

**Group Lease Public Company Limited
and its Subsidiaries**

Condensed Interim financial statements
for the three-month and nine-month periods ended
30 September 2019
and
Independent auditor's review report

Independent Auditor’s Review Report of Interim Financial Information

To the Board of Directors of Group Lease Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Group Lease Public Company Limited and its subsidiaries (the “Group”), and of Group Lease Public Company Limited (the “Company”), respectively, as at 30 September 2019; the consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended 30 September 2019; the consolidated and separate statements of changes in equity and cash flows for the nine-month period ended 30 September 2019; and the condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my 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 statements 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 me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”.

Emphases of Matters

I draw attention to following matters:

- 1) I draw attention to Note 8 of the financial statements relating to corporate loans and interest receivables. As more fully described in the audited financial statements as at 31 December 2018, on 19 October 2017 the Company received a request from the SEC to revise/correct its financial statements, Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2) in response to the criminal complaint filed by the Securities and Exchange Commission (“SEC”) to the Department of Special Investigation (“DSI”) on 16 October 2017 against a former executive director in relation to allegations of fraud, misappropriation of the Company’s assets and falsifying account records by executing concealed transactions through several associated companies abroad to exaggerate the Group’s operating results. As a result, the Company has restated its 2017 and 2016 financial statements to reverse interest income and to establish a full provision against these and other loans and interest receivable, and will record any future recoveries in the period in which they are received. The management understands that the DSI investigation against the former executive director is still ongoing but is not aware of any further consequences to the Company which may arise.
- 2) I draw attention to Note 11 of the financial statements relating to the investment in PT Bank JTrust Indonesia Tbk. The major shareholder in PT Bank JTrust Indonesia Tbk (holding approximately 97% of the shares) is under the same group as the plaintiff in various legal cases against the Company as described in note 18. The management of the Company has evaluated the value of PT Bank JTrust Indonesia Tbk. based on the latest available information and considered that there is no impairment on this investment.
- 3) I draw attention to Note 18 of the financial statements relating to litigation cases. The Group is the defendant in several legal cases actioned by the substantial convertible debenture holder of the Company and its related companies alleging – misrepresentation of the financial status of the Company and defamation; misrepresentation of the financial position of the Company’s subsidiary in Singapore; and breach of a joint finance agreement by the Company’s subsidiary in Indonesia; – and claiming rehabilitation of the Company, monetary compensation and interest. The Group has filed counter actions, and preliminary hearings and discovery proceedings on these actions are in progress. The ultimate outcome of the above matters cannot presently be determined. The management consider that no provision for any liability or reclassification of convertible debentures is required in the financial statements.

My conclusion is not modified in respect of these matters.

Material Uncertainty Related to Going Concern

I draw attention to the legal cases as discussed in the previous paragraphs as actioned by the substantial convertible debenture holder and related matters which may affect the Group’s ability to comply with debt service coverage, raise funding or maintain adequate liquidity in the future. Presently, the management believes that those cases will not affect the going concern of the Group. However, there are still uncertainties regarding the outcome of the cases which is subject to the final verdict of the court of justice. My conclusion is not modified in respect of this matter.

Other Matter

The consolidated and separate statements of financial position of the Group and the Company as at 31 December 2018, which are included as comparative information, were audited by another auditor who expressed a qualified opinion on those statements on 27 February 2019 due to limitations by circumstances, pending investigation of the Department of Special Investigation and legal process and subject to the outcome on the degree of recovery of the Group's assets alleged by the SEC, resulting in her being unable to determine the appropriateness of the loans, interest income and provision for losses and unable to conclude whether there should be more adjustment on the past financial statements. Furthermore, the consolidated and separate statements of comprehensive income of the Group and the Company for the three-month and nine-month periods ended 30 September 2018; and the consolidated and separate statements of change in equity and cash flows for the nine-month period ended 30 September 2018 which are included as comparative information, were reviewed by another auditor who expressed a qualified conclusion thereon in his report dated 14 November 2018, for the same reasons mentioned above.

(Chokechai Ngamwutikul)
Certified Public Accountant
Registration No. 9728

KPMG Phoomchai Audit Ltd.
Bangkok
14 November 2019

Group Lease Public Company Limited and its subsidiaries
Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
Assets	Note	30 September 2019 (Unaudited)	31 December 2018	30 September 2019 (Unaudited)	31 December 2018
<i>(in thousand Baht)</i>					
Current assets					
Cash and cash equivalents		3,005,697	3,745,003	145,225	409,893
Current investments		116,826	18,049	-	-
Current portion of hire purchase receivables	4	2,716,232	3,324,919	1,869,722	2,123,035
Current portion of loan receivables	5	222,783	230,733	-	-
Current portion of microfinance receivables	6	583,613	554,319	-	-
Current portion of consumer finance receivables					
under joint financing arrangements	7	5,361	5,355	-	-
Current portion of disputed corporate loans	8	-	-	-	-
Current portion of corporate loans and interest receivables	8	41,146	42,123	-	-
Inventories		408	281	-	-
Assets foreclosed		57,871	61,284	8,784	8,667
Short-term loan to and interest receivables from subsidiaries	3	-	-	74,777	209,983
Other receivables		134,716	89,327	63,821	42,181
Other current assets		146,537	141,576	50,539	37,143
Total current assets		7,031,190	8,212,969	2,212,868	2,830,902
Non-current assets					
Pledged fixed deposit at financial institution		5,418	5,850	343	340
Investment in associate	9	1,955,006	1,976,903	-	-
Investments in subsidiaries	10	-	-	3,590,302	3,590,302
Other long-term investments	11	670,996	670,996	-	-
Long-term portion of hire purchase receivables	4	2,534,703	2,886,840	1,777,175	2,096,962
Long-term portion of loan receivables	5	60,227	64,554	-	-
Long-term portion of microfinance receivables	6	25,677	6,718	-	-
Long-term portion of consumer finance receivables					
under joint financing arrangements	7	485	19,311	-	-
Long-term portion of loans to subsidiaries	3	-	-	4,803,181	5,307,792
Property, plant and equipment		97,912	118,880	53,828	60,849
Intangible assets		109,037	116,810	70,757	79,031
Goodwill		321,478	336,772	-	-
Deferred tax assets		121,819	122,464	45,815	44,194
Other non-current assets		71,736	75,065	33,378	34,475
Total non-current assets		5,974,494	6,401,163	10,374,779	11,213,945
Total assets		13,005,684	14,614,132	12,587,647	14,044,847

The accompanying notes are an integral part of these interim financial statements.

Group Lease Public Company Limited and its subsidiaries
Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2019 (Unaudited)	31 December 2018	30 September 2019 (Unaudited)	31 December 2018
<i>(in thousand Baht)</i>					
Liabilities and equity					
<i>Current liabilities</i>					
Trade accounts payable		7,641	10,208	5,282	1,498
Deposits from customers		50,135	40,624	-	-
Short-term loans and interest payable	12	18,477	19,603	-	-
Current portion of long-term loans	12	5,021	22,387	-	-
Current portion of debentures	13	-	1,486,811	-	1,486,811
Current portion of convertible debentures under court cases	14	1,497,996	-	1,497,996	-
Current portion of convertible debentures - other	14	599,198	-	599,198	-
Income tax payable		3,001	84,401	-	27,568
Insurance premium payables		4,396	9,448	2,488	8,274
Other payables		759,784	539,400	641,331	440,337
Other current liabilities		108,247	129,371	65,155	63,127
Total current liabilities		3,053,896	2,342,253	2,811,450	2,027,615
<i>Non-current liabilities</i>					
Convertible debentures under court cases	14	3,966,063	5,794,581	3,966,063	5,794,581
Convertible debentures - other	14	-	635,360	-	635,360
Provisions for long-term employee benefits		24,565	18,394	24,565	18,394
Deferred tax liabilities		40,742	43,215	-	-
Cash guarantee for damage on hire purchase agreements		2,063	2,180	2,063	2,063
Total non-current liabilities		4,033,433	6,493,730	3,992,691	6,450,398
Total liabilities		7,087,329	8,835,983	6,804,141	8,478,013
<i>Equity</i>					
Share capital					
Authorised share capital					
1,845,090,080 common shares of Baht 0.50 each		922,545	922,545	922,545	922,545
Issued and paid-up share capital					
1,525,538,158 common shares of Baht 0.50 each		762,769	762,769	762,769	762,769
Share premium		5,192,673	5,192,673	5,192,673	5,192,673
Retained earnings (Deficit)					
Appropriated					
Legal reserve		92,255	92,255	92,255	92,255
Unappropriated (Deficit)		245,827	131,911	(323,649)	(540,321)
Other components of equity		(505,173)	(525,505)	59,458	59,458
Equity attributable to owners at the parent		5,788,351	5,654,103	5,783,506	5,566,834
Non-controlling interests		130,004	124,046	-	-
Total equity		5,918,355	5,778,149	5,783,506	5,566,834
Total liabilities and equity		13,005,684	14,614,132	12,587,647	14,044,847

The accompanying notes are an integral part of these interim financial statements.

Group Lease Public Company Limited and its subsidiaries
Statement of comprehensive income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Three-month periods ended		Three-month periods ended	
		30 September		30 September	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Revenue					
Hire purchase interest income		422,853	518,998	292,886	337,439
Loan interest income		26,211	39,607	-	-
Microfinance interest income		45,560	41,167	-	-
Consumer finance under joint financing arrangements interest income		632	15,750	-	-
Corporate loan interest income		570	474	-	-
Hire purchase service fee income		22,165	24,384	-	-
Revenue from sales of goods		1,583	1,901	-	-
Other interest income	3	19,480	16,759	91,694	95,115
Management fee	3	-	-	21,000	21,000
Other income related to the activities of hire purchase		62,813	55,725	34,457	32,354
Other income related to the activities of microfinance		3,339	2,816	-	-
Gain (Loss) on exchange rate		(15,667)	-	7,819	32,373
Other income	3	7,297	11,975	2,560	12,373
Total revenue		596,836	729,556	450,416	530,654
Expenses					
Service and administrative expenses	3	308,620	318,895	168,878	168,014
Bad and doubtful debt expenses		115,482	95,237	88,339	74,731
Cost of sales of goods		1,364	1,616	-	-
Loss on disposals of assets foreclosed		72,219	93,599	62,610	74,697
Total expenses		497,685	509,347	319,827	317,442
Share of profit from investment in associate	9	27,218	10,855	-	-
Profit before finance cost and income tax expenses		126,369	231,064	130,589	213,212
Finance cost	3	(90,636)	(99,982)	(88,698)	(98,109)
Profit before income tax expenses		35,733	131,082	41,891	115,103
Income tax expenses		(22,979)	(26,443)	(8,027)	(22,396)
Profit for the period		12,754	104,639	33,864	92,707

The accompanying notes are an integral part of these interim financial statements.

