

S 11 Group Public Company Limited
and its subsidiary
Review report and interim financial information
For the three-month and six-month periods ended 30 June 2023



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Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of S 11 Group Public Company Limited

I have reviewed the accompanying consolidated statements of financial position of S 11 Group Public Company Limited and its subsidiary as at 30 June 2023, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of S 11 Group Public Company Limited for the same period (collectively "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 information 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.

Saranya Pludsri

Certified Public Accountant (Thailand) No. 6768

EY Office Limited

Bangkok: 10 August 2023

S 11 Group Public Company Limited and its subsidiary

Statements of financial position

As at 30 June 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		51,489,714	43,291,892	50,403,265	42,275,645
Current portion of hire purchase receivables - net	2	3,172,041,726	2,968,937,954	3,172,041,726	2,968,937,954
Counter service receivables		12,078,543	14,771,274	12,078,543	14,771,274
Prepaid insurance premium		58,299,577	52,742,296	58,299,577	52,742,296
Assets foreclosed - net	3	21,267,593	22,496,021	21,267,593	22,496,021
Other current assets		84,518,895	43,940,081	84,536,981	44,220,136
Total current assets		3,399,696,048	3,146,179,518	3,398,627,685	3,145,443,326
Non-current assets					
Restricted bank deposits		1,974,615	1,808,697	1,974,615	1,808,697
Investment in subsidiary		-	-	1,327,690	1,327,690
Hire purchase receivables - net of current portion	2	3,475,959,079	2,705,576,670	3,475,959,079	2,705,576,670
Prepaid insurance premium		23,588,656	20,763,932	23,588,656	20,763,932
Land, building and equipment - net		96,771,512	98,510,417	96,510,839	98,267,201
Deferred tax assets		128,866,720	138,539,301	128,866,720	138,539,301
Other non-current assets		363,135	303,135	356,635	296,635
Total non-current assets		3,727,523,717	2,965,502,152	3,728,584,234	2,966,580,126
Total assets		7,127,219,765	6,111,681,670	7,127,211,919	6,112,023,452

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

S 11 Group Public Company Limited and its subsidiary

Statements of financial position (continued)

As at 30 June 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdraft and short-term loans					
from financial institutions	4	357,455,411	293,491,233	357,455,411	293,491,233
Trade accounts payables		123,661,215	40,755,070	123,661,215	40,755,070
Current portion of long-term loans	6	1,501,347,841	1,110,191,489	1,501,347,841	1,110,191,489
Current portion of lease liabilities		1,933,057	1,869,031	1,933,057	1,869,031
Short-term loans	5	387,105,617	387,496,391	387,105,617	387,496,391
Derivatives liabilities		76,632	350,758	76,632	350,758
Income tax payable		7,067,465	45,889,781	7,186,139	46,166,809
Insurance premium payables		14,578,425	17,875,563	14,578,425	17,875,563
Accrued expenses		101,437,876	68,279,560	102,284,506	68,836,737
Other current liabilities		66,202,531	65,619,175	66,132,817	65,562,016
Total current liabilities		2,560,866,070	2,031,818,051	2,561,761,660	2,032,595,097
Non-current liabilities					
Long-term loans - net of current portion	6	1,249,003,542	774,424,790	1,249,003,542	774,424,790
Lease liabilities - net of current portion		9,269,102	8,669,253	9,269,102	8,669,253
Provision for long-term employee benefits		25,456,379	23,151,350	25,456,379	23,151,350
Total non-current liabilities		1,283,729,023	806,245,393	1,283,729,023	806,245,393
Total liabilities		3,844,595,093	2,838,063,444	3,845,490,683	2,838,840,490

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

S 11 Group Public Company Limited and its subsidiary

Statements of financial position (continued)

