

Group Lease Public Company Limited
and its subsidiaries
Review report and interim financial statements
For the three-month and nine-month periods ended
30 September 2015

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Group Lease Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Group Lease Public Company Limited and its subsidiaries as at 30 September 2015, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2015, and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Group Lease Public Company Limited for the same period. 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*.

Emphasis of matter

I draw attention to Note 2 to the interim financial statements regarding the business purchase price allocation. The process of assessing fair value of the identifiable assets acquired and liabilities assumed at the acquisition date of a subsidiary had been completed in the second quarter of 2015. The Company has restated the consolidated statement of financial position as at 31 December 2014 and the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2014, presented herein as comparative information, to reflect the adjustments resulting from such change at the acquisition date (2 July 2014). My conclusion is not qualified in respect of this matter.

Rungnapa Lertsuwankul

Certified Public Accountant (Thailand) No. 3516

EY Office Limited

Bangkok: 9 November 2015

Group Lease Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2015	31 December 2014	30 September 2015	31 December 2014
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	3	1,078,506	357,446	458,632	71,159
Current portion of hire purchase and installment sales receivables	4	2,784,727	3,172,394	2,180,955	2,330,500
Current portion of loan receivables	5	69,604	-	-	-
Assets foreclosed	6	40,444	23,597	27,921	14,070
Short-term loans and interest receivable	7	1,267,940	24,776	6,999	-
Short-term loans to and interest receivable from related parties	17	-	38,425	3,212,581	1,190,166
Other current assets	8, 17	290,918	142,305	135,618	115,224
Total current assets		5,532,139	3,758,943	6,022,706	3,721,119
Non-current assets					
Pledged fixed deposit at financial institution	9	329	324	329	324
Investment in subsidiaries company	10	-	-	1,200,117	1,071,209
Hire purchase and installment sales receivables - long-term portion	4	3,131,256	2,922,957	1,880,787	2,202,279
Loan receivables - long-term portion	5	21,496	-	-	-
Long-term loans	11	609,554	-	-	-
Property, plant and equipment	12	111,471	100,642	66,205	62,422
Intangible assets	13	105,505	95,922	21,862	6,450
Goodwill	2	122,913	118,132	-	-
Deferred tax assets		80,047	112,650	64,687	70,808
Other non-current assets	15, 17	167,154	162,345	74,234	63,005
Total non-current assets		4,349,725	3,512,972	3,308,221	3,476,497
Total assets		9,881,864	7,271,915	9,330,927	7,197,616

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

Group Lease Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2015	31 December 2014	30 September 2015	31 December 2014
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	348,634	250,000	348,634	250,000
Trade accounts payable		15,910	9,075	10,812	6,351
Short-term loans from and interest payable to related parties	17	22,063	19,797	-	-
Current portion of long-term loans	18	1,924,353	2,547,809	1,888,503	2,547,809
Income tax payable		24,876	-	23,800	-
Insurance premium payables		17,385	11,726	13,415	9,682
Accrued expenses	17	86,777	56,526	93,855	26,302
Other current liabilities		111,173	54,360	84,596	29,599
Total current liabilities		2,551,171	2,949,293	2,463,615	2,869,743
Non-current liabilities					
Long-term loans, net of current portion	18	664,524	1,312,047	598,120	1,312,047
Debentures	19	492,305	488,303	492,305	488,303
Convertible debentures - liability component	20	975,264	-	975,264	-
Provision for long-term liabilities					
Provision for long-term employee benefits		8,442	6,379	8,442	6,379
Cash guarantee for damage on hire purchase agreements		2,182	2,326	2,064	2,196
Deferred tax liabilities		227	-	-	-
Total non-current liabilities		2,142,944	1,809,055	2,076,195	1,808,925
Total liabilities		4,694,115	4,758,348	4,539,810	4,678,668

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

Group Lease Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2015	31 December 2014	30 September 2015	31 December 2014
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	21				
Registered					
1,539,174,618 ordinary shares of Baht 0.50 each (31 December 2014: 1,441,852,272 ordinary shares of Baht 0.50 each)		769,587	720,926	769,587	720,926
Issued and paid-up					
1,282,311,890 ordinary shares of Baht 0.50 each (31 December 2014: 1,085,769,632 ordinary shares of Baht 0.50 each)		641,156	542,885	641,156	542,885
Share premium	21	2,877,387	1,084,254	2,877,387	1,084,254
Share subscription received in advance	21.2	201,271	-	201,271	-
Capital reserve for share-based payment transactions	22	-	3,584	-	3,584
Retained earnings					
Appropriated - statutory reserve		76,959	72,093	76,959	72,093
Unappropriated		1,092,940	774,501	994,076	816,132
Other components of shareholders' equity		298,036	36,250	268	-
Total shareholders' equity		5,187,749	2,513,567	4,791,117	2,518,948
Total liabilities and shareholders' equity		9,881,864	7,271,915	9,330,927	7,197,616
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The accompanying notes are an integral part of the financial statements.

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Directors
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(Unaudited but reviewed)

Group Lease Public Company Limited and its subsidiaries**Statement of comprehensive income**

For the three-month period ended 30 September 2015

(Unit: Thousand Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2015	2014	2015	2014
			(Restated)		
Profit or loss:					
Revenues					
Hire purchase interest and installment sales income		470,654	477,398	329,683	349,887
Loan interest income		8,193	-	-	-
Other income		160,024	51,407	147,762	72,957
Total revenues		638,871	528,805	477,445	422,844
Expenses					
Service and administrative expenses		210,903	162,700	133,812	105,195
Bad debts and doubtful accounts		83,434	138,664	76,450	98,099
Loss on disposals of foreclosed assets		91,135	135,061	80,451	106,456
Total expenses		385,472	436,425	290,713	309,750
Profit before finance cost and income tax expenses		253,399	92,380	186,732	113,094
Finance cost		(68,955)	(85,095)	(66,163)	(85,095)
Profit before income tax expenses		184,444	7,285	120,569	27,999
Income tax expenses	14	(34,174)	(2,628)	(23,922)	(5,751)
Profit for the period		150,270	4,657	96,647	22,248
Other comprehensive income:					
Exchange differences on translation of financial statements in foreign currency		216,462	(2,699)	-	-
Total comprehensive income for the period		366,732	1,958	96,647	22,248
					(Unit: Baht)
Earnings per share	23				
Basic earnings per share					
Profit for the period		0.1243	0.0044	0.0799	0.0208
Weighted average number of ordinary shares (thousand shares)		1,209,200	1,070,462	1,209,200	1,070,462
Diluted earnings per share					
Profit for the period		0.1180	0.0043	0.0759	0.0205
Weighted average number of ordinary shares (thousand shares)		1,273,044	1,087,825	1,273,044	1,087,825

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

(Unaudited but reviewed)

Group Lease Public Company Limited and its subsidiaries**Statement of comprehensive income**

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		2015	2014	2015	2014
			(Restated)		
Profit or loss:					
Revenues					
Hire purchase interest and installment sales income		1,425,367	1,196,466	1,018,908	1,032,679
Loan interest income		9,535	-	-	-
Other income		383,364	106,635	341,552	134,277
Total revenues		1,818,266	1,303,101	1,360,460	1,166,956
Expenses					
Service and administrative expenses		576,061	384,688	362,809	268,450
Bad debts and doubtful accounts		278,337	394,916	251,357	350,250
Loss on disposals of foreclosed assets		280,393	309,242	239,786	280,637
Total expenses		1,134,791	1,088,846	853,952	899,337
Profit before finance cost and income tax expenses		683,475	214,255	506,508	267,619
Finance cost		(200,659)	(176,818)	(194,701)	(176,818)
Profit before income tax expenses		482,816	37,437	311,807	90,801
Income tax expenses	14	(92,838)	(15,081)	(62,324)	(18,497)
Profit for the period		389,978	22,356	249,483	72,304
Other comprehensive income:					
Exchange differences on translation of financial statements					
in foreign currency		261,518	(9,966)	-	-
Total comprehensive income for the period		651,496	12,390	249,483	72,304
					(Unit: Baht)
Earnings per share					
	23				
Basic earnings per share					
Profit for the period		0.3439	0.0215	0.2200	0.0694
Weighted average number of ordinary shares (thousand shares)		1,133,945	1,041,941	1,133,945	1,041,941
Diluted earnings per share					
Profit for the period		0.3320	0.0209	0.2124	0.0674
Weighted average number of ordinary shares (thousand shares)		1,174,654	1,072,030	1,174,654	1,072,030

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

(Unaudited but reviewed)

Group Lease Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

Consolidated financial statements												
										Other components of shareholders' equity		
										Other comprehensive income		
										Exchange differences		
										on translation of		
										financial statements		
										in foreign currency		
										Convertible debentures		
										- equity component		
										Total other components of		
										owners of the Company		
										Total		
										shareholders'		
										equity		
Note	Issued and paid-up share capital	Share premium	Share subscription received in advance	Warrants	Capital reserve for share-based payment transactions	Retained earnings		on translation of financial statements in foreign currency		Convertible debentures - equity component	Total other components of owners of the Company	Total shareholders' equity
	share capital		in advance			Appropriated	Unappropriated					
	512,354	933,680	997	536	2,223	72,093	715,400	23,801			23,801	2,261,084
	-	-	-	-	-	-	22,356	-	-	-	-	22,356
	-	-	-	-	-	-	-	(9,966)	-	-	(9,966)	(9,966)
	-	-	-	-	-	-	22,356	(9,966)	-	-	(9,966)	12,390
	22,793	112,396	(997)	(382)	-	-	-	-	-	-	-	133,810
	-	-	45,894	(131)	-	-	-	-	-	-	-	45,763
	-	-	-	-	1,018	-	-	-	-	-	-	1,018
	-	-	-	-	-	-	(56,897)	-	-	-	-	(56,897)
24	-	-	-	-	-	-	(56,897)	-	-	-	-	(56,897)
	535,147	1,046,076	45,894	23	3,241	72,093	680,859	13,835	-	-	13,835	2,397,168
	542,885	1,084,254	-	-	3,584	72,093	773,206	36,250	-	-	36,250	2,512,272
	-	-	-	-	-	-	1,295	-	-	-	-	1,295
2	-	-	-	-	-	-	1,295	-	-	-	-	1,295
	542,885	1,084,254	-	-	3,584	72,093	774,501	36,250	-	-	36,250	2,513,567
	-	-	-	-	-	-	389,978	-	-	-	-	389,978
	-	-	-	-	-	-	-	261,518	-	-	261,518	261,518
	-	-	-	-	-	-	389,978	261,518	-	-	261,518	651,496
	98,271	1,793,133	-	-	(4,084)	-	-	-	-	-	-	1,887,320
	-	-	201,271	-	-	-	-	-	-	-	-	201,271
	-	-	-	-	500	-	-	-	-	-	-	500
	-	-	-	-	-	-	-	-	-	268	268	268
	-	-	-	-	-	-	(66,673)	-	-	-	-	(66,673)
	-	-	-	-	-	4,866	(4,866)	-	-	-	-	-
	641,156	2,877,387	201,271	-	-	76,959	1,092,940	297,768	268	-	298,036	5,187,749
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

