

# **SG Capital Public Company Limited**

Interim financial statements  
for the three-month and nine-month periods ended  
30 September 2023  
and  
Independent auditor's review report



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

### To the Board of Directors of SG Capital Public Company Limited

I have reviewed the accompanying statements of financial position of SG Capital Public Company Limited as at 30 September 2023, the statements of comprehensive income for the three-month and the nine-month periods ended 30 September 2023, and the statements of changes in equity and cash flows for the nine-month period ended 30 September 2023 and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

#### *Scope of Review*

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

#### *Conclusion*

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

(Chokechai Ngamwutikul)  
Certified Public Accountant  
Registration No. 9728

KPMG Phoomchai Audit Ltd.  
Bangkok  
9 November 2023

# SG Capital Public Company Limited

## Statement of financial position

		30 September	31 December
Assets	Note	2023	2022
		(Unaudited)	
		(in thousand Baht)	
<b>Current assets</b>			
Cash and cash equivalents		800,906	3,106,144
Current portion of hire-purchase contract receivables	4	981,788	3,438,456
Current portion of loan receivables	5	2,125,651	2,006,260
Other receivables	3	207,850	67,316
Accrued income	3	4,002	11,668
Assets foreclosed		116,497	39,052
Other current assets		96	79
<b>Total current assets</b>		<b>4,236,790</b>	<b>8,668,975</b>
<b>Non-current assets</b>			
Hire-purchase contract receivables	4	816,798	1,918,405
Loan receivables	5	7,647,017	7,030,473
Leasehold improvement and equipment		22,947	21,472
Right-of-use assets		30,176	18,937
Intangible assets		11,108	6,274
Deferred tax assets	6	680,438	116,913
Other non-current assets		2,313	1,916
<b>Total non-current assets</b>		<b>9,210,797</b>	<b>9,114,390</b>
<b>Total assets</b>		<b>13,447,587</b>	<b>17,783,365</b>

The accompanying notes from an integral part of the interim financial statements.

# SG Capital Public Company Limited

## Statement of financial position

		30 September	31 December
Liabilities and equity	Note	2023	2022
		(Unaudited)	
		(in thousand Baht)	
<i>Current liabilities</i>			
Short-term loan from financial institution	7	-	55,000
Trade accounts payable	3	36,226	486,477
Other payables	3	169,626	163,962
Current portion of long-term loans from parent company	3, 7	1,142,023	-
Current portion of long-term loan from financial institution	7	-	10,476
Current portion of lease liabilities	3, 7	14,106	9,018
Corporate income tax payable		-	92,396
<b>Total current liabilities</b>		<b>1,361,981</b>	<b>817,329</b>
<i>Non-current liabilities</i>			
Long-term loans from parent company	3, 7	8,930,650	11,172,673
Long-term loan from financial institution	7	-	3,919
Lease liabilities	3, 7	18,413	11,768
Provisions for employee benefits		22,487	24,141
Employee security deposits		998	2,139
<b>Total non-current liabilities</b>		<b>8,972,548</b>	<b>11,214,640</b>
<b>Total liabilities</b>		<b>10,334,529</b>	<b>12,031,969</b>
<i>Equity</i>			
Share capital			
Authorised share capital		3,270,000	3,270,000
Issued and paid-up share capital		3,270,000	3,270,000
Share premium:			
Share premium on ordinary shares		2,292,003	2,292,003
Difference arising from business combination			
under common control		(974,118)	(974,118)
Retained earnings (Deficit):			
Appropriated:			
Legal reserve		209,380	209,380
Unappropriated (Deficit)		(1,684,207)	954,131
<b>Total equity</b>		<b>3,113,058</b>	<b>5,751,396</b>
<b>Total liabilities and equity</b>		<b>13,447,587</b>	<b>17,783,365</b>

The accompanying notes from an integral part of the interim financial statements.

