

Heng Leasing and Capital Public Company Limited  
Review report and interim financial information  
For the three-month period ended  
31 March 2024

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Heng Leasing and Capital Public Company Limited

I have reviewed the accompanying statements of financial position of Heng Leasing and Capital Public Company Limited as at 31 March 2024, the related 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 financial statements (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.

Bongkot Kriangphanamorn  
Certified Public Accountant (Thailand) No. 6777

EY Office Limited  
Bangkok: 13 May 2024

**Heng Leasing and Capital Public Company Limited****Statements of financial position****As at 31 March 2024**

		(Unit: Thousand Baht)	
	Note	31 March 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	2	166,183	480,147
Deposits at banks with restrictions	2	38,840	48,512
Current portion of hire purchase receivables	3	1,297,450	1,336,169
Current portion of loan receivables	4	2,798,372	2,586,793
Other receivables		36,685	32,823
Assets foreclosed - net	6	78,791	65,382
Other current assets		8,183	9,080
<b>Total current assets</b>		<b>4,424,504</b>	<b>4,558,906</b>
<b>Non-current assets</b>			
Deposits at bank with collateral obligation		-	50,000
Hire purchase receivables - net of current portion	3	2,700,433	3,071,124
Loan receivables - net of current portion	4	7,668,489	7,480,862
Land, building and equipment - net	7	171,273	158,525
Right-of-use assets - net	8	225,540	205,665
Intangible assets - net	9	13,333	8,658
Deferred tax assets		151,310	125,257
Other non-current assets		15,389	14,199
<b>Total non-current assets</b>		<b>10,945,767</b>	<b>11,114,290</b>
<b>Total assets</b>		<b>15,370,271</b>	<b>15,673,196</b>

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

**Heng Leasing and Capital Public Company Limited****Statements of financial position (continued)****As at 31 March 2024**

		(Unit: Thousand Baht)	
	Note	31 March 2024	31 December 2023
		(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Short-term loans from financial institutions	10	487,860	473,275
Other payables	11	122,900	171,972
Current portion of lease liabilities		95,349	88,063
Current portion of long-term loans	12	3,607,358	3,730,426
Income tax payable		86,059	55,709
Other current liabilities		20,044	19,829
<b>Total current liabilities</b>		<b>4,419,570</b>	<b>4,539,274</b>
<b>Non-current liabilities</b>			
Lease liabilities - net of current portion		130,115	115,937
Long-term loans - net of current portion	12	5,339,013	5,560,863
Provision for long-term employee benefits		42,891	41,035
<b>Total non-current liabilities</b>		<b>5,512,019</b>	<b>5,717,835</b>
<b>Total liabilities</b>		<b>9,931,589</b>	<b>10,257,109</b>

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

**Heng Leasing and Capital Public Company Limited**

**Statements of financial position (continued)**

**As at 31 March 2024**

	(Unit: Thousand Baht)	
Note	31 March 2024	31 December 2023
	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>		
Share capital		
Registered		
3,810,000,000 ordinary shares of Baht 1 each	3,810,000	3,810,000
Issued and fully paid-up		
3,810,000,000 ordinary shares of Baht 1 each	3,810,000	3,810,000
Share premium	715,342	715,342
Retained earnings		
Appropriated - statutory reserve	94,775	94,775
Unappropriated	818,565	795,970
<b>Total shareholders' equity</b>	<b>5,438,682</b>	<b>5,416,087</b>
<b>Total liabilities and shareholders' equity</b>	<b>15,370,271</b>	<b>15,673,196</b>
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The accompanying notes are an integral part of the financial statements.

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Directors  
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**Heng Leasing and Capital Public Company Limited**

(Unaudited but reviewed)

