

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

Condensed interim financial statements
for the three-month period ended
31 March 2020
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 31 March 2020 the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2020; 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”.

Emphasis of Matters

I draw attention to following matters:

- 1) I draw attention to Note 8 of the interim financial information relating to corporate loans and interest receivables. 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 established 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 17 of the interim financial information 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 considers that no further provision for any liability, impairment of assets or reclassification of convertible debentures is required in the financial statements.
- 3) I draw attention to Note 2(c) and 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 these matters.

(Chokechai Ngamwutikul)
Certified Public Accountant
Registration No. 9728

KPMG Phoomchai Audit Ltd.
Bangkok
15 May 2020

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

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March 2020 (Unaudited)	31 December 2019	31 March 2020 (Unaudited)	31 December 2019
<i>(in thousand Baht)</i>					
Current assets					
Cash and cash equivalents		3,293,503	3,091,515	245,209	365,980
Current investments		170,377	105,646	2,500	-
Current portion of hire purchase receivables	5	2,839,242	2,942,550	1,872,525	1,979,097
Current portion of loan receivables	6	262,494	232,754	-	-
Current portion of microfinance receivables	7	736,994	626,833	-	-
Current portion of consumer finance receivables under joint financing arrangements		3,660	6,086	-	-
Current portion of disputed corporate loans	8	-	-	-	-
Current portion of corporate loans and interest receivables	8	45,017	41,055	-	-
Inventories		203	305	-	-
Assets foreclosed		70,454	59,555	22,228	16,201
Short-term loan to and interest receivables from subsidiaries	4	-	-	445,624	144,127
Other receivables	4	100,768	120,361	61,288	71,707
Other current assets	4	231,733	219,580	39,300	35,381
Total current assets		7,754,445	7,446,240	2,688,674	2,612,493
Non-current assets					
Pledged fixed deposit at financial institution		346	343	346	343
Investment in associate	9	1,784,570	1,766,759	-	-
Investments in subsidiaries	10	-	-	3,590,302	3,590,302
Other long-term investments	4, 11	547,385	535,509	-	-
Long-term portion of hire purchase receivables	5	2,075,286	2,162,135	1,466,169	1,544,400
Long-term portion of loan receivables	6	95,349	64,200	-	-
Long-term portion of microfinance receivables	7	12,833	21,707	-	-
Long-term portion of consumer finance receivables under joint financing arrangements		784	322	-	-
Long-term portion of loans to subsidiaries	4	-	-	5,033,921	4,646,075
Property, plant and equipment		118,757	91,344	53,330	52,622
Intangible assets		101,399	103,991	65,179	67,865
Goodwill		338,630	317,868	-	-
Deferred tax assets		184,014	134,623	93,848	57,578
Other non-current assets		83,882	79,451	36,375	34,399
Total non-current assets		5,343,235	5,278,252	10,339,470	9,993,584
Total assets		13,097,680	12,724,492	13,028,144	12,606,077

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

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

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		31 March 2020 (Unaudited)	31 December 2019	31 March 2020 (Unaudited)	31 December 2019
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Trade accounts payable		3,677	6,936	5,232	1,176
Deposits from customers		73,424	57,362	-	-
Current portion of lease liabilities		18,640	-	2,272	-
Short-term loans and interest payable	12, 14	690,286	18,216	670,549	-
Current portion of convertible debentures under court cases	4, 14	1,600,237	1,476,772	1,600,237	1,476,772
Current portion of convertible debentures - other	14	-	590,700	-	590,700
Income tax payable		-	27,191	-	-
Insurance premium payables		8,640	10,664	5,952	5,189
Other payables	4	931,591	834,858	814,021	710,644
Other current liabilities	4	98,459	114,192	57,985	59,811
Total current liabilities		3,424,954	3,136,891	3,156,248	2,844,292
Non-current liabilities					
Long term portion of lease liabilities		9,694	-	60	-
Convertible debentures under court cases	4, 14	4,236,376	3,909,559	4,236,376	3,909,559
Provisions for long-term employee benefits		22,904	21,213	22,904	21,213
Deferred tax liabilities		51,923	47,923	-	-
Cash guarantee for damage on hire purchase agreements		2,064	2,064	2,064	2,064
Total non-current liabilities		4,322,961	3,980,759	4,261,404	3,932,836
Total liabilities		7,747,915	7,117,650	7,417,652	6,777,128
Equity					
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)		(128,850)	99,683	(482,544)	(278,206)
Other components of equity		(699,936)	(666,134)	45,339	59,458
Equity attributable to owners at the parent		5,218,911	5,481,246	5,610,492	5,828,949
Non-controlling interests		130,854	125,596	-	-
Total equity		5,349,765	5,606,842	5,610,492	5,828,949
Total liabilities and equity		13,097,680	12,724,492	13,028,144	12,606,077

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)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Three-month periods ended		Three-month periods ended	
		31 March		31 March	
		2020	2019	2020	2019
<i>(in thousand Baht)</i>					
Revenue					
Hire purchase interest income		385,694	479,854	269,157	332,837
Loan interest income		23,986	35,365	-	-
Microfinance interest income		52,242	42,260	-	-
Consumer finance under joint financing arrangements interest income		717	4,140	-	-
Corporate loan interest income		512	445	-	-
Hire purchase service fee income		24,975	23,014	-	-
Revenue from sales of goods		794	1,479	-	-
Other interest income	4	14,269	18,515	85,022	91,723
Management fee	4	-	-	25,500	21,000
Other income related to the activities of hire purchase		59,953	58,076	29,383	31,828
Other income related to the activities of microfinance		4,553	2,320	-	-
Gain (loss) on exchange rate		(51,897)	11,605	(150,175)	27,826
Other income	4	5,025	6,643	2,225	3,099
Total revenue		520,823	683,716	261,112	508,313
Expenses					
Service and administrative expenses	4	294,159	294,656	153,834	155,679
Expected credit loss and loss arising from derecognition		216,015	-	121,183	-
Bad and doubtful debt expenses		-	107,495	-	74,448
Cost of sales of goods		676	1,237	-	-
Loss on disposals of assets foreclosed		60,079	77,391	51,420	67,810
Total expenses		570,929	480,779	326,437	297,937
Share of profit from investment in associate	9	20,492	39,128	-	-
Profit (loss) before finance cost and income tax expenses		(29,614)	242,065	(65,325)	210,376
Finance cost	4	(83,138)	(95,838)	(80,507)	(94,281)
Profit (loss) before income tax expenses		(112,752)	146,227	(145,832)	116,095
Income tax expenses		(2,670)	(34,419)	10,376	(23,077)
Profit (loss) for the period		(115,422)	111,808	(135,456)	93,018