Group Lease Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

Separate financial statements										
Note	Issued and paid-up		Share subscription received		Warrants	Capital reserve for share-based payment transactions	Retained earnings		Other components of shareholders' equity	Total shareholders' equity
	share capital	Share premium	in advance				Appropriated	Unappropriated	Convertible debentures - equity component	
Balance as at 31 December 2013	512,354	933,680	997	536	536	2,223	72,093	728,804	-	2,250,687
Profit for the period	-	-	-	-	-	-	-	72,304	-	72,304
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	72,304	-	72,304
Issuance of ordinary shares during period										
from the exercise of warrants	22,793	112,396	(997)	(382)	(382)	-	-	-	-	133,810
Share subscription received in advance										
from the exercise of warrants	-	-	45,894	(131)	(131)	-	-	-	-	45,763
Capital reserve for share-based payment transactions	-	-	-	-	-	1,018	-	-	-	1,018
Dividend paid	24	-	-	-	-	-	-	(56,897)	-	(56,897)
Balance as at 30 September 2014	535,147	1,046,076	45,894	23	23	3,241	72,093	744,211	-	2,446,685
Balance as at 31 December 2014	542,885	1,084,254	-	-	-	3,584	72,093	816,132	-	2,518,948
Profit for the period	-	-	-	-	-	-	-	249,483	-	249,483
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	249,483	-	249,483
Issuance of ordinary shares during period										
from the exercise of warrants	21.3, 22	98,271	1,793,133	-	-	(4,084)	-	-	-	1,887,320
Share subscription received in advance										
from the exercise of warrants	21.2	-	-	201,271	-	-	-	-	-	201,271
Capital reserve for share-based payment transactions	22	-	-	-	-	500	-	-	-	500
Issue convertible debentures - equity component	20	-	-	-	-	-	-	-	268	268
Dividend paid	24	-	-	-	-	-	-	(66,673)	-	(66,673)
Appropriated to statutory reserve		-	-	-	-	-	4,866	(4,866)	-	-
Balance as at 30 September 2015	641,156	2,877,387	201,271	-	-	-	76,959	994,076	268	4,791,117
	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

Group Lease Public Company Limited and its subsidiaries**Statement of cash flows****For the nine-month period ended 30 September 2015**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
		(Restated)		
Cash flows from operating activities				
Profit before tax	482,816	37,437	311,807	90,801
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	20,242	11,603	7,431	6,863
Amortisation	15,819	14,690	307	-
Bad debts and doubtful accounts	278,337	394,916	251,357	350,250
Gain on disposal of property, plant and equipment	-	(67)	-	(67)
Loss on disposals of assets foreclosed	280,393	309,242	239,786	280,637
Loss (reversal of loss) on diminution in value of foreclosed assets	3,032	(11,869)	6,390	(7,679)
Exchange loss from transfer loan to subsidiary to investment in subsidiary	-	-	1,075	-
Unrealised exchange loss (gain)	15,402	(152)	(27,262)	50
Provision for employee benefits	2,063	2,020	2,063	2,020
Capital reserve for share-based payment transactions	500	1,018	500	1,018
Interest income	(68,948)	(3,226)	(82,654)	(39,521)
Interest expenses	190,598	163,277	184,938	163,277
Amortised front end fees of loans	5,285	9,568	4,987	9,568
Amortised transaction cost of debentures	4,002	3,973	4,002	3,973
Amortised transaction cost of convertible debentures	744	-	744	-
Amortised discount on convertible debentures	30	-	30	-
Profit from operating activities before changes in operating assets and liabilities	1,230,315	932,430	905,501	861,190
Operating assets (increase) decrease				
Hire purchase and installment sales receivables	(99,789)	(547,757)	219,680	(457,796)
Loan receivables	(91,099)	-	-	-
Assets foreclosed	(300,272)	(289,880)	(260,027)	(268,059)
Other current assets	(130,102)	73,590	(18,273)	(768)
Other non-current assets	(6,226)	47,316	(6,272)	(10,971)
Operating liabilities increase (decrease)				
Trade accounts payable	6,835	5,021	4,461	5,353
Insurance premium payable	5,659	2,017	3,733	1,211
Accrued expenses	35,108	9,217	73,097	(1,868)
Other current liabilities	45,796	(66,938)	54,760	36,606
Guarantee for damage from hire purchase agreements	(144)	131	(132)	(2)
Cash flows from operating activities	696,081	165,147	976,528	164,896
Cash paid for interest expenses	(196,392)	(161,200)	(191,862)	(161,200)
Cash paid for corporate income tax	(46,150)	(94,332)	(32,374)	(92,248)
Net cash flows from (used in) operating activities	453,539	(90,385)	752,292	(88,552)

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

(Unaudited but reviewed)

Group Lease Public Company Limited and its subsidiaries
Statement of cash flows (continued)
For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

	Consolidated		Separate	
	2015	2014 (Restated)	2015	2014
Cash flows from investing activities				
Increase in pledged fixed deposits at financial institution	(5)	(6)	(5)	(6)
Cash paid for acquisition of investment in subsidiary (Note 2)	-	(629,741)	-	(629,696)
Cash and cash equivalents as at acquisition date of subsidiary (Note 2)	-	27,804	-	-
Decrease in accounts receivable and loans to employees	24	41	24	41
Proceeds from sales of property, plant and equipment	-	85	-	85
Acquisitions of equipment	(27,604)	(32,090)	(11,214)	(9,188)
Acquisitions of intangible asset	(22,580)	(7,288)	(20,684)	(5,640)
Cash paid for short-term loans to related parties	-	(2,627)	(2,836,737)	(1,153,909)
Cash receipt from short-term loans to related parties	31,681	22,661	734,271	230,159
Cash paid for short-term loans	(1,411,264)	-	(7,500)	-
Cash receipt from short-term loans	168,717	-	501	-
Cash paid for long-term loans	(609,554)	-	-	-
Interest receipt	72,806	162	58,070	15,506
Net cash flows used in investing activities	(1,797,779)	(620,999)	(2,083,274)	(1,552,648)
Cash flows from financing activities				
Increase in short-term loans from financial institutions	100,000	1,261,282	100,000	1,261,282
Repayment of short-term loan from financial institution as at acquisition date of subsidiary	-	(867,047)	-	-
Cash paid for front end fees of short-term loan	-	(14,248)	-	(14,248)
Cash receipt from short-term loans from related parties	151,469	-	-	-
Repayment of short-term loans from related parties	(149,998)	-	-	-
Cash receipt from long-term loans	934,109	1,280,000	834,000	1,280,000
Repayment of long-term loans	(2,217,646)	(1,476,930)	(2,212,220)	(1,476,930)
Cash paid for front end fees of long-term loans	(1,001)	-	-	-
Cash receipt from issuance of debentures	-	500,000	-	500,000
Cash paid for transaction costs of debentures	-	(16,981)	-	(16,981)
Cash receipt from issuance of convertible debentures	981,000	-	981,000	-
Cash paid for transaction costs of convertible debentures	(6,242)	-	(6,242)	-
Cash receipt from exercise of warrants	1,887,319	133,810	1,887,319	133,810
Cash receipt from share subscription received in advance	201,271	45,763	201,271	45,763
Dividend paid	(66,673)	(56,897)	(66,673)	(56,897)
Net cash flows from financing activities	1,813,608	788,752	1,718,455	1,655,799
Exchange differences on translation of financial statements in foreign currency	251,692	(7,730)	-	-
Net increase in cash and cash equivalents	721,060	69,638	387,473	14,599
Cash and cash equivalents at beginning of period	357,446	320,545	71,159	86,164
Cash and cash equivalents at the end of period (Note 3)	1,078,506	390,183	458,632	100,763
	-	-	-	-
Supplemental cash flows information				
Non-cash item				
Transferred of share subscription received in advance during the period to ordinary shares and share premium	997	997	997	997
Transferred the exercise of warrants to share subscription received in advance	-	513	-	513
Transferred share subscription payment in advance to investment in subsidiary	-	-	128,695	330,815
Transferred capital reserve for share-based payment transaction to share premium	4,084	-	4,084	-

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

Group Lease Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month and nine-month periods ended 30 September 2015

1. General information

1.1 Corporate information

Group Lease Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company and its subsidiaries are principally engaged in the hire purchase of motorcycles. Another, overseas subsidiary is principally a financial advisory and other investment holding company.

The Company’s registered address is 63 Soi 1, Tesabalnimitretai Road, Ladyao, Chatujak, Bangkok. The Company has 5 branches in Phra Nakhon Si Ayutthaya, Chon Buri (2 sub-branches), Rayong and Nakhon Ratchasima.

The major shareholders of the Company are Engine Holdings Asia Pte. Ltd. (incorporated in Singapore) and A.P.F Holding Company Limited (incorporated in Thailand). The parent company of the Group is Wedge Holdings Company Limited (incorporated in Japan).

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard 34 (revised 2014) *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 Basis of consolidation

These consolidated interim financial statements include the financial statements of Group Lease Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2014. There has been no significant change in the composition of the group of companies during the current period, except for the investment in GL Leasing (Laos) Company Limited (subsidiary of GLH) as discussed in Note 10.

