

S 11 Group Public Company Limited
and its subsidiary
Review report and interim financial information
For the three-month period ended
31 March 2022

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of S 11 Group Public Company Limited

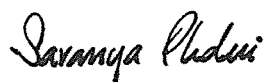
I have reviewed the accompanying consolidated statements of financial position of S 11 Group Public Company Limited and its subsidiary as at 31 March 2022, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, 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: 13 May 2022

S 11 Group Public Company Limited and its subsidiary

Statements of financial position

As at 31 March 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		49,121,608	41,400,008	47,742,777	40,012,334
Current portion of hire purchase receivables - net	2	2,869,734,669	2,929,777,785	2,869,734,669	2,929,777,785
Counter service receivables		18,625,985	23,934,571	18,616,825	23,934,571
Prepaid insurance premium		48,757,071	50,183,793	48,757,071	50,183,793
Assets foreclosed - net	3	19,742,736	16,255,360	19,742,736	16,255,360
Other current assets		37,802,753	39,658,497	37,381,374	39,510,419
Total current assets		3,043,784,822	3,101,210,014	3,041,975,452	3,099,674,262
Non-current assets					
Investment in subsidiary		-	-	1,327,690	1,327,690
Restricted bank deposits		1,593,329	1,498,729	1,593,329	1,498,729
Hire purchase receivables - net of current portion	2	2,258,653,566	2,272,037,751	2,258,653,566	2,272,037,751
Prepaid insurance premium		16,749,005	16,291,472	16,749,005	16,291,472
Land, building and equipment - net		102,840,930	104,949,040	102,446,844	104,540,574
Deferred tax assets		147,829,803	152,190,880	147,829,803	152,190,880
Other non-current assets		285,635	290,135	279,135	279,135
Total non-current assets		2,527,952,268	2,547,258,007	2,528,879,372	2,548,166,231
Total assets		5,571,737,090	5,648,468,021	5,570,854,824	5,647,840,493

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 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	4	215,200,000	238,900,000	215,200,000	238,900,000
Trade accounts payables		37,652,084	1,827,300	37,652,084	1,827,300
Current portion of long-term loans	6	1,056,467,988	1,167,778,655	1,056,467,988	1,167,778,655
Current portion of lease liabilities		1,927,290	1,891,252	1,927,290	1,891,252
Short-term loans	5	416,414,815	485,929,600	416,414,815	485,929,600
Derivatives liabilities		3,687,207	5,984,135	3,687,207	5,984,135
Income tax payable		50,519,841	35,073,048	50,588,827	35,352,579
Insurance premium payables		13,899,037	14,046,137	13,899,037	14,046,137
Accrued expenses		59,305,434	27,513,357	59,726,225	28,005,133
Other current liabilities		55,220,324	60,778,502	54,941,948	60,503,284
Total current liabilities		1,910,294,020	2,039,721,986	1,910,505,421	2,040,218,075
Non-current liabilities					
Long-term loans - net of current portion	6	470,575,518	497,177,557	470,575,518	497,177,557
Lease liabilities - net of current portion		9,246,440	9,598,865	9,246,440	9,598,865
Provision for long-term employee benefits		21,475,726	21,641,457	21,475,726	21,641,457
Total non-current liabilities		501,297,684	528,417,879	501,297,684	528,417,879
Total liabilities		2,411,591,704	2,568,139,865	2,411,803,105	2,568,635,954

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 2022

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	(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-up				
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	2,042,451,952	1,962,631,727	2,041,629,161	1,961,781,981
Equity attributable to owners of the Company	3,159,874,510	3,080,054,285	3,159,051,719	3,079,204,539
Non-controlling interests of the subsidiary	270,876	273,871	-	-
Total shareholders' equity	3,160,145,386	3,080,328,156	3,159,051,719	3,079,204,539
Total liabilities and shareholders' equity	5,571,737,090	5,648,468,021	5,570,854,824	5,647,840,493

