

S 11 Group Public Company Limited  
Report and financial statements  
31 December 2015



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## **Independent Auditor's Report**

To the Shareholders of S 11 Group Public Company Limited

I have audited the accompanying financial statements of S 11 Group Public Company Limited, which comprise the statements of financial position as at 31 December 2015, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of S 11 Group Public Company Limited as at 31 December 2015, its financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.



Somjai Khunapasut  
Certified Public Accountant (Thailand) No. 4499

EY Office Limited  
Bangkok: 17 February 2016

**S 11 Group Public Company Limited**

**Statements of financial position**

**As at 31 December 2015**

		(Unit: Baht)	
	Note	2015	2014
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	41,321,048	35,013,496
Current portion of hire purchase receivables - net	7	1,761,881,528	1,501,815,293
Assets foreclosed - net	8	6,498,696	8,175,814
Revenue Department receivables		32,259,654	23,060,130
Prepaid insurance premium		47,972,239	40,879,426
Other current assets	9	28,928,308	23,395,000
<b>Total current assets</b>		<b>1,918,861,473</b>	<b>1,632,339,159</b>
<b>Non-current assets</b>			
Restricted bank deposits	10	1,758,465	1,350,363
Hire purchase receivables - net of current portion	7	1,562,533,065	1,331,986,217
Prepaid insurance premium		18,067,482	15,590,202
Land, building and equipment - net	11	79,126,517	74,009,802
Deferred tax assets	12	63,000,404	44,808,146
Other non-current assets		212,600	136,600
<b>Total non-current assets</b>		<b>1,724,698,533</b>	<b>1,467,881,330</b>
<b>Total assets</b>		<b>3,643,560,006</b>	<b>3,100,220,489</b>

The accompanying notes are an integral part of the financial statements.

**S 11 Group Public Company Limited**  
**Statements of financial position (continued)**  
**As at 31 December 2015**

		(Unit: Baht)	
	Note	2015	2014
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Bank overdraft	13	50,000,000	-
Trade accounts payables		3,136,150	2,622,408
Short-term loans	14	422,338,883	-
Current portion of long-term loans	15	939,133,131	1,155,216,199
Current portion of liabilities under financial lease agreements	16	1,175,434	1,598,033
Income tax payable		57,072,722	39,167,038
Insurance premium payables		13,778,798	10,654,078
Accrued expenses		18,443,607	16,139,377
Other current liabilities		20,698,997	11,057,462
<b>Total current liabilities</b>		<b>1,525,777,722</b>	<b>1,236,454,595</b>
<b>Non-current liabilities</b>			
Long-term loans - net of current portion	15	390,983,641	802,965,439
Liabilities under financial lease agreements - net of current portion	16	456,728	1,632,162
Provision for long-term employee benefits	17	6,492,528	5,140,410
<b>Total non-current liabilities</b>		<b>397,932,897</b>	<b>809,738,011</b>
<b>Total liabilities</b>		<b>1,923,710,619</b>	<b>2,046,192,606</b>

The accompanying notes are an integral part of the financial statements.

**S 11 Group Public Company Limited**  
**Statements of financial position (continued)**  
**As at 31 December 2015**

		(Unit: Baht)	
	Note	2015	2014
<b>Shareholders' equity</b>			
Share capital			
Registered			
613,000,000 ordinary shares of Baht 1 each		613,000,000	613,000,000
Issued and fully paid-up			
613,000,000 ordinary shares of Baht 1 each			
(2014: 533,000,000 ordinary shares of Baht 1 each)	18	613,000,000	533,000,000
Share premium	18	427,822,558	90,606,558
Capital reserve for share-based payment transactions		15,300,000	15,300,000
Retained earnings			
Appropriated - statutory reserve	20	38,406,028	20,756,407
Unappropriated		625,320,801	394,364,918
<b>Total shareholders' equity</b>		<b>1,719,849,387</b>	<b>1,054,027,883</b>
<b>Total liabilities and shareholders' equity</b>		<b>3,643,560,006</b>	<b>3,100,220,489</b>

The accompanying notes are an integral part of the financial statements.

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Directors

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**S 11 Group Public Company Limited**  
**Statements of comprehensive income**  
**For the year ended 31 December 2015**

		(Unit: Baht)	
	Note	2015	2014
<b>Profit or loss:</b>			
<b>Revenues</b>			
Hire purchase interest income		1,068,497,872	887,504,649
Fee and service income		48,078,800	37,690,150
Other income		18,049,971	8,830,416
<b>Total revenues</b>		<b>1,134,626,643</b>	<b>934,025,215</b>
<b>Expenses</b>			
Selling and administrative expenses	21	214,006,685	181,165,365
Bad debts and doubtful accounts	7.6	204,526,270	210,391,625
Loss on impairment and disposal of assets foreclosed	22	137,584,449	137,971,647
<b>Total expenses</b>		<b>556,117,404</b>	<b>529,528,637</b>
<b>Profit before finance cost and income tax expenses</b>		<b>578,509,239</b>	<b>404,496,578</b>
Finance cost		(137,347,324)	(138,339,510)
<b>Profit before income tax expenses</b>		<b>441,161,915</b>	<b>266,157,068</b>
Income tax expenses	12	(88,169,505)	(53,135,009)
<b>Profit for the year</b>		<b>352,992,410</b>	<b>213,022,059</b>
<b>Other comprehensive income:</b>			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Actuarial loss		(221,133)	-
Income tax relating to actuarial loss	12	44,227	-
<b>Other comprehensive income for the year</b>		<b>(176,906)</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>352,815,504</b>	<b>213,022,059</b>
<b>Earnings per share</b>			
	23		
Basic earnings per share		0.59	0.40
Weight average number of ordinary shares (shares)		602,917,808	533,000,000

The accompanying notes are an integral part of the financial statements.