The consolidated interim financial statements include the account balances of the Company and its subsidiaries. Material intercompany transactions and balances have been eliminated. The Company's holding in the subsidiaries is as follows:

Company's name	Country of incorporation	Percentage owned by the Company		Nature of business
		30 September 2015	31 December 2014	
Thanaban Co.,Ltd.	Thailand	100	100	Hire purchase services for motorcycles
Group Lease Holding Pte. Ltd.	Singapore	100	100	Financial advisory and other investment holding company
GL Finance Plc. (shares held by Group Lease Holding Pte. Ltd.)	Cambodia	100	100	Hire purchase services for motorcycles
GL Leasing (Laos) Ltd. (shares held by the Company and Group Lease Holding Pte. Ltd.)	Laos	100	-	Hire purchase services for motorcycles (started operation in the second quarter of 2015)

1.4 New financial reporting standards

(a) Financial reporting standard that became effective in the current period

The Company and its subsidiaries have adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. 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 and its subsidiaries financial statements. However, some of these standards involve changes to key principles, which are summarised below:

TAS 19 (revised 2014) Employee Benefits

This revised accounting standard requires that the entity recognize actuarial gains and losses immediately in other comprehensive income while the former accounting standard allows the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

The Company and its subsidiaries have changed the recognition of actuarial gains and losses in the current period from an immediate recognition in profit or loss to an immediate recognition in other comprehensive income. However, such change does not effect to the statement of comprehensive income for the three-month and nine-month periods ended 30 September 2014, presented as comparative information, because as at 30 September 2014, the Company and its subsidiaries did not re-evaluate the provision for long-term employee benefit. Therefore, there is no actuarial gain and loss occurred in that period.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This financial reporting standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This financial reporting standard does not have any impact on the Company's and its subsidiaries' financial statements.

TFRS 12 Disclosure of Interests in Other Entities

This financial reporting standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This financial reporting standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this financial reporting standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This financial reporting standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

(b) Financial reporting standard issued during the period and not yet effective

During the period, the Federation of Accounting Professions issued a number of the revised financial reporting standards (revised 2015) which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company's management believes that the revised financial reporting standards will not have any significant impact on the financial statements when it is initially applied.

1.5 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 2014, except for the changes in accounting policies as a result of the adoption of new and revised financial reporting standards, as discussed in Note 1.4.

2. Cumulative effect of the business purchase price allocation

In the third quarter of 2014, the Company acquired a 100% interest in Thanaban Company Limited ("TNB"). The Company paid approximately Baht 629.7 million for the business acquisition.

During 2015, the Company assessed the fair value of the assets acquired and liabilities assumed at the acquisition date, in order to allocate costs of the business acquisition to the identifiable items. The process was completed in the second quarter of 2015, within the period of twelve months from the acquisition date allowed by Financial Reporting Standard No. 3 (revised 2012), Business Combinations. The Company has therefore retrospectively adjusted the assets acquired and liabilities assumed at the acquisition date (2 July 2014), and the adjustments caused intangible assets to decrease by approximately Baht 33.4 million, goodwill to increase by approximately Baht 26.7 million and deferred tax assets to increase by approximately Baht 6.7 million.

(Unaudited but reviewed)

The financial statements of TNB have been included in the consolidated financial statements of the Company since the Company gained control, on 2 July 2014. The details of the acquisition are as follows:

	(Unit: Thousand Baht)
Cash paid for acquisition of the subsidiary company	629,741
Less: Net assets from acquisition of subsidiary company	<u>(557,869)</u>
Goodwill	<u>71,872</u>
Cash paid for acquisition of the subsidiary company	629,741
Less: Cash and cash equivalents of subsidiary	<u>(27,804)</u>
Cash paid for acquisition of the subsidiary company - net of cash and cash equivalent received	<u>601,937</u>

Details of the fair value of identifiable net assets of TNB, and their net book value, as of the acquisition date (2 July 2015) are as follows:

	(Unit: Thousand Baht)	
	<u>Fair value</u>	<u>Net book value</u>
Assets		
Cash and cash equivalents	27,804	27,804
Hire purchase and installment sales receivables	1,384,638	1,384,638
Assets foreclosed	8,856	9,066
Property, plant and equipment	6,247	6,247
Intangible assets (Note 13)	783	783
Deferred tax assets	30,250	30,208
Other assets	119,138	119,138
Total assets	<u>1,577,716</u>	<u>1,577,884</u>
Liabilities		
Long-term loans and accrued interest	867,047	867,047
Other liabilities	152,800	152,800
Total liabilities	<u>1,019,847</u>	<u>1,019,847</u>
Net assets value	<u>557,869</u>	<u>558,037</u>
Equity of the Company (%)	100	
Net asset value attributable to the company's investment	557,869	
Positive goodwill	<u>71,872</u>	
Purchase price	629,741	
Less: Cash and cash equivalents of subsidiary	<u>(27,804)</u>	
Cash paid for acquisition in subsidiary - the Group	<u>601,937</u>	

(Unaudited but reviewed)

The cumulative effect of the business purchase price allocation has been separately presented in the consolidated statements of changes in shareholders' equity. The amounts of adjustments affecting the consolidated statements of financial position and the consolidated statements of comprehensive income are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	As at	As at
	30 September 2015	31 December 2014
Statements of financial position		
Decrease in intangible assets - net	(31,771)	(31,771)
Increase in goodwill	26,712	26,712
Increase in deferred tax assets	6,354	6,354
Increase in unappropriated retained earnings	(1,295)	(1,295)

(Unit: Thousand Baht)

	Consolidated financial statements	
	For the three- month period ended 30	For the nine- month period ended 30
	September 2014	September 2014
Statements of comprehensive income		
Profit or loss:		
Decrease in service and administrative expenses	(810)	(810)
Increase in profit for the period	810	810
Earnings per share (Baht)		
Increase in basic earnings per share	0.0008	0.0008
Increase in diluted earnings per share	0.0008	0.0008

Such adjustments had not any impact on the consolidated statements of financial position as at 1 January 2014 because the Company gained controlling authority in TNB on 2 July 2014.

3. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	September	December	September	December
	2015	2014	2015	2014
Cash	2,183	854	251	177
Bank deposits	1,076,323	356,592	458,381	70,982
Total	1,078,506	357,446	458,632	71,159

As at 30 September 2015 and 31 December 2014, bank deposits in saving accounts carried interest 0.05% - 0.70% per annum and 0.30% - 0.85% per annum, respectively (the Company only: 0.05% - 0.50% per annum and 0.37% - 0.50% per annum).

4. Hire purchase and installment sales receivables

4.1 As at 30 September 2015 and 31 December 2014, the balances of hire purchase and installment sales receivables are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Current portion of hire purchase and installment sales receivables		Long-term portion of hire purchase and installment sales receivables		Total	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Normal receivables						
Hire purchase and installment sales receivables	4,114,482	4,558,881	3,924,152	3,689,276	8,038,634	8,248,157
Accrued hire purchase and installment sales income	183,034	182,973	-	-	183,034	182,973
Less: Unearned hire purchase and installment sales income, net	(1,528,326)	(1,604,012)	(796,198)	(804,051)	(2,324,524)	(2,408,063)
Total normal receivables	2,769,190	3,137,842	3,127,954	2,885,225	5,897,144	6,023,067
Terminated agreements receivables						
Hire purchase and installment sales receivables	335,673	476,576	209,055	365,203	544,728	841,779
Accrued hire purchase and installment sales income	36,339	54,280	-	-	36,339	54,280
Less: Unearned hire purchase and installment sales income, net	(109,817)	(173,335)	(52,095)	(90,126)	(161,912)	(263,461)
Total terminated agreements receivables	262,195	357,521	156,960	275,077	419,155	632,598
Total receivables	3,031,385	3,495,363	3,284,914	3,160,302	6,316,299	6,655,665
Less: Allowance for doubtful accounts	(246,658)	(322,969)	(153,658)	(237,345)	(400,316)	(560,314)
Hire purchase and installment sales receivables, net	2,784,727	3,172,394	3,131,256	2,922,957	5,915,983	6,095,351

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements					
	Current portion of hire purchase and installment sales receivables		Long-term portion of hire purchase and installment sales receivables		Total	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Normal receivables						
Hire purchase and installment sales receivables	3,117,630	3,391,811	2,386,575	2,804,616	5,504,205	6,196,427
Accrued hire purchase and installment sales income	127,249	134,927	-	-	127,249	134,927
Less: Unearned hire purchase and installment sales income, net	(1,085,371)	(1,233,609)	(518,543)	(633,937)	(1,603,914)	(1,867,546)
Total normal receivables	2,159,508	2,293,129	1,868,032	2,170,679	4,027,540	4,463,808
Terminated agreements receivables						
Hire purchase and installment sales receivables	272,166	381,251	191,093	284,834	463,259	666,085
Accrued hire purchase and installment sales income	30,513	47,983	-	-	30,513	47,983
Less: Unearned hire purchase and installment sales income, net	(94,551)	(138,708)	(48,900)	(73,942)	(143,451)	(212,650)
Total terminated agreements receivables	208,128	290,526	142,193	210,892	350,321	501,418
Total receivables	2,367,636	2,583,655	2,010,225	2,381,571	4,377,861	4,965,226
Less: Allowance for doubtful accounts	(186,681)	(253,155)	(129,438)	(179,292)	(316,119)	(432,447)
Hire purchase and installment sales receivables, net	2,180,955	2,330,500	1,880,787	2,202,279	4,061,742	4,532,779

4.2 As at 30 September 2015 and 31 December 2014, the balances of hire purchase and installment sales receivables (net of unearned hire purchase income) and allowance for doubtful accounts aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

Aging	Consolidated financial statements					
	Hire purchase and installment sales receivables		Allowance for doubtful accounts		Hire purchase and installment sales receivables, net	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Hire purchase and installment sales receivables						
Not yet due	5,126,572	5,041,858	40,568	44,109	5,086,004	4,997,749
Past due:						
1 month	395,599	474,283	35,909	45,277	359,690	429,006
2 - 3 months	357,009	514,216	70,254	101,049	286,755	413,167
4 - 6 months	170,709	263,272	67,155	103,271	103,554	160,001
7 - 9 months	132,795	168,393	78,761	99,379	54,034	69,014
10 - 12 months	127,187	120,967	101,244	95,478	25,943	25,489
Over 12 months	6,428	72,676	6,425	71,751	3	925
Total	6,316,299	6,655,665	400,316	560,314	5,915,983	6,095,351

(Unit: Thousand Baht)

Separate financial statements						
Aging	Hire purchase and installment sales receivables		Allowance for doubtful accounts		Hire purchase and installment sales receivables, net	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	Hire purchase and installment sales receivables					
Not yet due	3,489,475	3,884,740	34,390	38,197	3,455,085	3,846,543
Past due:						
1 month	289,887	295,458	28,714	29,145	261,173	266,313
2 - 3 months	244,481	298,133	48,490	58,895	195,991	239,238
4 - 6 months	139,268	176,842	55,294	69,911	83,974	106,931
7 - 9 months	109,762	119,887	65,431	71,178	44,331	48,709
10 - 12 months	103,389	118,492	82,204	93,992	21,185	24,500
Over 12 months	1,599	71,674	1,596	71,129	3	545
Total	4,377,861	4,965,226	316,119	432,447	4,061,742	4,532,779