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		Separate	
		financial statements		financial statements	
		Three-month periods ended		Three-month periods ended	
		31 March		31 March	
		2020	2019	2020	2019
<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		(22,344)	22,882	-	-
Share of other comprehensive income (expense) of associate	9	(2,540)	11,730	-	-
Total items that will be reclassified subsequently to profit or loss		(24,884)	34,612	-	-
<i>Components of other comprehensive income that will not be reclassified subsequently to profit or loss</i>					
Gain on investments in equity instruments designated at fair value through other comprehensive income		11,877	-	-	-
Share of other comprehensive income (expense) of associate	9	(141)	-	-	-
Total items that will not be reclassified subsequently to profit or loss		11,736	-	-	-
Other comprehensive income (expense) for the period		(13,148)	34,612	-	-
Total comprehensive income (expense) for the period		(128,570)	146,420	(135,456)	93,018
Profit (loss) attributable to:					
Owners of the parent		(114,145)	107,595	(135,456)	93,018
Non-controlling interests		(1,277)	4,213	-	-
Profit (loss) for the period		(115,422)	111,808	(135,456)	93,018
Total comprehensive income (expense) attributable to:					
Owners of the parent		(133,828)	142,567	(135,456)	93,018
Non-controlling interests		5,258	3,853	-	-
Total comprehensive income (expense) for the period		(128,570)	146,420	(135,456)	93,018
Basic earnings (loss) per share (in Baht)		(0.0748)	0.0705	(0.0888)	0.0610

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

Note	Consolidated financial statements												
	Retained earnings (Deficit)				Other components of equity								
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated (Deficit)	Gain (loss) on remeasuring financial assets from associate	Revaluation surplus on land and building from associate	Gain (loss) on revaluing other comprehensive income	Translating foreign operation	Convertible debentures - equity component	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
<i>(in thousand Baht)</i>													
Three-month period ended 31 March 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	-	-	-	107,595	-	-	-	-	-	-	107,595	4,213	111,808
Other comprehensive income (expense) for the period	-	-	-	-	(33)	-	-	35,005	-	34,972	34,972	(360)	34,612
Total comprehensive income for the period	-	-	-	107,595	(33)	-	-	35,005	-	34,972	142,567	3,853	146,420
Balance as at 31 March 2019	<u>762,769</u>	<u>5,192,673</u>	<u>92,255</u>	<u>239,506</u>	<u>1,994</u>	<u>352</u>	<u>-</u>	<u>(552,337)</u>	<u>59,458</u>	<u>(490,533)</u>	<u>5,796,670</u>	<u>127,899</u>	<u>5,924,569</u>
Three-month period ended 31 March 2020													
Balance as at 31 December 2019 - as reported	762,769	5,192,673	92,255	99,683	2,477	-	-	(728,069)	59,458	(666,134)	5,481,246	125,596	5,606,842
Impact of changes in accounting policies	-	-	-	(114,388)	-	-	-	-	-	-	(114,388)	-	(114,388)
Balance as at 1 January 2020 - restated	762,769	5,192,673	92,255	(14,705)	2,477	-	-	(728,069)	59,458	(666,134)	5,366,858	125,596	5,492,454
Loss for the period	-	-	-	(114,145)	-	-	-	-	-	-	(114,145)	(1,277)	(115,422)
Other comprehensive income (expense) for the period	-	-	-	-	(141)	-	11,877	(31,419)	-	(19,683)	(19,683)	6,535	(13,148)
Total comprehensive income (expense) for the period	-	-	-	(114,145)	(141)	-	11,877	(31,419)	-	(19,683)	(133,828)	5,258	(128,570)
Reclassify convertible debentures - equity component	-	-	-	-	-	-	-	-	(14,119)	(14,119)	(14,119)	-	(14,119)
Balance as at 31 March 2020	<u>762,769</u>	<u>5,192,673</u>	<u>92,255</u>	<u>(128,850)</u>	<u>2,336</u>	<u>-</u>	<u>11,877</u>	<u>(759,488)</u>	<u>45,339</u>	<u>(699,936)</u>	<u>5,218,911</u>	<u>130,854</u>	<u>5,349,765</u>

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

	<i>Note</i>	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>							
Three-month period ended 31 March 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		-	-	-	93,018	-	93,018
Balance as at 31 March 2019		762,769	5,192,673	92,255	(447,303)	59,458	5,659,852
Three-month period ended 31 March 2020							
Balance as at 31 December 2019 - as reported		762,769	5,192,673	92,255	(278,206)	59,458	5,828,949
Impact of changes in accounting policies	3	-	-	-	(68,882)	-	(68,882)
Balance as at 1 January 2020 - restated		762,769	5,192,673	92,255	(347,088)	59,458	5,760,067
Loss and other comprehensive expense for the year		-	-	-	(135,456)	-	(135,456)
Reclassify convertible debentures - equity component	14	-	-	-	-	(14,119)	(14,119)
Balance as at 31 March 2020		762,769	5,192,673	92,255	(482,544)	45,339	5,610,492

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	
	Three-month periods ended 31 March		Three-month periods ended 31 March	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit before income tax expenses	(112,752)	146,227	(145,832)	116,095
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Depreciation and amortisation	17,209	13,762	5,646	5,773
Expected credit loss and loss arising from derecognition	216,191	-	121,183	-
Bad and doubtful debts expenses	-	107,495	-	74,448
Loss on disposals of assets foreclosed	60,079	77,391	51,420	67,810
Loss on diminution in value of assets foreclosed	6,798	1,332	3,690	1,800
Reversal of allowance on other receivables	-	(2,042)	-	-
Loss on disposal and write-off assets	389	5	-	2
Loss on disposal and write-off intangible assets	607	-	-	-
Unrealised loss (gain) on exchange	41,960	(10,952)	150,193	(27,755)
Provision for long-term employee benefits	1,691	2,057	1,691	2,057
Share of profit from investment in associate	(20,492)	(39,128)	-	-
Other interest income	(14,269)	(18,515)	(85,022)	(91,723)
Interest expenses	82,036	90,962	79,922	89,405
Interest expenses on lease liabilities	556	-	39	-
Amortised transaction cost of debentures	-	4,292	-	4,292
Amortised transaction cost of convertible debentures	546	584	546	584
	<u>280,549</u>	<u>373,470</u>	<u>183,476</u>	<u>242,788</u>
<i>Changes in operating assets and liabilities</i>				
Hire purchase receivables	(85,652)	237,529	(22,484)	84,885
Loan receivables	(66,553)	14,083	-	-
Microfinance receivables	(138,260)	(4,368)	-	-
Consumer finance receivables under joint financing arrangements	2,079	8,440	-	-
Corporate loans and interest receivables	(3,962)	(36,975)	-	-
Inventories	102	(1)	-	-
Assets foreclosed	(77,776)	(83,995)	(61,137)	(73,387)
Other receivables	38,478	(12,093)	9,777	(4,254)
Other current assets	(44,518)	(28,372)	2,093	1,795
Other non-current assets	(4,515)	1,471	(2,050)	127
Trade accounts payables	(3,259)	7,192	4,055	12,295
Deposit from customers	16,062	3,774	-	-
Insurance premium payables	(2,023)	279	764	(1,423)
Other payables	(19,211)	19,704	(13,253)	9,860
Other current liabilities	(16,382)	(15,448)	(1,826)	2,011
Net cash generated from operating activities	<u>(124,841)</u>	<u>484,690</u>	<u>99,415</u>	<u>274,697</u>
Interest paid	(2,104)	(38,717)	-	(37,157)
Income tax paid	(22,992)	(47,703)	(1,918)	(662)
Net cash (used in) from operating activities	<u>(149,937)</u>	<u>398,270</u>	<u>97,497</u>	<u>236,878</u>

Net cash (used in) from operating activities of these interim financial statements.