**S 11 Group Public Company Limited**  
**Statements of changes in shareholders' equity**  
**For the year ended 31 December 2015**

	Issued and fully paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 1 January 2014</b>	533,000,000	90,606,558	15,300,000	10,105,304	191,993,962	841,005,824
Profit for the year	-	-	-	-	213,022,059	213,022,059
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	213,022,059	213,022,059
Transferred unappropriated retained earnings to statutory reserve	-	-	-	10,651,103	(10,651,103)	-
<b>Balance as at 31 December 2014</b>	533,000,000	90,606,558	15,300,000	20,756,407	394,364,918	1,054,027,883
<b>Balance as at 1 January 2015</b>	533,000,000	90,606,558	15,300,000	20,756,407	394,364,918	1,054,027,883
Profit for the year	-	-	-	-	352,992,410	352,992,410
Other comprehensive income for the year	-	-	-	-	(176,906)	(176,906)
Total comprehensive income for the year	-	-	-	-	352,815,504	352,815,504
Proceeds from increase in share capital (Note 18)	80,000,000	337,216,000	-	-	-	417,216,000
Dividend paid (Note 25)	-	-	-	-	(104,210,000)	(104,210,000)
Transferred unappropriate retained earnings to statutory reserve	-	-	-	17,649,621	(17,649,621)	-
<b>Balance as at 31 December 2015</b>	613,000,000	427,822,558	15,300,000	38,406,028	625,320,801	1,719,849,387

(Unit: Baht)

The accompanying notes are an integral part of the financial statements.



**S 11 Group Public Company Limited**

**Cash flows statements**

**For the year ended 31 December 2015**

	(Unit: Baht)	
	2015	2014
<b>Cash flows from operating activities</b>		
Profit before income tax	441,161,915	266,157,068
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities		
Depreciation	7,156,459	7,013,653
Bad debts and doubtful accounts	204,526,270	210,391,625
Loss (gain) on disposal of assets	(193,235)	98,148
Loss on written-off assets	19,487	58,027
Loss (reversal) on impairment of assets foreclosed	(1,307,012)	1,707,665
Provision for long-term employee benefits	1,130,985	1,614,913
Hire purchase interest income	(1,068,497,872)	(887,504,649)
Interest expenses	137,347,324	138,339,510
Loss from operating activities before changes in operating assets and liabilities	(278,655,679)	(262,124,040)
Operating assets (increase) decrease		
Hire purchase receivables	(682,207,938)	(739,873,115)
Assets foreclosed	2,984,130	(4,338,321)
Revenue Department receivables	(9,199,524)	(2,772,786)
Prepaid insurance premium	(9,570,093)	(8,538,437)
Other current assets	(5,533,308)	(6,331,178)
Other assets	(76,000)	(5,999)
Operating liabilities increase (decrease)		
Trade accounts payables	513,742	(11,809,818)
Insurance premium payables	3,124,720	317,097
Accrued expenses	2,349,370	(3,647,578)
Other current liabilities	9,590,196	6,126,463
Cash flows used in operating activities	(966,680,384)	(1,032,997,712)
Cash received from interest	1,055,566,457	880,144,098
Cash paid for corporate income tax	(88,411,852)	(58,804,307)
Cash paid for interest	(121,970,248)	(133,984,576)
<b>Net cash flows used in operating activities</b>	<b>(121,496,027)</b>	<b>(345,642,497)</b>

The accompanying notes are an integral part of the financial statements.

**S 11 Group Public Company Limited**  
**Cash flows statements (continued)**  
**For the year ended 31 December 2015**

	(Unit: Baht)	
	2015	2014
<b>Cash flows from investing activities</b>		
Increase in restricted bank deposits	(408,102)	(580,675)
Cash receipt for proceed of equipment	215,131	35,374
Cash paid for acquisition of land, building and equipment	(12,314,557)	(8,993,049)
<b>Net cash flows used in investing activities</b>	<b>(12,507,528)</b>	<b>(9,538,350)</b>
<b>Cash flows from financing activities</b>		
Proceeds from increase in share capital	417,216,000	-
Increase in bank overdraft	50,000,000	-
Increase in short-term loans	415,709,223	-
Cash receipt from long-term loans	670,500,000	1,564,770,000
Repayment of long-term loans	(1,297,357,422)	(1,203,558,807)
Repayment of financial lease payables	(1,598,034)	(1,512,037)
Payment for loans issuing cost	(10,000,000)	(10,650,125)
Payment for dividend	(104,158,660)	-
<b>Net cash flows from financing activities</b>	<b>140,311,107</b>	<b>349,049,031</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>6,307,552</b>	<b>(6,131,816)</b>
Cash and cash equivalents at beginning of year	35,013,496	41,145,312
<b>Cash and cash equivalents at end of year</b>	<b>41,321,048</b>	<b>35,013,496</b>
<b>Supplement cash flow information</b>		
Non-cash items		
Purchase of assets by financial lease payables	-	3,662,496

The accompanying notes are an integral part of the financial statements.

**S 11 Group Public Company Limited**  
**Notes to financial statements**  
**For the year ended 31 December 2015**

**1. Corporate information**

S 11 Group Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is S Charter Company Limited which was incorporated in Thailand. The Company is principally engaged in the hire purchase of motorcycles and its registered address is 888, Soi Chatuchot 10, Chatuchot Road, Ao Ngoen, Sai Mai, Bangkok.

As at 31 December 2015, the Company has 2 branches in Chonburi and Ayudhya.