Group Lease Public Company Limited and its subsidiaries
Statement of comprehensive income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Three-month periods ended		Three-month periods ended	
		30 September		30 September	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Other comprehensive income (expense)					
<i>Components of other comprehensive income that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operations		15,236	(60,282)	-	-
Share of other comprehensive income (expense) of associate	9	(20,056)	(71,269)	-	-
Total items that will be reclassified subsequently to profit or loss		(4,820)	(131,551)	-	-
<i>Components of other comprehensive income that will not be reclassified subsequently to profit or loss</i>					
Share of other comprehensive income (expense) of associate	9	-	-	-	-
Total items that will not be reclassified subsequently to profit or loss		-	-	-	-
Other comprehensive income (expense) for the period		(4,820)	(131,551)	-	-
Total comprehensive income (expense) for the period		7,934	(26,912)	33,864	92,707
Profit attributable to:					
Owners of the parent		9,514	102,406	33,864	92,707
Non-controlling interests		3,240	2,233	-	-
Profit for the period		12,754	104,639	33,864	92,707
Total comprehensive income (expense) attributable to:					
Owners of the parent		5,547	(20,603)	33,864	92,707
Non-controlling interests		2,387	(6,309)	-	-
Total comprehensive income (expense) for the period		7,934	(26,912)	33,864	92,707
Basic earnings per share (in Baht)		0.0062	0.0671	0.0222	0.0608

The accompanying notes are an integral part of these interim financial statements.

Group Lease Public Company Limited and its subsidiaries
Statement of comprehensive income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Nine-month periods ended		Nine-month periods ended	
		30 September		30 September	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Revenue					
Hire purchase interest income		1,355,200	1,572,249	939,580	996,211
Loan interest income		90,978	121,622	-	-
Microfinance interest income		131,287	119,343	-	-
Consumer finance under joint financing arrangements interest income		5,642	40,013	-	-
Corporate loan interest income		1,465	1,398	-	-
Hire purchase service fee income		67,814	64,603	-	-
Revenue from sales of goods		4,526	5,039	-	-
Other interest income	3	59,629	43,248	280,606	276,640
Management fee	3	-	-	63,000	63,000
Other income related to the activities of hire purchase		181,907	164,309	99,386	95,876
Other income related to the activities of microfinance		8,087	7,847	-	-
Gain on exchange rate		11,261	-	81,465	14,408
Other income	3	18,032	22,036	8,865	18,672
Total revenue		1,935,828	2,161,707	1,472,902	1,464,807
Expenses					
Service and administrative expenses	3	903,619	985,905	485,749	483,645
Bad and doubtful debt expenses		340,257	301,524	247,257	204,240
Cost of sales of goods		3,852	4,327	-	-
Loss on disposals of assets foreclosed		221,340	232,995	192,436	191,743
Total expenses		1,469,068	1,524,751	925,442	879,628
Share of profit from investment in associate	9	35,553	86,790	-	-
Profit before finance cost and income tax expenses		502,313	723,746	547,460	585,179
Finance cost	3	(283,272)	(296,382)	(277,822)	(289,922)
Profit before income tax expenses		219,041	427,364	269,638	295,257
Income tax expenses		(96,279)	(90,209)	(52,966)	(45,849)
Profit for the period		122,762	337,155	216,672	249,408

The accompanying notes are an integral part of these interim financial statements.

Group Lease Public Company Limited and its subsidiaries
Statement of comprehensive income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Nine-month periods ended		Nine-month periods ended	
		30 September		30 September	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
Other comprehensive income (expense)					
<i>Components of other comprehensive income that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operations		53,403	(108,129)	-	-
Share of other comprehensive income (expense) of associate	9	(36,685)	(82,725)	-	-
Total items that will be reclassified subsequently to profit or loss		16,718	(190,854)	-	-
<i>Components of other comprehensive income that will not be reclassified subsequently to profit or loss</i>					
Share of other comprehensive income (expense) of associate	9	726	(1,661)	-	-
Total items that will not be reclassified subsequently to profit or loss		726	(1,661)	-	-
Other comprehensive income (expense) for the period		17,444	(192,515)	-	-
Total comprehensive income for the period		140,206	144,640	216,672	249,408
Profit attributable to:					
Owners of the parent		113,264	328,855	216,672	249,408
Non-controlling interests		9,498	8,300	-	-
Profit for the period		122,762	337,155	216,672	249,408
Total comprehensive income attributable to:					
Owners of the parent		134,248	147,630	216,672	249,408
Non-controlling interests		5,958	(2,990)	-	-
Total comprehensive income for the period		140,206	144,640	216,672	249,408
Basic earnings per share (in Baht)		0.0742	0.2156	0.1420	0.1635

The accompanying notes are an integral part of these interim financial statements.

Group Lease Public Company Limited and its subsidiaries
Statement of changes in equity (Unaudited)

	Consolidated financial statements											
	Retained earnings (Deficit)				Other components of equity							
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated (Deficit)	Gains (losses) on remeasuring available-for-sale from associate	Revaluation surplus on land and building from associate	Translating foreign operation	Convertible debentures - equity component	Total other components of equity	Equity attributable to owners of the parent	Non- controlling interests	Total equity
					(in thousand Baht)	(in thousand Baht)	(in thousand Baht)	(in thousand Baht)	(in thousand Baht)	(in thousand Baht)	(in thousand Baht)	(in thousand Baht)
Nine-month period ended 30 September 2018												
Balance at 1 January 2018	762,769	5,192,673	92,255	(144,390)	2,580	352	(365,520)	59,458	(303,130)	5,600,177	125,438	5,725,615
Profit for the period	-	-	-	328,855	-	-	-	-	-	328,855	8,300	337,155
Other comprehensive income (expense) for the period	-	-	-	(1,661)	(568)	-	(178,996)	-	(179,564)	(181,225)	(11,290)	(192,515)
Total comprehensive income for the period	-	-	-	327,194	(568)	-	(178,996)	-	(179,564)	147,630	(2,990)	144,640
Balance as at 30 September 2018	762,769	5,192,673	92,255	182,804	2,012	352	(544,516)	59,458	(482,694)	5,747,807	122,448	5,870,255
Nine-month period ended 30 September 2019												
Balance as at 1 January 2019	762,769	5,192,673	92,255	131,911	2,027	352	(587,342)	59,458	(525,505)	5,654,103	124,046	5,778,149
Profit for the period	-	-	-	113,264	-	-	-	-	-	113,264	9,498	122,762
Other comprehensive income (expense) for the period	-	-	-	652	426	(352)	20,258	-	20,332	20,984	(3,540)	17,444
Total comprehensive income for the period	-	-	-	113,916	426	(352)	20,258	-	20,332	134,248	5,958	140,206
Balance as at 30 September 2019	762,769	5,192,673	92,255	245,827	2,453	-	(567,084)	59,458	(505,173)	5,788,351	130,004	5,918,355

The accompanying notes are an integral part of these interim financial statements.

Group Lease Public Company Limited and its subsidiaries
Statement of changes in equity (Unaudited)

	Issued and paid-up share capital	Share premium	Separate financial statements		Other components of equity	Total equity
			Retained earnings (Deficit)			
			Legal reserve	Unappropriated (Deficit)		
<i>(in thousand Baht)</i>						
Nine-month period ended 30 September 2018						
Balance as at 1 January 2018	762,769	5,192,673	92,255	(774,897)	59,458	5,332,258
Profit and other comprehensive income for the period	-	-	-	249,408	-	249,408
Balance as at 30 September 2018	762,769	5,192,673	92,255	(525,489)	59,458	5,581,666
Nine-month period ended 30 September 2019						
Balance as at 1 January 2019	762,769	5,192,673	92,255	(540,321)	59,458	5,566,834
Profit and other comprehensive income for the period	-	-	-	216,672	-	216,672
Balance as at 30 September 2019	762,769	5,192,673	92,255	(323,649)	59,458	5,783,506

The accompanying notes are an integral part of these interim financial statements.

Group Lease Public Company Limited and its subsidiaries
Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Nine-month periods ended		Nine-month periods ended	
	30 September		30 September	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit before income tax expenses	219,041	427,364	269,638	295,257
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Depreciation and amortisation	39,184	40,467	16,408	15,454
Bad and doubtful debts expenses	340,257	329,812	247,257	204,240
Loss on disposals of assets foreclosed	221,340	232,995	192,436	191,743
(Gain) loss on diminution in value of assets foreclosed	(1,741)	5,319	(606)	3,718
Reversal of allowance on other receivables	(3,465)	(19,478)	-	-
Reversal of allowance on other current assets	-	(5,635)	-	-
(Gain) loss on disposal and write-off of assets	(180)	3,229	3	(116)
Exchange gain from liabilities settlement within the group	-	-	-	(4,760)
Exchange loss from repayment loans and interest receivables from subsidiary	-	-	23,719	-
Unrealised (gain) loss on exchange	(56,528)	26,767	(105,130)	(9,293)
Provision for long-term employee benefits	6,171	2,994	6,171	2,994
Share of profit from investment in associate	(35,553)	(86,790)	-	-
Other interest income	(59,629)	(43,248)	(280,611)	(276,640)
Interest expenses	268,367	281,925	262,917	275,496
Amortised front end fees of loans	-	31	-	-
Amortised transaction cost of debentures	13,189	12,698	13,189	12,698
Amortised transaction cost of convertible debentures	1,716	1,728	1,716	1,728
	<u>952,169</u>	<u>1,210,178</u>	<u>647,107</u>	<u>712,519</u>
<i>Changes in operating assets and liabilities</i>				
Hire purchase receivables	637,264	(179,618)	325,842	(424,680)
Loan receivables	3,494	25,448	-	-
Microfinance receivables	(50,750)	(77,413)	-	-
Consumer finance receivables under joint financing arrangements	18,969	29,147	-	-
Corporate loans and interest receivables	928	15,840	-	-
Inventories	(127)	(1,754)	-	-
Assets foreclosed	(216,174)	(233,396)	(191,947)	(199,704)
Other receivables	(33,811)	(1,252)	(20,997)	(15,687)
Other current assets	(60,461)	42,028	(134)	7,195
Other non-current assets	3,035	2,250	802	1,017
Trade accounts payables	(2,569)	16,972	3,783	14,105
Deposit from customers	9,512	15,767	-	-
Insurance premium payables	(5,052)	(3,103)	(5,787)	(961)
Other payables	56,374	59,839	36,861	160,130
Other current liabilities	(6,226)	(33,085)	2,028	(11,337)
Derivatives liabilities	-	(606)	-	-
Cash guarantee for damage on hire purchase agreements	(116)	-	-	-
Net cash generated from operating activities	<u>1,306,459</u>	<u>887,242</u>	<u>797,558</u>	<u>242,597</u>
Interest paid	(75,750)	(63,083)	(70,287)	(56,486)
Income tax paid	(122,658)	(111,648)	(55,319)	(28,181)
Net cash from operating activities	<u>1,108,051</u>	<u>712,511</u>	<u>671,952</u>	<u>157,930</u>

The accompanying notes are an integral part of these interim financial statements.