**Statements of comprehensive income**

**For the three-month period ended 31 March 2024**

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	2024	2023
<b>Profit or loss:</b>			
<b>Revenues</b>			
Hire purchase interest income		162,454	250,034
Loan interest income		539,911	312,726
Fee and service income		51,164	63,905
Other income		15,205	13,883
<b>Total revenues</b>		<u>768,734</u>	<u>640,548</u>
<b>Expenses</b>			
Service and administrative expenses		320,903	309,790
Expected credit losses		212,081	75,248
Loss on impairment and disposal of assets		68,525	44,807
<b>Total expenses</b>		<u>601,509</u>	<u>429,845</u>
<b>Profit before finance cost and income tax expenses</b>		167,225	210,703
Finance cost		(138,987)	(84,511)
<b>Profit before income tax expenses</b>		28,238	126,192
Income tax expenses	13	(5,643)	(25,229)
<b>Profit for the period</b>		<u>22,595</u>	<u>100,963</u>
<b>Other comprehensive income:</b>			
<b>Other comprehensive income for the period</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u><u>22,595</u></u>	<u><u>100,963</u></u>
<b>Earnings per share</b>			
Basic earnings per share (Baht per share)	14	<u>0.01</u>	<u>0.03</u>
Weighted average number of ordinary shares (Thousand shares)		<u>3,810,000</u>	<u>3,810,000</u>

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

Heng Leasing and Capital Public Company Limited

(Unaudited but reviewed)

Statements of changes in shareholders' equity

For the three-month period ended 31 March 2024

(Unit: Thousand Baht)

	Issued and fully paid-up		Retained earnings		Total
	share capital	Share premium	Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 1 January 2023</b>	3,810,000	715,342	73,674	645,325	5,244,341
Profit for the period	-	-	-	100,963	100,963
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	100,963	100,963
<b>Balance as at 31 March 2023</b>	<u>3,810,000</u>	<u>715,342</u>	<u>73,674</u>	<u>746,288</u>	<u>5,345,304</u>
<b>Balance as at 1 January 2024</b>	3,810,000	715,342	94,775	795,970	5,416,087
Profit for the period	-	-	-	22,595	22,595
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	22,595	22,595
<b>Balance as at 31 March 2024</b>	<u>3,810,000</u>	<u>715,342</u>	<u>94,775</u>	<u>818,565</u>	<u>5,438,682</u>
	-	-	-	-	-

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

**Heng Leasing and Capital Public Company Limited**

(Unaudited but reviewed)

**Cash flows statements****For the three-month period ended 31 March 2024**

(Unit: Thousand Baht)

	2024	2023
<b>Cash flows from operating activities</b>		
Profit before income tax	28,238	126,192
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities		
Depreciation and amortisation	39,332	34,823
Expected credit losses	212,081	75,248
Losses on write-offs of fixed assets	200	155
Gains on cancel in lease contracts	(3)	-
Losses (reversal) on impairment of assets foreclosed	12,399	(2,686)
Losses on disposals of assets foreclosed	55,926	47,338
Provision for long-term employee benefits	2,159	2,776
Interest income	(702,365)	(562,760)
Finance cost	136,568	82,831
Amortised finance cost for lease liabilities	2,419	1,680
Loss from operating activities before changes in operating assets and liabilities	(213,046)	(194,403)
Operating assets (increase) decrease		
Deposits at banks with restrictions	9,672	(22,609)
Hire purchase receivables	295,108	415,731
Loan receivables	(604,543)	(1,306,104)
Other receivables	(3,862)	(7,630)
Assets foreclosed	50,398	79,487
Other current assets	897	706
Other non-current assets	(1,190)	(1,965)
Operating liabilities increase (decrease)		
Other payables	(48,939)	(195)
Other current liabilities	3,993	6,978
Provision for long-term employee benefits	(302)	(18)
Cash flows used in operating activities	(511,814)	(1,030,022)
Cash received from interest	677,789	512,759
Cash paid for income tax	(1,346)	(1,528)
<b>Net cash flows provided by (used in) operating activities</b>	<b>164,629</b>	<b>(518,791)</b>

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



**Heng Leasing and Capital Public Company Limited**

(Unaudited but reviewed)

**Cash flows statements (continued)****For the three-month period ended 31 March 2024**

(Unit: Thousand Baht)