**2. Basis of preparation**

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

**3. New financial reporting standards**

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

**3.1 Financial reporting standards that became effective in the current year**

The Company has adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal year beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company’s financial statements. However, some of these standards involve changes to key principles, the following are the standards that directly relevant to the Company.

### **TAS 19 (revised 2014) Employee Benefits**

This revised standard requires that the entity recognise actuarial gain and loss immediately in other comprehensive income while the former standard allowed the entity to recognise such gain and loss immediately in either profit or loss, other comprehensive income, or to recognise them gradually in profit or loss.

The Company has changed the recognition of actuarial gain and loss in the current period from an immediate recognition in profit or loss to an immediate recognition in other comprehensive income and adjusted the current year's transaction. In addition, the Company did not restate the prior year's financial statements, presented as comparative information, as if the Company had always applied this accounting policy because there would be no significant impact to the financial statements.

### **TFRS 13 Fair Value Measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's financial statements.

## **3.2 Financial reporting standard that will become effective in the future**

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

#### **4. Significant accounting policies**

##### **4.1 Revenue recognition**

###### **a) Hire purchase interest income**

Hire purchase interest income is recognised on an accrual basis throughout the contract period based on the effective rate method.

The Company ceases recognising revenue from hire purchase receivables which installment payment has been defaulted for more than 3 installments past the due date per the agreement. Interest is then recognised as income on a cash basis.

###### **b) Fee and service income**

Fee and service income are recognised when services have been rendered.

###### **c) Penalty fee income**

Penalty fee income is recognised when received.

##### **4.2 Expense recognition**

###### **a) Interest expenses**

Interest expenses are charged to expenses on an accrual basis.

###### **b) Commissions and direct expenses of the hire purchase contracts.**

The Company recorded the initial commissions and direct expenses at the inception of hire purchase contract by deferred and amortised those expenses using the effective interest method, with amortisation deducted from unearned income throughout the contract period, in order to reflect the effective rate of return on the contracts.

Unearned interest income is stated net of commissions and direct expenses incurred at the inception of the contracts.

##### **4.3 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

##### **4.4 Hire purchase receivables**

Hire purchase receivables are stated at the contract value net of unearned hire purchase income, which is presented after netting deferred commission and initial direct costs at the inception of the contracts.

#### 4.5 Allowance for doubtful accounts

The Company provides allowance for doubtful accounts for hire purchase receivables based on the amount of debts that may not be collectible, determined by analysis of the current status of the receivables. Allowance for doubtful accounts is provided at the percentage of the amount of outstanding receivables net of unearned hire purchase income (net of deferred commissions and direct expenses incurred at the inception of the contracts).

	<u>Provisioning rate</u>
Normal loans and past due less than 2 months	1
Past due 2 months or more, but less than 4 months	2
Past due 4 months or more	100

Increase (decrease) in allowance for doubtful accounts is recorded as expense during the year in profit or loss in the statements of comprehensive income. The Company has a policy to write-off its receivables when a demand for payment has been properly made and clearly evidenced, and yet the debts remain unsettled.

#### 4.6 Assets foreclosed

Assets foreclosed represent assets repossessed from hire purchase receivables and are stated at the lower of cost and estimated net realisable value.

Gain (loss) on disposal of assets foreclosed is recognised in part of profit or loss in the statements of comprehensive income on disposal date. Impairment loss of assets foreclosed is recognised as expenses in part of profit or loss in the statement of comprehensive income (if any).

#### 4.7 Land, building and equipment/Depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation of building and equipment is calculated by reference to their costs over the following estimated useful lives:

Building	-	20 years, straight - line method
Furniture and office equipment	-	5 years, straight - line method
Computers and equipment	-	3 - 5 years, sum of the year's digits method
Motor vehicles	-	5 years, sum of the year's digits method

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of land, building and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is recognised in part of profit or loss when the assets are derecognised.

#### **4.8 Impairment of assets**

The Company assesses at each reporting date whether there is an indication that land, building and equipment may be impaired. An impairment loss is recognised when the recoverable amount of an asset is less than the carrying amount. An assets recoverable amount is the higher of an asset's fair value less costs to sell and its value in use.

An impairment loss is recognised in part of profit or loss (if any).

#### **4.9 Employee benefits**

a) Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

b) Post-employment benefits (Defined contribution plans)

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

c) Post-employment benefits (Defined benefit plans)

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by the Company's management based on actuarial techniques, using the projected unit credit method.

Actuarial gain and loss arising from post-employment benefits are recognised immediately in other comprehensive income.

#### **4.10 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

a) Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

b) Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are directly recorded to shareholders' equity.

#### **4.11 Long-term leases**

Leases that transfer substantially all the risks and rewards of ownership to the Company are classified as financial leases. Financial leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are recorded as liabilities, while the interest element is charged to profit or loss over the lease period. Assets acquired under finance leases are depreciated over their estimated useful lives.

#### **4.12 Provisions**

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.



#### **4.13 Fair value measurement**

Fair value is the price that would be received from sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

#### **5. Significant accounting judgments and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

### **5.1 Allowance for doubtful accounts on hire purchase receivables**

In determining an allowance for doubtful accounts on hire purchase receivables, the management needs to make conservative judgment and estimates the probable loss based upon, among other things, past collection history, historical loss, aging profile of outstanding debts and the prevailing economic condition.

### **5.2 Allowance for impairment of assets foreclosed**

In determining allowance for impairment of assets foreclosed, management apply judgment in estimating the anticipated loss on such assets, based on analysis of various factors, including net realisable value, historical sales data, the age of the assets and the prevailing economic condition.

### **5.3 Land, building and equipment/Depreciation**

In determining depreciation of building and equipment, the management is required to make estimates of the useful lives and salvage value of the Company's building and equipment and to review estimate useful lives and salvage value when there are any changes.