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

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month periods ended		Three-month periods ended	
	31 March		31 March	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Increase in current investment	(47,640)	(8)	(2,500)	-
(Increase) decrease in pledged fixed deposits at financial institution	(3)	142	(3)	(3)
Decrease in accounts receivable and loans to employees	275	26	275	26
Long-term loans to subsidiaries	-	-	(220,000)	(450,000)
Acquisitions of equipments	(3,528)	(1,666)	(88)	(109)
Acquisitions of intangible assets	(134)	(8,924)	(90)	(750)
Proceeds from sales of equipment	588	51	-	-
Interest received	9,587	16,045	5,334	3
Net cash from (used in) from investing activities	(40,855)	5,666	(217,072)	(450,833)
<i>Cash flows from financing activities</i>				
Repayment of long-term loans	-	(6,291)	-	-
Cash paid for lease liabilities	(6,726)	-	(1,196)	-
Net cash used in financing activities	(6,726)	(6,291)	(1,196)	-
Net (decrease) increase in cash and cash equivalents, before effect of exchange rates	(197,518)	397,645	(120,771)	(213,955)
Effect of exchange rate changes on cash and cash equivalents	399,506	(63,750)	-	-
Net increase (decrease) in cash and cash equivalents	201,988	333,895	(120,771)	(213,955)
Cash and cash equivalents at 1 January	3,091,515	3,745,003	365,980	409,893
Cash and cash equivalents at 31 March	3,293,503	4,078,898	245,209	195,938
Non-cash items				
Reclassify other components of equity to short-term loans and interest payable	14,119	-	14,119	-
Reclassify current portion of convertible debentures - other to short-term loans and interest payable	640,095	-	640,095	-
Reclassify other payables to to short-term loans and interest payable	16,336	-	16,336	-

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 period ended 31 March 2020 (Unaudited)

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Group Lease Public Company Limited and its subsidiaries

Notes to the condensed interim financial statements

For the three-month period ended 31 March 2020 (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 15 May 2020.

1 General information

Group Lease Public Company Limited, (the “Company”) was listed on the Stock Exchange of Thailand on October 2004 and has its registered head office at 63 Soi 1 Thetsabannimitai Road, Ladyao, Chatuchak, Bangkok.

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 the notes to the interim financial statements are prepared 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 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 2019.

The Group has initially applied TFRS - Financial instruments standards and TFRS 16 *Leases* and has disclosed the impact from changes to significant accounting policies in Note 3.

In addition, the Group has not early adopted a number of new and revised TFRS, which are not yet effective for the current period, in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(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 were described in the financial statements for the year ended 31 December 2019, except for the new significant judgements and key sources of estimation uncertainty related to the application of new TFRS as described in Note 3.

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

As disclosed in Note 17, 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 Changes in accounting policies

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16. Impact of the changes in accounting policies on shareholders' equity are as follows:

		Consolidated financial statements		Separate financial statements	
		Retained earnings	Other components of equity	Retained earnings	Other components of equity
	Note	<i>(in thousand Baht)</i>			
At 31 December 2019 - as reported					
<i>Increase (decrease) due to:</i>		191,938	(666,134)	(185,951)	59,458
Adoption of TFRS – Financial instruments standards					
Impairment losses on financial assets	A(2)				
- The Company and Subsidiaries		(100,896)	-	(86,103)	-
- Associate		(34,616)	-	-	-
Related tax		21,124	-	17,221	-
At 1 January 2020 - restated		77,550	(666,134)	(254,833)	59,458

A. TFRS - Financial instruments standards

The Group has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings on 1 January 2020. Comparative information has not been restated in accordance with the transitional provisions of the standard.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS – Financial instruments standards are as follows:

(1) Classification and measurement of financial assets and financial liabilities

TFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVTPL). The classification under TFRS 9 is based on the cash flow characteristics of the financial asset and the business model in which they are managed. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

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The following table shows measurement categories under previous standards and TFRS 9, including reconciliation of the carrying amounts of each class of the Group's financial assets and financial liabilities as at 1 January 2020.

Consolidated financial statements

Classification under previous standards at 31 December 2019	Carrying amounts	Classification under TFRS 9 at 1 January 2020		
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost - net
		<i>(in million Baht)</i>		
Cash and cash equivalents	3,092	-	-	3,092
Current investments	106	-	-	106
Current portion of loan receivables	233	-	-	233
Current portion of microfinance receivables	627	-	-	627
Current portion of corporate loans and interest receivables	41	-	-	41
Other long-term investments	536	-	343	193
Long-term portion of loan receivables	64	-	-	64
Long-term portion of microfinance receivables	22	-	-	22
Total	4,721	-	343	4,378
Deposits from customers	57	-	-	57
Short-term loans and interest payable	18	-	-	18
Current portion of convertible debentures under court cases	1,477	-	-	1,477
Current portion of convertible debentures - other	591	-	-	591
Total	2,143	-	-	2,143

Separate financial statements

Classification under previous standards at 31 December 2019	Carrying amounts	Classification under TFRS 9 at 1 January 2020		
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost - net
		<i>(in million Baht)</i>		
Cash and cash equivalents	366	-	-	366
Short-term loan to and interest receivables from subsidiaries	144	-	-	144
Long-term portion of loans to subsidiaries	4,646	-	-	4,646
Total	5,156	-	-	5,156
Current portion of convertible debentures under court cases	1,477	-	-	1,477
Current portion of convertible debentures - other	591	-	-	591
Total	2,068	-	-	2,068

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Loan receivables, microfinance receivables, corporate loans and loan to subsidiaries are measured at amortised cost as it meets both of the following conditions:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(2) Impairment

TFRS 9 introduces forward-looking 'expected credit loss' (ECL) model whereas previously the Group estimates allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-weighted basis. The new impairment model applies to financial assets measured at amortised cost and lease receivable, except for investments in equity instruments.

Significant accounting estimates and judgements

The Group expected credit loss calculations are based on complex models with a series of underlying assumptions. The significant judgements and estimates in determining expected credit loss include criteria for assessing if there has been a significant increase in credit risk and development of expected credit loss models, including the choice of inputs relating to macroeconomic variables.

Measurement

An expected credit loss represents the present value of expected cash shortfalls over the residual term of a financial asset. A cash shortfall is the difference between the cash flows that are due in accordance with the contractual terms of the instrument and the cash flows that are expected to be received over the contractual life of the instrument.

Expected credit losses are computed as unbiased, probability weighted amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money, and considering all reasonable and supportable information. This includes forward looking information.

The estimate of expected cash shortfalls is determined by multiplying the probability of default (PD) with the loss given default (LGD) with the expected exposure at the time of default (EAD).

Forward-looking macroeconomic assumptions are incorporated into the PD, LGD and EAD where relevant.

Cash shortfalls are discounted using the effective interest rate on the financial instrument.

Expected Loss Recognition – Staging

Stage 1

Expected credit losses are recognised at the time of initial recognition of a financial instrument and represent the lifetime cash shortfalls arising from possible default events up to 12 months into the future from the balance sheet date. Expected credit losses continue to be determined on this basis until there is either a significant increase in the credit risk of an instrument or the instrument becomes credit impaired. If an instrument is no longer considered to exhibit a significant increase in credit risk, expected credit losses will revert to being determined on a 12-month basis.

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Stage 2

If a financial asset experiences a significant increase in credit risk (SICR) since initial recognition, an expected credit loss provision is recognised for default events that may occur over the lifetime of the asset. SICR is assessed by comparing the risk of default of an exposure at the reporting date to the risk of default at origination. Financial assets that are 30 or more days past due and not credit-impaired will always be considered to have experienced a significant increase in credit risk.