	2024	2023
<b>Cash flows from investing activities</b>		
Cash paid for acquisitions of land, building and equipment	(23,259)	(27,770)
Cash paid for acquisitions of intangible assets	(5,622)	(1,850)
<b>Net cash flows used in investing activities</b>	<b>(28,881)</b>	<b>(29,620)</b>
<b>Cash flows from financing activities</b>		
Decrease in deposits at bank with collateral obligation	50,000	-
Increase in short-term loans from financial institutions	14,585	121,399
Cash received from long-term loans	800,000	1,145,000
Repayment of long-term loans	(1,149,128)	(581,244)
Repayment of lease liabilities	(29,034)	(24,087)
Payment for loans issuing cost	(1,485)	-
Cash paid for interest	(134,650)	(81,092)
<b>Net cash flows provided by (used in) financing activities</b>	<b>(449,712)</b>	<b>579,976</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(313,964)</b>	<b>31,565</b>
Cash and cash equivalents at beginning of period	480,147	160,296
<b>Cash and cash equivalents at end of period</b>	<b>166,183</b>	<b>191,861</b>
	-	
<b>Supplement cash flow information</b>		
Non-cash items		
Assets foreclosed received for debts settlement	166,241	122,326
Increase in lease liabilities	1,589	1,413
Decrease in account payable on purchase of assets	(133)	(280)

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

**Heng Leasing and Capital Public Company Limited**  
**Notes to interim financial statements**  
**For the three-month period ended 31 March 2024**

**1. General information**

**1.1 Corporate information**

Heng Leasing and Capital Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the providing financial services specifically hire purchase, loans secured against vehicle registrations, land and building loans, personal loan and nano finance without collateral. The Company’s registered address is 69 Moo 7, Sansai Noi Subdistrict, Sansai District, Chiang Mai. The Company has 941 branches (31 December 2023: 872 branches).

**1.2 Basis for the preparation of the interim financial statements**

These interim financial statements have been 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.

**1.3 Accounting policies**

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2023.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024, do not have any significant impact on the Company’s financial statements.

(Unaudited but reviewed)

**2. Cash and cash equivalents**

	(Unit: Thousand Baht)	
	31 March 2024	31 December 2023
Cash	1,987	1,432
Bank deposits - savings accounts	138,019	392,134
Bank deposits - current accounts	65,017	135,093
<b>Total</b>	<b>205,023</b>	<b>528,659</b>
Less: Deposits at banks for premium that the Company received from policy holders	(38,840)	(48,512)
<b>Total</b>	<b>166,183</b>	<b>480,147</b>

**3. Hire purchase receivables**

**3.1** As at 31 March 2024 and 31 December 2023, the contracted terms of the Company's hire purchase receivables are 12 - 84 installments with payments to be made in equal installments and interest charged at fixed rates throughout the contracts. Hire purchase receivables classified by due date per agreement are as follows:

	(Unit: Thousand Baht)						
	31 March 2024						
	Portion due over one year	Portion due over two years	Portion due over three years	Portion due over four years	Portion due over five years	Portion due over five years	Total
Hire purchase receivables	2,170,791	1,547,567	1,134,614	652,184	301,260	111,705	5,918,121
Less: Unearned hire purchase income <sup>(1)</sup>	(581,927)	(363,380)	(205,333)	(94,755)	(32,618)	(8,383)	(1,286,396)
Undue output Vat	(135,252)	(101,243)	(74,227)	(42,666)	(19,708)	(7,308)	(380,404)
Present value of the minimum lease payment receivables	1,453,612	1,082,944	855,054	514,763	248,934	96,014	4,251,321
Less: Allowance for expected credit losses	(156,162)	(26,571)	(30,891)	(21,554)	(11,799)	(6,461)	(253,438)
<b>Net hire purchase receivables</b>	<b>1,297,450</b>	<b>1,056,373</b>	<b>824,163</b>	<b>493,209</b>	<b>237,135</b>	<b>89,553</b>	<b>3,997,883</b>

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

(2) The balance of hire purchase receivables due within 1 year included receivables that are credit impaired.

(Unaudited but reviewed)

(Unit: Thousand Baht)

	31 December 2023						
	Portion	Portion	Portion	Portion	Portion	Portion	Total
	due over one	due over	due over	due over	due over	due over	
	Portion	year	two years	three years	four years	five years	
	due within	but within	but within	but within	but within	but within	
	one year <sup>(2)</sup>	two years	three years	four years	five years	five years	
Hire purchase receivables	2,298,076	1,699,184	1,272,758	766,758	382,628	147,796	6,567,200
Less: Unearned hire purchase income <sup>(1)</sup>	(645,062)	(416,946)	(243,080)	(117,004)	(43,839)	(12,214)	(1,478,145)
Undue output Vat	(143,538)	(111,161)	(83,264)	(50,162)	(25,032)	(9,669)	(422,826)
Present value of the minimum lease							
payment receivables	1,509,476	1,171,077	946,414	599,592	313,757	125,913	4,666,229
Less: Allowance for expected credit losses	(173,307)	(29,058)	(25,859)	(17,350)	(9,136)	(4,226)	(258,936)
Net hire purchase receivables	1,336,169	1,142,019	920,555	582,242	304,621	121,687	4,407,293