### **5.4 Deferred tax assets**

Deferred tax assets are recognised in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future profits.

### **5.5 Post-employment benefits under defined benefit plans**

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

### **5.6 Fair value of financial instruments**

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value and disclosure of fair value hierarchy.

## 6. Cash and cash equivalents

	(Unit: Baht)	
	2015	2014
Cash and cash equivalents	176,100	51,100
Bank deposits	41,144,948	34,962,396
Total	<u>41,321,048</u>	<u>35,013,496</u>

As at 31 December 2015, bank deposits in savings accounts and fixed deposits are carried interest at the rates between 0.38 - 1.50 percent per annum (2014: 0.63 - 1.70 percent per annum) as announced by the banks.

## 7. Hire purchase receivables

7.1 As at 31 December 2015 and 2014, the contracted terms of the Company's hire purchase receivables are 12 - 36 installments with payments to be made in equal installments, and interest charged at the fixed rates specified in the contracts. Hire purchase receivables classified by due date per agreement are as follows:

	(Unit: Baht)		
	2015		
	Amounts due within 1 year <sup>(2)</sup>	Amounts due over 1 year	Total
Hire purchase receivables	3,112,243,691	1,993,620,679	5,105,864,370
Less: Unearned hire purchase income <sup>(1)</sup>	<u>(976,054,391)</u>	<u>(414,328,907)</u>	<u>(1,390,383,298)</u>
Present value of the minimum lease payment receivables	2,136,189,300	1,579,291,772	3,715,481,072
Less: Allowance for doubtful accounts	<u>(374,307,772)</u>	<u>(16,758,707)</u>	<u>(391,066,479)</u>
Hire purchase receivables, net	<u>1,761,881,528</u>	<u>1,562,533,065</u>	<u>3,324,414,593</u>

(1) Presented net of deferred commission and initial direct costs of hire purchase

(2) The balance of receivables due within 1 year included receivables for which revenue recognised has been ceased

	(Unit: Baht)		
	2014		
	Amounts due within 1 year <sup>(2)</sup>	Amounts due over 1 year	Total
Hire purchase receivables	2,610,457,788	1,710,989,983	4,321,447,771
Less: Unearned hire purchase income <sup>(1)</sup>	<u>(829,097,776)</u>	<u>(364,618,313)</u>	<u>(1,193,716,089)</u>
Present value of the minimum lease payment receivables	1,781,360,012	1,346,371,670	3,127,731,682
Less: Allowance for doubtful accounts	<u>(279,544,719)</u>	<u>(14,385,453)</u>	<u>(293,930,172)</u>
Hire purchase receivables, net	<u>1,501,815,293</u>	<u>1,331,986,217</u>	<u>2,833,801,510</u>

(1) Presented net of deferred commission and initial direct costs of hire purchase

(2) The balance of receivables due within 1 year included receivables for which revenue recognised has been ceased

**7.2** As at 31 December 2015 and 2014, the balances of hire purchase receivables (net of unearned hire purchase income) and allowance for doubtful accounts are classified by aging of installment past due as follows:

(Unit: Baht)

Aging	Balance of hire purchase receivables		Percentage of allowance set up by the Company	Allowance for doubtful accounts	
	2015	2014		2015	2014
Not yet due	2,286,325,483	1,938,762,765	1	22,863,257	19,387,629
Past due					
Less than 1 months	664,437,559	571,668,598	1	6,644,376	5,716,686
1 month or more, but less than 2 months	207,710,494	178,255,396	1	2,077,105	1,782,554
2 months or more, but less than 4 months	201,556,934	175,511,857	2	4,031,139	3,510,237
4 months or more, but less than 7 months	107,583,056	105,289,791	100	107,583,056	105,289,791
7 months or more, but less than 12 months	111,643,635	108,065,711	100	111,643,635	108,065,711
12 months or more	136,223,911	50,177,564	100	136,223,911	50,177,564
Total	<u>3,715,481,072</u>	<u>3,127,731,682</u>		<u>391,066,479</u>	<u>293,930,172</u>

**7.3** The Notification of the Institute of Certified Accountants and Auditors of Thailand, with the concurrence 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 and full provision is to be recorded for accounts receivable which installment payment has been defaulted for more than 3 installments past the due date, and general provision is to be provided for accounts receivable which are not past due or have no more than 3 installments past due. 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 and the reason.

The Company had a policy to cease recognising revenue from hire purchase receivables which are past due more than 3 installments, and has a policy to set up full allowance for doubtful accounts, without consider collateral value, for hire purchase receivables with 4 or more installments past due. The management has considered and confident that this policy is appropriated for the debtor's character and to the Company's business.

**7.4** As at 31 December 2015, the Company had hire purchase receivables amounting to Baht 558 million (before netting with unearned hire purchase income) for which revenue recognition has ceased (2014: Baht 416 million).

**7.5** As at 31 December 2015, the Company had transferred rights of claim under hire purchase agreements with outstanding balances (before netting with unearned hire purchase income) of Baht 1,895 million (2014: Baht 2,670 million) in order to secure credit facilities granted by commercial banks as discussed in Note 15 to the financial statements.