**SG Capital Public Company Limited**  
**Statement of comprehensive income (Unaudited)**

		Three-month period ended	
		30 September	
	<i>Note</i>	2023	2022
		<i>(in thousand Baht)</i>	
<i>Income</i>			
Interest income from hire-purchase contract and loans		479,632	623,493
Other income		13,963	10,564
<b>Total income</b>		<b>493,595</b>	<b>634,057</b>
<i>Expenses</i>			
Service and administrative expenses		161,044	157,652
<b>Total expenses</b>		<b>161,044</b>	<b>157,652</b>
<b>Profit from operating activities</b>		<b>332,551</b>	<b>476,405</b>
Finance costs		(145,823)	(162,656)
Expected credit loss		(175,123)	(117,543)
<b>Profit before income tax expense</b>		<b>11,605</b>	<b>196,206</b>
Tax expense		(3,376)	(36,093)
<b>Profit for the period</b>		<b>8,229</b>	<b>160,113</b>
<b>Total comprehensive income for the period</b>		<b>8,229</b>	<b>160,113</b>
<b>Basic earnings per share (in Baht)</b>	9	<b>0.00</b>	<b>0.07</b>

The accompanying notes from an integral part of the interim financial statements.

**SG Capital Public Company Limited**  
**Statement of comprehensive income (Unaudited)**

		Nine-month period ended	
		30 September	
	Note	2023	2022
<i>(in thousand Baht)</i>			
<b>Income</b>			
Interest income from hire-purchase contract and loans	3	1,660,488	1,636,534
Other income	3	42,416	28,205
<b>Total income</b>		<b>1,702,904</b>	<b>1,664,739</b>
<b>Expenses</b>			
Service and administrative expenses	3	485,900	462,382
<b>Total expenses</b>		<b>485,900</b>	<b>462,382</b>
<b>Profit from operating activities</b>		<b>1,217,004</b>	<b>1,202,357</b>
Finance costs	3	(446,954)	(417,964)
Expected credit loss	11	(3,612,220)	(214,283)
<b>(Loss) profit before income tax expense</b>		<b>(2,842,170)</b>	<b>570,110</b>
Tax income (expense)	6	563,525	(103,090)
<b>(Loss) profit for the period</b>		<b>(2,278,645)</b>	<b>467,020</b>
<b>Total comprehensive income (expense) for the period</b>		<b>(2,278,645)</b>	<b>467,020</b>
<b>Basic earnings (loss) per share (in Baht)</b>	9	<b>(0.70)</b>	<b>0.19</b>

The accompanying notes from an integral part of the interim financial statements.

# SG Capital Public Company Limited

## Statement of changes in equity (Unaudited)

		Retained earnings				
		Issued and paid-up share capital	Difference arising from business combination under common control	Legal reserve	Unappropriated	Total equity
	<i>Note</i>			<i>(in thousand Baht)</i>		
<i>Nine-month period ended 30 September 2022</i>						
Balance at 1 January 2022		2,450,000	(974,118)	176,018	762,087	2,413,987
Transactions with owners, recorded directly in equity						
<i>Distributions to owners of the parent</i>						
Dividends	10	-	-	-	(441,000)	(441,000)
Total transactions with owners, record directly in equity		-	-	-	(441,000)	(441,000)
Comprehensive income for the period						
Profit		-	-	-	467,020	467,020
Total comprehensive income for the period		-	-	-	467,020	467,020
Balance at 30 September 2022		2,450,000	(974,118)	176,018	788,107	2,440,007

The accompanying notes from an integral part of the interim financial statements.

**SG Capital Public Company Limited**  
**Statement of changes in equity (Unaudited)**

	Note	Issued and paid-up share capital	Share premium	Difference arising from business combination under common control (in thousand Baht)	Retained earnings (Deficit)			Total equity
					Legal reserve	Unappropriated		
<i>Nine-month period ended 30 September 2023</i>								
Balance at 1 January 2023		3,270,000	2,292,003	(974,118)	209,380	954,131		5,751,396
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the parent</i>								
Dividends	10	-	-	-	-	(359,693)		(359,693)
Total transactions with owners, recorded directly in equity		-	-	-	-	(359,693)		(359,693)
Comprehensive income for the period								
Loss		-	-	-	-	(2,278,645)		(2,278,645)
Total comprehensive expense for the period		-	-	-	-	(2,278,645)		(2,278,645)
Balance at 30 September 2023		3,270,000	2,292,003	(974,118)	209,380	(1,684,207)		3,113,058

The accompanying notes form an integral part of the interim financial statements.

