

S 11 Group Public Company Limited
Review report and interim financial statements
31 March 2016



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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 statements of financial position of S 11 Group Public Company Limited as at 31 March 2016, 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 financial statements. 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.

Somjai Khunapasut

Certified Public Accountant (Thailand) No. 4499

EY Office Limited

Bangkok: 12 May 2016

S 11 Group Public Company Limited

Statements of financial position

As at 31 March 2016

		(Unit: Baht)	
	Note	31 March 2016	31 December 2015
		(Unaudited by reviewed)	(Audited)
Assets			
Current assets			
Cash and cash equivalents		41,898,037	41,321,048
Current portion of hire purchase receivables - net	2	1,829,288,827	1,761,881,528
Assets foreclosed - net	3	9,843,625	6,498,696
Revenue Department receivables		33,382,541	32,259,654
Prepaid insurance premium		54,576,615	47,972,239
Other current assets	4	29,660,758	28,928,308
Total current assets		1,998,650,403	1,918,861,473
Non-current assets			
Restricted bank deposits		407,405	1,758,465
Hire purchase receivables - net of current portion	2	1,640,458,647	1,562,533,065
Prepaid insurance premium		22,889,290	18,067,482
Land, building and equipment - net	5	78,802,575	79,126,517
Deferred tax assets	6.1	70,987,085	63,000,404
Other non-current assets		208,600	212,600
Total non-current assets		1,813,753,602	1,724,698,533
Total assets		3,812,404,005	3,643,560,006

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

S 11 Group Public Company Limited

Statements of financial position (continued)

As at 31 March 2016

		(Unit: Baht)	
	Note	31 March 2016	31 December 2015
		(Unaudited by reviewed)	(Audited)
Liabilities and shareholders' equity			
Current liabilities			
Bank overdraft	7	49,770,687	50,000,000
Trade accounts payables		50,934,344	3,136,150
Short-term loans	8	525,549,634	422,338,883
Current portion of long-term loans	9	864,848,581	939,133,131
Current portion of liabilities under financial lease agreements		894,799	1,175,434
Income tax payable		89,471,961	57,072,722
Insurance premium payables		18,132,251	13,778,798
Accrued expenses		28,555,827	18,443,607
Other current liabilities		11,036,626	20,698,997
Total current liabilities		1,639,194,710	1,525,777,722
Non-current liabilities			
Long-term loans - net of current portion	9	347,476,814	390,983,641
Liabilities under financial lease agreements - net of current portion		302,878	456,728
Provision for long-term employee benefits		6,651,086	6,492,528
Total non-current liabilities		354,430,778	397,932,897
Total liabilities		1,993,625,488	1,923,710,619

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

S 11 Group Public Company Limited
Statements of financial position (continued)
As at 31 March 2016

		(Unit: Baht)	
	Note	31 March 2016	31 December 2015
		(Unaudited by reviewed)	(Audited)
Shareholders' equity			
Share capital			
Registered			
613,000,000 ordinary shares of Baht 1 each		613,000,000	613,000,000
Issued and fully paid-up			
613,000,000 ordinary shares of Baht 1 each	10	613,000,000	613,000,000
Share premium	10	427,822,558	427,822,558
Capital reserve for share-based payment transactions		15,300,000	15,300,000
Retained earnings			
Appropriated - statutory reserve		38,406,028	38,406,028
Unappropriated		724,249,931	625,320,801
Total shareholders' equity		1,818,778,517	1,719,849,387
Total liabilities and shareholders' equity		3,812,404,005	3,643,560,006

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

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Directors
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(Unaudited but reviewed)

S 11 Group Public Company Limited
Statements of comprehensive income
For the three-month period ended 31 March 2016

(Unit: Baht)