Stage 3

Financial assets that are credit impaired represent those that are at least/over 91 days past due in respect of principal and/or interest.

Impairment provisions against credit impaired financial assets are determined based on an assessment of the recoverable cash flows under a range of scenarios, including the realisation of any collateral held where appropriate, representing the difference between the present value of the cash flows expected to be recovered, discounted at the instrument's original effective interest rate, and the gross carrying value of the instrument prior to any credit impairment.

The Group has determined that the application of TFRS 9's impairment requirements at 1 January 2020 results in a change in the allowance for expected credit loss as follows:

	Consolidated financial statement		
	Allowance for doubtful accounts as at 31 December 2019	Re-measurement (in thousand Baht)	Allowance for expected credit loss as at 1 January 2020
Hire purchase receivables	429,840	110,415	540,255
Loan receivables	26,930	(10,294)	16,636
Microfinance receivables	12,491	775	13,266
Corporate loans	1,409,558	-	1,409,558
Total	1,878,819	100,896	1,979,715

	Separate financial statement		
	Allowance for doubtful accounts as at 31 December 2019	Re-measurement (in thousand Baht)	Allowance for expected credit loss as at 1 January 2020
Hire purchase receivables	367,068	86,103	453,171
Total	367,068	86,103	453,171

Prior to 1 January 2020 The Group provide allowance for doubtful accounts for hire purchase receivables, loan receivables and Microfinance receivables based on the estimated collection losses that may be incurred in collection of receivables, by considering of the current status of receivables, their ability to make payment, past experience and historical data on actual losses on collection.

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(3) Interest

From 1 January 2020 interest income and expense are recognised in profit or loss using the effective interest method. The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the effective interest rate for financial instruments other than credit-impaired assets, the Group estimates future cash flows considering all contractual terms of the financial instrument, but not expected credit losses. For credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit losses.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

The ‘amortised cost’ of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance. The ‘gross carrying amount of a financial asset’ is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Calculation of interest income and expense

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis. For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

For financial assets and liabilities that exist on the date of transition, the effective interest rate will be applied prospectively.

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B. TFRS 16 Leases

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. As at 1 January 2020, the Group recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.

	Consolidated financial statements	Separate financial statements
<i>Impact from the adoption of TFRS 16</i>		
	<i>(in thousand Baht)</i>	
<i>At 1 January 2020</i>		
Increase in right-of-use assets	32,098	3,489
Increase in lease liabilities – current portion	20,617	3,342
Increase in lease liabilities – non-current portion	11,481	147
	Consolidated financial statements	Separate financial statements
<i>Measurement of lease liability</i>		
	<i>(in thousand Baht)</i>	
Operating lease commitment as disclosed at 31 December 2019	38,511	4,326
Recognition exemption for leases less than one year	<u>(4,334)</u>	<u>(756)</u>
Finance lease liabilities recognised as at 31 December 2019	34,177	3,570
Discounted using the incremental borrowing rate at 1 January 2020	<u>(2,079)</u>	<u>(81)</u>
Lease liabilities recognised at 1 January 2020	<u>32,098</u>	<u>3,489</u>
Weighted-average incremental borrowing rate (% per annum)	<u>6.99</u>	<u>5.00</u>

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4 Related parties

Relationships with associate and subsidiaries are described in Notes 9 and 10.

Significant transactions for the three-month period ended 31 March with related parties were as follows:

<i>Three-month periods ended</i> 31 March	Pricing policy	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
<i>(in thousand Baht)</i>					
<i>Subsidiaries</i>					
Other interest income	5.50% - 7.00% per annum	-	-	85,661	91,723
Management fee	Contract rate	-	-	25,500	21,000
Other income	Contract rate	-	-	767	969
Service and administrative expenses	Contract rate	-	-	161	160
<i>Other related parties</i>					
Other interest income	6.50% per annum	2,890	2,889	-	-
Other income	Contract rate	282	1,423	-	-
Interest expenses	5.00% per annum	71,930	71,275	71,930	71,275
<i>Key management personnel compensation</i>					
Short-term employee benefits		16,077	16,056	5,232	5,321
Total key management personnel compensation		16,077	16,056	5,232	5,321

Balances as at 31 March 2020 and 31 December 2019 with related parties were as follows:

<i>Loans to related parties</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2020	2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019
<i>(% per annum)</i>						
<i>(in thousand Baht)</i>						
<i>Short-term loans</i>						
Subsidiaries	1.00 - 1.15	-	-	-	220,000	-
<i>Interest receivables from related parties</i>						
Subsidiaries	1.00 - 7.00	7.00	-	-	225,624	144,127
Total short-term loans to related parties			-	-	445,624	144,127
<i>Long-term loans</i>						
Subsidiaries	7.00	7.00	-	-	5,033,921	4,646,075
Total long-term loans to related parties			-	-	5,033,921	4,646,075
Total loans and interest receivables to related parties			-	-	5,479,545	4,790,202

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For the three-month period ended 31 March 2020 (Unaudited)

Movements during the three-month periods ended 31 March of loans and interest receivables to related parties were as follows:

<i>Three-month periods ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Subsidiaries				
At 1 January	-	-	4,790,202	5,517,775
Increase	-	-	292,894	528,320
Decrease	-	-	(5,331)	-
Gain (loss) from exchange rate	-	-	401,780	(106,387)
At 31 March	-	-	5,479,545	5,939,708
	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>			
Other receivables				
Subsidiaries	-	-	60,375	65,169
Key management personnel	528	558	-	-
Other related parties	192,197	173,262	-	-
	<u>192,725</u>	<u>173,820</u>	<u>60,375</u>	<u>65,169</u>
<i>Less: allowance for expected credit loss / allowance for doubtful accounts</i>	<u>(171,106)</u>	<u>(157,718)</u>	<u>-</u>	<u>-</u>
Net	<u>21,619</u>	<u>16,102</u>	<u>60,375</u>	<u>65,169</u>
Other current assets				
Other related parties	202,615	171,520	-	-
Other long-term investments				
Other related parties	446,368	471,733	-	-
Other payables				
Subsidiaries	-	-	165	401
Other related parties	773,547	646,136	773,547	646,136
Total	<u>773,547</u>	<u>646,136</u>	<u>773,712</u>	<u>646,537</u>
Other current liabilities				
Subsidiaries	-	-	1,132	289
Key management personnel	91	84	-	-
Other related parties	8,402	6,310	-	-
Total	<u>8,493</u>	<u>6,394</u>	<u>1,132</u>	<u>289</u>
Convertible debenture - before transaction cost				
Other related parties	5,883,614	5,433,801	5,883,614	5,433,801