As at 30 June 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital					
Registered					
613,000,000 ordinary shares of Baht 1 each		613,000,000	613,000,000	613,000,000	613,000,000
Issued and fully paid					
613,000,000 ordinary shares of Baht 1 each		613,000,000	613,000,000	613,000,000	613,000,000
Share premium		427,822,558	427,822,558	427,822,558	427,822,558
Capital reserve for share-based payment transactions		15,300,000	15,300,000	15,300,000	15,300,000
Retained earnings					
Appropriated - statutory reserve		61,300,000	61,300,000	61,300,000	61,300,000
Unappropriated		2,164,950,261	2,155,990,632	2,164,298,678	2,155,760,404
Equity attributable to owners of the Company		3,282,372,819	3,273,413,190	3,281,721,236	3,273,182,962
Non-controlling interests of the subsidiary		251,853	205,036	-	-
Total shareholders' equity		3,282,624,672	3,273,618,226	3,281,721,236	3,273,182,962
Total liabilities and shareholders' equity		7,127,219,765	6,111,681,670	7,127,211,919	6,112,023,452

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

Directors

(Unaudited but reviewed)

S 11 Group Public Company Limited and its subsidiary
Statements of comprehensive income
For the three-month period ended 30 June 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Hire purchase interest income		333,605,372	367,222,702	333,605,372	367,222,702
Fee and service income		20,073,506	21,494,276	19,917,898	21,338,668
Other income		12,403,321	11,482,957	12,398,099	11,481,962
Total revenues		366,082,199	400,199,935	365,921,369	400,043,332
Expenses					
Selling and administrative expenses		81,050,840	75,769,495	81,250,884	75,642,024
Expected credit losses		176,371,590	208,079,502	176,371,590	208,079,502
Loss on impairment and disposal of assets foreclosed		30,638,176	17,209,639	30,638,176	17,209,639
Loss (gain) from derivatives		504	(743,689)	504	(743,689)
Total expenses		288,061,110	300,314,947	288,261,154	300,187,476
Profit before finance cost and income tax expenses		78,021,089	99,884,988	77,660,215	99,855,856
Finance cost		(35,833,635)	(21,099,806)	(35,833,635)	(21,099,806)
Profit before income tax expenses		42,187,454	78,785,182	41,826,580	78,756,050
Income tax expenses	7	(8,344,932)	(15,876,156)	(8,315,255)	(15,876,156)
Profit for the period		33,842,522	62,909,026	33,511,325	62,879,894
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain		383,586	530,995	383,586	530,995
Income tax relating to actuarial gain	7	(76,717)	(106,199)	(76,717)	(106,199)
Other comprehensive income for the period		306,869	424,796	306,869	424,796
Total comprehensive income for the period		34,149,391	63,333,822	33,818,194	63,304,690

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

(Unaudited but reviewed)

S 11 Group Public Company Limited and its subsidiary
Statements of comprehensive income (continued)
For the three-month period ended 30 June 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss attributable to:					
Equity holders of the Company		33,809,402	62,906,113	33,511,325	62,879,894
Non-controlling interests of the subsidiary		33,120	2,913		
		<u>33,842,522</u>	<u>62,909,026</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		34,116,271	63,330,909	33,818,194	63,304,690
Non-controlling interests of the subsidiary		33,120	2,913		
		<u>34,149,391</u>	<u>63,333,822</u>		
Earnings per share	8				
Basic earnings per share		<u>0.06</u>	<u>0.10</u>	<u>0.05</u>	<u>0.10</u>

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

(Unaudited but reviewed)

S 11 Group Public Company Limited and its subsidiary
Statements of comprehensive income
For the six-month period ended 30 June 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Hire purchase interest income		673,149,645	744,028,838	673,149,645	744,028,838
Fee and service income		42,445,508	44,368,029	42,134,293	44,056,814
Other income		25,490,985	21,663,047	25,471,463	21,523,302
Total revenues		741,086,138	810,059,914	740,755,401	809,608,954
Expenses					
Selling and administrative expenses		162,239,985	154,541,613	162,407,097	154,089,835
Expected credit losses		369,372,222	401,222,734	369,372,222	401,222,734
Loss on impairment and disposal of assets foreclosed		55,826,842	35,709,273	55,826,842	35,709,273
Loss (gain) from derivatives		1,859	(993,751)	1,859	(993,751)
Total expenses		587,440,908	590,479,869	587,608,020	590,028,091
Profit before finance cost and income tax expenses		153,645,230	219,580,045	153,147,381	219,580,863
Finance cost		(65,073,949)	(42,019,031)	(65,073,949)	(42,019,031)
Profit before income tax expenses		88,571,281	177,561,014	88,073,432	177,561,832
Income tax expenses	7	(17,560,987)	(35,608,328)	(17,531,310)	(35,608,328)
Profit for the period		71,010,294	141,952,686	70,542,122	141,953,504
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain (loss)		(879,810)	1,497,957	(879,810)	1,497,957
Income tax relating to actuarial (gain) loss	7	175,962	(299,591)	175,962	(299,591)
Other comprehensive income for the period (loss)		(703,848)	1,198,366	(703,848)	1,198,366
Total comprehensive income for the period		70,306,446	143,151,052	69,838,274	143,151,870