Group Lease Public Company Limited and its subsidiaries
Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Nine-month periods ended		Nine-month periods ended	
	30 September		30 September	
<i>Note</i>	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
(Increase) decrease in current investment	(98,777)	47,800	-	-
(Increase) decrease in pledged fixed deposits at financial institution	432	5,797	(3)	(3)
Decrease in accounts receivable and loans to employees	31	45	31	45
Long-term loans to subsidiaries	-	-	(450,000)	-
Acquisitions of equipments	(5,640)	(18,985)	(327)	(3,686)
Acquisitions of intangible assets	(8,964)	(21,765)	(791)	(16,490)
Proceeds from sales of equipment	304	1,235	-	131
Proceeds from sales of intangible assets	-	-	-	1,231
Cash received from liabilities settlement within the group	-	-	-	111,889
Cash received from short-term loan to subsidiaries	-	-	692,625	-
Dividend received	21,491	13,791	-	-
Interest received	59,889	46,068	321,845	264
Net cash from (used in) from investing activities	(31,234)	73,986	563,380	93,381
<i>Cash flows from financing activities</i>				
Decrease in short-term loans from financial institutions	-	(65,239)	-	-
Proceeds from short-term loans	-	18,739	-	-
Repayment of long-term loans from subsidiary	-	-	-	(40,000)
Repayment of long-term loans	12	(17,278)	-	-
Repayment of debentures	(1,500,000)	-	(1,500,000)	-
Net cash used in financing activities	(1,517,278)	(147,324)	(1,500,000)	(40,000)
Net increase (decrease) in cash and cash equivalents,				
before effect of exchange rates	(440,461)	639,173	(264,668)	211,311
Effect of exchange rate changes on cash and cash equivalents	(298,845)	(180,013)	-	-
Net increase (decrease) in cash and cash equivalents	(739,306)	459,160	(264,668)	211,311
Cash and cash equivalents at 1 January	3,745,003	3,079,901	409,893	119,941
Cash and cash equivalents at 30 September	3,005,697	3,539,061	145,225	331,252
Non-cash items				
Transferred equipment to assets foreclosed	12	115	-	-
Transferred assets foreclosed to equipment	-	41	-	-
Settlement of interest receivables between GL and the group	-	-	-	270,322
Settlement of other current liabilities between GL and the group	-	-	-	99
Settlement of other payables between GL and the group	-	-	-	174,069
Settlement of other receivables between GL and the group	-	-	-	10,774

The accompanying notes are an integral part of these interim financial statements.

Group Lease Public Company Limited and its subsidiaries
Notes to the condensed interim financial statements
For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

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Group Lease Public Company Limited and its subsidiaries
Notes to the condensed interim financial statements
For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language financial statements, and were approved and authorised for issue by the Board of Directors on 14 November 2019.

1 General information

Group Lease Public Company Limited, (the “Company”) was listed on the Stock Exchange of Thailand on October 2004.

The Company and its subsidiaries (the “Group”) are principally engaged in the activity of hire purchase and lending. Overseas subsidiaries principally provide services relating to business management, consulting including financing services to the corporates, other investment holding company, hire purchase, microfinance business and consumer finance business under joint financing arrangements.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The condensed interim financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 Interim Financial Reporting, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2018. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Group for the year ended 31 December 2018.

(b) Use of judgements, estimates and accounting policies

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2018, except for revenue recognition which requires additional judgement in determining the timing of the transfer of control – at a point in time or over time – according to the requirements of TFRS 15 Revenue from Contracts with Customers (“TFRS 15”) which the Group has initially adopted to replace TAS 18 Revenue (“TAS 18”) and related interpretations.

Group Lease Public Company Limited and its subsidiaries

Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

Under TFRS 15, the Group recognises revenue when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled to. In addition, judgement is required in determining the timing of the transfer of control for revenue recognition – at a point in time or over time. Whereas, under TAS 18, the Group recognises revenue from sale of goods when the significant risks and rewards of ownership of the goods have been transferred to the buyer, and recognises revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due. Such change in accounting policy has no material impact on the financial statements.

For a number of new and revised TFRS which are not yet effective for current period, the Group has not early adopted these standards in preparing these interim financial statements before the effective date. Those new and revised TFRS that are relevant to the Group's operations are disclosed in Note 19.

(c) *Use of going concern basis of accounting*

As disclosed in Note 18, actions by the substantial convertible debenture holder and related matters may affect the Group's ability to comply with debt service coverage, raise funding or maintain adequate liquidity in the future. Presently, the management believes that those cases will not affect the going concern of the Group. However, there are still uncertainties regarding the outcome of the cases which is subject to the final verdict of the court of justice.

3 Related parties

Relationships with associate and subsidiaries are described in Notes 9 and 10. Relationship with key management and other related parties which have material changes in relationship and that the group had significant transactions during the period were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
PT Showa Rubber Indonesia	Indonesia	Common shareholder with the Company

Significant transactions for the three-month and nine-month period ended 30 September with related parties were as follows:

<i>Three-month periods ended 30 September</i>	Pricing policy	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
<i>Subsidiaries</i>					
Other interest income	5.50% - 7.00% per annum	-	-	91,188	95,115
Management fee	Contract rate	-	-	21,000	21,000
Other income	Contract rate	-	-	890	1,106
Interest expenses	7.00% per annum	-	-	-	59
Service and administrative expenses	Contract rate	-	-	156	166

Group Lease Public Company Limited and its subsidiaries

Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

<i>Three-month periods ended 30 September</i>	Pricing policy	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Other related parties					
Other interest income	6.50% per annum	2,868	3,080	-	-
Other income	Contract rate	276	1,483	-	-
Interest expenses	5.00% per annum	69,412	74,235	69,412	74,235
Service and administrative expenses	Contract rate	337	-	-	-
Key management personnel compensation					
Short-term employee benefits		15,893	20,037	4,923	8,484
Post-employment benefits		-	9	-	9
Total key management personnel compensation		15,893	20,046	4,923	8,493
		<i>(in thousand Baht)</i>			
<i>Nine-month periods ended 30 September</i>	Pricing policy	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Subsidiaries					
Other interest income	5.50% - 7.00% per annum	-	-	279,329	276,376
Management fee	Contract rate	-	-	63,000	63,000
Other income	Contract rate	-	-	2,741	3,133
Interest expenses	7.00% per annum	-	-	-	1,273
Service and administrative expenses	Contract rate	-	-	473	488
Other related parties					
Other interest income	6.50% per annum	8,675	8,910	-	-
Other income	Contract rate	879	4,339	-	-
Interest expenses	5.00% per annum	211,889	218,072	211,889	218,072
Service and administrative expenses	Contract rate	1,078	-	-	-
Key management personnel compensation					
Short-term employee benefits		48,435	57,199	15,455	21,009
Post-employment benefits		-	27	-	27
Total key management personnel compensation		48,435	57,226	15,455	21,036

Group Lease Public Company Limited and its subsidiaries
Notes to the condensed interim financial statements
For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

Balances as at 30 September 2019 and 31 December 2018 with related parties were as follows:

<i>Loans to related parties</i>	Interest rate		Consolidated		Separate	
			financial statements		financial statements	
			30	31	30	31
			September	December	September	December
	2019	2018	2019	2018	2019	2018
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Short-term loans						
Subsidiaries	7.00	7.00	-	-	-	49,300
Interest receivables from related parties						
Subsidiaries	5.50 - 7.00	7.00	-	-	74,777	160,683
Total short-term loans to related parties			<u>-</u>	<u>-</u>	<u>74,777</u>	<u>209,983</u>
Long-term loans						
Subsidiaries	5.50 - 7.00	7.00	-	-	4,803,181	5,307,792
Total long-term loans to related parties			<u>-</u>	<u>-</u>	<u>4,803,181</u>	<u>5,307,792</u>
Total loans and interest receivables to related parties			<u>-</u>	<u>-</u>	<u>4,877,958</u>	<u>5,517,775</u>

Movements during the nine-month period ended 30 September of loans and interest receivables to related parties were as follows:

<i>Nine-month periods ended 30 September</i>	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries				
At 1 January	-	-	5,517,775	5,511,143
Increase	-	-	689,236	234,920
Decrease	-	-	(1,013,836)	(270,499)
Loss from exchange rate	-	-	(315,217)	(45,311)
At 30 September	<u>-</u>	<u>-</u>	<u>4,877,958</u>	<u>5,430,253</u>

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Other receivables				
Subsidiaries	-	-	33,696	37,431
Key management personnel	600	1,863	-	-
Other related parties	175,551	189,635	-	-
	<u>176,151</u>	<u>191,498</u>	<u>33,696</u>	<u>37,431</u>
<i>Less: allowance for doubtful accounts</i>	<u>(163,617)</u>	<u>(176,951)</u>	<u>-</u>	<u>-</u>
Net	<u>12,534</u>	<u>14,547</u>	<u>33,696</u>	<u>37,431</u>

Group Lease Public Company Limited and its subsidiaries

Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Other current assets				
Other related parties	92,292	76,470	-	-
Other long-term investments				
Other related parties	607,220	607,220	-	-
Other payables				
Subsidiaries	-	-	1,261	561
Other related parties	586,681	403,247	586,681	403,247
Total	586,681	403,247	587,942	403,808
Other current liabilities				
Subsidiaries	-	-	337	562
Key management personnel	85	82	-	-
Other related parties	5,782	3,453	-	-
Total	5,867	3,535	337	562
Convertible debenture - before transaction cost				
Other related parties	5,512,052	5,844,051	5,512,052	5,844,051

4 Hire purchase receivables

4.1 As at 30 September 2019 and 31 December 2018, the balances of hire purchase receivables are as follows:

	Consolidated financial statements					
	Current portion		Non-current portion		Total	
	Hire purchase receivables 30 September 2019	Hire purchase receivables 31 December 2018	Hire purchase receivables 30 September 2019	Hire purchase receivables 31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>					
Normal receivables						
Hire purchase receivables	3,443,479	4,657,577	3,486,798	3,710,979	6,930,277	8,368,556
Accrued hire purchase income	161,667	172,899	-	-	161,667	172,899
Less: Unearned hire purchase income, net	(862,886)	(1,473,049)	(926,935)	(792,063)	(1,789,821)	(2,265,112)
Total normal receivables	2,742,260	3,357,427	2,559,863	2,918,916	5,302,123	6,276,343
Terminated agreements receivables						
Hire purchase receivables	193,940	260,112	242,384	234,439	436,324	494,551
Accrued hire purchase income	28,124	34,302	-	-	28,124	34,302
Less: Unearned hire purchase income, net	(61,611)	(101,245)	(77,377)	(58,408)	(138,988)	(159,653)
Total terminated agreements receivables	160,453	193,169	165,007	176,031	325,460	369,200
Total receivables	2,902,713	3,550,596	2,724,870	3,094,947	5,627,583	6,645,543
Less: Allowance for doubtful accounts	(186,481)	(225,677)	(190,167)	(208,107)	(376,648)	(433,784)
Hire purchase receivables, net	2,716,232	3,324,919	2,534,703	2,886,840	5,250,935	6,211,759