# SG Capital Public Company Limited

## Statement of cash flows (Unaudited)

	Nine-month period ended	
	30 September	
	2023	2022
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
(Loss) profit for the period	(2,278,645)	467,020
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>		
Tax (income) expense	(563,525)	103,090
Interest income from hire-purchase contract and loans	(1,660,488)	(1,636,534)
Finance costs	446,954	417,964
Depreciation	18,507	14,181
Amortisation	670	418
Expected credit loss	3,612,220	214,283
Loss from impairment of asset foreclosed	16,730	6,866
Provision for employee benefit	4,560	3,011
(Gain) loss on disposal of equipment	(6)	1,136
Other interest income	<u>(5,177)</u>	<u>(55)</u>
	(408,200)	(408,620)
<i>Changes in operating assets and liabilities</i>		
Hire-purchase contract receivables	418,991	(1,728,106)
Loan receivables	(1,152,922)	(2,490,176)
Other receivables	(141,307)	54,306
Accrued income	7,666	(4,354)
Assets foreclosed	(94,175)	(32,364)
Other current assets	(17)	(24)
Other non-current assets	(397)	(142)
Trade accounts payable	(450,251)	(312,970)
Deferred interest subsidies	(9,892)	(67,451)
Other payables	15,546	(26,982)
Employee security deposits	(1,141)	1,249
Employee benefit paid	<u>(6,214)</u>	<u>(60)</u>
Net cash used in operations	(1,822,313)	(5,015,694)
Interest received from hire-purchase contract and loans	1,604,540	1,628,106
Tax paid	<u>(91,622)</u>	<u>(109,877)</u>
<b>Net cash used in operating activities</b>	<b><u>(309,395)</u></b>	<b><u>(3,497,465)</u></b>

The accompanying notes from an integral part of the interim financial statements.

# SG Capital Public Company Limited

## Statement of cash flows (Unaudited)

	Nine-month period ended	
	30 September	
	2023	2022
	<i>(in thousand Baht)</i>	
<i>Cash flows from investing activities</i>		
Other interest received	5,177	55
Proceeds from sale equipment	6	-
Acquisition of leasehold improvement and equipment	(7,730)	(11,484)
Acquisition of intangible assets	(5,504)	(1,168)
<b>Net cash used in investing activities</b>	<b>(8,051)</b>	<b>(12,597)</b>
<i>Cash flows from financing activities</i>		
Dividend paid	(359,677)	(441,000)
Finance cost paid	(445,814)	(417,010)
Repayment of loan from financial institution	(69,395)	(7,410)
Proceeds from loans from parent company	-	5,535,298
Repayment of loans from parent company	(1,100,000)	(1,191,163)
Payment of lease liabilities	(12,906)	(10,791)
<b>Net cash (used in) from financing activities</b>	<b>(1,987,792)</b>	<b>3,467,924</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,305,238)</b>	<b>(42,138)</b>
Cash and cash equivalents at 1 January	3,106,144	391,367
<b>Cash and cash equivalents at 30 September</b>	<b>800,906</b>	<b>349,229</b>

The accompanying notes from an integral part of the interim financial statements.

# **SG Capital Public Company Limited**

## **Notes to the interim financial statements**

**For the three-month and nine-month periods ended 30 September 2023 (Unaudited)**

<b>Note</b>	<b>Contents</b>
1	Basis of preparation of the interim financial statements
2	COVID-19 relief measures
3	Related parties
4	Hire-purchase contract receivables
5	Loan receivables
6	Deferred tax assets
7	Interest-bearing liabilities
8	Segment information and disaggregation of revenue
9	(Loss) earnings per share
10	Dividends
11	Financial instruments
12	Commitments with non-related parties

**SG Capital Public Company Limited**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2023 (Unaudited)**

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language financial statements, and were approved and authorised for issue by the Board of Directors on 9 November 2023.