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

(Unaudited but reviewed)

S 11 Group Public Company Limited and its subsidiary
Statements of comprehensive income (continued)
For the six-month period ended 30 June 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss attributable to:					
Equity holders of the Company		70,963,477	141,952,768	70,542,122	141,953,504
Non-controlling interests of the subsidiary		46,817	(82)		
		<u>71,010,294</u>	<u>141,952,686</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		70,259,629	143,151,134	69,838,274	143,151,870
Non-controlling interests of the subsidiary		46,817	(82)		
		<u>70,306,446</u>	<u>143,151,052</u>		
Earnings per share	8				
Basic earnings per share		<u>0.12</u>	<u>0.23</u>	<u>0.12</u>	<u>0.23</u>

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

(Unaudited but reviewed)

S 11 Group Public Company Limited and its subsidiary

Statements of changes in shareholders' equity

For the six-month period ended 30 June 2023

(Unit: Baht)

	Consolidated financial statements							Total shareholders' equity
	Issued and fully paid share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Equity attributable to owners of the Company	Non-controlling interests of the subsidiary	
				Appropriated - statutory reserve	Unappropriated			
Balance as at 1 January 2022	613,000,000	427,822,558	15,300,000	61,300,000	1,962,631,727	3,080,054,285	273,871	3,080,328,156
Profit for the period	-	-	-	-	141,952,768	141,952,768	(82)	141,952,686
Other comprehensive income for the period	-	-	-	-	1,198,366	1,198,366	-	1,198,366
Total comprehensive income for the period	-	-	-	-	143,151,134	143,151,134	(82)	143,151,052
Dividend paid (Note 10)	-	-	-	-	(98,079,200)	(98,079,200)	-	(98,079,200)
Balance as at 30 June 2022	<u>613,000,000</u>	<u>427,822,558</u>	<u>15,300,000</u>	<u>61,300,000</u>	<u>2,007,703,661</u>	<u>3,125,126,219</u>	<u>273,789</u>	<u>3,125,400,008</u>
Balance as at 1 January 2023	613,000,000	427,822,558	15,300,000	61,300,000	2,155,990,632	3,273,413,190	205,036	3,273,618,226
Profit for the period	-	-	-	-	70,963,477	70,963,477	46,817	71,010,294
Other comprehensive income for the period (loss)	-	-	-	-	(703,848)	(703,848)	-	(703,848)
Total comprehensive income for the period	-	-	-	-	70,259,629	70,259,629	46,817	70,306,446
Dividend paid (Note 10)	-	-	-	-	(61,300,000)	(61,300,000)	-	(61,300,000)
Balance as at 30 June 2023	<u>613,000,000</u>	<u>427,822,558</u>	<u>15,300,000</u>	<u>61,300,000</u>	<u>2,164,950,261</u>	<u>3,282,372,819</u>	<u>251,853</u>	<u>3,282,624,672</u>

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

(Unaudited but reviewed)

S 11 Group Public Company Limited and its subsidiary
 Statements of changes in shareholders' equity (continued)
 For the six-month period ended 30 June 2023

(Unit: Baht)