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5 Hire purchase receivables

5.1 As at 31 March 2020 and 31 December 2019, the balances of hire purchase receivables were as follows:

	Consolidated financial statements					
	Current portion		Non-current portion		Total	
	Hire purchase receivables	Hire purchase receivables	Hire purchase receivables	Hire purchase receivables		
	31	31	31	31	31	31
March	December	March	December	March	December	
2020	2019	2020	2019	2020	2019	
	<i>(in thousand Baht)</i>					
Normal receivables						
Hire purchase receivables	3,849,713	3,889,734	2,763,034	2,762,698	6,612,747	6,652,432
Accrued hire purchase income	148,608	154,433	-	-	148,608	154,433
Less: Unearned hire purchase income, net	<u>(1,129,431)</u>	<u>(1,150,574)</u>	<u>(538,502)</u>	<u>(542,102)</u>	<u>(1,667,933)</u>	<u>(1,692,676)</u>
Total normal receivables	<u>2,868,890</u>	<u>2,893,593</u>	<u>2,224,532</u>	<u>2,220,596</u>	<u>5,093,422</u>	<u>5,114,189</u>
Terminated agreements receivables						
Hire purchase receivables	507,648	561,916	-	-	507,648	561,916
Accrued hire purchase income	50,004	36,054	-	-	50,004	36,054
Less: Unearned hire purchase income, net	<u>(160,282)</u>	<u>(177,634)</u>	<u>-</u>	<u>-</u>	<u>(160,282)</u>	<u>(177,634)</u>
Total terminated agreements receivables	<u>397,370</u>	<u>420,336</u>	<u>-</u>	<u>-</u>	<u>397,370</u>	<u>420,336</u>
Total receivables	<u>3,266,260</u>	<u>3,313,929</u>	<u>2,224,532</u>	<u>2,220,596</u>	<u>5,490,792</u>	<u>5,534,525</u>
Less: Allowance for expected credit loss / allowance for doubtful accounts	<u>(427,018)</u>	<u>(371,379)</u>	<u>(149,246)</u>	<u>(58,461)</u>	<u>(576,264)</u>	<u>(429,840)</u>
Hire purchase receivables, net	<u>2,839,242</u>	<u>2,942,550</u>	<u>2,075,286</u>	<u>2,162,135</u>	<u>4,914,528</u>	<u>5,104,685</u>

	Separate financial statements					
	Current portion		Non-current portion		Total	
	Hire purchase receivables	Hire purchase receivables	Hire purchase receivables	Hire purchase receivables		
	31	31	31	31	31	31
March	December	March	December	March	December	
2020	2019	2020	2019	2020	2019	
	<i>(in thousand Baht)</i>					
Normal receivables						
Hire purchase receivables	2,586,978	2,666,874	1,967,226	1,974,139	4,554,204	4,641,013
Accrued hire purchase income	106,332	110,215	-	-	106,332	110,215
Less: Unearned hire purchase income, net	<u>(842,595)</u>	<u>(864,486)</u>	<u>(391,859)</u>	<u>(390,965)</u>	<u>(1,234,454)</u>	<u>(1,255,451)</u>
Total normal receivables	<u>1,850,715</u>	<u>1,912,603</u>	<u>1,575,367</u>	<u>1,583,174</u>	<u>3,426,082</u>	<u>3,495,777</u>
Terminated agreements receivables						
Hire purchase receivables	474,355	527,873	-	-	474,355	527,873
Accrued hire purchase income	47,243	33,213	-	-	47,243	33,213
Less: Unearned hire purchase income, net	<u>(149,274)</u>	<u>(166,298)</u>	<u>-</u>	<u>-</u>	<u>(149,274)</u>	<u>(166,298)</u>
Total terminated agreements receivables	<u>372,324</u>	<u>394,788</u>	<u>-</u>	<u>-</u>	<u>372,324</u>	<u>394,788</u>
Total receivables	<u>2,223,039</u>	<u>2,307,391</u>	<u>1,575,367</u>	<u>1,583,174</u>	<u>3,798,406</u>	<u>3,890,565</u>
Less: Allowance for expected credit loss / allowance for doubtful accounts	<u>(350,514)</u>	<u>(328,294)</u>	<u>(109,198)</u>	<u>(38,774)</u>	<u>(459,712)</u>	<u>(367,068)</u>
Hire purchase receivables, net	<u>1,872,525</u>	<u>1,979,097</u>	<u>1,466,169</u>	<u>1,544,400</u>	<u>3,338,694</u>	<u>3,523,497</u>

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For the three-month period ended 31 March 2020 (Unaudited)

5.2 As at 31 March 2020, the balances of hire purchase receivables (net of unearned hire purchase income) and allowance for expected credit loss classified by status, are summarise below:

	Consolidated financial statements		
	Hire purchase receivables	Allowance for expected credit loss 31 March 2020 <i>(in thousand Baht)</i>	Total
Status			
Stage 1	4,309,441	209,173	4,100,268
Stage 2	605,966	88,722	517,244
Stage 3	575,385	278,369	297,016
Total	5,490,792	576,264	4,914,528

	Separate financial statements		
	Hire purchase receivables	Allowance for expected credit loss 31 March 2020 <i>(in thousand Baht)</i>	Total
Status			
Stage 1	2,790,688	147,614	2,643,074
Stage 2	540,998	82,581	458,417
Stage 3	466,720	229,517	237,203
Total	3,798,406	459,712	3,338,694

As at 31 December 2019, 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 31 December 2019 <i>(in thousand Baht)</i>	Total
Aging			
Within due	4,417,742	35,413	4,382,329
Overdue:			
1 month	410,002	33,361	376,641
2 - 3 months	296,966	81,017	215,949
4 - 6 months	158,963	80,069	78,894
7 - 9 months	105,917	76,226	29,691
10 - 12 months	104,529	84,805	19,724
Over 12 months	40,406	38,949	1,457
Total	5,534,525	429,840	5,104,685

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For the three-month period ended 31 March 2020 (Unaudited)

	Separate financial statements		
	Hire purchase receivables	Allowance for doubtful accounts 31 December 2019 <i>(in thousand Baht)</i>	Total
Aging			
Within due	3,059,061	29,751	3,029,310
Overdue:			
1 month	289,525	28,308	261,217
2 - 3 months	225,398	66,187	159,211
4 - 6 months	112,175	65,938	46,237
7 - 9 months	81,940	64,405	17,535
10 - 12 months	84,123	74,583	9,540
Over 12 months	38,343	37,896	447
Total	<u>3,890,565</u>	<u>367,068</u>	<u>3,523,497</u>

- 5.3 As at 31 March 2020 and 31 December 2019, 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	
	Minimum payments receivable	Present value of Minimum payments receivable 31 March 2020 <i>(in thousand Baht)</i>
Portion due within one year	4,555,973	3,266,260
Portion due over one year but within two years	2,019,089	1,572,079
Portion due over two years but within three years	742,847	651,406
Portion due over three years but within four years	1,098	1,047
	<u>7,319,007</u>	<u>5,490,792</u>
<i>Less: unearned interest income</i>	<i>(1,828,215)</i>	
Present value of minimum lease payments	<u>5,490,792</u>	

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For the three-month period ended 31 March 2020 (Unaudited)

	Separate financial statements	
	Minimum payments receivable	Present value of Minimum payments receivable
	31 March 2020 (in thousand Baht)	
Portion due within one year	3,214,908	2,223,039
Portion due over one year but within two years	1,426,495	1,104,897
Portion due over two years but within three years	539,881	469,666
Portion due over three years but within four years	850	804
	<u>5,182,134</u>	<u>3,798,406</u>
<i>Less: unearned interest income</i>	<u>(1,383,728)</u>	
Present value of minimum lease payments	<u>3,798,406</u>	

	Consolidated financial statements	
	Minimum payments receivable	Present value of Minimum payments receivable
	31 December 2019 (in thousand Baht)	
Portion due within one year	4,642,137	3,313,929
Portion due after one year but within five years	2,762,698	2,220,596
	<u>7,404,835</u>	<u>5,534,525</u>
<i>Less: unearned interest income</i>	<u>(1,870,310)</u>	
Present value of minimum lease payments	<u>5,534,525</u>	

	Separate financial statements	
	Minimum payments receivable	Present value of Minimum payments receivable
	31 December 2019 (in thousand Baht)	
Portion due within one year	3,338,175	2,307,391
Portion due after one year but within five years	1,974,139	1,583,174
	<u>5,312,314</u>	<u>3,890,565</u>
<i>Less: unearned interest income</i>	<u>(1,421,749)</u>	
Present value of minimum lease payments	<u>3,890,565</u>	

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

As at 31 March 2020, the Company had no agreement to transfer the rights of claim under hire purchase agreements (net of unearned hire purchase interest income) as the business security for short term credit facility, debentures and letter of guarantee facility granted by commercial banks. (31 December 2019: Baht 50 million).