## **1 Basis of preparation of the interim financial statements**

The condensed interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended 31 December 2022.

In preparing these interim financial statements, judgements and estimates are made by management in applying the Company’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2022.

## **2 COVID-19 relief measures**

Due to uncertainty of the situation since 2020, the Bank of Thailand (“BoT”) provided measures, which are intended to support the financial institutions and finance businesses to help the affected debtors. Additional measures continue to be provided.

In 2022 and 2023, the Company applied the accounting guideline no. 37/2564 dated 3 December 2021, “*Guideline regarding the provision of financial assistance to the debtors affected by the Covid-19*”. This guideline is applied to the affected debtors during 1 January 2022 to 31 December 2023 or as further updated by BoT. For debt restructuring under the specified criteria from 1 January 2021 to 31 December 2021, the entity can apply the relevant staging and provisioning guideline under this accounting guideline to the debtors from 1 January 2022 to 31 December 2023. The guideline of staging and provisioning depends on debt restructuring method which can be categorised into 2 groups below. The accounting guideline is in line with the BoT Circular no. BoT. For Nor Sor. 2 Wor. 802/2564 dated 3 September 2021, “*Guidelines regarding the provision of financial assistance to the debtors affected by the Covid-19 (sustainable debt resolution)*”.

### **Debt restructuring method**

1. Debt restructuring which aims to reduce the repayment burden other than term extension.

### **Guideline of staging and provisioning**

1. Non-NPL modified loans can be classified as stage 1 performing immediately once they are identified as being likely to repay.
2. NPL modified loans can be classified as stage 1 performing only if they can repay 3 consecutive months or 3 consecutive dues, whichever is longer.
3. Significant increase in credit risk consideration (Under-performing or Stage 2) consider from overdue for principle or interest payments more than 30 days or 1 month from the due date.
4. Revision of effective interest rate (EIR) at the date of modification.

# SG Capital Public Company Limited

## Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2023 (Unaudited)

### Debt restructuring method

2. Debt restructuring by term extension only

### Guideline of staging and provisioning

Apply in accordance with the relevant financial reporting standard.

During 2023, the management closely monitored the collection from customers which were in Covid-19 relief program and identified a significant portion of customers which are unable to meet payments under the revised collection schedule. Accordingly, the Company has written off bad debts and significantly increased the estimated allowance for expected credit loss in the second quarter of 2023.

As at 30 September 2023, the outstanding modified receivables from expired Covid-19 relief program was approximately 10.73% and existing Covid-19 relief program was approximately 1.76% of the total hire-purchase contract receivables and loan receivables.

## 3 Related parties

### Significant transactions with related parties

Nine-month period ended 30 September

2023                      2022  
(in thousand Baht)

#### Parent company

Sale of assets foreclosed	-	15,023
Other income	1,946	-
Purchase of goods*	308,107	2,179,061
Debt collecting fee	7,304	31,049
Management fee	9,500	9,000
Commission expense	-	1,200
Other expenses	2,424	955
Interest expenses	445,656	416,222

#### Other related parties

Commission income	13,870	12,149
Revenue from sales of rights in receivable	102,366	15,767
Purchase of goods*	27,080	221,973
Debt collecting fee	17,322	2,004
Commission expense	-	2,823
Other expenses	5,192	284
Purchases of intangible assets	580	-

#### Key management personnel

Key management personnel compensation

Short-term benefit	20,194	28,532
Post-employment benefits	1,043	1,761
<b>Total</b>	<b>21,237</b>	<b>30,293</b>

\* Purchased goods from related parties for hire-purchase receivables

## For the three-month and nine-month periods ended 30 September 2023 (Unaudited)

		At 1 January 2023	Increase	Decrease	At 30 September 2023
	Interest rate (% per annum)		(in thousand Baht)		
<b>Loans from</b>					
Parent	5.25 - 6.06	11,172,673	-	(1,100,000)	10,072,673