	Separate financial statements					
	Issued and fully paid share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2022	613,000,000	427,822,558	15,300,000	61,300,000	1,961,781,981	3,079,204,539
Profit for the period	-	-	-	-	141,953,504	141,953,504
Other comprehensive income for the period	-	-	-	-	1,198,366	1,198,366
Total comprehensive income for the period	-	-	-	-	143,151,870	143,151,870
Dividend paid (Note 10)	-	-	-	-	(98,079,200)	(98,079,200)
Balance as at 30 June 2022	<u>613,000,000</u>	<u>427,822,558</u>	<u>15,300,000</u>	<u>61,300,000</u>	<u>2,006,854,651</u>	<u>3,124,277,209</u>
Balance as at 1 January 2023	613,000,000	427,822,558	15,300,000	61,300,000	2,155,760,404	3,273,182,962
Profit for the period	-	-	-	-	70,542,122	70,542,122
Other comprehensive income for the period (loss)	-	-	-	-	(703,848)	(703,848)
Total comprehensive income for the period	-	-	-	-	69,838,274	69,838,274
Dividend paid (Note 10)	-	-	-	-	(61,300,000)	(61,300,000)
Balance as at 30 June 2023	<u>613,000,000</u>	<u>427,822,558</u>	<u>15,300,000</u>	<u>61,300,000</u>	<u>2,164,298,678</u>	<u>3,281,721,236</u>

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

(Unaudited but reviewed)

S 11 Group Public Company Limited and its subsidiary**Cash flows statements****For the six-month period ended 30 June 2023**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before income tax	88,571,281	177,561,014	88,073,432	177,561,832
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities				
Depreciation	4,303,980	4,785,140	4,231,161	4,712,268
Expected credit losses	369,372,222	401,222,734	369,372,222	401,222,734
Gain on sales of fixed assets	-	(1,224)	-	(1,224)
Loss (gain) on written-offs of fixed assets	(16,497)	43	(16,497)	43
Reversal on impairment of assets foreclosed	(870,677)	(193,774)	(870,677)	(193,774)
Provision for long-term employee benefits	1,425,219	1,368,454	1,425,219	1,368,454
Hire purchase interest income	(673,149,645)	(744,028,838)	(673,149,645)	(744,028,838)
Loss (gain) from derivatives	1,859	(993,751)	1,859	(993,751)
Interest expenses and amortisation of loans issuing cost	65,004,707	41,954,336	65,004,707	41,954,336
Amortised finance cost for lease liabilities	69,242	64,695	69,242	64,695
Loss from operating activities before changes in operating assets and liabilities	(145,288,309)	(118,261,171)	(145,858,977)	(118,333,225)
Operating assets (increase) decrease				
Hire purchase receivables	(1,344,502,267)	(506,506,888)	(1,344,502,267)	(506,506,888)
Assets foreclosed	2,099,105	(6,751,377)	2,099,105	(6,751,377)
Prepaid insurance premium	(8,382,005)	(1,798,209)	(8,382,005)	(1,798,209)
Other current assets	(37,886,083)	(37,422)	(37,624,114)	(55,502)
Other non-current assets	(60,000)	4,500	(60,000)	-
Operating liabilities increase (decrease)				
Trade accounts payables	82,906,145	67,289,783	82,906,145	67,289,783
Insurance premium payables	(3,297,138)	4,339,075	(3,297,138)	4,339,075
Accrued expenses	33,087,942	57,754,773	33,377,396	57,892,291
Other current liabilities	583,356	(5,479,854)	570,801	(5,265,465)
Cash flows used in operating activities	(1,420,739,254)	(509,446,790)	(1,420,771,054)	(509,189,517)
Cash received from interest	674,793,509	767,291,572	674,793,509	767,291,572
Cash paid for income tax	(46,534,760)	(36,199,098)	(46,663,437)	(36,062,920)
Cash paid for interest	(56,267,746)	(36,998,783)	(56,267,746)	(36,998,783)
Net cash flows from (used in) operating activities	(848,748,251)	184,646,901	(848,908,728)	185,040,352

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

(Unaudited but reviewed)

S 11 Group Public Company Limited and its subsidiary**Cash flows statements (continued)**