	Note	2016	2015
Profit or loss:			
Revenues			
Hire purchase interest income		283,556,798	245,795,217
Fee and service income		13,163,478	11,313,076
Other income		13,086,190	1,591,408
Total revenues		309,806,466	258,699,701
Expenses			
Selling and administrative expenses		57,633,320	51,413,628
Bad debts and doubtful accounts	2.6	67,739,932	49,057,962
Loss on impairment and on disposal of assets foreclosed	11	31,249,026	29,087,578
Total expenses		156,622,278	129,559,168
Profit before finance cost and income tax expenses		153,184,188	129,140,533
Finance cost		(29,530,562)	(36,508,568)
Profit before income tax expenses		123,653,626	92,631,965
Income tax expenses	6.2	(24,730,706)	(18,512,815)
Profit for the period		98,922,920	74,119,150
Other comprehensive income:			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>			
Actuarial gain		7,762	-
Income tax relating to actuarial gain	6.2	(1,552)	-
Other comprehensive income for the period		6,210	-
Total comprehensive income for the period		98,929,130	74,119,150
Earnings per share	12		
Basic earnings per share		0.16	0.13
Weight average number of ordinary shares (shares)		613,000,000	572,111,111

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

(Unaudited but reviewed)

S 11 Group Public Company Limited

Statements of changes in shareholders' equity

For the three-month period ended 31 March 2016

(Unit: Baht)

	Registered, issued and fully paid-up share capital	Share premium	Capital reserve		Retained earnings		Total shareholders' equity
			for share-based payment transactions	Appropriated - statutory reserve	Unappropriated		
Balance as at 1 January 2015	533,000,000	90,606,558	15,300,000	20,756,407	394,364,918	1,054,027,883	
Profit for the period	-	-	-	-	74,119,150	74,119,150	
Other comprehensive income for the period	-	-	-	-	-	-	
Total comprehensive income for the period	-	-	-	-	74,119,150	74,119,150	
Proceeds from increase in share capital (Note 10)	80,000,000	337,216,000	-	-	-	417,216,000	
Balance as at 31 March 2015	613,000,000	427,822,558	15,300,000	20,756,407	468,484,068	1,545,363,033	
Balance as at 1 January 2016	613,000,000	427,822,558	15,300,000	38,406,028	625,320,801	1,719,849,387	
Profit for the period	-	-	-	-	98,922,920	98,922,920	
Other comprehensive income for the period	-	-	-	-	6,210	6,210	
Total comprehensive income for the period	-	-	-	-	98,929,130	98,929,130	
Balance as at 31 March 2016	613,000,000	427,822,558	15,300,000	38,406,028	724,249,931	1,818,778,517	

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

(Unaudited but reviewed)

S 11 Group Public Company Limited

Cash flows statements

For the three-month period ended 31 March 2016

	(Unit: Baht)	
	2016	2015
Cash flows from operating activities		
Profit before income tax	123,653,626	92,631,965
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities		
Depreciation	1,621,447	1,878,808
Bad debts and doubtful accounts	67,739,932	49,057,962
Loss on fixed assets write off	8,711	-
Loss on impairment of assets foreclosed (reversal)	1,022,232	(3,941,900)
Provision for long-term employee benefits	166,320	316,428
Hire purchase interest income	(283,556,798)	(245,795,217)
Interest expenses	29,530,562	36,508,568
Loss from operating activities before changes in operating assets and liabilities	(59,813,968)	(69,343,386)
Operating assets (increase) decrease		
Hire purchase receivables	(210,559,295)	(269,287,680)
Assets foreclosed	(4,367,161)	9,380,331
Revenue Department receivables	(1,122,887)	(5,905,846)
Prepaid insurance premium	(11,426,184)	(3,375,431)
Other current assets	(732,450)	(858,553)
Other non-current assets	4,000	-
Operating liabilities increase (decrease)		
Trade accounts payables	47,798,194	49,352,832
Insurance premium payables	4,353,453	1,186,072
Accrued expenses	10,115,869	9,129,350
Other current liabilities	(9,662,371)	(541,263)
Cash flows used in operating activities	(235,412,800)	(280,263,574)
Cash received from interest	281,043,280	243,887,276
Cash paid for corporate income tax	(319,700)	(1,701,330)
Cash paid for interest	(21,750,985)	(34,666,482)
Net cash flows from (used in) operating activities	23,559,795	(72,744,110)

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

(Unaudited but reviewed)

S 11 Group Public Company Limited

Cash flows statements (continued)