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 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit or loss:					
Revenues					
Hire purchase interest income		376,806,136	437,676,893	376,806,136	437,676,893
Fee and service income		22,873,753	25,452,652	22,718,146	25,297,045
Gain from derivative		250,062	234,147	250,062	234,147
Other income		10,180,090	8,384,789	10,041,340	8,382,543
Total revenues		410,110,041	471,748,481	409,815,684	471,590,628
Expenses					
Selling and administrative expenses		78,772,118	88,895,725	78,447,811	88,728,585
Expected credit losses		193,143,232	208,061,885	193,143,232	208,061,885
Loss on impairment and disposal of assets foreclosed		18,499,634	35,543,702	18,499,634	35,543,702
Total expenses		290,414,984	332,501,312	290,090,677	332,334,172
Profit before finance cost and income tax expenses		119,695,057	139,247,169	119,725,007	139,256,456
Finance cost		(20,919,225)	(31,160,977)	(20,919,225)	(31,160,977)
Profit before income tax expenses		98,775,832	108,086,192	98,805,782	108,095,479
Income tax expenses	7	(19,732,172)	(21,571,544)	(19,732,172)	(21,571,544)
Profit for the period		79,043,660	86,514,648	79,073,610	86,523,935
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain		966,962	1,648,281	966,962	1,648,281
Income tax relating to actuarial gain	7	(193,392)	(329,656)	(193,392)	(329,656)
Other comprehensive income for the period		773,570	1,318,625	773,570	1,318,625
Total comprehensive income for the period		79,817,230	87,833,273	79,847,180	87,842,560

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 2022

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Profit or loss attributable to:				
Equity holders of the Company	79,046,655	86,515,577	79,073,610	86,523,935
Non-controlling interests of the subsidiary	(2,995)	(929)		
	<u>79,043,660</u>	<u>86,514,648</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	79,820,225	87,834,202	79,847,180	87,842,560
Non-controlling interests of the subsidiary	(2,995)	(929)		
	<u>79,817,230</u>	<u>87,833,273</u>		
Earnings per share	8			
Basic earnings per share	<u>0.13</u>	<u>0.14</u>	<u>0.13</u>	<u>0.14</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 2022

	Consolidated financial statements							(Unit: Baht)
	Issued and fully paid-up share capital	Share premium	Capital reserve		Retained earnings		Non-controlling interests of the subsidiary	
			for share-based payment transactions	statutory reserve	Appropriated -	Unappropriated		
Balance as at 1 January 2021	613,000,000	427,822,558	15,300,000	61,300,000	1,714,394,576	2,831,817,134	2,832,065,246	
Profit for the period	-	-	-	-	86,515,577	86,515,577	86,514,648	
Other comprehensive income for the period	-	-	-	-	1,318,625	1,318,625	1,318,625	
Total comprehensive income for the period	-	-	-	-	87,834,202	87,834,202	87,833,273	
Balance as at 31 March 2021	613,000,000	427,822,558	15,300,000	61,300,000	1,802,228,778	2,919,651,336	2,919,898,519	
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	3,080,328,156	
Profit for the period	-	-	-	-	79,046,655	79,046,655	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	79,817,230	
Balance as at 31 March 2022	613,000,000	427,822,558	15,300,000	61,300,000	2,042,451,952	3,159,874,510	3,160,145,386	

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

S 11 Group Public Company Limited and its subsidiary
 Statements of changes in shareholders' equity (continued)
 For the three-month period ended 31 March 2022

(Unit: Baht)

	Separate financial statements						Total shareholders' equity
	Issued and fully paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings Appropriated - statutory reserve	Unappropriated		
Balance as at 1 January 2021	613,000,000	427,822,558	15,300,000	61,300,000	1,713,776,665	2,831,199,223	
Profit for the period	-	-	-	-	86,523,935	86,523,935	
Other comprehensive income for the period	-	-	-	-	1,318,625	1,318,625	
Total comprehensive income for the period	-	-	-	-	87,842,560	87,842,560	
Balance as at 31 March 2021	613,000,000	427,822,558	15,300,000	61,300,000	1,801,619,225	2,919,041,783	
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	-	-	-	-	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	
Balance as at 31 March 2022	613,000,000	427,822,558	15,300,000	61,300,000	2,041,629,161	3,159,051,719	