For the six-month period ended 30 June 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Increase in restricted bank deposits	(165,918)	(182,688)	(165,918)	(182,688)
Cash received for proceeds of equipment	-	1,290	-	1,290
Cash paid for acquisitions of land, building and equipment	(1,251,887)	(1,685,015)	(1,161,612)	(1,682,372)
Net cash flows used in investing activities	(1,417,805)	(1,866,413)	(1,327,530)	(1,863,770)
Cash flows from financing activities				
Increase in bank overdraft and short-term loans				
from financial institutions	63,964,178	55,114,346	63,964,178	55,114,346
Cash paid for loan issuing cost	(3,325,000)	(1,050,000)	(3,325,000)	(1,050,000)
Cash paid for lease liabilities	(685,089)	(685,247)	(685,089)	(685,247)
Decrease in short-term loans	(7,139,978)	(74,924,658)	(7,139,978)	(74,924,658)
Cash received from long-term loans	1,599,000,000	684,000,000	1,599,000,000	684,000,000
Repayment of long-term loans	(732,150,233)	(734,659,159)	(732,150,233)	(734,659,159)
Payment for dividend	(61,300,000)	(98,079,200)	(61,300,000)	(98,079,200)
Net cash flows from (used in) financing activities	858,363,878	(170,283,918)	858,363,878	(170,283,918)
Net increase in cash and cash equivalents	8,197,822	12,496,570	8,127,620	12,892,664
Cash and cash equivalents at beginning of period	43,291,892	41,400,008	42,275,645	40,012,334
Cash and cash equivalents at end of period	51,489,714	53,896,578	50,403,265	52,904,998

Supplemental cash flows information

Non-cash items consist of:

Additions to right-of-use assets and lease liabilities	2,064,000	-	2,064,000	-
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The accompanying notes are an integral part of the financial statements.

S 11 Group Public Company Limited and its subsidiary
Notes to interim consolidated financial statements
For the three-month and six-month periods ended 30 June 2023

1. General information

1.1 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 30 June 2023, the Company has 9 branches located in Chonburi, Ayudhya, Rayong, Nakhon Ratchasima, Prachinburi, Chantaburi, Buriram and Nakhon Sawan (31 December 2022: 8 branches).

1.2 The Coronavirus disease 2019 pandemic (COVID-19)

The Coronavirus disease 2019 pandemic (COVID-19) is impacting various businesses and industries both directly and indirectly and resulting in an economic slowdown. This situation could create uncertainties and this may be impacting the Company’s operating results and cash flows in the future. The Company’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities. The management has used estimates and judgement in various matters as the situation evolves.

1.3 Basis for the preparation of the interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

1.4 Basis for the preparation of the interim consolidated financial statements

These interim consolidated financial statements have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2022 include the financial statements of S 11 Group Public Company Limited and MOD S Company Limited (“the subsidiary”), which is domiciled in Thailand and is principally engaged in management and accelerated collection of assets. The Company holds 90% of the subsidiary’s shares (collectively as “the Group”).

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation that were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Group’s financial statements.

2. Hire purchase receivables

2.1 As at 30 June 2023 and 31 December 2022, the contract terms of the Company’s hire purchase receivables are 12 - 60 installments with payments to be made in equal installments and interest charged at the fixed rates throughout the contracts. Hire purchase receivables classified by due date per agreement are as follows:

(Unit: Baht)

	Consolidated and Separate financial statements						
	30 June 2023						
	Portion due within one year	Portion due over one year but within two years	Portion due over two years but within three years	Portion due over three years but within four years	Portion due over four years but within five years	Portion due over five years	Total
Hire purchase receivables	4,808,419,772	2,743,374,449	1,371,790,354	555,374,105	26,763,454	-	9,505,722,134
Less: Unearned hire purchase income ⁽¹⁾	(1,177,825,171)	(548,156,602)	(205,148,994)	(47,332,163)	(1,042,087)	-	(1,979,505,017)
Present value of the minimum lease payment receivables	3,630,594,601	2,195,217,847	1,166,641,360	508,041,942	25,721,367	-	7,526,217,117
Less: Allowance for expected credit losses	(458,552,875)	(217,052,726)	(137,111,664)	(62,336,136)	(3,152,911)	-	(878,216,312)
Net hire purchase receivables	<u>3,172,041,726</u>	<u>1,978,155,121</u>	<u>1,029,529,696</u>	<u>445,705,806</u>	<u>22,568,456</u>	-	<u>6,648,000,805</u>

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

(Unit: Baht)