Group Lease Public Company Limited and its subsidiaries

Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

	Current portion		Separate financial statements			
	Hire purchase receivables		Non-current portion		Total	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>					
Normal receivables						
Hire purchase receivables	2,363,575	3,083,790	2,487,739	2,655,567	4,851,314	5,739,357
Accrued hire purchase income	112,520	106,465	-	-	112,520	106,465
Less: Unearned hire purchase income, net	(602,817)	(1,064,723)	(719,887)	(556,682)	(1,322,704)	(1,621,405)
Total normal receivables	1,873,278	2,125,532	1,767,852	2,098,885	3,641,130	4,224,417
Terminated agreements receivables						
Hire purchase receivables	169,731	231,375	234,769	223,998	404,500	455,373
Accrued hire purchase income	25,403	30,999	-	-	25,403	30,999
Less: Unearned hire purchase income, net	(52,503)	(88,576)	(76,169)	(56,758)	(128,672)	(145,334)
Total terminated agreements receivables	142,631	173,798	158,600	167,240	301,231	341,038
Total receivables	2,015,909	2,299,330	1,926,452	2,266,125	3,942,361	4,565,455
Less: Allowance for doubtful accounts	(146,187)	(176,295)	(149,277)	(169,163)	(295,464)	(345,458)
Hire purchase receivables, net	1,869,722	2,123,035	1,777,175	2,096,962	3,646,897	4,219,997

- 4.2 As at 30 September 2019 and 31 December 2018, the balances of hire purchase receivables (net of unearned hire purchase income) and allowance for doubtful accounts aged on the basis of due dates, are summarised below:

	Consolidated financial statements					
	Hire purchase receivables		Allowance for doubtful accounts		Hire purchase receivables, net	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>					
Aging						
Within due	4,533,901	5,436,103	36,905	42,689	4,496,996	5,393,414
Overdue:						
1 month	446,379	416,296	32,850	29,866	413,529	386,430
2 - 3 months	294,947	328,840	78,427	77,389	216,520	251,451
4 - 6 months	146,068	204,656	75,878	98,317	70,190	106,339
7 - 9 months	137,437	146,871	101,556	99,489	35,881	47,382
10 - 12 months	59,750	106,097	42,988	79,679	16,762	26,418
Over 12 months	9,101	6,680	8,044	6,355	1,057	325
Total	5,627,583	6,645,543	376,648	433,784	5,250,935	6,211,759

Group Lease Public Company Limited and its subsidiaries

Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

	Separate financial statements					
	Hire purchase receivables		Allowance for doubtful accounts		Hire purchase receivables, net	
	30	31	30	31	30	31
	September 2019	December 2018	September 2019	December 2018	September 2019	December 2018
	<i>(in thousand Baht)</i>					
Aging						
Within due	3,202,778	3,795,185	31,252	37,045	3,171,526	3,758,140
Overdue:						
1 month	283,245	256,617	27,832	25,225	255,413	231,392
2 - 3 months	216,725	208,980	63,956	61,644	152,769	147,336
4 - 6 months	108,733	136,459	64,190	80,604	44,543	55,855
7 - 9 months	89,310	93,075	70,486	73,613	18,824	19,462
10 - 12 months	34,612	72,868	30,813	65,059	3,799	7,809
Over 12 months	6,958	2,271	6,935	2,268	23	3
Total	<u>3,942,361</u>	<u>4,565,455</u>	<u>295,464</u>	<u>345,458</u>	<u>3,646,897</u>	<u>4,219,997</u>

- 4.3 As at 30 September 2019 and 31 December 2018, the future minimum lease payments receivable under hire purchase agreements together with the present value of the net minimum lease payments receivable are as follows:

	Consolidated financial statements			
	30 September 2019		31 December 2018	
	Minimum payments receivable	Present value of minimum payments receivable	Minimum payments receivable	Present value of minimum payments receivable
	<i>(in thousand Baht)</i>			
Portion due within one year	3,827,210	2,902,713	5,124,890	3,550,596
Portion due after one year but within five years	3,729,182	2,724,870	3,945,418	3,094,947
	<u>7,556,392</u>	<u>5,627,583</u>	<u>9,070,308</u>	<u>6,645,543</u>
Less: unearned interest income	<u>(1,928,809)</u>		<u>(2,424,765)</u>	
Present value of minimum lease payments	<u>5,627,583</u>		<u>6,645,543</u>	

Group Lease Public Company Limited and its subsidiaries

Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

	Separate financial statements			
	30 September 2019	31 December 2018		
	Minimum payments receivable	Present value of minimum payments receivable	Minimum payments receivable	Present value of minimum payments receivable
	<i>(in thousand Baht)</i>			
Portion due within one year	2,671,229	2,015,909	3,452,629	2,299,330
Portion due after one year but within five years	<u>2,722,508</u>	<u>1,926,452</u>	<u>2,879,565</u>	<u>2,266,125</u>
	5,393,737	3,942,361	6,332,194	4,565,455
<i>Less: unearned interest income</i>	<u>(1,451,376)</u>		<u>(1,766,739)</u>	
Present value of minimum lease payments	<u>3,942,361</u>		<u>4,565,455</u>	

4.4 On 30 April 2004, the Institute of Certified Accountants and Auditors of Thailand, with the approval of the Office of the Securities and Exchange Commission, stipulated an accounting guideline for the consumer finance business, whereby recognition of revenue is to cease for accounts receivable which are overdue by more than 3 installments. However, this accounting guideline provides an alternative whereby, in cases where a company believes that the guideline would not be appropriate, it is to disclose the method it uses. The Group has a policy to cease recognising revenue from hire purchase receivables which are overdue by more than 4 installments. As at 30 September 2019 and 31 December 2018, the Group had outstanding hire purchase receivables amounting to approximately Baht 285 million and Baht 375 million, respectively (*the Company: Baht 257 million and Baht 339 million, respectively*) for which installment payments are more than 3 installments overdue but for which revenue is still being recognised.

In addition, if the Group had followed this accounting guideline, the amount of revenue recognised for the nine-month period ended 30 September 2019 and 2018 would be reduced by Baht 9.6 million and Baht 7.8 million, respectively (*the Company: Baht 9.0 million and Baht 7.1 million, respectively*).

4.5 Hire purchase agreements of the Group has terms of 8 months to 5 years and require settlement in equal installments.

As at 30 September 2019, the Company had the agreement to transfer the rights of claim under hire purchase agreements (net of unearned hire purchase interest income) with total outstanding balances not exceeding Baht 50 million (*31 December 2018: Baht 1,300 million*) as the business security for short term credit facility, debentures and letter of guarantee facility granted by commercial banks.

Group Lease Public Company Limited and its subsidiaries
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For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

5 Loan receivables

5.1 As at 30 September 2019 and 31 December 2018, the balances of loan receivables are as follows:

	Consolidated financial statements					
	Current portion loan receivables		Non-current portion loan receivables		Total	
	30	31	30	31	30	31
	September 2019	December 2018	September 2019	December 2018	September 2019	December 2018
<i>(in thousand Baht)</i>						
Normal receivables						
Loan receivables	277,737	314,213	74,040	85,831	351,777	400,044
Interest receivables	8,850	13,381	-	-	8,850	13,381
Less: Unearned interest income, net	<u>(55,807)</u>	<u>(89,163)</u>	<u>(11,926)</u>	<u>(19,067)</u>	<u>(67,733)</u>	<u>(108,230)</u>
Total normal receivables	<u>230,780</u>	<u>238,431</u>	<u>62,114</u>	<u>66,764</u>	<u>292,894</u>	<u>305,195</u>
Terminated agreements receivables						
Loan receivables	17,820	20,485	2,037	2,506	19,857	22,991
Interest receivables	2,079	2,547	-	-	2,079	2,547
Less: Unearned interest income, net	<u>(5,073)</u>	<u>(5,971)</u>	<u>(377)</u>	<u>(491)</u>	<u>(5,450)</u>	<u>(6,462)</u>
Total terminated agreements receivables	<u>14,826</u>	<u>17,061</u>	<u>1,660</u>	<u>2,015</u>	<u>16,486</u>	<u>19,076</u>
Total receivables	<u>245,606</u>	<u>255,492</u>	<u>63,774</u>	<u>68,779</u>	<u>309,380</u>	<u>324,271</u>
Less: Allowance for doubtful accounts	<u>(22,823)</u>	<u>(24,759)</u>	<u>(3,547)</u>	<u>(4,225)</u>	<u>(26,370)</u>	<u>(28,984)</u>
Loan receivables, net	<u>222,783</u>	<u>230,733</u>	<u>60,227</u>	<u>64,554</u>	<u>283,010</u>	<u>295,287</u>

5.2 As at 30 September 2019 and 31 December 2018, the balances of loan receivables (net of unearned interest income) and allowance for doubtful accounts aged on the basis of due dates, are summarised below:

	Consolidated financial statements					
	Loan receivables		Allowance for doubtful accounts		Loan receivables, net	
	30	31	30	31	30	31
	September 2019	December 2018	September 2019	December 2018	September 2019	December 2018
<i>(in thousand Baht)</i>						
Aging						
Within due	229,453	234,081	2,291	2,325	227,162	231,756
Overdue:						
1 month	37,408	41,462	3,732	4,072	33,676	37,390
2 - 3 months	25,055	26,773	7,487	7,895	17,568	18,878
4 - 6 months	6,236	9,405	3,648	5,224	2,588	4,181
7 - 9 months	5,291	6,641	3,926	4,748	1,365	1,893
10 - 12 months	5,102	5,551	4,470	4,406	632	1,145
Over 12 months	835	358	816	314	19	44
Total	<u>309,380</u>	<u>324,271</u>	<u>26,370</u>	<u>28,984</u>	<u>283,010</u>	<u>295,287</u>

Group Lease Public Company Limited and its subsidiaries

Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

- 5.3 As at 30 September 2019 and 31 December 2018, the future minimum loan payment receivables under loan agreements together with the present value of the net minimum loan payments receivables are as follows:

	Consolidated financial statements			
	30 September 2019		31 December 2018	
	Minimum payments receivable	Present value of minimum payments receivable	Minimum payments receivable	Present value of minimum payments receivable
	<i>(in thousand Baht)</i>			
Portion due within one year	306,486	245,606	350,626	255,492
Portion due after one year but within five years	76,077	63,774	88,337	68,779
	<u>382,563</u>	<u>309,380</u>	<u>438,963</u>	<u>324,271</u>
<i>Less: unearned interest income</i>	<u>(73,183)</u>		<u>(114,692)</u>	
Present value of minimum lease payments	<u>309,380</u>		<u>324,271</u>	

- 5.4 On 30 April 2004, the Institute of Certified Accountants and Auditors of Thailand, with the approval of the Office of the Securities and Exchange of Commission, stipulated an accounting guideline for the consumer finance business, whereby recognition revenue is to cease for accounts receivable which are overdue by more than 3 installments. However, this accounting guideline provides an alternative whereby, in cases where a company believes that the guideline would not be appropriate, it is to disclose the method it uses. The Group has a policy to cease recognising revenue from loan receivables which are overdue by more than 4 installments. As at 30 September 2019 and 31 December 2018, the Group had outstanding loan receivables amounting to approximately Baht 18 million and Baht 22 million, respectively, for which installment payments are more than 3 installments overdue but for which revenue is still being recognised.