For the three-month period ended 31 March 2016

	(Unit: Baht)	
	2016	2015
Cash flows from investing activities		
Decrease (increase) in restricted bank deposits	1,351,060	(78,934)
Cash paid for acquisition of building and equipment	(1,306,216)	(885,956)
Net cash flows from (used in) investing activities	44,844	(964,890)
Cash flows from financing activities		
Proceeds from increase in share capital	-	417,216,000
Decrease in bank overdraft	(229,313)	-
Increase in short-term loans	97,972,128	-
Cash received from long-term loans	168,110,000	102,440,000
Repayment of long-term loans	(288,445,981)	(331,737,184)
Repayment of financial lease payables	(434,484)	(331,928)
Payment for loans issuing cost	-	(10,000,000)
Net cash flows from (used in) financing activities	(23,027,650)	177,586,888
Net increase in cash and cash equivalents	576,989	103,877,888
Cash and cash equivalents at beginning of period	41,321,048	35,013,496
Cash and cash equivalents at end of period	41,898,037	138,891,384

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

S 11 Group Public Company Limited
Notes to interim financial statements
For the three-month period ended 31 March 2016

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 2016, the Company has 3 branches located in Chonburi, Ayudhya and Rayong.

1.2 Basis for the preparation of the interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2015) "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 New accounting standards

During the period, the Company has adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which became effective for fiscal year beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

1.4 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2015.

2. Hire purchase receivables

2.1 As at 31 March 2016 and 31 December 2015, the contract terms of the Company's hire purchase receivables are 12 - 36 installments with payments to be made in equal installments, and interest charged at the fixed rates as specified in the contracts. These are summarised as follows:

	(Unit: Baht)		
	31 March 2016		
	Amounts due within 1 year ⁽²⁾	Amounts due over 1 year	Total
Hire purchase receivables	3,252,901,172	2,093,544,585	5,346,445,757
Less: Unearned hire purchase income ⁽¹⁾	(1,017,626,772)	(435,540,506)	(1,453,167,278)
Present value of the minimum lease payment receivables	2,235,274,400	1,658,004,079	3,893,278,479
Less: Allowance for doubtful accounts	(405,985,573)	(17,545,432)	(423,531,005)
Net hire purchase receivables	<u>1,829,288,827</u>	<u>1,640,458,647</u>	<u>3,469,747,474</u>

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

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

(Unaudited but reviewed)

(Unit: Baht)

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

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

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

2.2 As at 31 March 2016 and 31 December 2015, the balances of hire purchase receivables (net of unearned hire purchase income) and allowance for doubtful accounts are classified by aging of installment past due as follows:

(Unit: Baht)

Aging	Balance of		Percentage of allowance set up by the Company	Allowance for	
	hire purchase receivables			doubtful accounts	
	31 March 2016	31 December 2015		31 March 2016	31 December 2015
Not yet due	2,436,622,915	2,286,325,483	1	24,352,510	22,863,257
Past due					
Less than 1 months	674,045,411	664,437,559	1	6,740,454	6,644,376
1 month or more, but less than 2 months	203,272,415	207,710,494	1	2,032,724	2,077,105
2 months or more, but less than 4 months	192,788,185	201,556,934	2	3,855,764	4,031,139
4 months or more, but less than 7 months	118,405,097	107,583,056	100	118,405,097	107,583,056
7 months or more, but less than 12 months	120,525,157	111,643,635	100	120,525,157	111,643,635
12 months or more	147,619,299	136,223,911	100	147,619,299	136,223,911
Total	3,893,278,479	3,715,481,072		423,531,005	391,066,479

- 2.3** The Notification of the Institute of Certified Accountants and Auditors of Thailand, with the concurrence of the Office of the Securities and Exchange Commission, stipulated an accounting guideline for the consumer finance business, whereby recognition of revenue is to cease and full provision is to be recorded for accounts receivable which are past due more than 3 installments, based on the scheduled repayment date per the agreement, and general provision is to be provided for accounts receivable which are not past due or have no more than 3 installments past due. However, this accounting guideline provides an alternative whereby, in cases where a company believes that the guideline would not be appropriate, it is to disclose the method it uses and the reason.

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

- 2.4** As at 31 March 2016, the Company had hire purchase receivables amounting to Baht 588 million (before netting with unearned hire purchase income) for which revenue recognition has ceased (31 December 2015: Baht 558 million).
- 2.5** As at 31 March 2016, the Company had transferred rights of claim under hire purchase agreements with outstanding balances (before netting with unearned hire purchase income) of Baht 1,761 million (31 December 2015: Baht 1,895 million) in order to secure credit facilities granted by a commercial bank as discussed in Note 9 to the financial statements.