<sup>(1)</sup> Presented net of deferred initial direct income and costs of hire purchase.<sup>(2)</sup> The balance of hire purchase receivables due within 1 year included receivables that are credit impaired.

**3.2** As at 31 March 2024 and 31 December 2023, the balances of hire purchase receivables are classified by credit risk and allowance for expected credit losses as follows:

(Unit: Thousand Baht)

	Hire purchase receivables - net of			
	unearned hire purchase income <sup>(1)</sup>		Allowance for expected credit losses	
	31 March	31 December	31 March	31 December
	2024	2023	2024	2023
Hire purchase receivables without a significant increase in credit risk (Performing)	3,154,050	3,683,715	27,895	53,937
Hire purchase receivables with a significant increase in credit risk (Under-performing)	826,183	715,219	99,939	81,328
Hire purchase receivables with credit impaired (Non-performing)	271,088	267,295	125,604	123,671
Total	4,251,321	4,666,229	253,438	258,936

<sup>(1)</sup> Presented net of deferred initial direct income and costs of hire purchase.

**3.3** As at 31 March 2024, hire purchase receivables amounting to Baht 2,584 million (net of unearned hire purchase income) were pledged to secure credit facilities from commercial banks (31 December 2023: Baht 3,016 million), as described in Notes 10 and 12 to the interim financial statements.

**4. Loan receivables**

**4.1** As at 31 March 2024 and 31 December 2023, the contracted terms of the Company's loan receivables are 6 - 84 installments with payments to be made in equal installments and interest charged at fixed rates throughout in the contracts. Loan receivables classified by due date per agreement are as follows:

(Unit: Thousand Baht)

	31 March 2024		
	Amounts due within 1 year <sup>(2)</sup>	Amounts due over 1 year	Total
Loan receivables	2,693,850	7,834,151	10,528,001
Add: Deferred financial expenses <sup>(1)</sup>	22,444	56,921	79,365
Add: Accrued interest receivables	324,685	-	324,685
<b>Total</b>	<b>3,040,979</b>	<b>7,891,072</b>	<b>10,932,051</b>
Less: Allowance for expected credit losses	(242,607)	(222,583)	(465,190)
<b>Loan receivables - net</b>	<b>2,798,372</b>	<b>7,668,489</b>	<b>10,466,861</b>

<sup>(1)</sup> Presented net of deferred initial direct income and costs of loan.

<sup>(2)</sup> The balance of loan receivables due within 1 year includes receivables that are credit impaired.

(Unit: Thousand Baht)

	31 December 2023		
	Amounts due within 1 year <sup>(2)</sup>	Amounts due over 1 year	Total
Loan receivables	2,485,163	7,581,338	10,066,501
Less: Deferred financial expenses <sup>(1)</sup>	19,692	52,374	72,066
Add: Accrued interest receivables	294,705	-	294,705
<b>Total</b>	<b>2,799,560</b>	<b>7,633,712</b>	<b>10,433,272</b>
Less: Allowance for expected credit losses	(212,767)	(152,850)	(365,617)
<b>Loan receivables - net</b>	<b>2,586,793</b>	<b>7,480,862</b>	<b>10,067,655</b>

<sup>(1)</sup> Presented net of deferred initial direct income and costs of loan.

<sup>(2)</sup> The balance of loan receivables due within 1 year includes receivables that are credit in paired.

(Unaudited but reviewed)

- 4.2** As at 31 March 2024 and 31 December 2023, the balances of loan receivables are classified by credit risk and allowance for expected credit losses as follows:

(Unit: Thousand Baht)

	Loan receivables		Allowance for expected credit losses	
	and accrued interest income <sup>(1)</sup>			
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
Loan receivables without a significant increase in credit risk (Performing)	9,375,171	9,432,097	110,020	134,402
Loan receivables with a significant increase in credit risk (Under-performing)	1,222,283	754,926	198,128	113,041
Loan receivables with credit impaired (Non-performing)	334,597	246,249	157,042	118,174
Total	10,932,051	10,433,272	465,190	365,617

<sup>(1)</sup> Presented net of deferred initial direct income and costs of loan.