13

**SG Capital Public Company Limited**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2023 (Unaudited)**

**4 Hire-purchase contract receivables**

	Portion due within one year	Portion due over one year but within two years	Portion due over two year but within three years	Portion due over three year but within four years <i>(in thousand Baht)</i>	Portion due over four year but within five years	Portion due over five years	Total
<b>30 September 2023</b>							
Hire-purchase contract receivables	2,984,082	762,951	395,520	188,635	60,554	18,418	4,410,160
Less unearned interest income	(602,291)	(169,470)	(67,499)	(23,974)	(6,152)	(2,558)	(871,944)
	<u>2,381,791</u>	<u>593,481</u>	<u>328,021</u>	<u>164,661</u>	<u>54,402</u>	<u>15,860</u>	<u>3,538,216</u>
Less allowance for expected credit loss	(1,400,003)	(194,927)	(88,574)	(40,811)	(11,424)	(3,891)	(1,739,630)
<b>Net</b>	<u><b>981,788</b></u>	<u><b>398,554</b></u>	<u><b>239,447</b></u>	<u><b>123,850</b></u>	<u><b>42,978</b></u>	<u><b>11,969</b></u>	<u><b>1,798,586</b></u>
<b>31 December 2022</b>							
Hire-purchase contract receivables	4,862,725	1,436,968	677,772	298,200	113,748	13,881	7,403,294
Less unearned interest income	(1,080,572)	(344,904)	(132,684)	(44,735)	(11,391)	(828)	(1,615,114)
	<u>3,782,153</u>	<u>1,092,064</u>	<u>545,088</u>	<u>253,465</u>	<u>102,357</u>	<u>13,053</u>	<u>5,788,180</u>
Less allowance for expected credit loss	(343,697)	(60,586)	(19,543)	(5,613)	(1,701)	(179)	(431,319)
<b>Net</b>	<u><b>3,438,456</b></u>	<u><b>1,031,478</b></u>	<u><b>525,545</b></u>	<u><b>247,852</b></u>	<u><b>100,656</b></u>	<u><b>12,874</b></u>	<u><b>5,356,861</b></u>

**SG Capital Public Company Limited**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2023 (Unaudited)**

As at 30 September 2023 and 31 December 2022, carrying amount and allowance for expected credit loss for electronic appliances, others and vehicles hire-purchase contract receivables were as follows:

30 September 2023												
Hire-purchase contract receivables*												
Within credit terms	444,194	2,633	1,929	448,756	190,684	3,482	-	194,166	634,878	6,115	1,929	642,922
Overdue:												
1 - 30 days	159,427	4,051	1,938	165,416	129,650	18,208	-	147,858	289,077	22,259	1,938	313,274
31 - 60 days	-	119,500	2,845	122,345	-	118,045	-	118,045	-	237,545	2,845	240,390
61 - 90 days	-	115,619	3,577	119,196	-	89,034	-	89,034	-	204,653	3,577	208,230
more than 90 days	-	-	1,946,388	1,946,388	-	-	187,012	187,012	-	-	2,133,400	2,133,400
Hire-purchase contract receivables*	603,621	241,803	1,956,677	2,802,101	320,334	228,769	187,012	736,115	923,955	470,572	2,143,689	3,538,216
Less allowance for expected credit loss	(41,573)	(40,214)	(1,544,267)	(1,626,054)	(3,602)	(16,985)	(92,989)	(113,576)	(45,175)	(57,199)	(1,637,256)	(1,739,630)
Net	562,048	201,589	412,410	1,176,047	316,732	211,784	94,023	622,539	878,780	413,373	506,433	1,798,586