4.3 As at 30 September 2015 and 31 December 2014, the future minimum lease payments receivable under hire purchase agreements together with the present value of the net minimum lease payments receivable are as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
	30 September 2015		31 December 2014	
	Minimum payments receivable	Present value of payments receivable	Minimum payments receivable	Present value of payments receivable
Within one year	4,669,528	3,031,385	5,272,710	3,495,363
After one year but not more than five years	4,133,207	3,284,914	4,054,479	3,160,302
Total minimum lease payments receivable	8,802,732	6,316,299	9,327,189	6,655,665
Less: Amounts representing finance charges	(2,486,436)		(2,671,524)	
Present value of minimum lease payments	6,316,299		6,655,665	

(Unit: Thousand Baht)

Separate financial statements				
	30 September 2015		31 December 2014	
	Minimum payments receivable	Present value of payments receivable	Minimum payments receivable	Present value of payments receivable
Within one year	3,547,558	2,367,636	3,955,972	2,583,655
After one year but not more than five years	2,577,668	2,010,225	3,089,450	2,381,571
Total minimum lease payments receivable	6,125,226	4,377,861	7,045,422	4,965,226
Less: Amounts representing finance charges	(1,747,365)		(2,080,196)	
Present value of minimum lease				

payments	<u>4,377,861</u>	<u>4,965,226</u>
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- 4.4 On 30 April 2004, the Institute of Certified Accountants and Auditors of Thailand, with the approval 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 for accounts receivable which are overdue by more than 3 installments. 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. The Company and its subsidiaries has a policy to cease recognising revenue from hire purchase receivables which are overdue by more than 4 installments. As at 30 September 2015 and 31 December 2014, there are outstanding hire purchase receivable amounting to approximately Baht 448.3 million and Baht 635.3 million, respectively (the Company only: Baht 386.7 million and Baht 512.7 million, respectively) for which installment payments are more than 3 installments overdue but for which revenue is still being recognised.
- In addition, if the Company and its subsidiaries had followed this accounting guideline, the amount of revenue recognised for the nine-month periods ended 30 September 2015 and 2014 would be reduced by Baht 16.5 million and Baht 10.4 million, respectively (the Company only: Baht 15.2 million and Baht 9.0 million, respectively).
- 4.5 The Company and its subsidiaries' hire purchase agreements have terms of 1 - 3 years and require settlement in equal installments.
- 4.6 As at 30 September 2015 and 31 December 2014, the Company and its subsidiaries had transferred rights of claim under hire purchase agreements with outstanding balances (before net of unearned hire purchase interest income) of Baht 5,552 million and Baht 5,895 million, respectively (the Company only: Baht 5,205 million and Baht 5,048 million, respectively), in order to secure credit facilities granted by commercial banks as discussed in Notes 16 and 18.

5. Loan receivables

5.1 As at 30 September 2015 and 31 December 2014, the balances of loan receivables are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Current portion of Loan receivables		Long-term portion of Loan receivables		Total	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Normal receivables						
Loan receivables	99,742	-	26,854	-	126,596	-
Interest receivables	2,856	-	-	-	2,856	-
Less: Unearned interest income, net	(31,759)	-	(4,967)	-	(36,726)	-
Total normal receivables	70,839	-	21,887	-	92,726	-
Terminated agreements receivables						
Loan receivables	130	-	21	-	151	-
Interest receivables	-	-	-	-	-	-
Less: Unearned interest income, net	(38)	-	(3)	-	(41)	-
Total terminated agreements receivables	92	-	18	-	110	-
Total receivables	70,931	-	21,905	-	92,836	-
Less: Allowance for doubtful accounts	(1,327)	-	(409)	-	(1,736)	-
Loan receivables, net	69,604	-	21,496	-	91,100	-

5.2 As at 30 September 2015 and 31 December 2014, the balances of loan receivables (net of unearned interest income) and allowance for doubtful accounts aged on the basis of due dates, are summarised below.

(Unit: Thousand Baht)

Aging	Consolidated financial statements					
	Loan receivables		Allowance for doubtful accounts		Loan receivables, net	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Loan receivables						
Not yet due	85,872	-	859	-	85,013	-
Past due:						
1 month	5,375	-	537	-	4,838	-
2 - 3 months	1,480	-	296	-	1,184	-
4 - 6 months	109	-	44	-	65	-
7 - 9 months	-	-	-	-	-	-
10 - 12 months	-	-	-	-	-	-
Over 12 months	-	-	-	-	-	-
Total	92,836	-	1,736	-	91,100	-

- 5.3 As at 30 September 2015 and 31 December 2014, the future minimum loan payment receivable under loan agreements together with the present value of the net minimum loan payments receivable are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	30 September 2015		31 December 2014	
	Minimum payments receivable	Present value of payments receivable	Minimum payments receivable	Present value of payments receivable
Within one year	102,728	70,931	-	-
After one year but not more than five years	26,875	21,905	-	-
Total minimum loan payments receivable	129,603	92,836	-	-
Less: Amounts representing finance charges	(36,767)		-	
Present value of minimum loan payments	92,836		-	

- 5.4 The subsidiary's loan agreements have terms of 1 - 3 years and require settlement in equal installment.

6. Assets foreclosed

As at 30 September 2015 and 31 December 2014, assets foreclosed are presented as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Repossessed assets	61,184	41,305	45,494	25,253
Less: Allowance for diminution in value of assets foreclosed	(20,740)	(17,708)	(17,573)	(11,183)
Assets foreclosed, net	40,444	23,597	27,921	14,070

7. Short-term loans and interest receivable

(Unit: Thousand Baht)

Shor-term Loans	Interest rate		Consolidated		Separate	
	(% per annum)		financial statements		financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014
1 ^(a)	10%	-	3,649	-	-	-
2 ^(b)	7%	-	3,500	-	3,500	-
3 ^(c)	14.5%	-	146,230	-	-	-
4 ^(d)	14.5%	-	215,652	-	-	-
5 ^(e)	7%	-	2,000	-	2,000	-
6 ^(f)	14.5%	-	349,866	-	-	-
7 ^(g)	17%	-	545,544	-	-	-
8 ^(h)	7%	-	1,499	-	1,499	-
9 ⁽ⁱ⁾	-	7.5%	-	24,776	-	-
Total			1,267,940	24,776	6,999	-

- (a) Short-term loan and interest receivable with oversea company, the loan balance amounted to USD 0.10 million. The loan is due within 12 months and has no collateral.
- (b) Short-term loan with local company, the loan balance is due within 12 months and secured by individual and hire purchase receivables and guarantee agreement of the borrower.
- (c) Short-term loan and interest receivable with oversea company, the loan balance amounted to USD 4.02 million. The loan is due within 3 months and secured by borrower's assets.
- (d) Short-term loan and interest receivable with oversea company, the loan balance amounted to USD 5.93 million. The loan is due within 3 months and secured by borrower's assets.
- (e) Short-term loan with local company, the loan balance is due within 12 months and secured by individual and hire purchase receivables and guarantee agreement of the borrower.
- (f) Short-term loan with oversea company, the loan balance amounted to Baht 350 million. The loan is due within 3 months and secured by the ordinary share of a local company.
- (g) Short-term loan with business parties, the loan balance amounted to USD 15.0 million. The loan is due within 6 months and secured by the ordinary share of a local company.
- (h) Short-term loan with local company, the loan balance is due within 12 months and secured by individual and hire purchase receivables and guarantee agreement of the borrower.
- (i) Short-term loan with oversea company, the loan balances amounted to JPY 11.3 million and USD 0.7 million.

The loans were due within 12 months and secured by 2 individuals.

8. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Accrued income	29,271	8,291	24,242	10,950
Prepaid expenses	128,532	92,083	72,364	85,715
Other receivable - sales of assets				
foreclosed	19,155	15,014	18,302	12,419
Other receivable - related party	-	-	7,824	-
Other receivable - financial advisory	58,191	5,015	-	-
Other receivable	33,035	20,178	1,058	4,150
Undue input tax	1,519	1,295	1,449	1,295
Interest receivables	3	-	-	-
Others	23,738	2,955	12,905	3,221
Total	293,444	144,831	138,144	117,750
Less: Allowance for				
doubtful accounts	(2,526)	(2,526)	(2,526)	(2,526)
Other current assets, net	290,918	142,305	135,618	115,224

9. Pledged fixed deposit at financial institution

This represents fixed deposit pledged with bank for the issuance of letter of bank guarantees for the Company, as discussed in Note 26.4.

10. Investments in subsidiaries company

Details of investments in subsidiaries company as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholdings percentage		Cost		Dividend received during the nine-month periods ended 30 September	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014	2015	2014
			(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Thanaban Company Limited	565,000 Thousand Baht	565,000 Thousand Baht	100	100	629,696	629,696	-	-
Group Lease Holding Pte. Ltd.	22,912 Thousand SGD	17,694 Thousand SGD	100	100	570,208	441,513	-	-
Group Leasing (Laos) Company Limited*	1,040,000 Thousand LAK	-	5	-	213	-	-	-
					1,200,117	1,071,209	-	-

*The financial statements of this subsidiary was prepared by the management of the subsidiary and not reviewed by other auditor.

On 12 December 2014, a meeting of the Board of Directors of the Company approved an additional investments in Group Lease Holding Pte. Ltd. ("GLH") totaling 5.22 million ordinary shares (or 100% of the shares of the subsidiary in issue) at a price equal to the par value of SGD 1 per share, or a total of SGD 5.22 million (equivalent to Baht 128.70 million). The Company approved the conversion of the loan and interest payable, amounting to Baht 129.74 million, to equity in GLH as stipulated in the loan capitalisation agreement. On 10 April 2015, GLH registered the increase in its paid up share capital with the Accounting and Corporate Regulatory Authority in Singapore.

On 5 February 2014, Board of Directors meeting of the Company's subsidiary passed a resolution to establish GL Leasing (Laos) Company Limited ("GLL"), which is to be incorporated and domiciled in Laos with registered share capital of LAK 1,040 million, or approximately Baht 4.2 million. This company was incorporated with the Ministry of Industry and Commerce in Laos on 21 April 2014.

The Company and GLH invested in 5% and 95%, respectively, of the registered capital of GLL. Since the Company holds investment in GLL through GLH, the Company recorded the investment in GLL as investment in subsidiary in the separate financial statements.