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For the three-month period ended 31 March 2020 (Unaudited)

6 Loan receivables

6.1 As at 31 March 2020 and 31 December 2019, the balances of loan receivables are as follows:

	Consolidated financial statements					
	Current portion loan receivables		Non-current portion loan receivables		Total	
	31	31	31	31	31	31
	March 2020	December 2019	March 2020	December 2019	March 2020	December 2019
	<i>(in thousand Baht)</i>					
Normal receivables						
Loan receivables	323,997	287,702	115,812	77,930	439,809	365,632
Interest receivables	8,827	8,391	-	-	8,827	8,391
Less: Unearned interest income, net	(64,960)	(54,535)	(16,388)	(11,200)	(81,348)	(65,735)
Total normal receivables	267,864	241,558	99,424	66,730	367,288	308,288
Terminated agreements receivables						
Loan receivables	15,202	18,301	-	-	15,202	18,301
Interest receivables	1,341	1,770	-	-	1,341	1,770
Less: Unearned interest income, net	(3,247)	(4,475)	-	-	(3,247)	(4,475)
Total terminated agreements receivables	13,296	15,596	-	-	13,296	15,596
Total receivables	281,160	257,154	99,424	66,730	380,584	323,884
Less: Allowance for expected credit loss / allowance for doubtful accounts	(18,666)	(24,400)	(4,075)	(2,530)	(22,741)	(26,930)
Loan receivables, net	262,494	232,754	95,349	64,200	357,843	296,954

6.2 As at 31 March 2020, the balances of loan receivables (net of unearned interest income) and allowance for expected credit loss classified by status, are summarised below:

Status	Consolidated financial statements		
	Loans receivables	Allowance for expected credit loss	Total
	31 March 2020 <i>(in thousand Baht)</i>		
Stage 1	325,696	11,334	314,362
Stage 2	32,184	1,992	30,192
Stage 3	22,704	9,415	13,289
Total	380,584	22,741	357,843

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For the three-month period ended 31 March 2020 (Unaudited)

As at 31 December 2019, 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		
	Loans receivables	Allowance for doubtful accounts 31 December 2019 <i>(in thousand Baht)</i>	Total
Aging			
Within due	239,738	2,348	237,390
Overdue:			
1 month	40,066	4,002	36,064
2 - 3 months	27,019	8,095	18,924
4 - 6 months	7,387	4,403	2,984
7 - 9 months	3,985	3,016	969
10 - 12 months	4,579	3,956	623
Over 12 months	1,110	1,110	-
Total	<u>323,884</u>	<u>26,930</u>	<u>296,954</u>

- 6.3 As at 31 March 2020 and 31 December 2019, 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			
	Minimum payments receivable 31 March 2020	Present value of minimum payments receivable 31 March 2020	Minimum payments receivable 31 December 2019	Present value of minimum payments receivable 31 December 2019
				<i>(in thousand Baht)</i>
Portion due within one year	349,367	281,160	316,164	257,154
Portion due after one year but within five years	115,812	99,424	77,930	66,730
	<u>465,179</u>	<u>380,584</u>	<u>394,094</u>	<u>323,884</u>
<i>Less: unearned interest income</i>	<u>(84,595)</u>		<u>(70,210)</u>	
Present value of minimum lease payments	<u>380,584</u>		<u>323,884</u>	

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

Group Lease Public Company Limited and its subsidiaries

Notes to the condensed interim financial statements

For the three-month period ended 31 March 2020 (Unaudited)

7 Microfinance receivables

7.1 As at 31 March 2020 and 31 December 2019, the balances of microfinance receivables are as follows:

	Consolidated financial statements					
	Current portion microfinance receivables		Non-current portion microfinance receivables		Total	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>					
Normal receivables						
Microfinance receivables	878,829	722,314	16,063	23,530	894,892	745,844
Accrued microfinance receivables	2,924	3,349	-	-	2,924	3,349
Less: Unearned interest income, net	(95,297)	(86,560)	(2,269)	(1,602)	(97,566)	(88,162)
Total normal receivable	786,456	639,103	13,794	21,928	800,250	661,031
Less: Allowance for expected credit loss / allowance for doubtful accounts	(49,462)	(12,270)	(961)	(221)	(50,423)	(12,491)
Microfinance receivables, net	736,994	626,833	12,833	21,707	749,827	648,540

7.2 As at 31 March 2020, the balances of microfinance receivables (net of unearned interest income) and allowance for expected credit loss classified by aging, are summarised below:

	Consolidated financial statements		
	Microfinance receivables	Allowance for expected credit loss 31 March 2020	Total
	<i>(in thousand Baht)</i>		
Aging			
Within due	279,528	15,758	263,770
Overdue:			
1 month	419,120	24,559	394,561
2 - 3 months	77,193	4,766	72,427
Over 3 months	24,409	5,340	19,069
Total	800,250	50,423	749,827

As at 31 December 2019, 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 31 December 2019	Total
	<i>(in thousand Baht)</i>		
Aging			
Within due	636,676	5,389	631,287
Overdue:			
1 month	2,760	166	2,594
2 - 3 months	4,711	1,077	3,634
4 - 6 months	13,235	3,031	10,204
7 - 9 months	1,748	1,227	521
10 - 12 months	1,020	820	200
Over 12 months	881	781	100
Total	661,031	12,491	648,540

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For the three-month period ended 31 March 2020 (Unaudited)

- 7.3 As at 31 March 2020 and 31 December 2019, 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			
	31 March 2020		31 December 2019	
	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	881,753	786,456	725,663	639,103
Portion due after one year but within five years	16,063	13,794	23,530	21,928
	<u>897,816</u>	<u>800,250</u>	<u>749,193</u>	<u>661,031</u>
<i>Less:</i> unearned interest income	<u>(97,566)</u>		<u>(88,162)</u>	
Present value of minimum lease payments	<u>800,250</u>		<u>661,031</u>	

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

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 <i>(% per annum)</i>	Consolidated financial statements			
		31 March 2020		31 December 2019	
		<i>(in thousand)</i>			
		USD	THB	USD	THB
Cyprus	14.5 - 17.0	9,243	301,973	9,243	278,706
Singapore	14.5 - 25.0	36,106	1,179,622	36,106	1,088,736
Others	5.0 - 10.0	1,313	42,890	1,313	39,586
Total loans		<u>46,662</u>	<u>1,524,485</u>	<u>46,662</u>	<u>1,407,028</u>
Interest receivables			<u>47,758</u>		<u>43,585</u>
Total corporate loans and interest receivables			<u>1,572,243</u>		<u>1,450,613</u>
<i>Less:</i> Allowance for expected credit loss / allowance for corporate loans and interest receivables			<u>(1,527,226)</u>		<u>(1,409,558)</u>
<i>Less:</i> Current portion			<u>(45,017)</u>		<u>(41,055)</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 31 March 2020, neither repayment of principal nor interest has been received on these loans.