\*Hire-purchase contract receivables net of unearned interest income

**SG Capital Public Company Limited**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2023 (Unaudited)**

	Electronic appliances and others				Vehicles				Total			
	Assets without a significant increase in credit risk	Assets with a significant increase in credit risk	Assets with credit impairment	Total	Assets without a significant increase in credit risk	Assets with a significant increase in credit risk	Assets with credit impairment	Total	Assets without a significant increase in credit risk	Assets with a significant increase in credit risk	Assets with credit impairment	Total
<b>31 December 2022</b>												
<b>Hire-purchase contract receivables*</b>												
Within credit terms	2,085,624	38,853	-	2,124,477	321,634	8,067	-	329,701	2,407,258	46,920	-	2,454,178
Overdue:												
1 - 30 days	933,462	12,179	-	945,641	154,821	10,271	-	165,092	1,088,283	22,450	-	1,110,733
31 - 60 days	-	367,065	-	367,065	-	165,086	-	165,086	-	532,151	-	532,151
61 - 90 days	-	938,384	-	938,384	-	111,383	-	111,383	-	1,049,767	-	1,049,767
more than 90 days	-	-	600,987	600,987	-	-	40,364	40,364	-	-	641,351	641,351
Hire-purchase contract receivables*	3,019,086	1,356,481	600,987	4,976,554	476,455	294,807	40,364	811,626	3,495,541	1,651,288	641,351	5,788,180
Less allowance for expected credit loss	(70,652)	(111,387)	(223,934)	(405,973)	(2,353)	(10,380)	(12,613)	(25,346)	(73,005)	(121,767)	(236,547)	(431,319)
<b>Net</b>	<b>2,948,434</b>	<b>1,245,094</b>	<b>377,053</b>	<b>4,570,581</b>	<b>474,102</b>	<b>284,427</b>	<b>27,751</b>	<b>786,280</b>	<b>3,422,536</b>	<b>1,529,521</b>	<b>404,804</b>	<b>5,356,861</b>

\*Hire-purchase contract receivables net of unearned interest income

# SG Capital Public Company Limited

## Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2023 (Unaudited)

### *Modification of hire-purchase contract receivables*

The financial statements for the nine-month period ended 30 September 2023 and 2022 includes the following changes through various types of modification:

	2023		2022	
	Before modification	After modification (in thousand Baht)	Before modification	After modification
Modification of hire-purchase contract receivables				
- Nine-month period ended				
30 September	<u>36,784</u>	<u>35,606</u>	<u>702,882</u>	<u>700,461</u>

Cash collection under modification of hire-purchase contract receivables for the nine-month period ended 30 September 2023 and 2022 were Baht 51.77 million and Baht 35.25 million, respectively.

As at 30 September 2023 and 31 December 2022 modified hire-purchase contract receivables have remaining balances of Baht 247.62 million and Baht 517.06 million, respectively. Partial of the receivables are also received the provision of financial assistance to the debtors affected by the Covid-19 relief program.

## 5 Loan receivables

	Portion due within 1 year		Portion due after 1 year		Total	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022	30 September 2023	31 December 2022
			(in thousand Baht)			
Loan receivables	2,279,784	1,988,788	7,907,191	7,070,395	10,186,975	9,059,183
Add accrued interest receivable	<u>105,893</u>	<u>49,945</u>	<u>-</u>	<u>-</u>	<u>105,893</u>	<u>49,945</u>
	2,385,677	2,038,733	7,907,191	7,070,395	10,292,868	9,109,128
Less allowance for expected credit loss	<u>(260,026)</u>	<u>(32,473)</u>	<u>(260,174)</u>	<u>(39,922)</u>	<u>(520,200)</u>	<u>(72,395)</u>
Net	<u>2,125,651</u>	<u>2,006,260</u>	<u>7,647,017</u>	<u>7,030,473</u>	<u>9,772,668</u>	<u>9,036,733</u>

**SG Capital Public Company Limited**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2023 (Unaudited)**

At 30 September 2023 and 31 December 2022, carrying amount and allowance for expected credit loss for loan receivables were as follows:

