

S 11 Group Public Company Limited  
and its subsidiary  
Review report and interim financial information  
For the three-month period ended  
31 March 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 31 March 2023, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-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: 11 May 2023

S 11 Group Public Company Limited and its subsidiary

Statements of financial position

As at 31 March 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		42,643,029	43,291,892	41,464,640	42,275,645
Current portion of hire purchase receivables - net	2	3,024,543,354	2,968,937,954	3,024,543,354	2,968,937,954
Counter service receivables		11,738,461	14,771,274	11,738,461	14,771,274
Prepaid insurance premium		54,417,788	52,742,296	54,417,788	52,742,296
Assets foreclosed - net	3	17,121,446	22,496,021	17,121,446	22,496,021
Other current assets		49,582,836	43,940,081	49,580,313	44,220,136
<b>Total current assets</b>		<b>3,200,046,914</b>	<b>3,146,179,518</b>	<b>3,198,866,002</b>	<b>3,145,443,326</b>
<b>Non-current assets</b>					
Restricted bank deposits		1,899,097	1,808,697	1,899,097	1,808,697
Investment in subsidiary		-	-	1,327,690	1,327,690
Hire purchase receivables - net of current portion	2	2,981,917,629	2,705,576,670	2,981,917,629	2,705,576,670
Prepaid insurance premium		21,263,203	20,763,932	21,263,203	20,763,932
Land, building and equipment - net		97,284,335	98,510,417	97,074,714	98,267,201
Deferred tax assets		135,161,823	138,539,301	135,161,823	138,539,301
Other non-current assets		323,135	303,135	316,635	296,635
<b>Total non-current assets</b>		<b>3,237,849,222</b>	<b>2,965,502,152</b>	<b>3,238,960,791</b>	<b>2,966,580,126</b>
<b>Total assets</b>		<b>6,437,896,136</b>	<b>6,111,681,670</b>	<b>6,437,826,793</b>	<b>6,112,023,452</b>

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 31 March 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	4	349,400,000	293,491,233	349,400,000	293,491,233
Trade accounts payables		91,259,651	40,755,070	91,259,651	40,755,070
Current portion of long-term loans	6	1,182,699,186	1,110,191,489	1,182,699,186	1,110,191,489
Current portion of lease liabilities		1,827,129	1,869,031	1,827,129	1,869,031
Short-term loans	5	386,305,110	387,496,391	386,305,110	387,496,391
Derivatives liabilities		179,243	350,758	179,243	350,758
Income tax payable		51,211,713	45,889,781	51,281,218	46,166,809
Insurance premium payables		11,315,945	17,875,563	11,315,945	17,875,563
Accrued expenses		71,090,970	68,279,560	71,574,979	68,836,737
Other current liabilities		63,381,357	65,619,175	63,330,739	65,562,016
<b>Total current liabilities</b>		<b>2,208,670,304</b>	<b>2,031,818,051</b>	<b>2,209,173,200</b>	<b>2,032,595,097</b>
<b>Non-current liabilities</b>					
Long-term loans - net of current portion	6	885,108,495	774,424,790	885,108,495	774,424,790
Lease liabilities - net of current portion		9,074,062	8,669,253	9,074,062	8,669,253
Provision for long-term employee benefits		25,267,994	23,151,350	25,267,994	23,151,350
<b>Total non-current liabilities</b>		<b>919,450,551</b>	<b>806,245,393</b>	<b>919,450,551</b>	<b>806,245,393</b>
<b>Total liabilities</b>		<b>3,128,120,855</b>	<b>2,838,063,444</b>	<b>3,128,623,751</b>	<b>2,838,840,490</b>

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 31 March 2023

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
	613,000,000	613,000,000	613,000,000	613,000,000
613,000,000 ordinary shares of Baht 1 each				
Issued and fully paid				
	613,000,000	613,000,000	613,000,000	613,000,000
613,000,000 ordinary shares of Baht 1 each				
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	2,192,133,990	2,155,990,632	2,191,780,484	2,155,760,404
<b>Equity attributable to owners of the Company</b>	<b>3,309,556,548</b>	<b>3,273,413,190</b>	<b>3,309,203,042</b>	<b>3,273,182,962</b>
Non-controlling interests of the subsidiary	218,733	205,036	-	-
<b>Total shareholders' equity</b>	<b>3,309,775,281</b>	<b>3,273,618,226</b>	<b>3,309,203,042</b>	<b>3,273,182,962</b>
<b>Total liabilities and shareholders' equity</b>	<b>6,437,896,136</b>	<b>6,111,681,670</b>	<b>6,437,826,793</b>	<b>6,112,023,452</b>