- 4.3** As at 31 March 2024, loan receivables amounting to Baht 5,474 million (net of unearned financial income and deferred financial expenses) were pledged to secure credit facilities from commercial banks (31 December 2023: Baht 5,244 million), as described in Notes 10 and 12 to the interim financial statements.

## **5. Allowance for expected credit losses**

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

(Unit: Thousand Baht)

	For the three-month period ended 31 March 2024			Total
	12-month ECL (Stage 1)	Lifetime ECL - not credit impaired (Stage 2)	Lifetime ECL - credit impaired (Stage 3)	
	Beginning balance	188,339	194,369	
Add (less): Change in expected credit losses during the period	(50,424)	103,698	159,059	212,333
Less: Bad debt written-off during the period	-	-	(118,258)	(118,258)
Ending balance	137,915	298,067	282,646	718,628

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the year ended 31 December 2023

	12-month ECL (Stage 1)	Lifetime ECL - not credit impaired (Stage 2)	Lifetime ECL - credit impaired (Stage 3)	Total
Beginning balance	170,741	171,046	196,741	538,528
Add (less): Stage changes	(9,139)	(13,768)	22,907	-
Add (less): Changes due to revaluation of allowance for credit loss	(44,676)	12,344	242,680	210,348
Add: New financial assets acquired	156,080	130,756	83,160	369,996
Less: Derecognition of financial assets	(84,667)	(106,009)	(25,237)	(215,913)
Less: Bad debt written-off	-	-	(278,406)	(278,406)
Ending balance	188,339	194,369	241,845	624,553

## 6. Assets foreclosed

(Unit: Thousand Baht)

	31 March 2024	31 December 2023
Assets foreclosed - cost	150,934	125,126
Less: Allowance for impairment	(72,143)	(59,744)
Assets foreclosed - net	78,791	65,382

## 7. Land, building and equipment

(Unit: Thousand Baht)

### Cost

Balance as at 1 January 2024	373,961
Additions during the period	23,126
Disposals/written-off	(363)
Balance as at 31 March 2024	396,724

### Accumulated depreciation

Balance as at 1 January 2024	215,436
Depreciation during the period	10,178
Depreciation for disposals/written-off	(163)
Balance as at 31 March 2024	225,451

### Net book value

Balance as at 31 March 2024	171,273
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(Unaudited but reviewed)

## 8. Right-of-use assets

The movement of rights-of-use assets for the three-month period ended 31 March 2024 are summarised below:

	(Unit: Thousand Baht)
<b>Balance as at 1 January 2024</b>	205,665
Additions during the period	48,306
Written-off during the period	(476)
Depreciation during the period	(28,207)
Depreciation for written-off	252
<b>Balance as at 31 March 2024</b>	<u>225,540</u>

## 9. Intangible assets

The movement of intangible assets for the three-month period ended 31 March 2024 are summarised below:

	(Unit: Thousand Baht)
<b>Cost</b>	
Balance as at 1 January 2024	30,814
Additions during the period	<u>5,622</u>
Balance as at 31 March 2024	<u>36,436</u>
<b>Accumulated amortisation</b>	
Balance as at 1 January 2024	22,156
Amortisation during the period	<u>947</u>
Balance as at 31 March 2024	<u>23,103</u>
<b>Net book value</b>	
Balance as at 31 March 2024	<u>13,333</u>

As at 31 March 2024, computer software has remaining amortisation period between 1 - 5 years (31 December 2023: 1 - 5 years).