2.6 Allowance for doubtful accounts

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

(Unit: Baht)

	For the three-month period ended 31 March 2016	For the year ended 31 December 2015
Balance beginning of the period	391,066,479	293,930,172
Add: Doubtful account set up during the period	67,739,932	204,526,270
Less: Bad debt written-off	(35,275,406)	(107,389,963)
Balance end of the period	<u>423,531,005</u>	<u>391,066,479</u>

3. Assets foreclosed

	(Unit: Baht)	
	31 March 2016	31 December 2015
Assets foreclosed - cost	15,520,956	11,153,795
Less: Allowance for impairment	(5,677,331)	(4,655,099)
Assets foreclosed - net	<u>9,843,625</u>	<u>6,498,696</u>

4. Other current assets

	(Unit: Baht)	
	31 March 2016	31 December 2015
Advance VAT receivable	15,030,141	14,258,914
Other receivable - sales of assets foreclosed	6,477,548	7,226,568
Other accrued income	4,307,560	4,094,123
Others	3,845,509	3,348,703
Total	<u>29,660,758</u>	<u>28,928,308</u>

5. Land, building and equipment

Movements of land, building and equipment during the three-month period ended 31 March 2016 are summarised below.

	(Unit: Baht)
Cost	
Balance as at 1 January 2016	103,890,999
Additions	1,306,216
Written-off	(22,687)
Balance as at 31 March 2016	<u>105,174,528</u>
Accumulated depreciation	
Balance as at 1 January 2016	24,764,482
Depreciation for the period	1,621,447
Written-off	(13,976)
Balance as at 31 March 2016	<u>26,371,953</u>
Net book value	
Balance as at 31 March 2016	<u>78,802,575</u>

As at 31 March 2016, land and premises thereon with net book value amounting to Baht 54 million were pledged as collateral against credit facilities received from the financial institution as mentioned in Note 7 and 9 to the financial statements (31 December 2015: Baht 54 million).

6. Deferred tax assets/income tax expenses**6.1 Deferred tax assets**

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Baht)	
	31 March 2016	31 December 2015
Deferred tax assets		
Allowance for doubtful accounts	84,706,201	78,213,295
Allowance for impairment of assets foreclosed	1,135,467	931,020
Provision for long-term employee benefits	1,330,217	1,298,506
Accrued Bonus	1,292,000	-
Others	392,554	405,293
Total	88,856,439	80,848,114
Deferred tax liabilities		
Deferred commission and direct cost from hire purchase contracts	15,038,701	14,508,137
Deferred loans issuing costs	2,830,653	3,339,573
Total	17,869,354	17,847,710
Deferred tax assets - net	70,987,085	63,000,404

6.2 Income tax expenses

Income tax expenses for the three-month periods ended 31 March 2016 and 2015 are as follows:

	(Unit: Baht)	
	For the three-month periods ended 31 March	
	2016	2015
Current income tax:		
Interim corporate income tax charge	32,718,939	19,540,683
Effects of income tax related to expenses from share offering (Note 10)	-	1,696,000
Deferred tax:		
Relating to origination and reversal of temporary differences	(7,988,233)	(2,723,868)
Income tax expenses reported in the statements of comprehensive income	24,730,706	18,512,815

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2016 and 2015 are as follow:

(Unit: Baht)

	For the three-month periods ended 31 March	
	2016	2015
Deferred tax relating to actuarial gain	(1,552)	-
	<u>(1,552)</u>	<u>-</u>

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 2016 and 2015 are as follows:

(Unit: Baht)

	For the three-month periods ended 31 March	
	2016	2015
Accounting profit before tax	123,653,626	92,631,965
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by applicable tax rate	24,730,725	18,526,393
Tax effect of tax-exempt income and disallowed expenses	(19)	(13,578)
Income tax expenses reported in the statements of comprehensive income	<u>24,730,706</u>	<u>18,512,815</u>

7. Bank overdraft

(Unit: Baht)

	Interest rate	31 March 2016	31 December 2015
	(percent per annum)		
Bank overdraft	MOR - 0.5%	49,770,687	50,000,000
Total		<u>49,770,687</u>	<u>50,000,000</u>

As at 31 March 2016 and 31 December 2015, bank overdraft is secured by the mortgage of the Company's land and premises thereon.