Consolidated and Separate financial statements						
31 December 2022						
	Portion due over one year but within one year	Portion due over one year but within two years	Portion due over two years but within three years	Portion due over three years but within four years	Portion due over four years but within five years	Portion due over five years Total
Hire purchase receivables	4,641,859,500	2,454,167,164	1,064,260,008	205,867,017	9,946,917	8,376,100,606
Less: Unearned hire purchase income ⁽¹⁾	(1,182,894,176)	(494,940,813)	(134,238,095)	(17,590,710)	(391,601)	(1,830,055,395)
Present value of the minimum lease payment receivables	3,458,965,324	1,959,226,351	930,021,913	188,276,307	9,555,316	6,546,045,211
Less: Allowance for expected credit losses	(490,027,370)	(224,471,142)	(128,244,057)	(27,414,206)	(1,373,812)	(871,530,587)
Net hire purchase receivables	<u>2,968,937,954</u>	<u>1,734,755,209</u>	<u>801,777,856</u>	<u>160,862,101</u>	<u>8,181,504</u>	<u>5,674,514,624</u>

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

2.2 As at 30 June 2023 and 31 December 2022, the balances of hire purchase receivables (net of unearned hire purchase income) and allowance for expected credit losses are classified by aging of installment past due as follows:

(Unit: Baht)

Consolidated and Separate financial statements				
Aging	Balance of hire purchase receivables		Allowance for expected credit losses	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	Not yet due, past due not more than 2 months	6,982,763,717	5,982,864,426	654,816,610
More than 2 months, but less than 4 months	224,754,743	220,546,037	14,472,401	12,492,182
4 months or more, but less than 6 months	118,970,246	118,713,536	9,198,890	8,803,196
6 months or more, including fully-mature deposit contracts	199,728,411	223,921,212	199,728,411	223,921,212
Total	<u>7,526,217,117</u>	<u>6,546,045,211</u>	<u>878,216,312</u>	<u>871,530,587</u>

2.3 As at 30 June 2023, the Company had transferred rights of claim under hire purchase agreements with outstanding balances (before netting with unearned hire purchase income) of Baht 657 million (31 December 2022: Baht 580 million) in order to secure credit facilities granted by commercial banks as described in Note 6 to the interim financial statements.

2.4 Allowance for expected credit losses

Movements of allowance for expected credit losses (ECL) of hire purchase receivables are as follows:

	(Unit: Baht)	
	Consolidated and Separate financial statements	
	For the six-month period ended 30 June 2023	For the year ended 31 December 2022
Balance beginning of the period/year	871,530,587	807,980,410
Add: Expected credit losses during the period/year	369,372,222	692,639,391
Less: Bad debt written-off	(362,686,497)	(629,089,214)
Balance end of the period/year	<u>878,216,312</u>	<u>871,530,587</u>

3. Assets foreclosed

	(Unit: Baht)	
	Consolidated and Separate financial statements	
	30 June 2023	31 December 2022
Assets foreclosed - cost	32,280,336	34,379,441
Less: Allowance for impairment	(11,012,743)	(11,883,420)
Assets foreclosed - net	<u>21,267,593</u>	<u>22,496,021</u>

4. Bank overdraft and short-term loans from financial institutions

	Interest rate (% per annum)	(Unit: Baht)	
		Consolidated and Separate financial statements	
		30 June 2023	31 December 2022
Bank overdraft	MOR - 2.00	11,999,991	-
Promissory notes	4.45 - 5.20	345,455,420	293,491,233
Total		<u>357,455,411</u>	<u>293,491,233</u>

These present loans in the form of promissory notes, under which principal payment is due at call and interest is payable every month end.

As at 30 June 2023, the short-term credit facilities which have not yet been drawdown amounted to Baht 93 million.

5. Short-term loans

As at 30 June 2023, the Company has loans in form of bills of exchange, net of discount, totaling Baht 387 million, the bills are registered, transferable, and maturing within 184 days from the date of issuance (maturity date between July - December 2023), with interest charged at the rate of 3.60 - 4.03 percent per annum (31 December 2022: Bills of exchange of Baht 387 million, registered, transferable, and maturing within 183 days from the date of issuance, maturity date between January - June 2023, with interest charge at the rate of 3.14 - 3.50 percent per annum).

6. Long-term loans

As at 30 June 2023 and 31 December 2022, the long-term loans, which the Company obtained from local financial institutions, are detailed below.