In addition, if the Group had followed this accounting guideline, the amount of revenue recognised for the nine-month period ended 30 September 2019 and 2018 would be reduced by Baht 0.4 million and Baht 0.5 million, respectively.

- 5.5 The subsidiaries' loan agreements have terms of 1 - 5 years and require settlement in fixed equal installments.

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For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

6 Microfinance receivables

6.1 As at 30 September 2019 and 31 December 2018, the balances of microfinance receivables are as follows:

	Consolidated financial statements					
	Current portion microfinance receivables		Non-current portion microfinance receivables		Total	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>					
Normal receivables						
Microfinance receivables	666,273	622,262	28,235	8,778	694,508	631,040
Accrued microfinance receivables	2,791	2,604	-	-	2,791	2,604
Less: Unearned interest income, net	<u>(78,994)</u>	<u>(65,142)</u>	<u>(2,291)</u>	<u>(2,013)</u>	<u>(81,285)</u>	<u>(67,155)</u>
Total normal receivable	590,070	559,724	25,944	6,765	616,014	566,489
Less: Allowance for doubtful accounts	<u>(6,457)</u>	<u>(5,405)</u>	<u>(267)</u>	<u>(47)</u>	<u>(6,724)</u>	<u>(5,452)</u>
Microfinance receivables, net	583,613	554,319	25,677	6,718	609,290	561,037

6.2 As at 30 September 2019 and 31 December 2018, the balances of microfinance receivables (net of unearned interest income) and allowance for doubtful accounts aged on the basis of due date, are summarised below:

	Consolidated financial statements					
	Microfinance receivables		Allowance for doubtful accounts		Microfinance receivables, net	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>					
Aging						
Within due	603,424	544,275	5,467	4,990	597,957	539,285
Overdue:						
1 month	5,377	14,434	26	70	5,351	14,364
2 - 3 months	3,982	6,055	89	136	3,893	5,919
4 - 6 months	2,324	1,257	473	256	1,851	1,001
7 - 9 months	708	468	511	-	197	468
10 - 12 months	186	-	147	-	39	-
Over 12 months	13	-	11	-	2	-
Total	616,014	566,489	6,724	5,452	609,290	561,037

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For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

- 6.3 As at 30 September 2019 and 31 December 2018, the future minimum loan payment receivables under microfinance loan agreements together with the present value of the net minimum loan payments receivable are as follows:

	Consolidated financial statements			
	30 September 2019		31 December 2018	
	Minimum payments receivable	Present value of minimum payments receivable	Minimum payments receivable	Present value of minimum payments receivable
	<i>(in thousand Baht)</i>			
Portion due within one year	669,064	590,070	624,866	559,724
Portion due after one year but within five years	28,235	25,944	8,778	6,765
	<u>697,299</u>	<u>616,014</u>	<u>633,644</u>	<u>566,489</u>
<i>Less: unearned interest income</i>	<u>(81,285)</u>		<u>(67,155)</u>	
Present value of minimum lease payments	<u>616,014</u>		<u>566,489</u>	

- 6.4 The subsidiaries' microfinance loan agreements have terms of 1 to 5 years and require settlement in fixed equal instalments

7 Consumer finance receivables under joint financing arrangements

- 7.1 As at 30 September 2019 and 31 December 2018, the balances of consumer financing receivables under joint financing arrangements are as follows:

	Current Portion		Consolidated financial statements			
	consumer finance receivables under joint arrangements		Non-current portion consumer finance receivables under joint arrangements		Total	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>					
Hire purchase receivables						
Hire purchase receivables under joint financing arrangements	17,498	85,748	1,560	44,373	19,058	130,121
Accrued interest receivables	802	4,037	-	-	802	4,037
<i>Less: Unearned financing income, net</i>	<u>(1,051)</u>	<u>(15,965)</u>	<u>(7)</u>	<u>(7,519)</u>	<u>(1,058)</u>	<u>(23,484)</u>
<i>Less: Portions financed by bank under joint financing arrangement</i>	<u>(11,946)</u>	<u>(68,382)</u>	<u>(1,065)</u>	<u>(17,599)</u>	<u>(13,011)</u>	<u>(85,981)</u>
Total Hire purchase receivables	<u>5,303</u>	<u>5,438</u>	<u>488</u>	<u>19,255</u>	<u>5,791</u>	<u>24,693</u>
<i>Less: Allowance for doubtful accounts</i>	<u>(33)</u>	<u>(41)</u>	<u>(3)</u>	<u>(145)</u>	<u>(36)</u>	<u>(186)</u>
Hire purchase receivables under joint financing arrangements, net	<u>5,270</u>	<u>5,397</u>	<u>485</u>	<u>19,110</u>	<u>5,755</u>	<u>24,507</u>
Microfinance receivables						
Microfinance receivables under joint financing arrangements	464	906	-	431	464	1,337
<i>Less: Unearned financing income, net</i>	<u>(88)</u>	<u>(297)</u>	<u>-</u>	<u>(75)</u>	<u>(88)</u>	<u>(372)</u>
<i>Less: Portions financed by bank under joint financing arrangement</i>	<u>(284)</u>	<u>(653)</u>	<u>-</u>	<u>(147)</u>	<u>(284)</u>	<u>(800)</u>
Total Microfinance receivables	<u>92</u>	<u>(44)</u>	<u>-</u>	<u>209</u>	<u>92</u>	<u>165</u>
<i>Less: Allowance for doubtful accounts</i>	<u>(1)</u>	<u>2</u>	<u>-</u>	<u>(8)</u>	<u>(1)</u>	<u>(6)</u>
Microfinance receivables under joint financing arrangements, net	<u>91</u>	<u>(42)</u>	<u>-</u>	<u>201</u>	<u>91</u>	<u>159</u>
Consumer finance receivable under joint financing arrangements, net	<u>5,361</u>	<u>5,355</u>	<u>485</u>	<u>19,311</u>	<u>5,846</u>	<u>24,666</u>

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7.2 As at 30 September 2019 and 31 December 2018, the balances of consumer finance receivables under joint financing arrangements (net of unearned financing income) and allowance for doubtful accounts aged on the basis of due dates, are summarised below:

	Consolidated financial statements					
	Consumer finance receivables under joint arrangements		Allowance for doubtful accounts		Consumer finance receivables under joint arrangements, net	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>					
Aging						
Hire purchase receivables						
Within due	3,597	12,541	2	8	3,595	12,533
Overdue:						
1 month	865	5,404	4	26	861	5,378
2 - 3 months	1,329	6,748	30	152	1,299	6,596
4 - 6 months	-	-	-	-	-	-
7 - 9 months	-	-	-	-	-	-
10 - 12 months	-	-	-	-	-	-
Total	5,791	24,693	36	186	5,755	24,507
Microfinance receivables						
Within due	58	93	-	-	58	93
Overdue:						
1 month	8	23	-	-	8	23
2 - 3 months	26	23	1	1	25	22
4 - 6 months	-	26	-	5	-	21
7 - 9 months	-	-	-	-	-	-
10 - 12 months	-	-	-	-	-	-
Total	92	165	1	6	91	159
Total consumer finance receivables under joint arrangements	5,883	24,858	37	192	5,846	24,666

Group Lease Public Company Limited and its subsidiaries

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- 7.3 As at 30 September 2019 and 31 December 2018, the future minimum loan payment receivable under consumer finance receivables under joint financing arrangements together with the present value of the net minimum loan payments receivable are as follows:

	Consolidated financial statements			
	30 September 2019	31 December 2018		
	Minimum payments receivable	Present value of minimum payments receivable (in thousand Baht)	Minimum payments receivable	Present value of minimum payments receivable
Hire purchase receivables				
Portion due within one year	18,300	17,249	89,785	73,820
Portion due after one year but within five years	1,560	1,553	44,373	36,854
	<u>19,860</u>	<u>18,802</u>	<u>134,158</u>	<u>110,674</u>
<i>Less: Unearned interest income</i>	(1,058)	-	(23,484)	-
<i>Less: Portions financed by bank under joint financing arrangements</i>	<u>(13,011)</u>	<u>(13,011)</u>	<u>(85,981)</u>	<u>(85,981)</u>
Present value of minimum lease payments	<u>5,791</u>	<u>5,791</u>	<u>24,693</u>	<u>24,693</u>
Microfinance receivables				
Portion due within one year	464	376	906	609
Portion due after one year but within five years	-	-	431	356
	<u>464</u>	<u>376</u>	<u>1,337</u>	<u>965</u>
<i>Less: Unearned interest income</i>	(88)	-	(372)	-
<i>Less: Portions financed by bank under joint financing arrangements</i>	<u>(284)</u>	<u>(284)</u>	<u>(800)</u>	<u>(800)</u>
Present value of minimum loan payments	<u>92</u>	<u>92</u>	<u>165</u>	<u>165</u>
Total present value of minimum loan payments	<u>5,883</u>	<u>5,883</u>	<u>24,858</u>	<u>24,858</u>

- 7.4 The subsidiary's loan agreements have terms of 2 to 4 years for consumer finance receivables under joint financing arrangement and require settlement in fixed equal instalments.

- 7.5 As at 30 September 2019 and 31 December 2018, the Company's subsidiary had transferred rights of claim relating to the assets of debtor for the portions financed by bank under hire purchase agreements which is under joint financing arrangements with outstanding balances (net of unearned interest income) of IDR 5,914 million and IDR 38,214 million, respectively, in order to secure joint financing facilities granted by related - commercial bank.

As at 30 September 2019 and 31 December 2018, the Company's subsidiary had transferred rights of claim under microfinance agreements which is under joint financing arrangements with outstanding balances (net of unearned interest income) of IDR 129 million and IDR 356 million, respectively, in order to secure credit facilities granted by commercial bank.

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- 7.6 A subsidiary entered into a joint financing facility agreement with a related - commercial bank to obtain revolving joint financing facilities of IDR 100,000 million. Moreover, during the year 2017, the subsidiary entered into an additional joint financing facility agreement, for non-revolving joint financing facilities amounting to IDR 200,000 million. The purpose of these joint financing agreements is to provide loans to consumers for purchases of agricultural machinery and tools, vehicles, solar panels and white goods. The duration of the agreements is 72 months from the first drawdown, or for as long as both parties are willing to continue the agreements. The interest rates are 13% per annum. This joint financing agreement is of the debtor assets. As at 30 September 2019 and 31 December 2018, the credit facilities under the joint financing agreements which have not yet been drawdown amounted to IDR 137,235 million.

From November 2017, the Joint Financing arrangements have temporarily been suspended by the action of JTrust Group. This action is not affecting the existing portfolio but has an effect on the new portfolio of PT Group Lease Finance Indonesia (“GLFI”). The agreement on the Joint financing credit facilities is in force and will resume its activity once legal proceedings are concluded. Furthermore, the Joint Financing Agreement is in the progress of the legal proceedings initiated by JTrust Group as described in Note 18.