**7.6 Allowance for doubtful accounts**

Movements of allowance for doubtful accounts of hire purchase receivables are as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
Balance beginning of the year	293,930,172	181,665,754
Add: Doubtful account increase during the year	204,526,270	210,391,625
Less: Bad debt written-off	(107,389,963)	(98,127,207)
Balance end of the year	<u>391,066,479</u>	<u>293,930,172</u>

**8. Assets foreclosed**

	(Unit: Baht)	
	2015	2014
Assets foreclosed - cost	11,153,795	14,137,925
Less: Allowance for impairment	(4,655,099)	(5,962,111)
Assets foreclosed - net	<u>6,498,696</u>	<u>8,175,814</u>

**9. Other current assets**

	(Unit: Baht)	
	2015	2014
Advance VAT receivable	14,258,914	20,121,463
Other receivable - sales of assets foreclosed	7,226,568	1,538,689
Other accrued income	4,094,123	46,285
Others	3,348,703	1,688,563
Total	<u>28,928,308</u>	<u>23,395,000</u>

**10. Restricted bank deposits**

As at 31 December 2015 and 2014, this represents fixed deposits pledged with a commercial bank to secure the issuance of letters of guarantee on behalf of the Company, as discussed in Note 28.1 to the financial statements, and a deposit used as an employee's security deposit.

## 11. Land, building and equipment

Movements of land, building and equipment during the years ended 31 December 2015 and 2014 are summarised below.

(Unit: Baht)

	Land	Building	Furniture and office equipment	Computer and equipment	Motor vehicles	Construction in progress	Total
<b>Cost</b>							
1 January 2014	31,192,489	26,323,741	7,364,439	4,570,613	9,841,720	705,090	79,998,092
Additions	4,230,750	-	2,560,537	1,274,618	4,356,869	232,771	12,655,545
Disposals/written off	-	-	(365,216)	-	-	-	(365,216)
Transferred in (out)	-	703,657	234,204	-	-	(937,861)	-
31 December 2014	35,423,239	27,027,398	9,793,964	5,845,231	14,198,589	-	92,288,421
Additions	6,131,456	212,290	1,196,333	613,323	-	4,161,155	12,314,557
Disposals/written off	-	-	(11,979)	-	(700,000)	-	(711,979)
Transferred in (out)	892,192	84,943	-	-	-	(977,135)	-
31 December 2015	42,446,887	27,324,631	10,978,318	6,458,554	13,498,589	3,184,020	103,890,999
<b>Accumulated depreciation</b>							
1 January 2014	-	770,356	2,163,251	2,499,014	6,006,012	-	11,438,633
Depreciation during the year	-	1,332,553	1,660,972	1,199,705	2,820,423	-	7,013,653
Depreciation for disposals/written off	-	-	(173,667)	-	-	-	(173,667)
31 December 2014	-	2,102,909	3,650,556	3,698,719	8,826,435	-	18,278,619
Depreciation during the year	-	1,370,554	2,082,414	1,116,173	2,587,318	-	7,156,459
Depreciation for disposals/written off	-	-	(8,313)	-	(662,283)	-	(670,596)
31 December 2015	-	3,473,463	5,724,657	4,814,892	10,751,470	-	24,764,482
<b>Net book value</b>							
31 December 2014	35,423,239	24,924,489	6,143,408	2,146,512	5,372,154	-	74,009,802
31 December 2015	42,446,887	23,851,168	5,253,661	1,643,662	2,747,119	3,184,020	79,126,517
<b>Depreciation charge for the years ended 31 December</b>							
2014							7,013,653
2015							7,156,459

As at 31 December 2015, the Company had pledged land and premises thereon with net book value amounting to Baht 54 million as collateral against credit facilities received from the financial institution as mentioned in Note 15 to the financial statements.

As at 31 December 2015, the Company had vehicles under finance lease agreements with net book value amounting to Baht 2 million. These vehicles will be registered in the name of the Company after the Company completes payment and exercises its purchase option.

## 12. Deferred tax assets/income tax expenses

### 12.1 Deferred tax assets

As at 31 December 2015 and 2014, the components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Baht)	
	2015	2014
<b>Deferred tax assets</b>		
Allowance for doubtful accounts	78,213,295	58,786,035
Allowance for impairment of assets foreclosed	931,020	1,192,423
Provision for long-term employee benefits	1,298,506	1,028,083
Others	405,293	-
Total	<u>80,848,114</u>	<u>61,006,541</u>
<b>Deferred tax liabilities</b>		
Deferred commission and initial direct cost from hire purchase contracts	14,508,137	13,100,309
Deferred loans issuing costs	3,339,573	3,098,086
Total	<u>17,847,710</u>	<u>16,198,395</u>
Deferred tax assets - net	<u>63,000,404</u>	<u>44,808,146</u>

### 12.2 Income tax expenses

Income tax expenses for the years ended 31 December 2015 and 2014 are as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
<b>Current income tax:</b>		
Corporate income tax charge for the year	104,621,536	73,485,388
Effects of income tax related to expenses from share offering (Note 18)	1,696,000	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	<u>(18,148,031)</u>	<u>(20,350,379)</u>
<b>Income tax expenses reported in the statements of comprehensive income</b>	<u>88,169,505</u>	<u>53,135,009</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2015 and 2014 are as follows:

	(Unit: Baht)	
	2015	2014
Deferred tax relating to actuarial loss	44,227	-
	<u>44,227</u>	<u>-</u>

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
Accounting profit before tax	441,161,915	266,157,068
Applicable tax rate	20%	20%
Amount of profit before tax multiplied by applicable tax rate	88,232,383	53,231,414
Tax effect of tax-exempt income and disallowed expenses	(62,878)	(96,405)
Income tax expenses reported in the statements of comprehensive income	<u>88,169,505</u>	<u>53,135,009</u>

### 13. Bank overdraft

		(Unit: Baht)	
	Interest rate (percent per annum)	2015	2014
Bank overdraft	MOR-0.5%	50,000,000	-
Total		<u>50,000,000</u>	<u>-</u>

As at 31 December 2015, bank overdraft is secured by the mortgage of the Company's land and structures thereon.

### 14. Short-term loans

As at 31 December 2015, short-term loans net of discount, totaling Baht 422 million, are bills of exchange with named, transferable, with maturities of no more than 270 days from the date of issuance. Interest is charged at the rate of 4 - 5 percent per annum.