(Unit: Baht)

Facility no.	Loan facility	Interest rate (% per annum)	Repayment schedule	Consolidated and Separate financial statements	
				30 June 2023	31 December 2022
1	Loan agreement dated 27 June 2014	MLR - 2.63	Payment in 30 equal installments, with the first installment payment on the last day of the month of drawdown	1,193,124,379	626,658,334
2	Loan agreement dated 11 September 2019	THBFIX6M + 1.65	Payment in 30 installments, with the first installment payment on the last day of the month of drawdown	-	7,400,000
3	Loan agreement dated 31 March 2020	4.40	Payment in 30 equal installments, with the first installment payment on the last day of the month of drawdown	34,759,119	132,593,807
4.1	Loan agreement dated 28 December 2020	THBFIX6M + 2.20	Payment in 24 installments, with the first installment payment on the last day of the month of drawdown	-	37,500,000
4.2	Loan agreement dated 28 December 2020	3.70	Payment in 24 installments, with the first installment payment on the last day of the month of drawdown	37,500,000	75,000,000
5	Loan agreement dated 5 July 2021	4.40	Payment in 30 equal installments, with the first installment payment on the last day of the month of drawdown	305,369,441	435,084,706
6	Loan agreement dated 7 June 2022	4.40	Payment in 24 equal installments, with the first installment payment on the last day of the next month of the month of drawdown	250,000,000	143,750,000
7	Loan agreement dated 3 August 2022	MLR - 1.56	Payment in equal not over 36 installments, with the first installment payment on the last day of the next month of the month of drawdown	370,949,912	429,671,379
8	Loan agreement dated 13 March 2023	MLR - 2.03	Payment in equal not over 36 installments, with the first installment payment on the last day of the next month of the month of drawdown	562,805,142	-
Total				2,754,507,993	1,887,658,226
Less: Deferred loans issuing costs				(4,156,610)	(3,041,947)
Long-term loans				2,750,351,383	1,884,616,279
Less: current portion due within 1 year				(1,501,347,841)	(1,110,191,489)
Long-term loans, net of current portion				1,249,003,542	774,424,790

Under each loan agreement, the Company has to comply with certain covenants regarding, among other things, the maintenance of the proportion of shareholding of the major shareholders, the maintenance of a debt to equity ratio, hire purchase receivables with more than 3 installment past due to total hire purchase receivables ratio, hire purchase receivables with no more than 3 installments past due to total debts ratio, the transfer of rights of claim under hire purchase agreements and motorcycle registrations, as notified by the commercial bank, or the pledge of the Company's shares held by the major shareholders.

As at 30 June 2023, the Company has commitments of Baht 38 million under interest rate swap agreements with a bank that is the Company's lender for loan facilities no. 4.2 whereby floating interest rates are swapped for a fixed interest rate throughout the term of the loan and amount of Baht 38 million whereby fixed interest rates are swapped for a floating interest rate throughout the term of loan. The interest rate swap agreements gradually mature within 2023, in accordance with the conditions of loan repayment (31 December 2022: The Company had commitments of Baht 120 million under interest rate swap agreements for loan facility no. 2, 4.1 and 4.2 whereby floating interest rates are swapped for a fixed interest rate throughout the term of the loan and loan facilities no. 4.2 amount of Baht 75 million under interest rate swap agreements with a bank that is the Company's lender whereby fixed interest rates are swapped for a floating interest rate throughout the term of loan.).

As at 30 June 2023, the Company has long-term credit facilities which have not yet been drawdown amounted to Baht 1,064 million.

Movements in the long-term loans account during the six-month period ended 30 June 2023 are summarised below.

	(Unit: Baht)
Balance as at 1 January 2023	1,887,658,226
Add: Addition borrowings during the period	1,599,000,000
Less: Loans repayment during the period	<u>(732,150,233)</u>
Balance as at 30 June 2023	<u>2,754,507,993</u>

7. Income tax expenses

Income tax expenses for the three-month and six-month periods ended 30 June 2023 and 2022 are as follows:

(Unit: Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax charge	2,126,546	12,071,396	2,096,869	12,071,396
Deferred tax:				
Relating to origination and reversal of temporary differences	6,218,386	3,804,760	6,218,386	3,804,760
Income tax expenses reported in the statements of comprehensive income	<u>8,344,932</u>	<u>15,876,156</u>	<u>8,315,255</u>	<u>15,876,156</u>