**10. Short-term loans from financial institutions**

As at 31 March 2024 and 31 December 2023, the following are short-term loans in the form of promissory notes from financial institutions in Thailand:

		(Unit: Thousand Baht)	
		31 March	31 December
Loan facility/Repayment schedule		2024	2023
a)	Promissory notes under credit facilities amounting to Baht 350 million (31 December 2023: Baht 483 million), with principal repayable within the specific date of each promissory, and interest charged at MOR less a fixed rate, payable monthly	152,286	-
b)	Promissory notes under credit facilities amounting to Baht 410 million, with principal repayable within the specific date of each promissory, and interest charged at MLR less a fixed rate, payable monthly	183,893	199,637
c)	Promissory notes under credit facilities amounting to Baht 100 million, with principal repayable within the specific date of each promissory, and interest charged at MLR less a fixed rate, payable monthly	14,972	21,224
d)	Promissory notes under credit facilities amounting to Baht 200 million, with principal repayable within the specific date of each promissory, and interest charged at MLR less a fixed rate, payable monthly	136,709	152,414
e)	Promissory notes under credit facilities amounting to Baht 100 million, with principal repayable within the specific date of each promissory, and interest charged at MLR less a fixed rate, payable monthly	-	100,000
Total short-term loans from financial institutions		<u>487,860</u>	<u>473,275</u>

Bank overdrafts and short-term loans are secured by the transfer of ownership rights and the assignment of collection rights over hire purchase receivables, loan receivables and loans secured against motorcycle registrations, car registrations, commercial car registrations and truck registrations. Moreover, the Company is required to comply with certain terms and conditions as specified in each loan agreement, such as to maintain ratios of hire purchase receivables and loan receivables that are no more than 3 periods overdue to total borrowings, non-performing hire purchase receivables and loan receivables (overdue more than 3 months) to total receivables, collection ratio, working capital turnover ratio, total debt to equity ratio, hire purchase receivables and loan receivables that are no more than 3 months overdue to total receivables, earnings before interest and taxes to total interest expenses, and also the portion of the Company's shares held by directors, depending on the conditions in each agreement.

(Unaudited but reviewed)

As at 31 March 2024, the Company has Baht 557 million for bank overdrafts and short-term credit facilities from financial institutions which have not yet been drawn down (31 December 2023: Baht 811 million).

## 11. Other payables

	(Unit: Thousand Baht)	
	31 March 2024	31 December 2023
Other payables	89,655	92,014
Accrued employee expenses	-	39,502
Revenue department payable	12,590	15,500
Accrued expenses	20,655	24,956
Total	122,900	171,972

## 12. Long-term loans

As at 31 March 2024 and 31 December 2023, the following are loans from local financial institutions in Thailand.

	(Unit: Thousand Baht)	
Loan facility/Repayment schedule	31 March 2024	31 December 2023
a) Syndicate loan facility amounting to Baht 5,950 million, repayable principal equally every month, and interest charged at MLR less a fixed rate, payable monthly	52,180	86,720
b) Syndicate loan facility amounting to Baht 1,650 million, repayable principal equally every month, and interest charged at MLR less a fixed rate, payable monthly	340,290	429,120
c) Credit facility amounting to Baht 100 million, repayable principal equally every month, and interest charged at MLR less a fixed rate, payable monthly	85,880	48,622
d) Credit facility amounting to Baht 200 million, repayable principal equally every month, and interest charged at MLR less a fixed rate, payable monthly	43,432	61,083
e) Syndicate loan facility amounting to Baht 2,000 million, repayable principal equally every month, and interest charged at MLR less a fixed rate, payable monthly	851,960	997,450
f) Credit facility amounting to Baht 500 million, repayable principal equally every month, and interest charged at MLR less a fixed rate, payable monthly	277,868	309,125
g) Credit facility amounting to Baht 800 million, repayable principal equally every month, after the end of 1-year grace period from the date of loan withdrawal and interest charged at MLR less a fixed rate, payable monthly	499,980	800,000
h) Credit facility amounting to Baht 100 million, repayable principal equally every month, and interest charged at MLR less a fixed rate, payable monthly	48,880	57,694

(Unaudited but reviewed)