## 15. Long-term loans

As at 31 December 2015 and 2014, long-term loans, which the Company obtained from a local financial institution, are detailed below.

				(Unit: Baht)	
Facility no.	Loan facility	Interest rate (% per annum)	Repayment schedule	2015	2014
1	Loan agreement dated 2 March 2012	MLR + 0.5	Payment in 30 equal installments, with the first installment payable on the last day of the month of the first drawdown	-	3,199,162
2	Loan agreement dated 2 March 2012	MLR	Installments payment, as specified in the agreement, over 12 years, with the first installment due on 7 June 2012	10,260,881	11,120,894
3	Loan agreement dated 2 March 2012	MLR	Installments payment, as specified in the agreement, over 12 years, with the first installment due in the 13 <sup>th</sup> month after the loan drawdown	22,432,174	24,503,708
4	Loan agreement dated 26 July 2012	MLR + 0.5	Payment in 30 equal installments, with the first installment payment on the last day of the month of the first drawdown	12,103,098	313,419,593
5	Loan agreement dated 12 December 2012	MLR + 0.5	Payment in 30 equal installments, with the first installment payment on the last day of the month of the first drawdown	17,677,019	149,366,586
6	Loan agreement dated 24 October 2013	MLR	Payment in 30 equal installments, with the first installment payment on the last day of the month of the first drawdown	304,448,131	706,556,705
7	Loan agreement dated 27 June 2014	MLR - 0.5, MLR - 1.5	Payment in 30 equal installments, with the first installment payment on the last day of the month of the first drawdown	980,543,461	766,155,539
Total				1,347,464,764	1,974,322,187
Less: Deferred loans issuing costs				(17,347,992)	(16,140,549)
Long-term loans				1,330,116,772	1,958,181,638
Less: current portion due within 1 year				(939,133,131)	(1,155,216,199)
Long-term loans, net of current portion				390,983,641	802,965,439

Loan facilities no. 2 and 3 are for use in building construction. These loan facilities are secured by the Company's land and premises.

Other loans are for use in the expansion of the Company's business. The Company has to comply with loan covenants regarding, among other things, the maintenance of the proportion of shareholding of the major shareholders, dividend payment, maintenance of debt to equity ratio and maintenance of ratios of overdue hire purchase receivables to total hire purchase receivables, and total hire purchase receivables to debts, as well as prohibitions on the disposal of assets or rights of claim under hire purchase agreements and prohibition from entering into new debt agreements. And these loan facilities are secured by the transfer of rights of claim under hire purchase agreements and motorcycle registrations as requested by the commercial bank (2014: loans had the same conditions as mention above, and included guaranteed by shareholders, managing director and management of the Company).

As at 31 December 2015, the long-term credit facilities of the Company which have not yet been drawn down amounted to Baht 1,022 million.

Movements in the long-term loans account during the year ended 31 December 2015 and 2014 are summarised below.

	(Unit : Baht)	
	For the years ended 31 December	
	2015	2014
Balance at the beginning of year	1,974,322,187	1,613,110,994
Add: Addition borrowings during the year	670,500,000	1,564,770,000
Less: Loans repayment during the year	(1,297,357,423)	(1,203,558,807)
Balance at the end of year	<u>1,347,464,764</u>	<u>1,974,322,187</u>

## 16. Liabilities under finance lease agreements

Liabilities under financial lease agreements as at 31 December 2015 and 2014 are comprised of:

	(Unit: Baht)	
	2015	2014
Liabilities under finance lease agreements	1,692,365	3,422,847
Less: Deferred interest expenses	(60,204)	(192,652)
Total	1,632,162	3,230,195
Less: Portion due within one year	(1,175,434)	(1,598,033)
Liabilities under finance lease agreements - net of current portion	<u>456,728</u>	<u>1,632,162</u>

As at 31 December 2015, the Company has entered into finance lease agreements with a commercial bank and leasing companies in order to lease assets for use in its operations, whereby it is committed to pay rental fee on a monthly basis. The term of the agreements are generally 2 years and 3 years.

Under these agreements, the Company has an option to purchase the assets at the end of the contracts and has to comply with conditions specified in the agreements.

As at 31 December 2015, the Company had commitment to pay minimum lease payments under the finance lease agreements as follows:

	(Unit: Baht)		
	Less than 1 year	1 - 5 years	Total
Minimum lease payment	1,226,318	466,048	1,692,366
Deferred interest expenses	(50,884)	(9,320)	(60,204)
Present value of minimum lease payment	<u>1,175,434</u>	<u>456,728</u>	<u>1,632,162</u>

#### 17. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, are as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
<b>Provision for long-term employee benefits</b>		
<b>at beginning of year</b>	5,140,410	3,525,497
Included in profit or loss:		
Current service cost	936,980	1,577,114
Interest cost	194,005	133,056
Actuarial gain	-	(95,257)
Included in other comprehensive income:		
Actuarial loss arising from		
Financial assumptions changes	531	-
Experience adjustments	220,602	-
<b>Provision for long-term employee benefits</b>		
<b>at end of year</b>	<u>6,492,528</u>	<u>5,140,410</u>

Principal actuarial assumptions at the valuation date were as follows:

	31 December 2015	31 December 2014
	(% per annum)	(% per annum)
Discount rate	3.56	3.77
Future salary increase rate	7.50	7.50
Staff turnover rate	16.19	16.19

As at 31 December 2015, the weighted average duration of the liabilities for long-term employee benefit is 26 years, and the Company expects to pay Baht 4 million of long-term employee benefits during the next year.

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2015 are summarised below.

