operation of the business permitted must not exceed seven times the principal. Moreover, on April 8, 2010, the Company had obtained the approval from the Department of Business Development to operate a business under annex 3 (21). However, the Company is required to have the minimum capital of the Company of not less than Baht 427,954,151 (see Note 1).

In addition, the Company also has to comply with financial covenants with a bank in that the Company should maintain its debt to equity ratio to not exceed eight times and with another bank in that the Company shall maintain its gearing ratio to not exceed six point five times and a minimum tangible net worth of not less than Baht 520 million. On March 31, 2011 and December, 31, 2010, the Company's financial statements showed compliance to the conditions as mentioned.

21. INCOME TAX

Income tax for the quarters ended March 31, 2011 and 2010 consist of the following:

| | 2011 Baht | 2010 Baht |
|--|----------------------|----------------------|
| Income tax expense from taxable income per income tax return | 8,927,689 | 10,461,208 |
| Deferred tax expense relating to the origination and reversal of temporary differences | <u>(4,449,767)</u> | <u>(611,042)</u> |
| Income tax per the statements of income | <u>4,477,922</u> | <u>9,850,166</u> |

The reconciliation between income tax - income (expense) and accounting income for the quarters ended March 31, 2011 and 2010 are follows:

| | 2011 Baht | 2010 Baht |
|--|----------------------|----------------------|
| Accounting income before tax | <u>25,564,777</u> | <u>31,572,824</u> |
| Income tax at 30% | 7,669,433 | 9,471,847 |
| Tax effect of non-deductible expenses (benefits) | <u>(3,191,511)</u> | <u>378,319</u> |
| Income tax per the statements of income | 4,477,922 | 9,850,166 |
| Deferred tax expense relating to the origination and reversal of temporary differences | <u>4,449,767</u> | <u>611,042</u> |
| Income tax expenses from taxable income | <u>8,927,689</u> | <u>10,461,208</u> |

22. 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 at the date received by the Board or the shareholders approved.

Significant balance with related companies as at March 31, 2011 and December 31, 2010 consist of the following:

| | Relationship | 2011 Baht | 2010 Baht |
|-----------------------------------|---------------------------|----------------------|----------------------|
| Amount due from a related company | | | |
| IFS Capital Limited | Major Shareholder company | 109,171 | 75,626 |
| Amount due to a related company | | | |
| IFS Capital Limited | Major Shareholder company | 67,344 | - |

Significant transaction with related parties for the quarters ended March 31, 2011 and 2010 are as follows:

| | 2011 Baht | 2010 Baht |
|-----------------------------|----------------------|----------------------|
| Management benefit expenses | | |
| Short-term benefits | 5,439,376 | 5,422,793 |
| Post-employment benefit | 257,297 | 237,406 |
| Other long-term benefits | 20,215 | 18,039 |
| | <u>5,716,888</u> | <u>5,678,238</u> |

23. COMMITMENTS

As at March 31, 2011 and December 31, 2010, the Company has the committed credit facility agreements with financial institutions for general corporate funding requirements as follows:

| | As at March 31, 2011 Baht | As at December 31, 2010 Baht |
|-------------------------|--|---|
| Total credit facilities | 2,807,000,000 | 2,806,000,000 |

As at March 31, 2011 and December 31, 2010, the Company has utilized the letter of credit amounting to Baht 11.26 million and Baht 9.17 million, respectively, for factoring, hire purchase and leasing contract. However, as at March 31, 2011 and December 31, 2010, the Company has unused such credit facilities with banks totaling Baht 1,212 million and Baht 1,407 million respectively.

24. FINANCIAL INFORMATION BY SEGMENT

The operation of the Company consists of factoring, hire purchase and leasing business. The results of operation of these activities are measured as a single segment. In addition, these activities are carried on in Thailand.

As a result, revenues, operating profits and identifiable assets as reflected in these financial statements pertain to the aforementioned industry segment and geographical area.

25. EVENTS AFTER THE BALANCE SHEET DATE

On April 25, 2011, the ordinary Shareholder's meeting passed a resolution to pay dividend of Baht 0.085 per share on 470,000,000 shares, totaling Baht 39.95 million. Such dividend will be paid on May 10, 2011.

26. APPROVAL FOR ISSUANCE OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized director of the Company on May 4, 2011.