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Notes to the condensed interim financial statements

For the three-month period ended 31 March 2020 (Unaudited)

As a consequence of the default of the loan and other factors hampering collection, as at 31 March 2020 and 31 December 2019, the management believes that full provision against loans to Cyprus and Singapore group is appropriate in accordance with the Group accounting policy.

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 accounting records by executing concealed transactions through several associated companies abroad to exaggerate the Group’s operating results. As a result, the Company established 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 31 March 2020 and 31 December 2019, both the disputed corporate loans and other corporate loans receivable balances in Singapore and Cyprus are presented as follows:

	Consolidated financial statements	
	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>	
Reflected in the statements of financial position as follows:		
Disputed corporate loans	590,573	545,071
Less: Allowance on disputed corporate loans	(590,573)	(545,071)
Less: Current portion of disputed corporate loans	-	-
Long-term portion of disputed corporate loans	<u>-</u>	<u>-</u>
Corporate loans and interest receivables	981,670	905,542
Less: Allowance on corporate loans and interest receivables	(936,653)	(864,487)
Less: Current portion of corporate loans and interest receivables	(45,017)	(41,055)
Long-term portion of corporate loans and interest receivables	<u>-</u>	<u>-</u>

- 8.3 As at 31 March 2020, both the disputed corporate loans and other corporate loans receivable balances and allowance for expected credit loss classified by status, are summarised below:

	Consolidated financial statements		
	Corporate loans and interest receivables	Allowance for expected credit loss 31 March 2020	Corporate loans and interest receivables, net
	<i>(in thousand Baht)</i>		
Status			
Stage 1	-	-	-
Stage 2	-	-	-
Stage 3	1,572,243	1,527,226	45,017
Total	<u>1,572,243</u>	<u>1,527,226</u>	<u>45,017</u>

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For the three-month period ended 31 March 2020 (Unaudited)

As at 31 December 2019, both the disputed corporate loans and other corporate loans receivable balances and allowance for doubtful accounts aged on the basis of due dates, are summarised below.

	Consolidated financial statements		
	Corporate loans and interest receivables	Allowance for doubtful accounts 31 December 2019 <i>(in thousand Baht)</i>	Corporate loans and interest receivables, net
Aging			
Within due	-	-	-
Overdue:			
1 - 6 months	-	-	-
7 - 12 months	41,055	-	41,055
Over 12 months	1,409,558	1,409,558	-
Total	1,450,613	1,409,558	41,055

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	Consolidated financial statements											
			Ownership interest		Paid-up capital		Cost		Equity		Allowance for investment loss in associate		At equity - net	
			31	31	31	31	31	31	31	31	31	31	31	31
			March 2020	December 2019	March 2020	December 2019	March 2020	December 2019	March 2020	December 2019	March 2020	December 2019	March 2020	December 2019
			(%)						(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	2,366,655	2,348,844	(582,085)	(582,085)	1,784,570	1,766,759
					Thousand LKR	Thousand LKR								

There was no dividend income from Commercial Credit and Finance PLC (“CCF”) for the three-month periods ended 31 March 2020 and 2019.

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10 Investment in subsidiaries

Name of subsidiaries	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the three-month periods ended	
	31	31	31	31	31	31	31	31	31	31	31	31
	March 2020	December 2019	March 2020	December 2019	March 2020	December 2019	March 2020	December 2019	March 2020	December 2019	March 2020	March 2019
	(%)						(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 three-month periods ended	
	31	31	31	31	31	31	31	31	31	31	31	
	March 2020	December 2019	March 2020	December 2019	March 2020	December 2019	March 2020	December 2019	March 2020	December 2019	March 2020	March 2019
	(%)						(in thousand Baht)					
<i>Held by Group Lease Holdings Pte. Ltd.</i>												
GL Finance Plc.	100.00	100.00	10,300	10,300	359,470	359,470	-	-	359,470	359,470	-	-
			Thousand USD	Thousand USD								
GL Leasing (Lao) Company Limited	99.88	99.88	41,840,720	41,840,720	176,195	176,195	-	-	176,195	176,195	-	-
			Thousand LAK	Thousand LAK								
PT Group Lease Finance Indonesia	65.00	65.00	100,000,000	100,000,000	172,133	172,133	-	-	172,133	172,133	-	-
			Thousand IDR	Thousand IDR								
BG Microfinance Myanmar Co., Ltd.	100.00	100.00	18,849,080	18,849,080	717,922	717,922	-	-	717,922	717,922	-	-
			Thousand MMK	Thousand MMK								
GL-AMMK Co., Ltd.	57.00	57.00	4,080,000	4,080,000	59,350	59,350	-	-	59,350	59,350	-	-
			Thousand MMK	Thousand MMK								
<i>Held by Thanaban Company Limited</i>												
Comfort Services Development Company Limited	100.00	100.00	4,000	4,000	4,000	4,000	-	-	4,000	4,000	-	-
			Thousand Baht	Thousand Baht								
Total					1,489,070	1,489,070	-	-	1,489,070	1,489,070	-	-

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11 Other long-term investments

	<i>Note</i>	Consolidated financial statements 31 March 2020 <i>(in thousand Baht)</i>
<i>Investment measured at amortised cost</i>		
Convertible loan	4	192,718
<i>Investment designated at fair value through other comprehensive income</i>		
Bagan Innovation Technology (Singapore) Pte. Ltd.		63,776
PT Bank JTrust Indonesia Tbk.	4	279,015
Add: Gain on remeasurement of investments OCI		11,876
Total investment designated at fair value to other comprehensive income		<u>354,667</u>
Total		<u>547,385</u>
	<i>Note</i>	Consolidated financial statements 31 December 2019 <i>(in thousand Baht)</i>
<i>Investments in held-to-maturity debt securities</i>		
Convertible loan	4	192,718
<i>Investments in other companies</i>		
Bagan Innovation Technology (Singapore) Pte. Ltd.		63,776
PT Bank JTrust Indonesia Tbk.	4	414,502
Less: Allowance for investment loss - PT Bank JTrust Indonesia Tbk.		<u>(135,487)</u>
Total investments in other companies		<u>342,791</u>
Total		<u>535,509</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 17.