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 31 March 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Profit or loss:</b>					
<b>Revenues</b>					
Hire purchase interest income		339,544,273	376,806,136	339,544,273	376,806,136
Fee and service income		22,372,002	22,873,753	22,216,395	22,718,146
Other income		13,087,664	10,180,090	13,073,364	10,041,340
<b>Total revenues</b>		<b>375,003,939</b>	<b>409,859,979</b>	<b>374,834,032</b>	<b>409,565,622</b>
<b>Expenses</b>					
Selling and administrative expenses		81,189,145	78,772,118	81,156,213	78,447,811
Expected credit losses		193,000,632	193,143,232	193,000,632	193,143,232
Loss on impairment and disposal of assets foreclosed		25,188,666	18,499,634	25,188,666	18,499,634
Loss (gain) from derivative		1,355	(250,062)	1,355	(250,062)
<b>Total expenses</b>		<b>299,379,798</b>	<b>290,164,922</b>	<b>299,346,866</b>	<b>289,840,615</b>
<b>Profit before finance cost and income tax expenses</b>		<b>75,624,141</b>	<b>119,695,057</b>	<b>75,487,166</b>	<b>119,725,007</b>
Finance cost		(29,240,314)	(20,919,225)	(29,240,314)	(20,919,225)
<b>Profit before income tax expenses</b>		<b>46,383,827</b>	<b>98,775,832</b>	<b>46,246,852</b>	<b>98,805,782</b>
Income tax expenses	7	(9,216,055)	(19,732,172)	(9,216,055)	(19,732,172)
<b>Profit for the period</b>		<b>37,167,772</b>	<b>79,043,660</b>	<b>37,030,797</b>	<b>79,073,610</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain (loss)		(1,263,396)	966,962	(1,263,396)	966,962
Income tax relating to actuarial (gain) loss	7	252,679	(193,392)	252,679	(193,392)
<b>Other comprehensive income for the period (loss)</b>		<b>(1,010,717)</b>	<b>773,570</b>	<b>(1,010,717)</b>	<b>773,570</b>
<b>Total comprehensive income for the period</b>		<b>36,157,055</b>	<b>79,817,230</b>	<b>36,020,080</b>	<b>79,847,180</b>

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 31 March 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Profit or loss attributable to:</b>					
Equity holders of the Company		37,154,075	79,046,655	37,030,797	79,073,610
Non-controlling interests of the subsidiary		13,697	(2,995)		
		<u>37,167,772</u>	<u>79,043,660</u>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		36,143,358	79,820,225	36,020,080	79,847,180
Non-controlling interests of the subsidiary		13,697	(2,995)		
		<u>36,157,055</u>	<u>79,817,230</u>		
<b>Earnings per share</b>	8				
Basic earnings per share		<u>0.06</u>	<u>0.13</u>	<u>0.06</u>	<u>0.13</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 three-month period ended 31 March 2023

(Unit: Baht)