8 Corporate loans and interest receivables

- 8.1 The Company provided loans to its subsidiary in Singapore, which in turn loaned to borrowers in Cyprus and Singapore. The composition of these receivables is as follows:

Location of borrowers	Interest rate (% per annum)	Consolidated financial statements			
		30 September 2019		31 December 2018	
		(in thousand)			
		USD	THB	USD	THB
Cyprus	14.5 - 17.0	9,243	282,754	9,243	299,926
Singapore	14.5 - 25.0	36,106	1,104,548	36,106	1,171,628
Others	5.0 - 10.0	1,337	40,909	1,166	37,837
Total loans		<u>46,686</u>	<u>1,428,211</u>	<u>46,515</u>	<u>1,509,391</u>
Interest receivables			<u>43,767</u>		<u>50,461</u>
Total corporate loans and interest receivables			1,471,978		1,559,852
Less: Allowance for loan and interest receivables			(1,430,832)		(1,517,729)
Less: Current portion			<u>(41,146)</u>		<u>(42,123)</u>
Long-term portion of corporate loans and interest receivables			<u>-</u>		<u>-</u>

In April 2018, the Management of the Company's subsidiary gave notices of repayment to all the Singapore and Cyprus borrowers for the remainder of the outstanding loan amounts and interest due to 31 May 2018. Up to 30 September 2019, neither repayment of principal or interest has been received on these loans.

As a consequence of the default of the loan and other factors hampering collection, as at 30 September 2019 and 31 December 2018 the management believes that full provision against loans to Cyprus and Singapore group is appropriate in accordance with the Group accounting policy.

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As more fully described in the audited financial statements as at 31 December 2018, on 19 October 2017 the Company received a request from the SEC to revise/correct its financial statements, Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2) in response to the criminal complaint filed by the Securities and Exchange Commission (“SEC”) to the Department of Special Investigation (“DSI”) on 16 October 2017 against a former executive director in relation to allegations of fraud, misappropriation of the Company’s assets and falsifying account records by executing concealed transactions through several associated companies abroad to exaggerate the Group’s operating results. As a result, the Company has restated its 2017 and 2016 financial statements to reverse interest income and to establish a full provision against these and other loans and interest receivable, and will record any future recoveries in the period in which they are received. The management understands that the DSI investigation against the former executive director is still ongoing but is not aware of any further consequences to the Company which may arise.

- 8.2 As at 30 September 2019 and 31 December 2018, both the disputed corporate loans and other corporate loans receivable balances in Singapore and Cyprus are presented as follows:

	Consolidated financial statements	
	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>	
Reflected in the statements of financial position as follows:		
Disputed corporate loans	552,987	586,571
Less: Allowance on disputed corporate loans	(552,987)	(586,571)
Less: Current portion of disputed corporate loans	-	-
Long-term portion of disputed corporate loans	<u>-</u>	<u>-</u>
Corporate loans and interest receivables	918,991	973,281
Less: Allowance on corporate loans and interest receivables	(877,845)	(931,158)
Less: Current portion of corporate loans and interest receivables	(41,146)	(42,123)
Long-term portion of corporate loans and interest receivables	<u>-</u>	<u>-</u>

- 8.3 As at 30 September 2019 and 31 December 2018, both the disputed corporate loans and other corporate loans receivable balances aged on the basis of due dates, are summarised below.

	Consolidated financial statements					
	Corporate loans and interest receivables		Allowance for doubtful Accounts		Corporate loans and interest receivables, net	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>					
Aging						
Within due	41,146	42,123	-	-	41,146	42,123
Overdue:						
1 - 6 months	-	-	-	-	-	-
7 - 12 months	-	1,472,210	-	(1,472,210)	-	-
Over 12 months	1,430,832	45,519	(1,430,832)	(45,519)	-	-
Total	<u>1,471,978</u>	<u>1,559,852</u>	<u>(1,430,832)</u>	<u>(1,517,729)</u>	<u>41,146</u>	<u>42,123</u>

Both the disputed corporate loans and other corporate loans receivable balances of subsidiary company were subject to pledging of securities of properties in Japan, Cyprus and Brazil, Cypriot government bonds and stocks of other overseas companies.

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9 Investment in associate

	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity		Consolidated financial statements		At equity - net			
			30	31	30	31	30	31	30	31	Allowance for investment loss in associate		30	31		
			September	December	September	December	September	December	September	December	September	December	September	December	September	December
			2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
			(%)								(in thousand Baht)					
<i>Associate</i>																
Commercial Credit and Finance PLC	Microfinance, loans and hire purchase	Sri Lanka	29.99	29.99	318,074	318,074	2,492,602	2,492,602	2,535,907	2,558,988	(582,085)	(582,085)	1,955,006	1,976,903		
					Thousand LKR	Thousand LKR										

Commercial Credit and Finance PLC (“CCF”) is listed on the Colombo Stock Exchange (the “CSE”) in Sri Lanka. However, management and other outside financial advisors have concluded that due to the very low activity of the market for CCF on the CSE, the market value of CCF is not considered representative of the fair value.

During 2018, the Group has tested investment in CCF for impairment, relying on a valuation conducted by Gajma & Co, a financial advisor and appraisal firm in Sri Lanka, dated 22 February 2019. Upon completion of the valuation, Gajma & Co reached a conclusion that the estimated value of CCF is higher than its carrying value. The management continuously monitors financial performance of CCF.

For the three-month and nine-month periods ended 30 September 2019 and 2018, the Group recognised dividend received in the separate financial statements of subsidiary amounting to Baht 16.04 and Baht 16.61 million, respectively.

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10 Investment in subsidiaries

Name of subsidiaries	Separate financial statements										Dividend income for the nine-month periods ended	
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		30	30
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	September 2019	September 2018
	(%)						(in thousand Baht)					
Direct subsidiaries												
Thanaban Company Limited	100.00	100.00	565,000 Thousand Baht	565,000 Thousand Baht	629,696	629,696	-	-	629,696	629,696	-	-
Group Lease Holdings Pte. Ltd.	100.00	100.00	214,448 Thousand SGD	214,448 Thousand SGD	5,387,211	5,387,211	(2,426,818)	(2,426,818)	2,960,393	2,960,393	-	-
GL Leasing (Lao) Company Limited	0.12	0.12	41,840,720 Thousand LAK	41,840,720 Thousand LAK	213	213	-	-	213	213	-	-
Total					6,017,120	6,017,120	(2,426,818)	(2,426,818)	3,590,302	3,590,302	-	-

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Investment in subsidiaries which are held by the Company's subsidiaries are as follows:

Name of subsidiaries	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the nine-month periods ended	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	30 September 2018
	(%)						<i>(in thousand Baht)</i>					
<i>Held by Group Lease Holdings Pte. Ltd.</i>												
GL Finance Plc.	100.00	100.00	10,300 Thousand USD	10,300 Thousand USD	359,470	359,470	-	-	359,470	359,470	-	-
GL Leasing (Lao) Company Limited	99.88	99.88	41,840,720 Thousand LAK	41,840,720 Thousand LAK	176,195	176,195	-	-	176,195	176,195	-	-
PT Group Lease Finance Indonesia	65.00	65.00	100,000,000 Thousand IDR	100,000,000 Thousand IDR	172,133	172,133	-	-	172,133	172,133	-	-
BG Microfinance Myanmar Co., Ltd.	100.00	100.00	18,849,080 Thousand MMK	18,849,080 Thousand MMK	717,922	717,922	-	-	717,922	717,922	-	-
GL-AMMK Co., Ltd.	57.00	57.00	4,080,000 Thousand MMK	4,080,000 Thousand MMK	59,350	59,350	-	-	59,350	59,350	575	-
<i>Held by Thanaban Company Limited</i>												
Comfort Services Development Company Limited	100.00	100.00	4,000 Thousand Baht	4,000 Thousand Baht	4,000	4,000	-	-	4,000	4,000	-	-
Total					1,489,070	1,489,070	-	-	1,489,070	1,489,070	575	-

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11 Other long-term investments

		Consolidated financial statements	
	<i>Note</i>	30 September 2019	31 December 2018
		<i>(in thousand Baht)</i>	
<i>Investments in held-to-maturity debt securities</i>			
Convertible loan	3	192,718	192,718
<i>Investments in other companies</i>			
Bagan Innovation Technology (Singapore) Pte. Ltd.		63,776	63,776
PT Bank JTrust Indonesia Tbk.	3	414,502	414,502
Total investments in other companies		<u>478,278</u>	<u>478,278</u>
Total		<u>670,996</u>	<u>670,996</u>

Investment in PT Bank JTrust Indonesia Tbk.

The major shareholder in PT Bank JTrust Indonesia Tbk. (holding approximately 97% of the shares) is under the same group as the plaintiff in various legal cases against the Company as described in Note 18. The management of the Company has evaluated the value of PT Bank JTrust Indonesia Tbk. based on the latest available information and considered that there is no impairment of this investment.

12 Changes in liabilities arising from financing activities

	Consolidated financial statements
	Loan and interest payable <i>(in thousand Baht)</i>
Balance at 1 January 2019	41,990
Changes from financing cash flows	(18,620)
Non-cash items	
Addition	1,330
The effect of changes in foreign exchange rates	(1,202)
Balance at 30 September 2019	<u>23,498</u>

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13 Debentures

	Consolidated and separate financial statements	
	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>	
Debentures 1/2016	-	1,500,000
Less: Unamortised portion of deferred transaction costs	-	(13,189)
Debentures, net	-	1,486,811

Details of the Company's debentures were as follow:

	1/2016
Amount	Baht 1,500 million
Issue date	29 September 2016
Maturity date	29 September 2019
Term	3 years
Interest rate	2.84% per annum
Interest payment term	Semi-annually
Interest payment schedule	29 March and 29 September
Principal repayment	On the redemption date of 29 September 2019
Guarantee	Disclosed in Note 17.

Debentures have been fully paid on 12 September 2019.