	Vehicles			Debt consolidation			Others			Total		
	Assets without a significant increase in credit risk	Assets with a significant increase in credit risk	Assets with credit impairment	Total	Assets without a significant increase in credit risk	Assets with a significant increase in credit risk	Assets with a significant increase in credit risk	Assets without a significant increase in credit risk	Assets with a significant increase in credit risk	Assets with credit impairment	Assets with a significant increase in credit risk	Assets with credit impairment
<b>30 September 2023</b>												
<b>Loan receivables</b>												
Within credit terms	6,494,607	53,148	-	6,547,755	473,868	-	6,691	-	6,975,166	53,148	-	7,028,314
Overdue:												
1 - 30 days	1,404,385	101,462	-	1,505,847	5,262	-	3,512	-	1,413,159	101,462	-	1,514,621
31 - 60 days	-	593,172	-	593,172	2,715	-	1,502	-	-	597,389	-	597,389
61 - 90 days	-	391,324	-	391,324	1,064	-	2,505	-	-	394,893	-	394,893
more than 90 days	-	-	747,801	747,801	-	5,019	4,831	-	-	757,651	-	757,651
Net carrying amount	7,898,992	1,139,106	747,801	9,785,899	479,130	5,019	19,041	4,831	8,388,325	1,146,892	757,651	10,292,868
Less allowance for expected credit loss	(56,458)	(79,106)	(369,586)	(505,150)	(4,750)	(5,019)	(4,856)	(84)	(61,500)	(79,615)	(379,085)	(520,200)
<b>Net</b>	<b>7,842,534</b>	<b>1,060,000</b>	<b>378,215</b>	<b>9,280,749</b>	<b>474,380</b>	<b>-</b>	<b>14,185</b>	<b>351</b>	<b>8,326,825</b>	<b>1,067,277</b>	<b>378,566</b>	<b>9,772,668</b>

# SG Capital Public Company Limited

## Notes to the interim financial statements

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**SG Capital Public Company Limited**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2023 (Unaudited)**

*Modification of loan receivables*

The financial statements for the nine-month period ended 30 September 2023 and 2022 includes the following changes through various types of modification:

	2023		2022	
	Before modification	After modification (in thousand Baht)	Before modification	After modification
Modification of loan receivables				
- Nine-month period ended 30 September	<u>16,320</u>	<u>15,838</u>	<u>122,483</u>	<u>122,483</u>

Cash collection under modification of loan receivables for the nine-month period ended 30 September 2023 and 2022 were Baht 40.82 million and Baht 12.05 million, respectively.

As at 30 September 2023 and 31 December 2022 modified loan receivables have remaining balances of Baht 152.63 million and Baht 193.29 million, respectively. Partial of the receivables are also received the provision of financial assistance to the debtors affected by the Covid-19 relief program.

**6 Deferred tax assets**

	At 1 January	(Charged) / credited to: Profit or loss (in thousand Baht)	At 30 September
<i>Deferred tax</i>			
<b>2023</b>			
<i>Deferred tax assets</i>			
Allowance for expected credit loss	113,778	347,043	460,821
Allowance for decline in value of asset foreclosed	5,800	3,346	9,146
Provision for employee benefits	4,828	(331)	4,497
Deferred interest subsidies income	2,600	(1,978)	622
Right-of-use assets	370	99	469
Fee income	8,047	(1,705)	6,342
Loss carry forward	-	218,422	218,422
<b>Total</b>	<u>135,423</u>	<u>564,896</u>	<u>700,319</u>
<i>Deferred tax liabilities</i>			
Commission paid	(18,510)	(1,371)	(19,881)
<b>Total</b>	<u>(18,510)</u>	<u>(1,371)</u>	<u>(19,881)</u>
<b>Net</b>	<u>116,913</u>	<u>563,525</u>	<u>680,438</u>

**SG Capital Public Company Limited**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2023 (Unaudited)**

**7 Interest-bearing liabilities**

	30 September 2023 (in thousand Baht)	31 December 2022
<b>Current</b>		
Short-term loan from financial institution	-	55,000
Current portion of long-term loans from parent company	1,142,023	-
Current portion of long-term loan from financial institution	-	10,476
Current portion of lease liabilities	14,106	9,018
<b>Non-current</b>		
Long-term loans from parent company	8,930,650	11,172,673
Long-term loan from financial institution	-	3,919
Lease liabilities	18,413	11,768
<b>Total interest-bearing liabilities</b>	<b>10,105,192</b>	<b>11,262,854</b>

As at 30 September 2023, the company had unsecured interest-bearing liabilities.