12 Allowance for expected credit loss

The movements in the allowance for expected credit loss during the period were as follows:

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
At 1 January 2020 – restated (<i>see Note 3</i>)	1,979,715	453,171
Net remeasurement of loss allowance	159,669	88,211
Financial assets repaid and derecognition	(124,475)	(106,047)
New financial assets acquired	40,172	24,377
The effect of changes in foreign exchange rate	121,572	-
At 31 March 2020	<u>2,176,653</u>	<u>459,712</u>

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13 Changes in liabilities arising from financing activities

	<i>Note</i>	Consolidated financial statements	Separate financial statements
		Loan and interest payable (in thousand Baht)	
Balance at 1 January 2020		18,216	-
Non-cash items			
Addition		443	-
Reclassified from convertible debentures	14	670,549	670,549
The effect of changes in foreign exchange rates		1,078	-
Balance at 31 March 2020		690,286	670,549

14 Convertible debentures

	Consolidated and separate financial statements	
	31 March 2020	31 December 2019
	(in thousand Baht)	
Convertible debentures 1/2016	4,248,031	3,921,510
Convertible debentures 1/2017	1,635,583	1,512,291
Convertible debentures 2/2017	-	604,916
Total	5,883,614	6,038,717
<i>Less:</i> Unamortised portion of deferred transaction costs	(1,662)	(2,228)
Convertible debentures, net	5,881,952	6,036,489
<i>Less:</i> Amount classified as equity	(45,339)	(59,458)
Amount classified as liability	5,836,613	5,977,031

Reflected in the statements of financial position as follows:

Convertible debentures under court cases		
- Current	1,600,237	1,476,772
- Non-current	4,236,376	3,909,559
Convertible debentures - other		
- Current	-	590,700
	5,836,613	5,977,031

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Convertible debentures as at 31 March 2020 and 31 December 2019 were as follow:

	1/2016	1/2017 ⁽¹⁾	2/2017 ⁽²⁾
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

- (1) Due to the ongoing litigation with JTrust Asia Pte. Ltd (the holder of convertible debenture 1/2017), the status of this convertible debenture, the rights and obligations of the parties are still unclear. The Group has decided to hold the repayment of this convertible debenture until the case is finalised.
- (2) During the first quarter of 2020, the Group and Creation Investments Sri Lanka LLC (the holder of convertible debenture 2/2017), agreed to reschedule the repayment of the principal and interest due and to change the interest rate of this debenture from 30 March 2020 to the last business day of September 2020 with the interest rate of 7% per annum. The Group reclassified this debenture to Short-term loans and interest payable of Baht 670.5 million as at 31 March 2020.

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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			
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019		
<i>Three-month periods ended</i>														
<i>31 March</i>	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	<i>(in thousand Baht)</i>													
External revenues	469,317	574,162	512	446	25,975	23,114	56,795	44,579	827	4,652	-	-	553,426	646,953
Inter-segment revenue	111,936	135,853	16,390	32,306	6,085	6,086	-	-	-	-	-	-	134,411	174,245
Other income	2,072	11,675	11,105	18,537	1,798	1,865	3,216	1,969	1,103	2,717	-	-	19,294	36,763
Total segment revenue	583,325	721,690	28,007	51,289	33,858	31,065	60,011	46,548	1,930	7,369	-	-	707,131	857,961
Adjustment and eliminations	(111,936)	(135,853)	(16,390)	(32,306)	(6,085)	(6,086)	-	-	-	-	-	-	(134,411)	(174,245)
Total segment revenue, net	471,389	585,837	11,617	18,983	27,773	24,979	60,011	46,548	1,930	7,369	-	-	572,720	683,716
Segment profit (loss) before income tax	(4,923)	185,997	(34,257)	(15,093)	9,495	13,464	11,092	30,387	(31,513)	(11,818)	(62,646)	(56,710)	(112,752)	146,227
Segment assets as at														
31 March/ 31 December	6,096,050	6,777,768	348,137	403,875	98,955	17,507	805,582	580,653	92,723	119,322	5,656,233	6,817,947	13,097,680	12,724,492
Segment liabilities as at														
31 March/ 31 December	7,545,494	8,614,530	75,055	60,012	13,454	9,497	81,121	81,331	32,791	27,133	-	-	7,747,915	7,117,650

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Geographic information

Revenue from external customers is based on locations of the customers

<i>Three-month periods ended 31 March</i>	2020	2019
	<i>(in thousand Baht)</i>	
Revenue from external customers and other income		
Thailand	361,023	449,625
Cambodia	91,037	107,474
Singapore	7,613	15,648
Laos	20,484	25,521
Indonesia	13,316	20,829
Myanmar	79,247	64,619
Total	572,720	683,716

16 Financial instruments

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Fair value through other comprehensive income	Consolidated financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
31 March 2020					
<i>Financial assets</i>					
Investments in other companies	354,667	-	101,017	253,650	354,667
		Consolidated financial statements			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		<i>(in thousand Baht)</i>			
31 December 2019					
<i>Financial assets</i>					
Investments in other companies	342,791	-	93,234	279,015	372,249

17 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, impairment of assets or reclassification of convertible debentures is required in the financial statements.

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17.1 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	<ul style="list-style-type: none"> - Tort - Avoidance of Convertible Debenture Transaction - Compensation 	Baht 8,020,132,483.88	<ul style="list-style-type: none"> - 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. - 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 requested the Court to decide on legal issues to set aside JTA's claims. In addition, the Court, in relation to the disputed issues and burden of proof of the parties, had fixed the schedule for witness examinations between 20 August and 9 October 2019. - The Court scheduled a judgment date on 3 December 2019. - On 8 October 2019, the court cancelled all previous schedules and rescheduled witness examinations to the dates between 7 May and 24 June 2020. The judgement date is scheduled for 25 August 2020. - On 24 March 2020, JTA submitted an injunction petition. - Due to the COVID-19 pandemic, the Court has cancelled all the scheduled hearing dates as well as the judgment date. The date of preliminary hearing and injunction petition examination is scheduled on 9 July 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 also fixed the disputed issues and burden of proof of the parties as fixed schedules for the parties’ witness examinations between 12 and 29 November 2019. - On 5 March 2020, the Court of First Instance ruled that JTA is liable for damages and lawyer fees in the amount of THB 685,500,000. - On 16 April 2020, JTA submitted an appeal complaint together with a petition for a stay of the execution of the judgment. - GL are now in the process of preparing an appeal answer which shall be submitted to the Court within 1 June 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, there were the examination of witnesses from both sides. - On 15 August 2019, JTA's rehabilitation petition. - On 26 November 2019, JTA submitted its appeal to the Central Bankruptcy Court. - GL are now in the process of preparing an appeal answer which the submission due is 20 May 2020.

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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 withdrew 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.

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17.2 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. - The trial for this case was held from 8 October to 31 October 2019. - On 12 February 2020, the High Court granted the decision to dismiss JTA’s claim and ordered JTA to pay the costs of the defendants. - On 13 February 2020, JTA submitted an appeal to the Court of Appeal. - The hearing of the appeal has been scheduled on 6 July 2020.

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17.3 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. - On 3 December 2019, the High Court dismissed BJTI’s claim due to it being inadmissible on the merit of the case.

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b) Case number 321/PDT.G/2019/ PN.JKT.PST (revised from 254/PDT.G/2019/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. - 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.

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Plaintiff	Defendant	Allegation	Amount in Controversy	Progress
				<ul style="list-style-type: none">- There were the proceedings of mediation and several postponements.- On 3 March 2020, there was the examination of GLFI's witness.- On 21 April 2020, there was the examination of BJTI's witness.- On 5 May 2020, both parties submitted the conclusion.- The date of pronouncement the decision will be held on 19 May 2020.

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As discussed in the Notes 17.1 17.2 and 17.3, 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.

18 Impact of COVID-19

The ongoing COVID-19 crisis certainly has and will have an impact on our operations in all countries and entities. The severity of this impact varies from one country to another. The management has started an analysis of the intensity of the pandemic consequences in each entity. In order to mitigate any future impact, the management has decided to set up a management overlay. It has been estimated based on current indicators to alleviate any temporary negative revenue impact stemming from COVID-19 and the relief measures implemented for retail customers in Thailand.