	Consolidated financial statements							
	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	Total shareholders' equity
				Appropriated - statutory reserve	Unappropriated			
<b>Balance as at 1 January 2022</b>	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	-	-	-	-	79,046,655	79,046,655	(2,995)	79,043,660
Other comprehensive income for the period	-	-	-	-	773,570	773,570	-	773,570
Total comprehensive income for the period	-	-	-	-	79,820,225	79,820,225	(2,995)	79,817,230
<b>Balance as at 31 March 2022</b>	<u>613,000,000</u>	<u>427,822,558</u>	<u>15,300,000</u>	<u>61,300,000</u>	<u>2,042,451,952</u>	<u>3,159,874,510</u>	<u>270,876</u>	<u>3,160,145,386</u>
<b>Balance as at 1 January 2023</b>	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	-	-	-	-	37,154,075	37,154,075	13,697	37,167,772
Other comprehensive income for the period (loss)	-	-	-	-	(1,010,717)	(1,010,717)	-	(1,010,717)
Total comprehensive income for the period	-	-	-	-	36,143,358	36,143,358	13,697	36,157,055
<b>Balance as at 31 March 2023</b>	<u>613,000,000</u>	<u>427,822,558</u>	<u>15,300,000</u>	<u>61,300,000</u>	<u>2,192,133,990</u>	<u>3,309,556,548</u>	<u>218,733</u>	<u>3,309,775,281</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 three-month period ended 31 March 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	
<b>Balance as at 1 January 2022</b>	613,000,000	427,822,558	15,300,000	61,300,000	1,961,781,981	3,079,204,539
Profit for the period	-	-	-	-	79,073,610	79,073,610
Other comprehensive income for the period	-	-	-	-	773,570	773,570
Total comprehensive income for the period	-	-	-	-	79,847,180	79,847,180
<b>Balance as at 31 March 2022</b>	<u>613,000,000</u>	<u>427,822,558</u>	<u>15,300,000</u>	<u>61,300,000</u>	<u>2,041,629,161</u>	<u>3,159,051,719</u>
<b>Balance as at 1 January 2023</b>	613,000,000	427,822,558	15,300,000	61,300,000	2,155,760,404	3,273,182,962
Profit for the period	-	-	-	-	37,030,797	37,030,797
Other comprehensive income for the period (loss)	-	-	-	-	(1,010,717)	(1,010,717)
Total comprehensive income for the period	-	-	-	-	36,020,080	36,020,080
<b>Balance as at 31 March 2023</b>	<u>613,000,000</u>	<u>427,822,558</u>	<u>15,300,000</u>	<u>61,300,000</u>	<u>2,191,780,484</u>	<u>3,309,203,042</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 three-month period ended 31 March 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Cash flows from operating activities</b>				
Profit before income tax	46,383,827	98,775,832	46,246,852	98,805,782
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities				
Depreciation	2,127,412	2,380,255	2,090,432	2,363,232
Expected credit losses	193,000,632	193,143,232	193,000,632	193,143,232
Loss (gain) on written-off assets	(7,616)	15	(7,616)	15
Reversal of loss on impairment of assets foreclosed	(2,851,839)	(861,141)	(2,851,839)	(861,141)
Provision for long-term employee benefits	853,248	801,231	853,248	801,231
Hire purchase interest income	(339,544,273)	(376,806,136)	(339,544,273)	(376,806,136)
Loss (gain) from derivative	1,355	(250,062)	1,355	(250,062)
Interest expenses and amortisation of loans issuing cost	29,206,001	20,885,284	29,206,001	20,885,284
Amortised finance cost for lease liabilities	34,313	33,941	34,313	33,941
Loss from operating activities before changes in operating assets and liabilities	(70,796,940)	(61,897,549)	(70,970,895)	(61,884,622)
Operating assets (increase) decrease				
Hire purchase receivables	(528,397,716)	(134,549,641)	(528,397,716)	(134,549,641)
Assets foreclosed	8,226,414	(2,626,235)	8,226,414	(2,626,235)
Prepaid insurance premium	(2,174,763)	969,189	(2,174,763)	969,189
Other current assets	(2,332,914)	7,443,861	(2,327,364)	7,446,791
Other non-current assets	(20,000)	4,500	(20,000)	-
Operating liabilities increase (decrease)				
Trade accounts payables	50,504,581	35,824,784	50,504,581	35,824,784
Insurance premium payables	(6,559,618)	(147,100)	(6,559,618)	(147,100)
Accrued expenses	2,891,928	31,540,119	2,818,760	31,469,135
Other current liabilities	(2,237,818)	(5,558,178)	(2,231,277)	(5,561,336)
Cash flows used in operating activities	(550,896,846)	(128,996,250)	(551,131,878)	(129,059,035)
Cash received from interest	342,994,998	391,639,846	342,994,998	391,639,846
Cash paid for corporate income tax	(540,994)	(397,225)	(471,489)	(328,239)
Cash paid for interest	(25,265,545)	(18,467,565)	(25,265,545)	(18,467,565)
<b>Net cash flows from (used in) operating activities</b>	<b>(233,708,387)</b>	<b>243,778,806</b>	<b>(233,873,914)</b>	<b>243,785,007</b>