On 4 May 2015, GLL was granted permission to operate a motorcycle leasing business in Laos and launched the business operations during the second quarter of 2015.

Details of investments in subsidiaries which are held by the Company's subsidiary are as follows:

Company's name	Paid-up capital		Shareholdings percentage		Cost		(Unit: Thousand Baht) Dividend received during the nine-month periods ended 30 September	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014	2015	2014
			(%)	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
<u>Held by Group Lease Holding Pte. Ltd.</u>								
GL Finance Plc.	10,300 Thousand USD	3,300 Thousand USD	100	100	359,470	102,717	-	-
Group Leasing (Laos) Company Limited	1,040,000 Thousand LAK	-	95	-	4,030	-	-	-
					<u>363,500</u>	<u>102,717</u>	<u>-</u>	<u>-</u>

During May 2014, GLH entered into an agreement to lend GLF USD 2.1 million, interest-free and due at call. On 19 September 2014, a meeting of the Board of Directors of GLH approved an additional investment in GLF, totaling USD 3.1 million (equivalent to Baht 96.49 million), and approved the conversion of the loan to equity in GLF, together with cash payment of the outstanding balance. On 5 January 2015, GLF registered the increase in its paid up share capital with the Ministry of Commerce in Cambodia.

On 2 January 2015, a meeting of the Board of Directors of GLH approved and additional investments in GLF totaling USD 4.0 million (equivalent to Baht 131.25 million). The subsidiary approved the conversion of the loan and interest payable to equity in GLF. On 28 September 2015, GLF registered the increase in its paid up share capital with the Ministry of Commerce in Cambodia.

On 7 September 2015, a meeting of the Board of Directors of GLH passed a resolution to establish a business entity, which is to be incorporated and domiciled in Indonesia with a registered share capital of IDR 100 million, or approximately USD 7.0 million. GLH is investing together with J Trust Asia Pte. Ltd. and PT Wijaya Infrastruktur Indonesia, with GLH to hold 51% of the shares of the joint venture. The establishment of the joint venture is currently in the process of being registered.

11. Long-term loan

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at	Movements of balance		Balance as at
	31 December	during the period		30 September
Long-term loans	2014	Increase	Decrease	2015
1 (a)	-	61,828	-	61,828
2 (b)	-	2,182	-	2,182
3 (c)	-	545,544	-	545,544
Total long-term loans	-	609,554	-	609,554

(a) Long-term loan to an overseas company, the loan balance amounted to USD 1.7 million. The loan has a term of 3 years with interest charge at 16% per annum and secured by an individual.

(b) Long-term loan to an overseas company, the loan balance amounted to USD 0.06 million. The loan has a term of 2 years with interest charge at 6% per annum and secured by an individual the ordinary share of a local company.

(c) Long-term loan to business parties in overseas, the loan balance amounted to USD 15 million. The loan has

a term of 3 years with the interest charge at 25% per annum and secured with land and the ordinary share of an oversea company.

12. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statement	financial statement
Net book value as at 1 January 2015	100,642	62,422
Acquisitions during the period - at cost	27,604	11,214
Depreciation for the period	(20,242)	(7,431)
Exchange differences on translation of financial statements in foreign currency	3,467	-
Net book value as at 30 September 2015	<u>111,471</u>	<u>66,205</u>

As at 30 September 2015 and 31 December 2014, certain equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The original cost of those assets amounted to approximately Baht 80.0 million and Baht 71.9 million, respectively (the Company only: Baht 76.1 million and Baht 70.7 million, respectively).

The Company has mortgaged land and construction thereon with a total net book value as at 30 September 2015 of Baht 21.4 million (31 December 2014: Baht 21.4 million) as collateral for long-term credit facilities as discussed in Note 18.

13. Intangible assets

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statement	financial statement
Net book value as at 31 December 2014 (restated)	95,922	6,450
Acquisitions during the period - at cost	22,580	20,684
Transfer out during the period	(4,965)	(4,965)
Amortisation for the period	(15,819)	(307)
Exchange differences on translation of financial statements in foreign currency	7,787	-
Net book value as at 30 September 2015	<u>105,505</u>	<u>21,862</u>

During the current period, the Company transferred software under development to other receivables as presented under the caption of non-current assets.

Exclusive right agreement

A related party entered into a 5-year Exclusive Right Agreement (automatically renew for a further two years unless the parties mutually agree in writing not to renew the agreement within six months before the termination date) with a company which is the distributor of Honda motorcycles in Cambodia. The agreement grants the related party exclusive rights to act as finance agent arranging hire purchase finance for motorcycles branded "Honda". On 2 May 2012, the related party granted the exclusive rights to GLF for a fee of USD 100,000 and entered into a USD 2.9 million deposit agreement under which the related party is the representative agent to contact with such company. Conditions of the deposit agreement specify that if GLF fails to meet the minimum annual sales target set, the deposit will be forfeited in proportion to the period of six years as from 2013 to 2018.

As at 30 September 2015, the fair value of exclusive right in consolidated financial statements amounted to USD 2.10 million (31 December 2014: USD 2.54 million).

14. Corporate income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2015 and 2014 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Current income tax:				
Interim corporate income tax charge	26,381	(1,645)	24,501	1,851
Deferred tax:				
Relating to origination and reversal of temporary differences	7,793	630	(579)	3,900
Temporary differences from purchase of TNB	-	3,643	-	-
Income tax expense reported in profit or loss	34,174	2,628	23,922	5,751

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Current income tax:				
Interim corporate income tax charge	60,008	45,204	56,203	48,340
Deferred tax:				
Relating to origination and reversal of temporary differences	32,830	(33,766)	6,121	(29,843)
Temporary differences from purchase of TNB	-	3,643	-	-
Income tax expense reported in profit or loss	92,838	15,081	62,324	18,497

15. Other non-current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
Income tax and refundable value added tax	70,334	67,266	65,615	60,485
Deposits	90,293	93,740	2,700	1,445
Others	6,527	1,339	5,919	1,075
Total other non-current assets	167,154	162,345	74,234	63,005

16. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate (% per annum)	Consolidated/Separate financial statements	
		30 September	31 December
		2015	2014
Short-term loans	5.00 - 8.00	348,634	250,000
Total		348,634	250,000

As at 30 September 2015, short-term loans from financial institutions are secured by the transfer of rights of claim under hire purchase agreements, the mortgage of land and the construction thereon and/or to be constructed thereon in the future and motorcycle registrations as requested by the lender of the Company and its subsidiary, and the pledge of all shares of the subsidiary.

17. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of business between the Company, its subsidiaries and those related companies. Below is a summary of those transactions.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September				Pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2015	2014	2015	2014	
Transactions with subsidiaries:					
(Eliminated from consolidated financial statements)					
Hire purchase interest and installment					
sales income	-	-	22	30	Contract rate
Interest income	-	-	41,187	29,479	5.50% - 7.00% per annum (2014: 6.25% - 11.00% per annum)
Other income	-	-	23,558	15,223	Contract rate
Transactions with related parties:					
Interest income	-	571	-	-	6.75% - 7.50% per annum (2014: 6.00% - 15.00% per annum)
Interest expenses	90	-	-	-	6.00% - 10.00% per annum

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September				Pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2015	2014	2015	2014	
Transactions with subsidiary companies:					
(Eliminated from consolidated financial statements)					
Hire purchase interest and installment					
sales income	-	-	73	97	Contract rate
Interest income	-	-	82,654	39,521	5.50% - 7.00% per annum (2014: 6.25% - 11.00% per annum)
Other income	-	-	68,678	15,223	Contract rate

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2015	2014	2015	2014	
Transactions with related parties:					
Interest income	247	1,933	-	-	6.75% - 7.50% per annum (2014: 6.00% - 15.00% per annum)
Other income - financial support	13,130	-	-	-	Contract rate
Interest expenses	459	-	-	-	6.00% - 10.00% per annum

The relationship between the Company and the related parties are summarised below.

Name of related parties	Relationship with the Company
Group Lease Holding Pte. Ltd.	Subsidiary
GL Finance Plc.	Subsidiary (held by a subsidiary)
GL Leasing (Laos) Company Limited	Subsidiary (held by a subsidiary)
Thanaban Co.,Ltd.	Subsidiary
Asia Partnership Fund Pte. Ltd.	Company's director is major shareholders of that company / Common director
A.P.F. Group Co., Ltd.	Company's director is major shareholders of that company / Common director
Devenco Management and Consulting Co., Ltd.	Common director with GLF (the director resigned from GLF during the period)
Engine Holdings Asia Pte. Ltd.	Company's director is major shareholders of that company / Common director
Cambodian People Micro Insurance PLC.	Common director with the Company and GLF
Tennis Federation of Cambodia	GLF's director was general secretary of the Federation (the director resigned from GLF and the federation during the period)

As at 30 September 2015 and 31 December 2014, the Company and its subsidiaries had outstanding balances of significant assets and liabilities with the related parties as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
Hire purchase and installment sales receivables				
GL Finance Plc.	-	-	1,011	1,159
Total	-	-	1,011	1,159
Short-term loans to and interest receivable from related parties				
Subsidiary companies				
Group Lease Holding Pte. Ltd.	-	-	3,193,581	764,515
Thanaban Co.,Ltd.	-	-	19,000	422,254
GL Finance Plc.	-	-	-	3,397
Related parties				
Director of subsidiary Devenco Management and Consulting Co., Ltd.	-	2,293	-	-
Tennis Federation of Cambodia	-	31,083	-	-
Total	-	5,049	-	-
Total	-	38,425	3,212,581	1,190,166
Other current assets				
Subsidiary companies				
Group Lease Holding Pte. Ltd.	-	-	4,096	297
Thanaban Co.,Ltd.	-	-	3,375	7,569
GL Finance Plc.	-	-	353	-
Related parties				
Director of the Company and its subsidiary	3,221	-	-	-
A.P.F. Group Co., Ltd.	2,182	-	-	-
Cambodian People Micro Insurance PLC.	3,572	-	-	-
Engine Holdings Asia Pte. Ltd	581	-	-	-
Total	9,556	-	7,824	7,866
Deposit (presented as part of other non-current assets)				
Related party				
A.P.F. Group Co., Ltd.	54,979	70,217	-	-
Total	54,979	70,217	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
Short-term loans from and interest payable to related parties				
Director of the Company and its subsidiary	252	-	-	-
A.P.F. Group Co., Ltd.	9,996	19,797	-	-
Cambodian People Micro Insurance PLC.	3,816	-	-	-
Engine Holdings Asia Pte. Ltd	7,999	-	-	-
Total	<u>22,063</u>	<u>19,797</u>	<u>-</u>	<u>-</u>
Accrued expenses				
Subsidiary companies				
Group Lease Holding Pte. Ltd.	-	-	49,825	-
GL Finance Plc.	-	-	323	1,057
Total	<u>-</u>	<u>-</u>	<u>50,148</u>	<u>1,057</u>

As at 30 September 2015, deposits as presented under the caption of non-current assets in the consolidated financial statements, totaling Baht 55 million, represented a deposit of GLH that has been pledged as collateral with a related party who assisted with procurement of loans from a financial institution.