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 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before income tax	98,775,832	108,086,192	98,805,782	108,095,479
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities				
Depreciation	2,380,255	2,569,165	2,363,232	2,495,507
Expected credit losses	193,143,232	208,061,885	193,143,232	208,061,885
Gain on sale assets	-	(224,196)	-	(224,196)
Loss on written-off assets	15	1,404	15	1,404
Reversal on impairment of assets foreclosed	(861,141)	(6,116,142)	(861,141)	(6,116,142)
Provision for long-term employee benefits	801,231	648,122	801,231	648,122
Hire purchase interest income	(376,806,136)	(437,676,893)	(376,806,136)	(437,676,893)
Gain from derivative	(250,062)	(234,147)	(250,062)	(234,147)
Interest expenses and amortisation of loans issuing cost	20,885,284	31,116,419	20,885,284	31,116,419
Amortised finance cost for lease liabilities	33,941	44,558	33,941	44,558
Loss from operating activities before changes in operating assets and liabilities	(61,897,549)	(93,723,633)	(61,884,622)	(93,788,004)
Operating assets (increase) decrease				
Hire purchase receivables	(134,549,641)	(133,568,130)	(134,549,641)	(133,568,130)
Assets foreclosed	(2,626,235)	13,426,276	(2,626,235)	13,426,276
Prepaid insurance premium	969,189	5,460,396	969,189	5,460,396
Other current assets	7,443,861	9,008,145	7,446,791	9,144,791
Other non-current assets	4,500	(4,500)	-	-
Operating liabilities increase (decrease)				
Trade accounts payables	35,824,784	55,182,216	35,824,784	55,182,216
Insurance premium payables	(147,100)	599,010	(147,100)	599,010
Accrued expenses	31,540,119	14,373,564	31,469,135	14,568,712
Other current liabilities	(5,558,178)	(8,018,093)	(5,561,336)	(8,010,516)
Cash flows used in operating activities	(128,996,250)	(137,264,749)	(129,059,035)	(136,985,249)
Cash received from interest	391,639,846	452,731,272	391,639,846	452,731,272
Cash paid for corporate income tax	(397,225)	(268,105)	(328,239)	(325,848)
Cash paid for interest	(18,467,565)	(29,021,483)	(18,467,565)	(29,021,483)
Net cash flows from operating activities	243,778,806	286,176,935	243,785,007	286,398,692

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 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Increase in restricted bank deposits	(94,600)	(81,000)	(94,600)	(81,000)
Cash received for proceed of equipment	-	229,346	-	229,346
Cash paid for acquisition of equipment	(272,159)	(9,030,693)	(269,517)	(8,710,296)
Net cash flows used in investing activities	(366,759)	(8,882,347)	(364,117)	(8,561,950)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	(23,700,000)	99,300,000	(23,700,000)	99,300,000
Cash paid for lease liabilities	(342,624)	(393,150)	(342,624)	(393,150)
Decrease in short-term loans	(72,774,812)	(33,853,443)	(72,774,812)	(33,853,443)
Cash received from long-term loans	244,000,000	176,000,000	244,000,000	176,000,000
Repayment of long-term loans	(382,873,011)	(514,196,249)	(382,873,011)	(514,196,249)
Net cash flows used in financing activities	(235,690,447)	(273,142,842)	(235,690,447)	(273,142,842)
Net increase in cash and cash equivalents	7,721,600	4,151,746	7,730,443	4,693,900
Cash and cash equivalents at beginning of period	41,400,008	28,882,062	40,012,334	27,417,172
Cash and cash equivalents at end of period	49,121,608	33,033,808	47,742,777	32,111,072

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 2022

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 2022, the Company has 8 branches located in Chonburi, Ayudhya, Rayong, Nakhon Ratchasima, Prachinburi and Chantaburi (31 December 2021: 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 2021 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.

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 2021.

2. Hire purchase receivables

2.1 As at 31 March 2022 and 31 December 2021, the contract terms of the Company’s hire purchase receivables are 12 - 48 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 2022						
	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	4,604,794,715	2,266,702,859	812,798,498	49,695,041	252,982	-	7,734,244,095
Less: Unearned hire purchase income ⁽¹⁾	(1,241,461,140)	(467,633,353)	(92,081,925)	(2,533,870)	(2,062)	-	(1,803,712,350)
Present value of the minimum lease payment receivables	3,363,333,575	1,799,069,506	720,716,573	47,161,171	250,920	-	5,930,531,745
Less: Allowance for expected credit losses	(493,598,906)	(199,054,116)	(102,420,904)	(7,032,913)	(36,671)	-	(802,143,510)
Net hire purchase receivables	<u>2,869,734,669</u>	<u>1,600,015,390</u>	<u>618,295,669</u>	<u>40,128,258</u>	<u>214,249</u>	<u>-</u>	<u>5,128,388,235</u>