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 three-month period ended 31 March 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Cash flows from investing activities</b>				
Increase in restricted bank deposits	(90,400)	(94,600)	(90,400)	(94,600)
Cash paid for acquisition of equipment	(196,252)	(272,159)	(192,867)	(269,517)
<b>Net cash flows used in investing activities</b>	<b>(286,652)</b>	<b>(366,759)</b>	<b>(283,267)</b>	<b>(364,117)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from financial institutions	55,908,767	(23,700,000)	55,908,767	(23,700,000)
Payment for loans issuing cost	(2,275,000)	-	(2,275,000)	-
Cash paid for lease liabilities	(361,795)	(342,624)	(361,795)	(342,624)
Decrease in short-term loans	(4,467,438)	(72,774,812)	(4,467,438)	(72,774,812)
Cash received from long-term loans	534,000,000	244,000,000	534,000,000	244,000,000
Repayment of long-term loans	(349,458,358)	(382,873,011)	(349,458,358)	(382,873,011)
<b>Net cash flows from (used in) financing activities</b>	<b>233,346,176</b>	<b>(235,690,447)</b>	<b>233,346,176</b>	<b>(235,690,447)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(648,863)</b>	<b>7,721,600</b>	<b>(811,005)</b>	<b>7,730,443</b>
Cash and cash equivalents at beginning of period	43,291,892	41,400,008	42,275,645	40,012,334
<b>Cash and cash equivalents at end of period</b>	<b>42,643,029</b>	<b>49,121,608</b>	<b>41,464,640</b>	<b>47,742,777</b>
<b>Supplemental cash flows information</b>				
Non-cash transaction				
Additions to right-of-use assets and lease liabilities	888,000	-	888,000	-

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 period ended 31 March 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 31 March 2023, the Company has 8 branches located in Chonburi, Ayudhya, Rayong, Nakhon Ratchasima, Prachinburi, Chantaburi and Buriram (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 31 March 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						Total
	31 March 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	
Hire purchase receivables	4,649,954,046	2,544,117,987	1,158,250,291	355,454,601	17,876,111	-	8,725,653,036
Less: Unearned hire purchase income <sup>(1)</sup>	(1,151,465,367)	(500,615,122)	(157,557,061)	(31,002,693)	(664,992)	-	(1,841,305,235)
Present value of the minimum lease payment receivables	3,498,488,679	2,043,502,865	1,000,693,230	324,451,908	17,211,119	-	6,884,347,801
Less: Allowance for expected credit losses	(473,945,325)	(224,636,377)	(132,161,601)	(44,773,306)	(2,370,209)	-	(877,886,818)
Net hire purchase receivables	3,024,543,354	1,818,866,488	868,531,629	279,678,602	14,840,910	-	6,006,460,983

(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	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 <sup>(1)</sup>	(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>-</u>	<u>5,674,514,624</u>

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

**2.2** As at 31 March 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)

Aging	Consolidated and Separate financial statements			
	Balance of hire purchase receivables		Allowance for expected credit losses	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
Not yet due, past due not more than 2 months	6,354,384,993	5,982,864,426	649,270,874	626,313,997
More than 2 months, but less than 4 months	212,308,563	220,546,037	12,482,873	12,492,182
4 months or more, but less than 6 months	109,784,583	118,713,536	8,263,409	8,803,196
6 months or more, including fully-mature deposit contracts	<u>207,869,662</u>	<u>223,921,212</u>	<u>207,869,662</u>	<u>223,921,212</u>
Total	<u>6,884,347,801</u>	<u>6,546,045,211</u>	<u>877,886,818</u>	<u>871,530,587</u>

**2.3** As at 31 March 2023, the Company had transferred rights of claim under hire purchase agreements with outstanding balances (before netting with unearned hire purchase income) of Baht 503 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 three-month period ended 31 March 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	193,000,632	692,639,391
Less: Bad debt written-off	(186,644,401)	(629,089,214)
Balance end of the period/year	<u>877,886,818</u>	<u>871,530,587</u>

## 3. Assets foreclosed

	(Unit: Baht)	
	Consolidated and Separate financial statements	
	31 March 2023	31 December 2022
Assets foreclosed - cost	26,153,027	34,379,441
Less: Allowance for impairment	(9,031,581)	(11,883,420)
Assets foreclosed - net	<u>17,121,446</u>	<u>22,496,021</u>

## 4. Short-term loans from financial institutions

	Interest rate (% per annum)	(Unit: Baht)	
		Consolidated and Separate financial statements	
		31 March 2023	31 December 2022
Promissory notes	4.15 - 4.40	349,400,000	293,491,233

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 31 March 2023, the short-term credit facilities which have not yet been drawdown amounted to Baht 101 million.

