



**IFS Capital (Thailand)  
Public Company Limited**

IFS 805/2019

5<sup>th</sup> August 2019

Subject: Explanation of the Operating Results for Quarter 2/2019

To: The President  
The Stock Exchange of Thailand

We, IFS Capital (Thailand) Public Company Limited, would like to submit herewith the Reviewed Financial Statements for the Quarter 2/2019 ended 30<sup>th</sup> June 2019 as certified by our auditor, Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., and to clarify the significant variance of the operating results as follows:-

(Unit : Million Baht)

	Quarter 2 ended 30 <sup>th</sup> June				For Six-Month Period ended 30 <sup>th</sup> June			
	2019	2018	Increase / (decrease)	% Change	2019	2018	Increase / (decrease)	% Change
<b>Revenues</b>								
Factoring Income	74.39	72.59	1.80	2.48	145.51	141.80	3.72	2.62
Hire Purchase Income	0.15	0.34	(0.19)	(55.59)	0.31	0.76	(0.45)	(58.65)
Finance Lease Income	4.68	5.15	(0.46)	(8.99)	8.82	9.84	(1.02)	(2.10)
Factoring Commission and Service Fee	26.41	24.93	1.48	5.94	52.00	48.63	3.37	6.94
Other Income	27.19	9.75	17.44	178.96	37.30	21.73	15.57	71.66
<b>Total Revenues</b>	<b>132.83</b>	<b>112.76</b>	<b>20.07</b>	<b>17.80</b>	<b>243.94</b>	<b>222.75</b>	<b>21.19</b>	<b>9.51</b>
<b>Expenses</b>								
Selling Expenses	6.61	5.38	1.23	22.88	11.97	10.16	1.81	17.82
Administrative Expenses	30.83	24.94	5.89	23.62	55.06	48.08	6.98	14.51
Management Benefit Expenses	10.48	10.33	0.14	1.39	18.75	18.48	0.27	1.46
Doubtful Accounts (Reversal)	(47.95)	(3.54)	(44.41)	(1,254.95)	(49.46)	5.53	(54.99)	(993.83)
Finance Cost	18.55	19.23	(0.68)	(3.51)	35.77	36.71	(0.94)	(2.57)
<b>Total Expenses</b>	<b>18.52</b>	<b>56.34</b>	<b>(37.82)</b>	<b>(67.12)</b>	<b>72.09</b>	<b>118.96</b>	<b>(46.88)</b>	<b>(39.40)</b>
<b>Profit before Income Tax Expenses</b>	<b>114.31</b>	<b>56.41</b>	<b>57.89</b>	<b>102.62</b>	<b>171.85</b>	<b>103.78</b>	<b>68.07</b>	<b>65.58</b>
Income Tax Expenses	22.88	15.02	7.86	52.36	34.38	24.55	9.83	40.04
<b>Net Profit</b>	<b>91.43</b>	<b>41.40</b>	<b>50.03</b>	<b>120.85</b>	<b>137.47</b>	<b>79.23</b>	<b>58.23</b>	<b>73.50</b>

Quarterly to Quarterly Analysis

For the 2<sup>nd</sup> quarter of 2019, the Company reported Net Profit of Baht 91.43 million, an increase of Baht 50.03 million or 121% from the same period last year. The main reason was because the Company successfully recovered 2 major NPLs of the total amount Baht 71.25 million resulting in higher other income of Baht 17.44 million and reversal for doubtful debts of Baht 47.95 million.

For the year-to-date ended 30<sup>th</sup> June 2019, the Company reported Net Profit of Baht 137.47 million, an increase of Baht 58.23 million or 73.50% from the same period last year, and Earnings Per Share (EPS) also showed an increase to Baht 0.28 per share (YTD Q2/2018: Baht 0.16 per share), an increase of Baht 0.12 per share or 75%.

Please be informed accordingly.

Sincerely yours,

(Mr. Tan Ley Yen)  
Director and CEO