		(Unit: Thousand Baht)	
	Loan facility/Repayment schedule	31 March 2024	31 December 2023
i)	Syndicate loan facility amounting to Baht 3,000 million, repayable principal equally every month, and interest charged at MLR less a fixed rate, payable monthly	1,977,340	2,192,290
j)	Credit facility amounting to Baht 1,000 million, repayable principal equally every month, and interest charged at MLR less a fixed rate, payable monthly	853,506	911,826
k)	Syndicate loan facility amounting to Baht 4,500 million, repayable principal equally every month, and interest charged at MLR less a fixed rate, payable monthly	3,751,580	3,433,100
l)	Credit facility amounting to Baht 200 million, repayable principal equally every month, and interest charged at MLR less a fixed rate, payable monthly	195,005	-
	Total	8,977,901	9,327,030
	Less: Deferred issuing costs	(31,530)	(35,741)
	Long-term loans	8,946,371	9,291,289
	Less: Current portion due within one year	(3,607,358)	(3,730,426)
	Long-term loans, net of current portion	5,339,013	5,560,863

The above long-term loans are secured by the assignment of collection rights over loans secured against motorcycle registrations, car registrations, commercial car registrations and truck registrations with specific conditions to the bank. Moreover, the Company is required to comply with certain terms and conditions as specified in each loan agreement, such as to maintain ratios of hire purchase receivables and loan receivables that are no more than 3 periods overdue to total borrowings, non-performing hire purchase receivables and loan receivables (overdue more than 3 months) to total receivables, collection ratio, debt to equity ratio, earnings before interest and taxes to total interest expenses, debt service coverage ratio, and also the portion of the Company's shares held by directors, depending on the conditions in each agreement.

As at 31 March 2024, the long-term credit facilities of the Company which have not yet been drawn down amounted to Baht 314 million (31 December 2023: Baht 1,101 million).

(Unaudited but reviewed)

### 13. Income tax expenses

Income tax expenses for the three-month periods ended 31 March 2024 and 2023 are as follows:

	(Unit: Thousand Baht)	
	For the three-month periods ended 31 March	
	2024	2023
<b>Current income tax:</b>		
Corporate income tax charge for the periods	31,696	26,952
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(26,053)	(1,723)
<b>Income tax expenses reported in the statements of comprehensive income</b>	<b>5,643</b>	<b>25,229</b>

Reconciliation between income tax expenses and the product of accounting profits multiplied by the applicable tax rate for the three-month periods ended 31 March 2024 and 2023 are as follows:

	(Unit: Thousand Baht)	
	For the three-month periods ended 31 March	
	2024	2023
Accounting profit before tax	28,238	126,192
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	5,648	25,238
Effects of additional expense and non-deductible expense	(5)	(9)
Income tax expenses reported in the statements of comprehensive income	<b>5,643</b>	<b>25,229</b>

### 14. 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.

**15. Segment information**

The Company's principal operations involve a single operating segment of hire purchase and loan receivables. Their operations are carried on in the single geographical area of Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that the Company's chief operating decision maker (Managing Director) used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area. In addition, the Company has no major customer with reserve of 10 percent or more of an entity's revenues during the three-month period ended 31 March 2024.

**16. Related party transactions**

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

	(Unit: Thousand Baht)		
	For the three-month periods ended 31 March		
	2024	2023	Pricing Policy
<u>Transactions with related parties</u>			
Rental expenses	1,209	1,487	As stipulated in agreements

As at 31 March 2024 and 31 December 2023, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)	
	31 March 2024	31 December 2023
<u>Related parties</u>		
Other receivables	22	42
Lease liabilities	8,628	3,953

(Unaudited but reviewed)

### Directors and management's benefits

During the three-month periods ended 31 March 2024 and 2023 the Company had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

For the three-month  
periods ended 31 March

	2024	2023
Short-term employee benefits	11,711	14,919
Post-employment benefits	280	206
Total	11,991	15,125

## **17. Commitments**

### **17.1 Service agreements**

The Company has entered into other services agreement. The terms of the agreements are generally between 1 - 3 years. As at 31 March 2024, future minimum lease payments required under these non-cancellable service contracts were as follows:

(Unit: Thousand Baht)

Payable	Related companies	Other parties	Total
Within 1 year	810	23,917	24,727
Over 1 and up to 3 years	486	26,704	27,190

## **18. Fair value of financial instrument**

Since the majority of the Company's financial instruments consist of those that are short-term in nature and those that carry 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.

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

On 19 April 2024, the Annual General Meeting of Shareholders for 2024 approved a dividend payment of Baht 0.0665 per share from the 2023 operating result to the shareholders of the Company, or a total dividend payment of Baht 253.37 million, with the schedule to pay dividends on 10 May 2024.

## **20. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 May 2024.