As at 31 December 2014, deposits as presented under the caption of non-current assets in the consolidated financial statements, totaling Baht 70.2 million, represented a deposit of GLH that has been pledged as collateral with a related party who assisted with procurement of debentures from a financial institution. In the first quarter of 2015, GLH cancelled the debentures arrangement and, as a result, the related party returned the deposit to GLH in February 2015.

During the current period, short-term loans to and interest receivable from related parties have movement as below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at	During the period		Balance as at
	1 January	Increase	Decrease	30 September
	2015			2015
Short-term loans to and interest receivable from related parties				
Director of subsidiary	2,293	2,728	(5,021)	-
Devenco Management and Consulting Co., Ltd.	31,083	158	(31,241)	-
Tennis Federation of Cambodia	5,049	89	(5,138)	-
Total	38,425	2,975	(41,400)	-

Group Lease Holding Pte. Ltd. entered into the agreements with related parties to obtain unsecured loan facility with interest rate charged at the cost of funds rates of lender plus 6.75% - 7.50% per annum (2014: 6.75% - 9.00% per annum).

(Unit: Thousand Baht)

	Separate financial statements				
	Balance as at	During the period		Gain on	Balance as at
	1 January 2015	Increase	Decrease	exchange rate	30 September 2015
Short-term loans to and interest receivable from subsidiaries					
Group Lease Holding Pte. Ltd.	764,515	2,911,306	(509,524)	27,284	3,193,581
Thanaban Co.,Ltd.	422,254	7,945	(411,199)	-	19,000
GL Finance Plc.	3,397	141	(3,536)	(2)	-
Total	1,190,166	2,919,392	(924,259)	27,282	3,212,581

These loans to subsidiaries are unsecured loans with interest rate charged at the rate of 5.50% - 7.00% per annum (2014: 6.25% - 11.00% per annum).

During the current period, short-term loans from and interest payable to related parties have movement as below:

(Unit: Thousand Baht)

Consolidated financial statements					
Balance as at 1 January 2015	During the period		Exchange differences on translation of financial statements in foreign currency	Balance as at 30 September 2015	
	Increase	Decrease			
Short-term loans from and interest payable to related party					
Director of the Company and its subsidiary	-	130,481	(130,220)	(9)	252
A.P.F. Group Co., Ltd.	19,797	9,996	(19,797)	-	9,996
Cambodian People Micro Insurance PLC.	-	3,453	-	363	3,816
Engine Holdings Asia Pte. Ltd	-	7,999	-	-	7,999
Total	19,797	151,929	(150,017)	354	22,063

These loans from related parties are unsecured loans with interest rate charged at the rate of 6.00% - 10.00% per annum.

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2015 and 2014, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below:

(Unit: Thousand Baht)

	Consolidated financial statements			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2015	2014	2015	2014
Short-term employee benefits	11,318	10,202	34,033	28,116
Post-employment benefits	345	250	1,719	1,268
Total	11,663	10,452	35,752	29,384

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2015	2014	2015	2014
Short-term employee benefits	10,924	9,111	32,673	27,025
Post-employment benefits	345	250	1,719	1,268
Total	11,269	9,361	34,392	28,293

Warrants for directors and management

On 15 May 2012, the Company issued 255,500 warrants (GL-WD) to subscribe to the Company's ordinary shares, to be allotted to 16 directors and management. This represents 25.55% of the Company's warrants.

On 2 December 2014, the Company issued 731,151 warrants (GL-W3) to subscribe to the Company's ordinary shares, to be allotted to 9 directors and management. This represents 0.22% of the Company's warrants.

As at 30 September 2015, there are outstanding warrants (GL-W3) to subscribe to the Company's ordinary shares, to be allotted to existing directors and management totaling 731,151 units.

18. Long-term loans

The long-term loans, which the Company and its subsidiaries obtained from local and overseas financial institutions, are as detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance		Interest rate	Repayment condition
	30 September	31 December	per annum	
	2015	2014		
<u>Loan agreement dated 26 May 2011</u>				
Credit facility No. 1	1,792,910	2,384,890	At the rate of MLR - 1.0% per annum	Thirty equal installments, with first installment due on the first interest payment date after drawing down loans under credit facility
<u>Loan agreement dates 21 June 2013</u>				
Credit facility No. 1	82,990	233,110	At the rate of THBFIX1M + 1.50% per annum	Thirty equal installment, with first installment due on the first interest payment date after drawing down loans under credit facility.
<u>Loan agreement dates 17 September 2013</u>				
Credit facility No. 1	129,710	279,830	At the rate of THBFIX1M + 1.50% per annum	Thirty equal installment, with first installment due on the first interest payment date after drawing down loans under credit facility.

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements

	Balance		Interest rate per annum	Repayment condition
	30 September 2015	31 December 2014		
	<u>Loan agreement dates 26 December 2014</u>			
Credit facility No. 1	486,000	972,000	At the rate of MLR - 2.25% per annum	Eighteen equal installment, with first installment due on the second interest payment date after drawing down loans under credit facility.
<u>Loan agreement dates 20 December 2014</u>				
Credit facility No. 1	30,308	-	At the rate of 10.00% per annum	Six equal installment, with first installment due on six months after drawing down loans under credit facility and repayment every six months
<u>Loan agreement dates 25 March 2015</u>				
Credit facility No. 1	72,739	-	At the rate of 10.00% per annum	Six equal installment, with first installment due on six months after drawing down loans under credit facility and repayment every six months
Less: Deferred front end fees	(5,780)	(9,974)		
Total	2,588,877	3,859,856		
Less: Current portion	(1,924,353)	(2,547,809)		
Long-term loans, net of current portion	664,524	1,312,047		

(Unit: Thousand Baht)

Separate financial statements

	Balance		Interest rate per annum	Repayment condition
	30 September 2015	31 December 2014		
	<u>Loan agreement dated 26 May 2011</u>			
Credit facility No. 1	1,792,910	2,384,890	At the rate of MLR - 1.0% per annum	Thirty equal installments, with first installment due on the first interest payment date after drawing down loans under credit facility
<u>Loan agreement dates 21 June 2013</u>				
Credit facility No. 1	82,990	233,110	At the rate of THBFIX1M + 1.50% per annum	Thirty equal installment, with first installment due on the first interest payment date after drawing down loans under credit facility.
<u>Loan agreement dates 17 September 2013</u>				
Credit facility No. 1	129,710	279,830	At the rate of THBFIX1M + 1.50% per annum	Thirty equal installment, with first installment due on the first interest payment date after drawing down loans under credit facility.
<u>Loan agreement dates 26 December 2014</u>				
Credit facility No. 1	486,000	972,000	At the rate of MLR - 2.25% per annum	Eighteen equal installment, with first installment due on the second interest payment date after drawing down loans under credit facility.
Less: Deferred front end fees	(4,987)	(9,974)		
Total	2,486,623	3,859,856		
Less: Current portion	(1,888,503)	(2,547,809)		
Long-term loans, net of current portion	598,120	1,312,047		

(Unaudited but reviewed)

Movements in the long-term loans account during the nine-month period ended 30 September 2015 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	<u> </u>	<u> </u>
Balance as at 1 January 2015	3,859,856	3,859,856
Add: Addition borrowings	934,109	834,000
Amortisation of deferred front end fees	5,285	4,987
Less: Repayment	(2,217,646)	(2,212,220)
Deferred front end fees payment	(1,001)	-
Exchange differences on translation of financial statements in foreign currency	8,274	-
Balance as at 30 September 2015	<u>2,588,877</u>	<u>2,486,623</u>

On 26 May 2011, the Company entered into a loan agreement with another commercial bank to obtain long-term loan facilities of Baht 500 million. The purposes of such loan are to repay the existing short-term loan and for use in the expansion of business.

During the year 2012 upto the first quarter of 2014, the Company increase the long-term credit facilities with commercial banks of loan agreement on 26 May 2011 to Baht 2,500 million. The purposes of such loan are to repay the existing short-term loan and for use in the expansion of business.

During the year 2014, the Company entered into a loan agreement with another commercial bank to obtain long-term loan facilities total to Baht 1,000 million. The purpose of such loans are to repay the existing short-term loan and for use in the expansion of business. In order to reduce the fluctuation of interest rate risk, the Company has entered into an interest rate swap agreement covering this loan amount, whereby a floating interest rate is to be swapped for a fixed interest rate at 6.00% per annum.

On 26 December 2014, the Company entered into a loan agreement with another commercial bank to obtain long-term loan facilities of Baht 972 million, the purpose of such loans are to repay the existing short-term loan and to settle loan of Thanaban Co., Ltd. as at the acquisition date.

During the year 2014 and 2015, the subsidiary entered into a loan agreement with an overseas commercial bank to obtain long-term loan facilities total to USD 3 million, the purpose of such loan is for use in its operating.

The loan agreements contains covenants regarding, among other things, the maintenance of the proportion of shareholding of the major shareholders, dividend payment, and maintenance of a certain debt to equity ratio, ratio of hire purchase receivables more than three months' past due to total hire purchase receivables, ratio of total hire purchase receivables to loans, prohibition of disposal of assets or rights of claim under hire purchase agreements, other practice comply with loan agreements and prohibition of entering into new loan agreements.

The loans are secured by the transfer of rights of claim under hire purchase agreements, the mortgage of land and construction thereon and/or to be constructed thereon in the future, and motorcycle registrations as requested by the commercial banks, corporate guarantee by GLH and total assets of GLF.

As at 30 September 2015, the long-term credit facilities of the Company and its subsidiaries which have not yet drawn down amount to Baht 707.0 million (31 December 2014: Baht 115.1 million).

19. Debentures

The Company has issued partially secured, unsubordinated, registered debentures, as detailed below.