## 5. Short-term loans

As at 31 March 2023, the Company has loans in form of bills of exchange, net of discount, totaling Baht 386 million, the bills are registered, transferable, and maturing within 184 days from the date of issuance (maturity date between May - September 2023), with interest charged at the rate of 3.40 - 3.75 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 31 March 2023 and 31 December 2022, the long-term loans, which the Company obtained from local financial institutions, are detailed below.

				(Unit: Baht)	
				Consolidated and Separate	
				financial statements	
Facility no.	Loan facility	Interest rate (% per annum)	Repayment schedule	31 March 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	899,960,875	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	4.4	Payment in 30 equal installments, with the first installment payment on the last day of the month of drawdown	78,191,384	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	18,750,000	37,500,000
4.2	Loan agreement dated 28 December 2020	3.7	Payment in 24 installments, with the first installment payment on the last day of the month of drawdown	56,250,000	75,000,000
5	Loan agreement dated 5 July 2021	4.4	Payment in 30 equal installments, with the first installment payment on the last day of the month of drawdown	370,557,271	435,084,706
6	Loan agreement dated 7 June 2022	4.4	Payment in 24 equal installments, with the first installment payment on the last day of the next month of the month of drawdown	125,000,000	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	418,490,338	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	105,000,000	-
Total				2,072,199,868	1,887,658,226
Less: Deferred loans issuing costs				(4,392,187)	(3,041,947)
Long-term loans				2,067,807,681	1,884,616,279
Less: current portion due within 1 year				(1,182,699,186)	(1,110,191,489)
Long-term loans, net of current portion				885,108,495	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 31 March 2023, the Company has commitments of Baht 75 million under interest rate swap agreements with a bank that is the Company's lender for loan facilities no. 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 56 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. 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 31 March 2023, the Company has long-term credit facilities which have not yet been drawdown amounted to Baht 1,695 million.

Movements in the long-term loans account during the three-month period ended 31 March 2023 are summarised below.

	(Unit: Baht)
Balance as at 1 January 2023	1,887,658,226
Add: Addition borrowings during the period	534,000,000
Less: Loans repayment during the period	<u>(349,458,358)</u>
Balance as at 31 March 2023	<u><u>2,072,199,868</u></u>

## 7. Income tax expenses

Income tax expenses for the three-month periods ended 31 March 2023 and 2022 are as follows:

(Unit: Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Current income tax:</b>				
Interim corporate income tax charge	5,585,898	15,564,487	5,585,898	15,564,487
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	3,630,157	4,167,685	3,630,157	4,167,685
<b>Income tax expenses reported in the statements of comprehensive income</b>	<b>9,216,055</b>	<b>19,732,172</b>	<b>9,216,055</b>	<b>19,732,172</b>

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2023 and 2022 are as follows:

(Unit: Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax relating to actuarial (gain) loss	252,679	(193,392)	252,679	(193,392)

(Unaudited but reviewed)

Reconciliations between income tax expenses and the product of accounting profit multiplied by the applicable tax rate for the three-month periods ended 31 March 2023 and 2022 are as follows:

(Unit: Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit before tax	46,383,827	98,775,832	46,246,852	98,805,782
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	9,276,765	19,755,166	9,249,370	19,761,156
Effect of additional expense and non-deductible expense	(60,710)	(22,994)	(33,315)	(28,984)
Income tax expenses reported in the statements of comprehensive income	9,216,055	19,732,172	9,216,055	19,732,172

## 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 31 March				Pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2023	2022	2023	2022	
<u>Transactions with subsidiary</u>					
Service expense	-	-	2,151,664	2,126,636	As stipulated in agreements

(Unaudited but reviewed)

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

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
<u>Subsidiary</u>				
Service payable	-	-	803,780	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 31 March	
	2023	2022
Short-term employee benefits	4,931,470	4,931,470
Post-employment benefits	185,539	408,035
Total	5,117,009	5,339,505

## 10. 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.

**11. Financial instrument****11.1 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.

**11.2 Fair value hierarchy**

As at 31 March 2023, the Group had the assets and 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
<b>Liabilities for which fair value are measured</b>				
Derivatives liabilities	-	179,243	-	179,243

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.

**12. Events after the reporting period**

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 at a rate of Baht 0.20 per share, or a total of Baht 122.60 million. The Company paid an interim dividend of Baht 0.10 per share on 9 December 2022 and is therefore to pay another final dividend of Baht 0.10 per share, which is scheduled to be paid to the shareholders on 3 May 2023.

**13. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 May 2023.