14 Convertible debentures

	Consolidated and separate financial statements	
	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>	
Convertible debentures 1/2016	3,978,312	4,219,312
Convertible debentures 1/2017	1,533,739	1,624,739
Convertible debentures 2/2017	613,496	649,896
Total	6,125,547	6,493,947
Less: Unamortised portion of deferred transaction costs	(2,832)	(4,548)
Convertible debentures, net	6,122,714	6,489,399
Less: Amount classified as equity	(59,458)	(59,458)
Amount classified as liability	6,063,257	6,429,941

Reflected in the statements of financial position as follows:

Convertible debentures under court cases		
- Current	1,497,996	-
- Non-current	3,966,063	5,794,581
Convertible debentures - other		
- Current	599,198	-
- Non-current	-	635,360
	6,063,257	6,429,941

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Convertible debentures as at 30 September 2019 and 31 December 2018 were as follow:

	1/2016	1/2017	2/2017
Type of debentures	Unsubordinated, unsecured convertible debenture without debenture holders' representative	Unsubordinated, unsecured convertible debenture without debenture holders' representative	Unsubordinated, unsecured convertible debenture without debenture holders' representative
Number of units	1,300 units	500 units	200 units
Face value/unit	USD 100,000	USD 100,000	USD 100,000
Issue date	1 August 2016	20 March 2017	30 March 2017
Maturity date	1 August 2021	20 March 2020	30 March 2020
Term	5 years	3 years	3 years
Interest rate	5% per annum	5% per annum	5% per annum
Interest payment term	Semi-annually	Semi-annually	Semi-annually
Interest payment schedule	1 August and 1 February	20 March and 20 September	30 March and 30 September
Redemption at maturity date	1. Redeem in full in cash 2. Convert into common stock	1. Redeem in full in cash 2. Convert into common stock	1. Redeem in full in cash 2. Convert into common stock
Conversion to common stock	1 convertible debenture per 88,550 shares	1 convertible debenture per 49,507 shares	1 convertible debenture per 49,507 shares
Conversion price	Baht 40 per share	Baht 70 per share	Baht 70 per share
Date of conversion	Last business day of each quarter	Last business day of each month	Last business day of each month

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15 Segment information

The Group are organised into business units based on its products and services. During the current period, the Group have not changed the organisation of their reportable segments. The following tables present revenue information regarding the Group' operating segments.

	Consolidated financial statements												Total	
	Hire Purchase and loans		Financing to corporates and investment		Business management and consulting		Microfinance		Consumer finance under joint financing arrangements		Item not allocated			
									2019	2018				
<i>Three-month periods ended 30 September</i>	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>													
External revenues	512,479	615,658	570	474	22,839	24,385	48,899	43,983	937	16,321	-	-	585,724	700,821
Inter-segment revenue	130,566	117,287	35,852	50,066	5,967	6,477	-	-	-	-	-	-	172,385	173,830
Other income	(10,608)	14,714	15,964	12,307	1,927	2,793	3,160	448	669	(1,526)	-	-	11,112	28,736
Total segment revenue	632,437	747,659	52,386	62,847	30,733	33,655	52,059	44,431	1,606	14,795	-	-	769,221	903,387
Adjustment and eliminations	(130,566)	(117,287)	(35,852)	(50,066)	(5,967)	(6,477)	-	-	-	-	-	-	(172,385)	(173,830)
Total segment revenue, net	501,871	630,372	16,534	12,781	24,766	27,178	52,059	44,431	1,606	14,795	-	-	596,836	729,556
Segment profit (loss) before income tax	85,522	217,484	(15,318)	(17,127)	11,646	16,423	30,870	29,884	(13,570)	(26,453)	(63,417)	(89,127)	35,733	131,082

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	Consolidated financial statements												Total	
	Hire Purchase and loans		Financing to corporates and investment		Business management and consulting		Microfinance		Consumer finance under joint financing arrangements		Item not allocated			
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<i>Nine-month periods ended</i>	<i>(in thousand Baht)</i>													
30 September	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
External revenues	1,630,530	1,861,685	1,465	1,398	68,782	64,603	139,374	127,190	6,754	41,546	-	-	1,846,905	2,096,422
Inter-segment revenue	421,786	343,805	84,880	126,868	18,098	19,141	-	-	-	-	-	-	524,764	489,814
Other income	16,978	21,895	56,189	32,983	4,766	8,457	6,760	1,783	4,230	167	-	-	88,923	65,285
Total segment revenue	2,069,294	2,227,385	142,534	161,249	91,646	92,201	146,134	128,973	10,984	41,713	-	-	2,460,592	2,651,521
Adjustment and eliminations	(421,786)	(343,805)	(84,880)	(126,868)	(18,098)	(19,141)	-	-	-	-	-	-	(524,764)	(489,814)
Total segment revenue, net	1,647,508	1,883,580	57,654	34,381	73,548	73,060	146,134	128,973	10,984	41,713	-	-	1,935,828	2,161,707
Segment profit (loss) before income tax	421,887	650,871	(37,089)	(77,291)	37,061	40,347	92,477	89,509	(47,577)	(66,480)	(247,719)	(209,592)	219,041	427,364
Segment assets as at 30 September/ 31 December	6,117,495	7,160,199	358,529	101,668	80,780	13,917	663,888	797,349	116,743	105,809	5,667,067	6,435,190	13,004,500	14,614,132
Segment liabilities as at 30 September/ 31 December	6,910,330	8,661,850	58,919	75,689	8,538	7,471	71,602	76,708	37,941	14,265	-	-	7,087,329	8,835,983

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Geographic information

Revenue from external customers is based on locations of the customers

<i>Three-month periods ended 30 September</i>	2019	2018
	<i>(in thousand Baht)</i>	
Revenue from external customers and other income		
Thailand	384,333	463,373
Cambodia	92,583	133,649
Singapore	13,095	9,227
Laos	22,441	31,820
Indonesia	14,815	24,598
Myanmar	69,569	66,889
Total	<u>596,836</u>	<u>729,556</u>
<i>Nine-month period ended 30 September</i>	2019	2018
	<i>(in thousand Baht)</i>	
Revenue from external customers and other income		
Thailand	1,266,487	1,350,182
Cambodia	299,893	423,689
Singapore	47,512	24,073
Laos	71,762	95,853
Indonesia	50,431	87,704
Myanmar	199,743	180,206
Total	<u>1,935,828</u>	<u>2,161,707</u>

16 Financial instruments

Determining fair value of assets and liabilities

The fair value of short-term financial assets and liabilities are taken to approximate the carrying value as determined in the statement of financial position.

The fair value of long-term financial assets and liabilities are taken to approximate the carrying value because most of these financial instruments bear interest approximately to market rate.

Measurement of fair values

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

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17 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Capital commitments				
<i>Contracted but not provided for:</i>				
Software licenses	-	-	400	400
Building improvement and lease area	-	-	612	649
Total	-	-	1,012	1,049
Future minimum lease payments under non-cancellable operating leases				
Within one year	23,106	29,819	5,003	7,606
After one year but within five years	21,163	40,271	462	2,877
Total	44,269	70,090	5,465	10,483

Guarantees

As at 30 September 2019, there were outstanding bank guarantees of approximately Baht 0.3 million (31 December 2018: Baht 975.3 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee amounting to Baht 0.3 million to guarantee electricity use and use of post services (31 December 2018: Baht 975.0 million to guarantee debentures and Baht 0.3 million to guarantee electricity use and use of post services).

As at 31 December 2018, letters of guarantee to guarantee debentures amounting Baht 975.0 million (30 September 2019: Nil) is secured by the agreement to transfer the rights of claim under hire purchase agreements (net of unearned hire purchase interest income) as disclosed in Notes 4 and assets foreclosed.

Exclusive Referral Agreement

On 26 June 2017, GL Finance Plc. (“GLF”) entered into a 3 year Exclusive Referral Agreement (automatically renewed for a further two years unless both parties mutually agree in writing not to renew the agreement at least six months before the expiration date) with a company which is the sole distributor of Honda motorcycles in Cambodia. The agreement grants GLF the right to act as the exclusive finance agent to arrange hire purchase finance for Honda brand motorcycles. GLF is required to pay a fee at a rate of 3.6% of the finance amount provided to each customer who purchases a motorcycle.

18 Contingencies

The Group is the defendant in several legal cases actioned by the substantial convertible debenture holder of the Company and its related companies alleging - misrepresentation of the financial status of the Company and defamation; misrepresentation of the financial position of the Company’s subsidiary in Singapore; and breach of a joint finance agreement by the Company’s subsidiary in Indonesia; - and claiming rehabilitation of the Company, monetary compensation and interest. The Group has filed counter actions, and preliminary hearings and discovery proceedings on these actions are in progress. The ultimate outcome of the above matters cannot presently be determined. The management consider that no provision for any liability or reclassification of convertible debentures is required in the financial statements.

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18.1 Litigations in Thailand

1) Civil Cases

a) Civil black case number Por. 83/2561

Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
JTrust Asia Pte. Ltd. (“JTA”)	Group Lease Public Company Limited (“GL”), directors and former directors of the Company	- Tort - Avoidance of Convertible Debenture Transaction - Compensation	Baht 8,020,132,483.88	- On 9 January 2018, JTA filed a civil complaint to the Civil Court. - On 13 March 2018, GL submitted the answer to the Civil Court against the JTA’s claims. - On 17 April 2018, GL submitted the petition to the Civil Court requesting the Court to first decide on legal issues to set aside the JTA’s claim against GL case. - On 2 October 2018, GL filed a petition requesting the Court to grant an injunctive relief for the plaintiff to deposit money as security for the Court’s fee and expense in the amount of THB 10 million.

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Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
				<ul style="list-style-type: none"> - On 7 December 2018, the Court ordered dismissal of GL’s petition requesting the Court to grant an injunctive relief for JTA to deposit money as security in the amount of THB 10 million for the Court’s fees and expenses. The petition request the Court to decide on legal issues to set aside JTA’s claims. In addition, the Court has also fixed the disputed issues and burden of proof of the parties as fixed the schedules for witness examination between 20 August and 9 October 2019. - The Court scheduled a judgment date on 3 December 2019. - On 8 October 2019, The court cancel all previous schedule and rescheduled for witness examination to the date during 7 May and 24 June 2020 - The judgement date is scheduled for 25 August 2020.

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b) Civil black case number Por. 2313/2561

Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
Group Lease Public Company Limited (“GL”)	JTrust Asia Pte. Ltd. (“JTA”)	<ul style="list-style-type: none"> - Tort - Claim for damage regarding violation to Bankruptcy Act B.E. 2483 	Baht 880,000,000	<ul style="list-style-type: none"> - On 30 April 2018, GL filed a civil complaint against JTA to the Civil Court. - On 17 December 2018, the Court ordered dismissal of the JTA’s petition requesting the Court to suspend further proceedings of the case. In addition, on the same day, the Court has also fixed the disputed issues and burden of proof of the parties as fixed schedules for the parties’ witness examination between 12 and 29 November 2019. - The Court scheduled a judgment date on 29 January 2020.

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c) Civil black case number Por. 2399/2561

Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
1. J Trust Co., Ltd. (“JTrust”) 1. JTrust Asia Pte. Ltd. (“JTA”)	Group Lease Public Company Limited (“GL”)	<ul style="list-style-type: none"> - Tort - Defamation - Claim for damage 	Baht 20,271,232.88	<ul style="list-style-type: none"> - On 3 May 2018, JTrust and JTA filed the civil complaint against GL for defamation. - On 3 August 2018, the Company submitted a petition requesting the Court to temporarily suspend further proceedings of the case in order to hear the result of the Court’s order/judgment in the preliminary examination stage of the related Criminal Black Case No. Aor. 1346/2561. Subsequently, the Plaintiffs filed the objection statement to the Court against the GL’s petition. - On 7 August 2018, the Court fixed a new schedule for settlement of the disputed issues and the burden of proof of the parties on 26 October 2018. - On 21 February 2019, the Court informed the schedule for plaintiff’s and defendant’s witness examination between 16 and 28 January 2020. - The Court scheduled a judgement date on 20 March 2020.