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

(Unit: Baht)

Consolidated and Separate financial statements						
31 December 2021						
	Portion due over 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	4,789,408,230	2,265,799,324	778,113,492	41,494,182	6,020,076	- 7,880,835,304
Less: Unearned hire purchase income ⁽¹⁾	(1,311,949,670)	(474,556,360)	(88,724,233)	4,261,480	(70,575)	- (1,871,039,358)
Present value of the minimum lease payment receivables	3,477,458,560	1,791,242,964	689,389,259	45,755,662	5,949,501	- 6,009,795,946
Less: Allowance for expected credit losses	(547,680,775)	(170,314,683)	(83,987,031)	(5,256,226)	(741,695)	- (807,980,410)
Net hire purchase receivables	<u>2,929,777,785</u>	<u>1,620,928,281</u>	<u>605,402,228</u>	<u>40,499,436</u>	<u>5,207,806</u>	- <u>5,201,815,536</u>

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

2.2 As at 31 March 2022 and 31 December 2021, 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	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	Not yet due, past due not more than 2 months	5,365,996,802	5,327,291,037	526,582,495
More than 2 months, but less than 4 months	211,983,426	233,390,627	6,163,048	5,110,315
4 months or more, but less than 6 months	86,050,811	96,523,982	2,897,261	2,438,794
6 months or more, including fully-mature deposit contracts	266,500,706	352,590,300	266,500,706	352,590,300
Total	<u>5,930,531,745</u>	<u>6,009,795,946</u>	<u>802,143,510</u>	<u>807,980,410</u>

2.3 As at 31 March 2022, the Company had transferred rights of claim under hire purchase agreements with outstanding balances (before netting with unearned hire purchase income) of Baht 584 million (31 December 2021: Baht 699 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) are as follows:

	(Unit: Baht)	
	Consolidated and Separate financial statements	
	For the three-month period ended 31 March 2022	For the year ended 31 December 2021
Balance beginning of the period/year	807,980,410	880,139,515
Add: Expected credit losses during the period/year	193,143,232	741,192,670
Less: Bad debt written-off	(198,980,132)	(813,351,775)
Balance end of the period/year	<u>802,143,510</u>	<u>807,980,410</u>

3. Assets foreclosed

	(Unit: Baht)	
	Consolidated and Separate financial statements	
	31 March 2022	31 December 2021
Assets foreclosed - cost	26,070,775	23,444,541
Less: Allowance for impairment	(6,328,039)	(7,189,181)
Assets foreclosed - net	<u>19,742,736</u>	<u>16,255,360</u>

4. Short-term loans from financial institutions

	Interest rate (percent per annum)	(Unit: Baht)	
		Consolidated and Separate financial statements	
		31 March 2022	31 December 2021
Promissory notes	3.65 - 3.85	215,200,000	238,900,000

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 2022, the short-term credit facilities which have not yet been drawdown amounted to Baht 135 million.

5. Short-term loans

As at 31 March 2022, the Company has loans in form of bills of exchange, net of discount, totaling Baht 416 million, the bills are registered, transferable, and maturing within 270 days from the date of issuance (maturity date between April - September 2022), with interest charged at the rate of 3.14 - 3.25 percent per annum (31 December 2021: Bills of exchange of Baht 486 million, registered, transferable, and maturing within 270 days from the date of issuance, maturity date between January - August 2022, with interest charge at the rate of 3.14 - 3.25 percent per annum).

6. Long-term loans

As at 31 March 2022 and 31 December 2021, 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 2022	31 December 2021
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	397,110,833	538,669,786
2	Loan agreement dated 28 June 2019	4.4	Payment in 30 equal installments, with the first installment payment on the last day of the month of drawdown	63,016,489	116,274,877
3	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	106,900,000	164,460,000
4	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	330,019,401	395,153,251
5	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	225,000,000	262,500,000
6	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	408,520,091	192,381,911
Total				1,530,566,814	1,669,439,825
Less: Deferred loans issuing costs				(3,523,308)	(4,483,613)
Long-term loans				1,527,043,506	1,664,956,212
Less: current portion due within 1 year				(1,056,467,988)	(1,167,778,655)
Long-term loans, net of current portion				470,575,518	497,177,557

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 2022, the Company has commitments of Baht 332 million under interest rate swap agreements with a bank that is the Company's lender for loan facilities no. 3 and 5 whereby floating interest rates are swapped for a fixed interest rate throughout the term of the loan. The interest rate swap agreements gradually mature within 2023, in accordance with the conditions of loan repayment (31 December 2021: The Company had commitments of Baht 427 million under interest rate swap agreements for loan facility no. 3 and 5).