(Unit: Thousand Baht)					
				Consolidated / Separate financial statements	
				30 September 2015	31 December 2014
Debentures	Interest rate	Terms	Due date		
Debentures 1/2014	As detail in table below	3 years	27 February 2017	500,000	500,000
Less: Unamortised portion of deferred transaction costs				(7,695)	(11,697)
Debentures - net				<u>492,305</u>	<u>488,303</u>

Details of the Company's debentures are as follows:

The Unsubordinated and partially secured Debentures of Group Lease Public Company Limited. No. 1/2014, due 2017.

Name of debentures	"The Unsubordinated and partial secured Debentures of Group Lease Plc. No. 1/2014, due 2017"
Amount	Baht 500 million
Term	3 years, starting from date of issuance
Issued date	27 February 2014
Interest rate	From 27 August 2014 to 29 September 2014, interest rate at 4.17% p.a. from 30 September 2014 to the redemption date, interest rate at 4.55% p.a.
Interest payment schedule	Twice a year on 27 February and 27 August, starting from 27 August 2014
Principal repayment	On the redemption date of 27 February 2017
Covenants	Maintenance of debt to equity ratio, hire purchase receivable ratio and restriction on dividend payment and disposal and transfer of assets
Guarantee	Partial guaranteed by a financial institution as disclosed in Note 26.4.

20. Convertible debentures

On 27 April 2015, the Annual General Meeting of Shareholders of the Company approved the issue and offering of convertible debentures in an amount not exceeding USD 30 million or totaling Baht 981 million (32.7 Baht per 1 USD), or the equivalent in other currencies. The Meeting also approved an increase in the Company's registered capital to support the conversion of the convertible debentures, as described in Note 21. On 22 May 2015, the Company issued convertible debentures to a specific foreign investor (a private placement), J Trust Asia Pte. Ltd. Key terms and conditions of the convertible debentures are as follow:

Amount of unit	300 units
Type of debenture	Unsubordinated, unsecured convertible debenture without debenture holders' representative
Face value	USD 100,000 per 1 convertible debenture
Issue date	22 May 2015
Term	3 years since the date of issuance (22 May 2015 to 22 May 2018)

Interest rate	5.0% per annum
Interest payment	2 times a year on every 22 May and 22 November throughout the term of debentures 95 specified in the terms and conditions If these fall on a holiday, the next business day
Redemption at maturity date	<p>Holder's have 2 options:</p> <ul style="list-style-type: none"> a) Redeem in full in cash b) Convert into common stock
Conversion to common stock	1 convertible debenture (face value of USD 100,000 or equal to 3,270,000 Baht) can be redeemed by converting it to 327,000 shares of common stock
Conversion price	Baht 10 per share
Date of conversion	Last business day of each quarter

The convertible debentures agreement contains requirements and restrictions with which the Company must comply, as specified in the debentures' offering circular.

Thai Accounting Standard 107 "Financial Instruments: Disclosure and Presentation", requires the issuer of convertible debentures to present the debentures' liability and equity components separately in the statement of financial position. Therefore, upon issuing the convertible debentures, the Company separated these components, determining the liability component by discounting the stream of future payments of principal and interest at the prevailing market rate. The carrying amount of the equity component was then determined by deducting the liability component from the total carrying value of the convertible debentures.

The liability component is presented at amortised cost until the conversion or maturity of the debentures. The value of the equity component determined upon the issue of the debentures does not change in subsequent periods.

The net proceeds received from the issue of the debentures have been split between a liability component and an equity component, with the liability component representing the initial fair-value of the debt excluding the embedded option to convert the liability into equity of the Company.

(Unaudited but reviewed)

(Unit: Thousand Baht)

Nominal value of issue of convertible debentures	981,000
Transaction costs	(6,242)
Net proceeds	<u>974,758</u>
Amount classified as equity	(268)
Accreted interest to 30 September 2015	774
Balance as at 30 September 2015	<u><u>975,264</u></u>

For the purpose of diluted Earnings per Share (EPS), convertible bond interest, net of tax Baht 11.4 million and Baht 15.9 million is added back to earnings for the three-month and nine-month periods ended 30 September 2015 and the number of potential ordinary shares to be issued included the following in respect of this bond:

(Unit: Thousand shares)

	For the three-month period ended 30 September 2015	For the nine-month period ended 30 September 2015
Weighted average number of shares	28,079	12,530

21. Share capital

21.1 Resolutions of the Annual General Meeting of the shareholders

On 27 April 2015, the Annual General Meeting of the Company's shareholders passed the following significant resolutions:

- 1) Approved the payment of dividend from the operating results of the year 2014 totaling Baht 66.7 million, or Baht 0.0625 per share to the Company's shareholders. Dividend was paid to the shareholders on 26 May 2015.
- 2) Approved the issuance and offering of convertible debentures to a specific foreign investor (Private Placement) (J Trust Asia Pte. Ltd.) in the amount not exceeding USD 30 million or an equivalent amount in other currencies.
- 3) To decrease the registered capital of the Company from Baht 720.93 million to Baht 719.59 million by cancelling the registered ordinary shares to the unpaid registered ordinary shares totaling to 2.68 million shares. The Company registered the decrease in its registered share capital with the Ministry of Commerce on 28 April 2015.

- 4) To increase the registered capital from the previous registered capital of Baht 719.59 million to be the new registered capital of Baht 769.59 million by issuing and additional 100 million ordinary shares at the par value of Baht 0.50 each to be reserved for the exercise of conversion rights by holder of convertible debentures. The Company registered the increase in its registered share capital with the Ministry of Commerce on 29 April 2015.
- 5) Approved the allocation of newly issued ordinary shares of the Company in the amount up to 100 million shares with the par value of Baht 0.50, in order to reserve for the exercise of conversion rights by holder of convertible debentures with the conversion price of Baht 10 per share.

21.2 Additional share subscription from the exercise of warrants

During the current period, the Company received additional share subscription totaling Baht 2,088.59 million from the exercise of warrants, as detailed below.

	Warrant	Ordinary share	Exercise price	Amount
	(units)	(shares)	(Baht/share)	(Million Baht)
GL-WD	791,000	9,362,228	1.65766	15.52
GL-W3	207,307,130	207,307,130	10.00	2,073.07

As at 30 September 2015, the Company had share premium amounting to Baht 2,877.39 million as a result of the capital increases (31 December 2014: Baht 1,084.25 million).

As at 30 September 2015, the Company had share subscription received in advance amounting Baht 201.3 million in its paid up share capital from the exercise of GL-W3 totaling 20,127,100 units. The Company registered the increase in its paid up share capital from the exercise of such warrants with the Ministry of Commerce on 1 October 2015.

21.3 Reconciliation of number of ordinary shares

During the current period, the movements of registered and paid-up capital and premium on ordinary shares of the Company are as follows:

	Number of ordinary shares <u>(Thousand shares)</u>	<u>Registered capital</u> (Thousand Baht)
<u>Registered share capital</u>		
At the beginning of the period	1,441,852	720,926
Increase in capital from exercising of the rights of the warrants	100,000	50,000
Decrease	(2,677)	(1,339)
At the end of the period	<u>1,539,175</u>	<u>769,587</u>

	Number of ordinary shares <u>(Thousand shares)</u>	<u>Paid-up capital</u> (Thousand Baht)	<u>Share premium</u> (Thousand Baht)
<u>Issued and paid-up share capital</u>			
At the beginning of the period	1,085,770	542,885	1,084,254
Increase in capital from exercising of the rights of the warrants	196,542	98,271	1,793,133
At the end of the period	<u>1,282,312</u>	<u>641,156</u>	<u>2,877,387</u>

22. Warrants/Capital reserve for share-based payment transactions

As at 30 September 2015, details of outstanding warrants, which were issued by the Company, are as follows:

Type of warrant	Issue to	Issuance date of warrant	Number of warrants original issued	Warrant offer price	Period of warrant	Exercise price per share	Exercise ratio per 1 warrant
GL-W3	Existing shareholders	2 December 2014	332,783,154	-	2 years	Baht 10	1 ordinary share
GL-WD	Directors and employees	15 May 2012	1,000,000	-	3 years	Baht 1.65766	11.8360 ordinary share

During the current period, the movements of warrants of the Company are as follows:

Type of warrant	Number of warrants outstanding as at 1 January 2015	Number of warrants exercised during the period	Number of warrant expired/cancelled during the period	Number of warrants outstanding as at 30 September 2015
GL-W3	332,783,154	(207,307,130)	-	125,476,024
GL-WD	872,400	(791,000)	(81,400)	-

Up to 30 September 2015, the Company cancelled a total of 81,400 warrants (GL-WD) to purchase ordinary shares of the Company that had been allocated to the directors and management of the Company, because the directors and management who held those warrants had resigned, thus breaching the conditions under which the warrants were received.

On 15 May 2012, the Company issued 1,000,000 warrants (GL-WD) to subscribe to the Company's ordinary shares, to be allotted to directors and employees of the Company free of charge. The warrants are to have an adjust exercise ratio of 1 warrant per 11.8360 ordinary shares, an adjust exercise price of Baht 1.65766 per share, and a term of 3 years from the first issue date. The estimated fair value of each share option granted is Baht 4.08. This was calculated by applying the Black-Scholes-Merton formula. The model inputs were the share price at price determination date of Baht 24.9, exercise price of Baht 19.62, expected volatility of 32.85%, expected dividend yield of 8.62%, contractual life of 3 years, and a risk-free interest rate of 3.44%.

The distribution of the stock dividend and the change in the par value of the shares in the year 2014 did not modify the terms and conditions of the plan, and did not change the fair value of the capital reserve for share-based payment transactions. As a result, there is no change in the fair value of the share options.

During the nine-month period ended 30 September 2015, the Company recorded expenses of the GL-WD plan amounting to Baht 0.5 million as personnel expenses (2014: Baht 1.0 million).

23. 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.

Diluted 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 as discussed in the above paragraph, plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic earnings per share and diluted earnings per share.