	(Unit: Baht)	
	Rate increase 1%	Rate decrease 1%
Discount rate	Liabilities decreased by 184,292	Liabilities increased by 210,137
Salary increase rate	Liabilities increased by 261,230	Liabilities decreased by 236,155
Turnover rate	Liabilities decreased by 171,976	Liabilities increased by 193,840

## 18. Share capital

On 27 March 2014, the 2014 Annual General Meeting of the Company's shareholders approved an increase in the Company's registered share capital from Baht 533 million to Baht 613 million (122.60 million ordinary shares with a par value of Baht 5 each) by issuing 16 million new ordinary shares with a par value of Baht 5 each. The capital increase was to be made by issuing shares via an initial public offering at a price not less than the par value of the share. On 4 April 2014, the Company had registered the increase of its share registered capital with the Ministry of Commerce.

On 10 September 2014, the Extraordinary General Meeting of shareholders No.1/2557 passed a resolution to change the par value of the ordinary shares from Baht 5 per share to Baht 1 per share resulting in the change in the number of registered ordinary shares from 122.6 million shares to 613 million shares, and the change in the number of issued and paid up ordinary shares from 106.6 million shares to 533 million shares. On 11 September 2014, the Company had registered to change the par value of the ordinary shares with the Ministry of Commerce.

During 11-13 February 2015, the Company made an initial public offering of 80 million ordinary shares with a par value of Baht 1 each, at a price of Baht 5.3 per share, for total proceeds of Baht 424 million. As a result there was an increased in share premium amounting to Baht 337.22 million (net of incurred expenses and relating income tax to the share offering of Baht 6.78 million). The Company registered the increase in its issued and paid-up share capital with the Ministry of Commerce on 16 February 2015, and shares of the Company began trading on the Stock Exchange of Thailand on 25 February 2015.

## 19. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business and boost the value of the holdings of the Company's shareholders. As at 31 December 2015, the Company had a debt-to-equity ratio of 1.12:1 (2014: 1.94:1).

## 20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

As at 31 December 2015, the Company allotted profit of Baht 17.6 million to the statutory reserve.

## 21. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
Salary, wages and other employee benefits	103,835,379	83,626,095
Insurance premium expenses	63,946,525	55,684,074
Legal advisor and financial management advisor fee	338,280	1,236,980
Depreciation	7,156,459	7,013,653
Stamp duties and postal expenses	7,217,694	6,389,528
Expense relating demands for payment	6,455,317	4,958,549
Miscellaneous for office expenses	1,721,244	1,698,964
Utilities expenses	3,893,382	3,415,054
Registration expenses	4,468,114	3,799,648

## 22. Loss on impairment and disposal of assets foreclosed

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
Loss on impairment of assets foreclosed (reversal)	(1,307,012)	1,707,665
Loss on disposal of assets foreclosed	138,891,461	136,263,982
Total	<u>137,584,449</u>	<u>137,971,647</u>

## 23. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares proportionately to the change in the number of shares as a result of the change in the par value of the ordinary shares.

## 24. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 3 percent of basic salary. The fund, which is managed by Ayudhya Fund Management, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2015 amounting to Baht 1.68 million (2014: Baht 1.39 million) were recognised as expenses.

## 25. Dividend

Dividends	Approved by	Total dividends	Dividend per share
		Million Baht	Baht
Dividends from the operating results for the year ended 31 December 2014	The annual general meeting of the Company's shareholders No. 1/2558 on 23 April 2015	104.21	0.17 (from 613,000,000 ordinary shares at par value of Baht 1 each)

## 26. Segment information

The Company operations involve a single reportable operating segment of hire purchase of motorcycles and are carried on in the single geographical area of Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that the Company's chief operating decision maker (Managing Director) used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area. In addition, the Company has no major customer with reserve of 10 percent or more of an entity's revenues during the year 2015 and 2014.

## 27. Director and management benefits

During the years, the Company had the following employee benefit expenses payable to its directors and management.

	(Unit: Baht)	
	For the years ended 31 December	
	2015	2014
Short-term employee benefits	20,522,089	18,729,659
Post-employment benefits	1,659,032	3,068,994
Total	<u>22,181,121</u>	<u>21,798,653</u>

## 28. Commitment

### 28.1 Guarantees

As at 31 December 2015 and 2014, there was an outstanding bank guarantee of Baht 10,000 issued by a bank on behalf of the Company as a guarantee for a post office box.

### 28.2 Employee Joint Investment Program

The Company has an Employee Joint Investment Program ("the EJIP"), one of the Company's staff welfare benefits, which offers staff of the Company who voluntarily join the EJIP a savings scheme under which for purchase shares of the Company. EJIP members pay monthly contributions in a certain amount and the Company pays contributions on behalf of EJIP members at the same amount but not higher than 5 - 7.5 percent of their basic salaries based on their position. However, total contributions for each year will not exceed 60 percent of their basic salaries. In addition, the Company pays additional contributions to EJIP members by considering their length of service, with a minimum of 3 years' service required.

During the year, the amount contributed by the Company to EJIP members was presented under the caption of personnel expenses.

## 29. Financial instruments

The Company's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, hire purchase receivables, restricted bank deposits, bank overdraft, account payables, short-term loan, long-term loans, and liabilities under financial lease agreements. The financial risks associated with these financial instruments and how they are managed is described below.

## 29.1 Credit risk

The Company is exposed to credit risk primarily with respect to hire purchase receivables. The Company manages the risk by adopting appropriate credit control policies and procedures. In addition, the Company does not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying value of hire purchase receivables less allowance for doubtful debts as stated in the statements of financial position.

## 29.2 Market risk

Market risk is the risk that changes in interest rates, foreign exchange rates and securities prices may have an effect on the financial position of the Company. As the Company has no foreign currency assets and liabilities and no investments in securities, market risk therefore consists of only interest rate risk.