(Unit: Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax charge	7,712,444	27,635,883	7,682,767	27,635,883
Deferred tax:				
Relating to origination and reversal of temporary differences	9,848,543	7,972,445	9,848,543	7,972,445
Income tax expenses reported in the statements of comprehensive income	<u>17,560,987</u>	<u>35,608,328</u>	<u>17,531,310</u>	<u>35,608,328</u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2023 and 2022 are as follows:

(Unit: Baht)

	Consolidated and Separate financial statements			
	For the three-month periods ended		For the six-month periods ended	
	30 June		30 June	
	2023	2022	2023	2022
Deferred tax relating to actuarial (gain) loss	(76,717)	(106,199)	175,962	(299,591)

Reconciliations between income tax expenses and the product of accounting profit multiplied by the applicable tax rate for the three-month and six-month periods ended 30 June 2023 and 2022 are as follows:

(Unit: Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accounting profit before tax	42,187,454	78,785,182	41,826,580	78,756,050
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	8,437,491	15,757,036	8,365,316	15,751,210
Effect of additional expense and non-deductible expense	(92,559)	119,120	(50,061)	124,946
Income tax expenses reported in the statements of comprehensive income	8,344,932	15,876,156	8,315,255	15,876,156

(Unaudited but reviewed)

(Unit: Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit before tax	88,571,281	177,561,014	88,073,432	177,561,832
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	17,714,256	35,512,203	17,614,686	35,512,366
Effect of additional expense and non-deductible expense	(153,269)	96,125	(83,376)	95,962
Income tax expenses reported in the statements of comprehensive income	17,560,987	35,608,328	17,531,310	35,608,328

8. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

9. Related party transactions

During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

Name of related party	Relationship with the Company
MOD S Company Limited	Subsidiary

(Unit: Baht)

	For the three-month periods ended 30 June				Pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2023	2022	2023	2022	
<u>Transactions with subsidiary</u>					
Service expense	-	-	2,697,413	2,118,566	As stipulated in agreements

(Unaudited but reviewed)

(Unit: Baht)

	For the six-month periods ended 30 June				Pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2023	2022	2023	2022	
<u>Transactions with subsidiary</u>					
Service expense	-	-	4,849,077	4,245,202	As stipulated in agreements

The balance of the accounts as at 30 June 2023 and 31 December 2022, between the Company and related parties are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2023	31 December 2022	30 June 2023	31 December 2022
	<u>Subsidiary</u>			
Service payable	-	-	1,045,021	814,000

Directors and management benefits

During the periods, the Company had the following employee benefit expenses payable to their directors and management.

(Unit: Baht)

	Consolidated and Separate financial statements			
	For the three-month periods ended		For the six-month periods ended	
	30 June		30 June	
	2023	2022	2023	2022
Short-term employee benefits	4,931,470	4,931,470	9,862,940	9,862,940
Post-employment benefits	266,587	219,046	452,126	627,081
Total	5,198,057	5,150,516	10,315,066	10,490,021

10. Dividend

On 7 April 2022, the Annual General Meeting of the Company's shareholders for the year 2022 approved to pay a dividend from the 2021 operating results to the shareholders of the Company at a rate of Baht 0.26 per share, or a total of Baht 159.38 million (interim dividend payment of Baht 0.10 per share and Baht 0.16 per share was paid on 6 May 2022).

On 5 April 2023 the Annual General Meeting of the Company's shareholders for the year 2023 approved to pay a dividend from the 2022 operating results to the shareholders of the Company at a rate of Baht 0.20 per share, or a total of Baht 122.60 million (interim dividend payment of Baht 0.10 per share and Baht 0.10 per share was paid on 3 May 2023).

11. Segment information

The Company's principal operations involve a single 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.

12. Financial instrument**12.1 Fair value of financial instrument**

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

12.2 Fair value hierarchy

As at 30 June 2023, the Group had the liabilities that were measured at fair value using different levels of inputs as follows:

	(Unit: Baht)			
	Consolidated and Separate financial statements			
	Fair value			
	Level 1	Level 2	Level 3	Total
Liabilities for which fair value are measured				
Derivatives liabilities	-	76,632	-	76,632

During the current period, there were no changes in the methods and the assumptions used to estimate the fair value of financial instruments and there were no transfers between the levels of the fair value hierarchy.

13. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 August 2023.