As at 31 March 2022, the Company has long-term credit facilities which have not yet been drawdown amounted to Baht 1,807 million.

Movements in the long-term loans account during the three-month period ended 31 March 2022 are summarised below.

	(Unit: Baht)
Balance as at 1 January 2022	1,669,439,825
Add: Addition borrowings during the period	244,000,000
Less: Loans repayment during the period	<u>(382,873,011)</u>
Balance as at 31 March 2022	<u><u>1,530,566,814</u></u>

7. Income tax expenses

Income tax expenses for the three-month periods ended 31 March 2022 and 2021 are as follows:

	(Unit: Baht)			
	<u>For the three-month periods ended 31 March</u>			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current income tax:				
Interim corporate income tax charge	15,564,487	20,232,355	15,564,487	20,232,355
Deferred tax:				
Relating to origination and reversal of temporary differences	<u>4,167,685</u>	<u>1,339,189</u>	<u>4,167,685</u>	<u>1,339,189</u>
Income tax expenses reported in the statements of comprehensive income	<u><u>19,732,172</u></u>	<u><u>21,571,544</u></u>	<u><u>19,732,172</u></u>	<u><u>21,571,544</u></u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2022 and 2021 are as follows:

(Unit: Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Deferred tax relating to actuarial gain	(193,392)	(329,656)	(193,392)	(329,656)

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 2022 and 2021 are as follows:

(Unit: Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Accounting profit before tax	98,775,832	108,086,192	98,805,782	108,095,479
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	19,755,166	21,617,238	19,761,156	21,619,096
Effect of additional expense and non-deductible expense	(22,994)	(45,694)	(28,984)	(47,552)
Income tax expenses reported in the statements of comprehensive income	19,732,172	21,571,544	19,732,172	21,571,544

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				
	Consolidated financial statements		Separate financial statements		
	2022	2021	2022	2021	Pricing policy
<u>Transactions with subsidiary</u>					
Service expense	-	-	2,126,636	2,092,056	As stipulated in agreements
<u>Transactions with directors and related persons</u>					
Interest expense	-	374,794	-	374,794	As stipulated in agreements
Amortisation of debenture issuing cost	-	33,141	-	33,141	As stipulated in agreements

The balance of the accounts as at 31 March 2022 and 31 December 2021, between the Company and related parties are as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
<u>Subsidiary</u>				
Service payable	-	-	740,000	758,500

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	
	2022	2021
Short-term employee benefits	4,931,470	5,054,620
Post-employment benefits	408,035	253,937
Total	5,339,505	5,308,557

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**

The estimated fair value of financial instruments, in comparison with the related amounts carried in the statement of financial position, is as follows:

(Unit: Baht)

	Consolidated financial statements			
	31 March 2022		31 December 2021	
	Book value	Fair value	Book value	Fair value
Financial assets				
Hire purchase receivables	5,128,388,235	4,964,734,856	5,201,815,536	5,018,584,799
Financial liabilities				
Long-term loans	1,527,043,506	1,533,319,363	1,664,956,212	1,669,577,575

(Unaudited but reviewed)

(Unit: Baht)

	Separate financial statements			
	31 March 2022		31 December 2021	
	Book value	Fair value	Book value	Fair value
Financial assets				
Hire purchase receivables	5,128,388,235	4,964,734,856	5,201,815,536	5,018,584,799
Financial liabilities				
Long-term loans	1,527,043,506	1,533,319,363	1,664,956,212	1,669,577,575

11.2 Fair value hierarchy

As at 31 March 2022, 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
Liabilities for which fair value are measured				
Derivatives liabilities	-	3,687,207	-	3,687,207

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 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 at a rate of Baht 0.26 per share, or a total of Baht 159.38 million. The Company paid an interim dividend of Baht 0.10 per share on 9 December 2021 and is therefore to pay another final dividend of Baht 0.16 per share, which is scheduled to be paid to the shareholders on 6 May 2022.

13. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 May 2022.