### Interest rate risk

Significant financial assets and liabilities as at 31 December 2015 and 2014 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Baht)

Transactions	2015				
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total
	Repricing or maturity date				
	Within 1 year	Over 1 - 5 years			
<b><u>Financial assets</u></b>					
Cash and cash equivalents	-	-	6,236,733	35,084,315	41,321,048
Hire purchase receivables, net	1,761,881,528	1,562,533,065	-	-	3,324,414,593
Restricted bank deposits	10,772	-	1,747,693	-	1,758,465
<b><u>Financial liabilities</u></b>					
Bank overdraft	-	-	50,000,000	-	50,000,000
Trade accounts payables	-	-	-	3,136,150	3,136,150
Short-term loans	422,338,883	-	-	-	422,338,883
Long-term loans	-	-	1,330,116,772	-	1,330,116,772
Liabilities under financial lease agreements	1,175,434	456,728	-	-	1,632,162



(Unit: Baht)

Transactions	2014				
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total
	Repricing or maturity date				
	Within 1 year	Over 1 - 5 years			
<b>Financial assets</b>					
Cash and cash equivalents	-	-	2,790,966	32,222,530	35,013,496
Hire purchase receivables, net	1,501,815,293	1,331,986,217	-	-	2,833,801,510
Restricted bank deposits	10,633	-	1,339,730	-	1,350,363
<b>Financial liabilities</b>					
Trade accounts payables	-	-	-	2,622,408	2,622,408
Long-term loans	-	-	1,958,181,638	-	1,958,181,638
Liabilities under financial lease agreements	1,598,033	1,632,162	-	-	3,230,195

### 29.3 Liquidity risk

Liquidity risk is the risk that the Company will be unable to liquidate their financial assets and/or procure sufficient funds to discharge their obligations in a timely manner, resulting in the incurrence of a financial loss.

Counting from the financial position date, the periods to maturity of financial instruments held as at 31 December 2015 and 2014 are as follows:

Transactions	2015				
	At call	Within 1 year	Over 1 year	No specific maturity	Total
<b>Financial assets</b>					
Cash and cash equivalents	41,321,048	-	-	-	41,321,048
Hire purchase receivables, net <sup>(1)</sup>	-	1,761,881,528	1,562,533,065	-	3,324,414,593
Restricted bank deposits	-	-	-	1,758,465	1,758,465
<b>Financial liabilities</b>					
Bank overdraft	50,000,000	-	-	-	50,000,000
Trade accounts payables	-	3,136,150	-	-	3,136,150
Short-term loans	-	422,338,883	-	-	422,338,883
Long-term loans	-	939,133,131	390,983,641	-	1,330,116,772
Liabilities under financial lease agreements	-	1,175,434	456,728	-	1,632,162

(1) The outstanding balance of hire purchase receivables which have maturity within 1 year included receivable for which revenue recognised has been ceased

(Unit: Baht)

Transactions	2014				Total
	At call	Within 1 year	Over 1 year	No specific maturity	
<b>Financial assets</b>					
Cash and cash equivalents	35,013,496	-	-	-	35,013,496
Hire purchase receivables, net <sup>(1)</sup>	-	1,501,815,293	1,331,986,217	-	2,833,801,510
Restricted bank deposits	-	-	-	1,350,363	1,350,363
<b>Financial liabilities</b>					
Trade accounts payables	-	2,622,408	-	-	2,622,408
Long-term loans	-	1,155,216,199	802,965,439	-	1,958,181,638
Liabilities under financial lease agreements	-	1,598,033	1,632,162	-	3,230,195

(1) The outstanding balance of hire purchase receivables which have maturity within 1 year included receivable for which revenue recognised has been ceased

## 29.4 Fair values

As at 31 December 2015, the Company had no assets and liabilities that were measured at fair value. However the Company had financial assets and financial liabilities that were measured at cost for which fair value are disclosed using different levels of inputs as follows:

(Unit: Baht)

Transactions	31 December 2015				
	Book value	Fair value			
		Total	Level 1	Level 2	Level 3
<b>Financial assets for which fair value are disclosed</b>					
Cash and cash equivalents	41,321,048	41,321,048	41,321,048	-	-
Hire purchase receivables, net	3,324,414,593	3,368,711,012	-	-	3,368,711,012
Restricted bank deposits	1,758,465	1,758,465	1,747,693	10,772	-
<b>Financial liabilities for which fair value are disclosed</b>					
Bank overdraft	50,000,000	50,000,000	-	50,000,000	-
Trade accounts payables	3,136,150	3,136,150	3,136,150	-	-
Short-term loans	422,338,883	422,338,883	-	422,338,883	-
Long-term loans	1,330,116,772	1,337,246,037	-	1,337,246,037	-
Liabilities under financial lease agreements	1,632,162	1,632,162	-	1,632,162	-

Fair value hierarchy for assets and liabilities as at 31 December 2015 as stipulated in notes 4.13 to the financial statement.

As at 31 December 2014, there are no material difference between the book value of financial assets and financial liabilities and their fair value.

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, restricted bank deposits, bank overdraft, trade accounts payables and short-term loans, their carrying amounts in the statement of financial position approximate their fair value.
- b) For hire purchase receivables, fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- c) For long-term loans, fair value is estimated by discounting expected future cash flow by the current market interest rate.
- d) For liabilities under financial lease agreements, their carrying amounts approximate their fair value since their carrying interest approximate to the market rate.

### **30. Events after the reporting period**

On 15 February 2016, the Company registered its one additional branch in Rayong with the Ministry of Commerce to support the business expansion in the East.

### **31. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 17 February 2016.