The Company entered into loan agreements with the parent company in the amount of Baht 10,073 million (31 December 2022: Baht 11,173 million), interest rate of 5.25% - 6.06% per annum (31 December 2022: 5.25% - 6.06% per annum). The interest rate shall be calculated from an average interest rate of the parent company's debentures, which were issued each time, add mark-up. The interest shall be paid by monthly. The loans will be matured in September 2024 to December 2025.

**8 Segment information and disaggregation of revenue**

Management considers that the Company operates in a single line of business, hire-purchase contract and loans, and has, therefore, only one reportable segment.

**Geographical segments**

The Company is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

**Timing of revenue recognition**

The Company recognised the interest income over the period and parts of other income at a point in time.

**9 (Loss) earnings per share**

	2023 (in thousand Baht / thousand shares)	2022
<b>For the three-month ended 30 September</b>		
<b>Profit attributable to ordinary shareholders of the Company (basic)</b>	<b>8,229</b>	<b>160,113</b>
<b>Weighted average number of ordinary shares outstanding (basic) as at 30 September</b>	<b>3,270,000</b>	<b>2,450,000</b>
<b>Earnings per share (basic) (in Baht)</b>	<b>0.00</b>	<b>0.07</b>

# SG Capital Public Company Limited

## Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2023 (Unaudited)

*For the nine-month ended 30 September*

	2023	2022
	<i>(in thousand Baht / thousand shares)</i>	
(Loss) profit attributable to ordinary shareholders of the Company (basic)	<u>(2,278,645)</u>	<u>467,020</u>
Weighted average number of ordinary shares outstanding (basic) as at 30 September	<u>3,270,000</u>	<u>2,450,000</u>
(Loss) earnings per share (basic) <i>(in Baht)</i>	<u>(0.70)</u>	<u>0.19</u>

## 10 Dividends

The dividends paid by the Company to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
<b>2023</b>				
Annual dividend	20 April 2023	18 May 2023	0.11	359,693
<b>Dividend paid</b>				<u><b>359,693</b></u>
<b>2022</b>				
Annual dividend	20 April 2022	12 May 2022	0.18	441,000
<b>Dividend paid</b>				<u><b>441,000</b></u>

## 11 Financial instruments

### *Carrying amounts and fair values*

Fair value of long-term loans and lease liabilities with fixed rate and remaining maturities greater than 1 year is estimated by using a discounted cash flow calculation applying interest rates current being offered on similar instruments.

Fair value of cash and cash equivalents, other receivables, trade account payables, other payables and short-term loan approximates their carrying amounts in the statements of financial position since such financial assets and liabilities have short maturity periods.

### *Concentrations of credit risk*

The Company monitors concentrations of credit risk by type of financing which credit risk concentration of hire-purchase contract receivables more than 43% and loan receivables more than 38% are in retail group comprising of owned-business.

### *Expected credit losses increase*

*Nine-month period ended 30 September*

	2023	2022
	<i>(in thousand Baht)</i>	
Hire-purchase contract receivables	3,139,285	188,092
Loan receivables	472,935	25,181
Other receivables	-	1,010
	<u><b>3,612,220</b></u>	<u><b>214,283</b></u>

The information on the expected credit loss expense of hire-purchase contract receivables is included in Note 2 and revenue from sales of rights in receivable amounting to Baht 102.4 million was recognised as reversal of expected credit loss (2022: Baht 15.8 million).

# SG Capital Public Company Limited

## Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2023 (Unaudited)

### 12 Commitments with non-related parties

	30 September 2023	31 December 2022
	<i>(in thousand Baht)</i>	
<b><i>Capital commitments</i></b>		
Leasehold improvement and equipment	214	-
Intangible assets	800	-
<b>Total</b>	<b>1,014</b>	<b>-</b>
 <b><i>Other commitments</i></b>		
Bank guarantees	510	510
<b>Total</b>	<b>510</b>	<b>510</b>