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2) Rehabilitation Case

Black case number For. 1/2561

Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
JTrust Asia Pte. Ltd. (“JTA”)	Group Lease Public Company Limited (“GL”)	Business rehabilitation	USD 180,000,000	<ul style="list-style-type: none"> - On 10 January 2018, JTA filed a petition for rehabilitation against GL to the Central Bankruptcy Court. - On 12 March 2018, GL submitted the objection statement against the rehabilitation petition to the Court. - On 19 March 2018, the Central Bankruptcy Court dismissed JTA’s rehabilitation petition. - On 17 April 2018, JTA submitted the appeal against the Court’s order dismissing the Rehabilitation Petition. The appeal has been accepted by the Court on 18 April 2018. - On 19 September 2018, GL submitted its answer to the Petitioner’s appeal. - On 26 February 2019, the Court of Appeal for Specialised Cases overruled the Central Bankruptcy Court’s order and ordered for the re-hearing to be in accordance with the details of the case. - On 26 April 2019, the Court took testimony of some of JTA’s witnesses. The Court scheduled the next hearing as the continuous trial during 26 June 2019 to 2 July 2019. - On 28 June 2019, were the examination of witnesses from both sides. - On 15 August 2019, JTA’s rehabilitation petition.

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Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
				- The Court allowed JTA to extend the period of submission of its appeal to 15 November 2019.

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3) Criminal Cases

a) Criminal black case No. Aor 6/2561

Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
Group Lease Public Company Limited (“GL”)	1. JTrust Asia Pte. Ltd. (“JTA”) 2. Mr. Nobuyoshi Fujisawa 3. Shigeyoshi Asano 4. Legal advisor	Submission of false business rehabilitation petition	-	<ul style="list-style-type: none"> - On 11 April 2018, GL filed the Criminal Complaint with the Central Bankruptcy Court. - On 18 September 2018, the Court has issued an order scheduling dates for cross examination of the plaintiff’s witnesses and continuing the preliminary examination on 16 and 17 January 2019. - On 16 January 2019, there was the plaintiff’s witness cross examination. - On 11 and 18 March 2019, the Court took the preliminary examination. - On 22 February 2019, GL withdraw the petition against the 4th defendant. - On 11 March 2019, the Court rendered the order that this case was temporarily struck out until the final judgment of the rehabilitation case, being the Red Case No. Aor. 4/2562.

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b) Criminal black case No. Aor. 1346/2561 (DISMISSED)

Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
1. J Trust Co., Ltd. ("JTrust") 2. JTrust Asia Pte. Ltd. ("JTA")	Group Lease Public Company Limited ("GL")	Defamation	-	<ul style="list-style-type: none"> - On 3 May 2018, JTrust and JTA filed the criminal complaint with the Criminal Court against GL. - On 13 December 2018, the Court's preliminary examination of JTrust and JTA's witness was completed. - On 31 January 2019, the Court dismissed the complaint of JTrust and JTA. - On 25 April 2019, JTrust and JTA submitted the appeal against the Court Judgment. Currently, this case is in appeal process.

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18.2 Litigation in Singapore

Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
JTrust Asia Pte. Ltd (“JTA”)	Group Lease Holdings Pte. Ltd. (“GLH”), former director of GLH and other defendants	Tort of conspiracy by introducing to invest in GL	<ul style="list-style-type: none"> - Damages for the conspiracy - Interest - Costs - Other reliefs as the Court deems fit 	<ul style="list-style-type: none"> - On 26 December 2017 JTA commenced legal proceedings in Singapore court against GLH and other defendants. - JTA applied for and obtained an ex-parte interim injunction order restraining GLH from dealing with or disposing of its assets in Singapore up to the value of USD 180,000,000 (save allowances for ordinary business expenses, and legal fees). - GLH denies JTA’s claims, and has duly engaged lawyers in Singapore to defend against these allegations. - On 23 February 2018, the High Court granted GLH’s setting aside application and discharged the ex parte interim injunction order. In addition, the High Court dismissed JTA’s applications to expand the scope of the ex parte interim injunction order. - JTA filed an appeal against this decision, and on 1 June 2018, the Singapore Court allowed the appeal in part. The Singapore Supreme Court reinstated the Mareva injunction against GLH and expanded its scope to cover its assets both in Singapore and worldwide up to the value of USD 180,000,000 (save allowances for ordinary business expenses, and legal fees). The Singapore Supreme Court however disallowed JTA’s appeal in relation to its application to expand the scope of the Mareva injunction orders to include “asset sales, investments and/or loans”, regardless of whether such transactions were made in the ordinary and proper course of business.

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Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
				<ul style="list-style-type: none"> - The trial for this case was held from 8 October to 31 October 2019. - The judgement is expected to be during the first quarter of 2020.

18.3 Litigation in Indonesia

a) Case number 542/PDT.G/2018/PN.JKT.PST

Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
PT Bank JTrust Indonesia, TBK (“BJTI”)	PT Group Lease Finance Indonesia (“GLFI”)	Breaching of the Joint Financing agreement	IDR 103,636,408,863 (equivalent to approximately Baht 233.18 million)	<ul style="list-style-type: none"> - On 1 October 2018, BJTI filed a civil complaint against GLFI with the District Court of Central Jakarta. - During November to December 2018, there were the proceedings of mediation and all the mediations failed. - On 22 January 2019, GLFI submitted its reply to the Court. - On 12 February 2019, BJTI submitted its response of the rejoinder to the Court. - On 16 May 2019, the Court dismissed the case. - On 18 June 2019, GLFI received official notification on BJTI appeal, Memorandum of Appeal and the official summons for GLFI to appear before the District Court. - On 1 July 2019, GLFI submitted Counter Memorandum of Appeal to the High Court.

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Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
				- Until now, no further update available, since the process in High Court takes more time compare to the District Court.

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b) Case number 321/PDT.G/2019/ PN.JKT.PST (revised from 542/PDT.G/2018/PN.JKT.PST)

Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
PT Group Lease Finance Indonesia (“GLFI”)	PT Bank JTrust Indonesia, TBK (“BJTI”)	Compensation of damages	IDR 21,690,420,090 (equivalent to approximately Baht 48 million) Revised to IDR 20,735,749,549 (equivalent to approximately Baht 45 million)	<ul style="list-style-type: none"> - On 29 April 2019, GLFI filed a civil complaint against BJTI with District Court of Central Jakarta. - On 23 May 2019, The Panel of Judges (“ PoJ”) examined the documents and concluded that the legal standing of both parties is complete and clear. PoJ appointed mediator to the case and schedule first mediation on 29 May 2019. - On 29 May 2019, BJTI didn’t appear to the mediation. Mediator scheduled next mediation to 19 June 2019. - On 10 June 2019, GLFI submitted revised Statement of Claim, the case was registered under the number 321/PDT.G/2019/ PN.Jkt.Pst. - On 19 June 2019, BJTI didn’t appear to the mediation due to miscommunication. Mediator scheduled next mediation. - On 27 June 2019, mediation has been held, parties agreed to invite Principals to the next mediation to try to solve the case. Mediator scheduled next mediation to 4 July 2019. - On 3 July 2019, summons for revised case has been received. The first hearing of the case no. 321/PDT.G/2019/PN.JKT.PST was scheduled for 9 July 2019.

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Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
				<ul style="list-style-type: none"> - On 4 July 2019, during the mediation, GLFI informed Mediator that it revokes the claim registered under the number 254/PDT.G/2018/PN. JKT.PST. Mediator closed the mediation. PoJ declared that the examination of the case shall be closed. - On 9 July 2019, the District Court of Central Jakarta examined documents of the representatives of the parties in the case no. 321/PDT.G/2019/PN. JKT.PST. BJTI representatives failed to submit POA since notification of the hearing was received only on 8 July 2019. - On 30 July 2019, the PoJ completed the examination of BJTI documentation. - There were the proceedings of mediation and several postponements. - On 22 October 2019, the mediator adjourned the mediation to 5 November 2019 since both party agree to discuss on settlement proposal.

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As discussed in the Notes 18.1 18.2 and 18.3, the Group is aware of the importance of the above situation and together with external legal advisors, have considered the likelihood that there has been any breach of covenants or event of default as stipulated in the Group's credit facility agreements, debentures agreements and joint finance agreements including court claims against the Group. Both Management and the legal advisors believe that the Group is not in breach of any conditions of the agreements with the creditors and the joint finance partner and has not violated any laws and the demands as claims. Furthermore, the Company believes that as long as the legal cases are outstanding, the non-payment of interest on convertible debentures does not regard as a default of the convertible debentures conditions.

19 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new TFRS which are relevant to the Group's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS which become effective for annual financial reporting periods beginning on or after 1 January 2020 are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments

* *TFRS - Financial instruments standards*

(a) *TFRS - Financial instruments standards*

These TFRSs establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRSs are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

(b) *TFRS 16 Leases*

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

Management is presently considering the potential impact of adopting and initially applying those TFRSs on the financial statements.

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20 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2018 and the statement of comprehensive income for the three-month and nine-month period ended 30 September 2018, which are included in the 2019 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2019 interim financial statements.

	Consolidated financial statements		
	Before reclass.	Reclass.	After reclass.
	<i>(in thousand Baht)</i>		
<i>Statement of financial position as at 31 December 2018</i>			
Current portion of assets-backed loan receivables	230,733	(230,733)	-
Current portion of loan receivables	-	230,733	230,733
Current portion of loans and interest receivables	42,123	(42,123)	-
Current portion of corporate loans and interest receivables	-	42,123	42,123
Long-term portion of assets-backed loan receivables	64,554	(64,554)	-
Long-term portion of loan receivables	-	64,554	64,554
		<u>-</u>	
<i>Statement of comprehensive income</i>			
<i>- Three-month period ended 30 September 2018</i>			
Asset-backed loan interest income	39,607	(39,607)	-
Loan interest income	-	39,607	39,607
Interest on loan receivables	474	(474)	-
Corporate loan interest income	-	474	474
Hire purchase interest income	515,985	3,013	518,998
Microfinance interest income	42,031	(864)	41,167
Consumer finance under joint financing arrangements interest income	17,899	(2,149)	15,750
Other income related to the activities of hire purchase	80,109	(24,384)	55,725
Hire purchase service fee income	-	24,384	24,384
		<u>-</u>	
<i>Statement of comprehensive income</i>			
<i>- Nine-month period ended 30 September 2018</i>			
Asset-backed loan interest income	121,622	(121,622)	-
Loan interest income	-	121,622	121,622
Interest on loan receivables	1,398	(1,398)	-
Corporate loan interest income	-	1,398	1,398
Hire purchase interest income	1,554,029	18,220	1,572,249
Microfinance interest income	122,267	(2,924)	119,343
Consumer finance under joint financing arrangements interest income	55,309	(15,296)	40,013
Other income related to the activities of hire purchase	228,912	(64,603)	164,309
Hire purchase service fee income	-	64,603	64,603
		<u>-</u>	

In addition, the Group has reclassified current portion of disputed loans to current portion of disputed corporate loans. The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.