Consolidated financial statements						
For the three-month periods ended 30 September						
	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	2015	2014	2015	2014	2015	2014
	Thousand Baht	Thousand Baht (Restated)	Thousand shares	Thousand shares	Baht	Baht (Restated)
Basic earnings per share						
Profit for the period	150,270	4,657	1,209,200	1,070,462	0.1243	0.0044
Effect of dilutive potential ordinary shares						
GL-W2	-	-	-	9,779		
GL-WD	-	-	-	7,584		
GL-W3	-	-	63,844	-		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	150,270	4,657	1,273,044	1,087,825	0.1180	0.0043
Separate financial statements						
For the three-month periods ended 30 September						
	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	2015	2014	2015	2014	2015	2014
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share						
Profit for the period	96,647	22,248	1,209,200	1,070,462	0.0799	0.0208
Effect of dilutive potential ordinary shares						
GL-W2	-	-	-	9,779		
GL-WD	-	-	-	7,584		
GL-W3	-	-	63,844	-		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	96,647	22,248	1,273,044	1,087,825	0.0759	0.0205

(Unaudited but reviewed)

Consolidated financial statements						
For the nine-month periods ended 30 September						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2015	2014	2015	2014	2015	2014	
Thousand Baht	Thousand Baht (Restated)	Thousand shares	Thousand shares	Baht	Baht (Restated)	
Basic earnings per share						
Profit for the period	389,978	22,356	1,133,945	1,041,941	0.3439	0.0215
Effect of dilutive potential ordinary shares						
GL-W2	-	-	-	22,529		
GL-WD	-	-	3,958	7,560		
GL-W3	-	-	36,751	-		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	389,978	22,356	1,174,654	1,072,030	0.3320	0.0209
Separate financial statements						
For the nine-month periods ended 30 September						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
2015	2014	2015	2014	2015	2014	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Profit for the period	249,483	72,304	1,133,945	1,041,941	0.2200	0.0694
Effect of dilutive potential ordinary shares						
GL-W2	-	-	-	22,529		
GL-WD	-	-	3,958	7,560		
GL-W3	-	-	36,751	-		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	249,483	72,304	1,174,654	1,072,030	0.2124	0.0674

However, no calculation of diluted earnings per share for the three-month and nine-month periods ended 30 September 2015 was required for convertible debentures, as disclosed in Note 20, since the effect of diluted earnings per share is antidilutive.

24. Dividends

Dividends declared during the year 2015 consist of the following:

Dividends	Approved by	Total dividend (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2014 operations	Annual General Meeting of the shareholders on 27 April 2015	66,673	0.0625
		66,673	0.0625

Dividends declared during the year 2014 consist of the following:

Dividends	Approved by	Total dividend (Thousand Baht)	Dividend per share (Baht)
Final dividends for 2013 operations	Annual General Meeting of the shareholders on 30 April 2014	56,897	0.0568
		56,897	0.0568

25. Segment information

The Company and its subsidiaries are organised into business units based on its products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and loss information regarding the Company and its subsidiaries' operating segments for the three-month and nine-month periods ended 30 September 2015 and 2014, respectively.

(Unit: Thousand Baht)

	For the three-month period ended 30 September 2015				
	Hire Purchase service	Financial advisory and investment holding	Total reportable segments	Adjustments and eliminations	Consolidated
Hire purchase interest income	470,654	-	470,654	-	470,654
Loan interest income	8,193	-	8,193	-	8,193
Other income	71,432	88,592	160,024	-	160,024
Inter-segment	93,424	154,702	248,126	(248,126)	-
Total revenue	643,703	243,294	886,997	(248,126)	638,871
Finance expenses	(93,199)	(39,745)	(132,944)	63,989	(68,955)
Bad debts and doubtful accounts	(83,434)	-	(83,434)	-	(83,434)
Loss on disposals of foreclosed assets	(91,135)	-	(91,135)	-	(91,135)
Services and administrative expenses	(220,468)	(16,177)	(236,645)	25,742	(210,903)

(Unaudited but reviewed)

Income tax expenses	(34,174)	-	(34,174)	-	(34,174)
Segment profit	121,293	187,372	308,665	(158,395)	150,270

(Unit: Thousand Baht)

For the three-month period ended 30 September 2014

	Hire Purchase service	Financial advisory and investment holding	Total reportable segments	Adjustments and eliminations	Consolidated
					(Restated)
Hire purchase interest income	477,398	-	477,398	-	477,398
Other income	40,900	10,507	51,407	-	51,407
Inter-segment	44,731	11,444	56,175	(56,175)	-
Total revenue	563,029	21,951	584,980	(56,175)	528,805
Finance expense	(114,003)	(8,468)	(122,471)	37,376	(85,095)
Bad debts and doubtful accounts	(138,664)	-	(138,664)	-	(138,664)
Loss on disposals of foreclosed assets	(135,061)	-	(135,061)	-	(135,061)
Services and administrative expenses	(160,974)	(15,229)	(176,203)	13,503	(162,700)
Income tax expense	(2,628)	-	(2,628)	-	(2,628)
Segment profit (loss)	11,699	(1,746)	9,953	(5,296)	4,657

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2015

	Hire Purchase service	Financial advisory and investment holding	Total reportable segments	Adjustments and eliminations	Consolidated
Hire purchase interest income	1,425,367	-	1,425,367	-	1,425,367
Loan interest income	9,535	-	9,535	-	9,535
Other income	220,972	162,392	383,364	-	383,364
Inter-segment	180,136	246,242	426,378	(426,378)	-
Total revenue	1,836,010	408,634	2,244,644	(426,378)	1,818,266
Finance expense	(261,675)	(73,914)	(335,589)	134,930	(200,659)
Bad debts and doubtful accounts	(278,337)	-	(278,337)	-	(278,337)
Loss on disposals of foreclosed assets	(280,393)	-	(280,393)	-	(280,393)
Services and administrative expenses	(623,692)	(43,871)	(667,563)	91,502	(576,061)
Income tax expense	(92,837)	(1)	(92,838)	-	(92,838)
Segment profit	299,076	290,848	589,924	(199,946)	389,978

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month period ended 30 September 2014

	Hire Purchase service	Financial advisory and investment holding	Total reportable segments	Adjustments and eliminations	Consolidated
					(Restated)
Hire purchase interest income	1,196,466	-	1,196,466	-	1,196,466
Other income	93,902	12,733	106,635	-	106,635
Inter-segment	54,840	23,337	78,177	(78,177)	-
Total revenue	1,345,208	36,070	1,381,278	(78,177)	1,303,101
Finance expense	(217,846)	(17,803)	(235,649)	58,831	(176,818)
Bad debts and doubtful accounts	(394,916)	-	(394,916)	-	(394,916)
Loss on disposals of foreclosed assets	(309,242)	-	(309,242)	-	(309,242)
Services and administrative expenses	(364,577)	(27,852)	(392,429)	7,741	(384,688)
Income tax expense	(15,870)	-	(15,870)	789	(15,081)
Segment profit (loss)	42,757	(9,585)	33,172	(10,816)	22,356

Segment assets of the Company and its subsidiaries as at 30 September 2015 and 31 December 2014 are as follows:

(Unit: Thousand Baht)

	Hire Purchase service	Financial advisory and investment holding	Total reportable segments	Unallocated assets	Consolidated
Segment assets					
At 30 September 2015	7,350,298	2,531,566	9,881,864	-	9,881,864
At 31 December 2014	6,906,328	365,587	7,271,915	-	7,271,915

Geographic information

Revenue from external customers is based on locations of the customers for the three-month and nine-month periods ended 30 September 2015 and 2014, respectively.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2015	2014	2015	2014
		(Restated)		(Restated)
Revenue from external customers				
Thailand	440,573	485,223	1,374,944	1,219,226
Cambodia	107,817	33,075	265,835	71,142
Singapore	88,591	10,507	162,392	12,733
Laos	1,890	-	15,095	-

(Unaudited but reviewed)

Total	<u>638,871</u>	<u>528,805</u>	<u>1,818,266</u>	<u>1,303,101</u>
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26. Commitments

26.1 Capital commitments

As at 30 September 2015, the Company had capital commitments of approximately Baht 2.29 million, relating to the purchase of software license (31 December 2014: Baht 14.26 million).

26.2 Rental and service commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land and office building space. The terms of the agreements are generally between 1 and 5 years.

Future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	Consolidated financial statements			
	30 September 2015		31 December 2014	
	Thousand Baht	Thousand USD	Thousand Baht	Thousand USD
Payable:				
In up to 1 year	9,488	145	10,342	152
In over 1 and up to 5 years	6,875	111	9,291	217

	Separate financial statements			
	30 September 2015		31 December 2014	
	Thousand Baht	Thousand USD	Thousand Baht	Thousand USD
Payable:				
In up to 1 year	5,956	-	7,644	14
In over 1 and up to 5 years	3,731	-	6,769	-

26.3 Service commitments

As at 30 September 2015, the Company is required to pay fees of USD 0.03 million, JPY 0.30 million and THB 0.69 million per month to individuals who are employees of related party, for consultancy relating to overseas investment (31 December 2014: USD 0.10 million, JPY 0.50 million and THB 0.70 million per month).

26.4 Guarantees

As at 30 September 2015 and 31 December 2014, there was outstanding bank guarantee of approximately Baht 300 million issued by the bank on behalf of the Company in respect of debentures guarantee and amounting to Baht 0.29 million in

respect of electricity and use of post services guarantees.

27. Contingent liabilities

Interest Rate Swap Transaction Agreements

The Company has entered into Interest Rate Swap Transaction Agreements with one bank of which the balance as at 30 September 2015 is amounting to Baht 312.78 million. The contracts are for a period of 30 periods, maturing in June 2016. At each of the maturity dates, the Company is required to pay interest to the bank based at fixed rate stipulated in the agreements (6.00% p.a.) and the bank is required to pay interest to the Company at the floating rate plus stipulated rate. The agreement contains other conditions. The Company would have had unrealised loss of approximately Baht 2.17 million, if it had recorded the above contracts at fair value.

28. Reclassification

In addition to the restatement of the prior year's financial statements, as disclosed in Note 2, certain amounts in the statement of financial position as at 31 December 2014 and the statement of comprehensive income for the three-month and nine-month periods ended 30 September 2014 have been reclassified to conform to the current period's classification but with no effect to previously reported profit or shareholders' equity. The reclassifications are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	As reclassified	As previously reported
Current portion of hire purchase and installment sales receivables	3,172,394	3,163,953
Hire purchase and installment sales receivables - long-term portion	2,922,957	2,922,438
Other current assets	142,305	151,265

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	For the three-month period ended 30 September 2014		For the nine-month period ended 30 September 2014	
	As reclassified and restated	As previously reported	As reclassified and restated	As previously reported
Hire purchase interest income	477,398	474,595	1,196,466	1,191,515
Other income	51,407	57,236	106,635	117,594
Services and administrative expenses	162,700	166,536	384,688	391,506

29. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's

authorised directors on 9 November 2015.