8. Short-term loans

As at 31 March 2016, short-term loans net of discount, totaling Baht 526 million, are bills of exchange with name, transferable, and maturing within 270 days from the date of issuance. The maturity date is between April and September 2016. Interest is charged at the rate of 4.2 - 5.2 percent per annum (31 December 2015: short-term loans net of discount, totaling Baht 422 million, are bills of exchange with name, transferable, and maturing within 270 days from the date of issuance. The maturity date is between April and July 2016. Interest is charged at the rate of 4.5 - 5.2 percent per annum).

9. Long-term loans

As at 31 March 2016 and 31 December 2015, the long-term loans, which the Company obtained from a local financial institution, are detailed below.

				(Unit: Baht)	
Facility	Interest rate	Repayment schedule	31 March	31 December	
no.	Loan facility	(% per annum)	2016	2015	
1	Loan agreement dated 2 March 2012	MLR	Installments payment, as specified in the agreement, over 12 years, with the first installment due on 7 June 2012	10,032,996	10,260,881
2	Loan agreement dated 2 March 2012	MLR	Installments payment, as specified in the agreement, over 12 years, with the first installment due in the 13 th month after the loan drawdown	21,883,928	22,432,174
3	Loan agreement dated 26 July 2012	MLR + 0.5	Payment in 30 equal installments, with the first installment payment on the last day of the month of the first drawdown	1,182,715	12,103,098
4	Loan agreement dated 12 December 2012	MLR + 0.5	Payment in 30 equal installments, with the first installment payment on the last day of the month of the first drawdown	-	17,677,019
5	Loan agreement dated 24 October 2013	MLR	Payment in 30 equal installments, with the first installment payment on the last day of the month of the first drawdown	199,230,511	304,448,131
6	Loan agreement dated 27 June 2014	MLR - 0.5, MLR - 1.5	Payment in 30 equal installments, with the first installment payment on the last day of the month of the first drawdown	994,798,634	980,543,461
Total			1,227,128,784	1,347,464,764	
Less: Deferred loans issuing costs			(14,803,389)	(17,347,992)	
Long-term loans			1,212,325,395	1,330,116,772	
Less: current portion due within 1 year			(864,848,581)	(939,133,131)	
Long-term loans, net of current portion			<u>347,476,814</u>	<u>390,983,641</u>	

Loan facilities no. 1 and 2 are for use in building construction. These loan facilities are secured by the Company's land and premises thereon.

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

As at 31 March 2016, the long-term credit facilities of the Company which have not yet been drawn down amounted to Baht 1,008 million. In addition, the Company has remaining overdraft facilities amounting to Baht 0.23 million.

10. Share capital

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

11. Loss on impairment and on disposal of assets foreclosed

	(Unit: Baht)	
	For the three-month periods ended 31 March	
	2016	2015
Loss on impairment of assets foreclosed (reversal)	1,022,232	(3,941,900)
Loss on disposal of assets foreclosed	30,226,794	33,029,478
Total	<u>31,249,026</u>	<u>29,087,578</u>

12. Earnings per share

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

13. Segment information

The Company's operations involved a single reportable operating segment of hire purchase of motorcycles and are carried on in the single geographical area of Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that the Company's chief operating decision maker (managing director) used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

14. Directors and management benefits

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

	(Unit: Baht)	
	For the three-month periods ended 31 March	
	2016	2015
Short-term employee benefits	5,006,094	4,602,328
Post-employment benefits	266,732	209,171
Total	<u>5,272,826</u>	<u>4,811,499</u>

15. Commitments**15.1 Guarantees**

As at 31 March 2016, there was an outstanding bank guarantee of Baht 10,000 (31 December 2015: Baht 10,000) issued by a bank on behalf of the Company as a guarantee for a post office box.

15.2 Employee Joint Investment Program

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

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

16. Events after the reporting period

On 7 April 2016, the Annual General Meeting of the Company's shareholders for the year 2016 passed the resolutions to set aside a statutory reserve of Baht 17.65 million and pay a dividend of Baht 0.27 per share from the 2015 operating result to the holders of the Company, or a total dividend payment of Baht 165.51 million. The dividend was paid to shareholders on 29 April 2016.

17. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 12 May 2016.