

## **Mahathuen Leasing Public Company**

**Interim financial statement  
(UNAUDITED)**

**As at for the three-month period ended March 31,2019**

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## MAHATHUEN LEASING PUBLIC COMPANY

### GENERAL INFORMATION OF THE COMPANY

Mahathuen Leasing Public Company (the "Company") is a limited company, incorporated and domiciled in the Lao People's Democratic Republic ("Lao PDR"). The address of the Company's registered office is at 628, Ban Phonphanao, K5, Kaysonephomvihan Road, Saysettha District, Vientiane Capital, Lao PDR. The principal business of the Company is to retail finance business through providing credit line for individual customers to buy motorcycle.

The company was listed on the Lao Securities Exchange market on September 18, 2018.

The major shareholder of the Company is Mahathuen Holding Company Limited (incorporated in Thailand) which owns 67.72% of the Company's shares.

### Board of Directors

No.	(Board of Directors)	Nationality	Position
1	Mr. Chakrit Naksorn	Thai	Chairman
2	Mrs. Inthavilay Oudom	Lao	Vice Chairman
3	Mr. Manop Tririthvilai	Thai	Member of BOARD OF DIRECTORS/CEO
4	Mrs. Prathana Naksorn	Thai	Member of BOARD OF DIRECTORS
5	Miss Sutida Naksorn	Thai	Member of BOARD OF DIRECTORS
6	Mr. Kriengkrai Nissyan	Thai	Member of BOARD OF DIRECTORS
7	Mr. Sangkhom Chanhsouk	Lao	Member of BOARD OF DIRECTORS(Independent)
8	Mr. Nantapat Ngamplung	Thai	Member of BOARD OF DIRECTORS(Independent)
9	Mr. Theeramate Vuttipadhpibul	Thai	Member of BOARD OF DIRECTORS(Independent)

## Audit Committee

### ➤ Members of Audit Committee

No.	Audit Committee	Nationality	Position
1	Mr. Kriengkrai Nissyan	Thai	Chairman
2	Mr. Nantapat Ngamplung	Thai	Audit Committee / Independent
3	Mr. Theeramate Vuttipadhpibul	Thai	Audit Committee / Independent

### ➤ Members of Risk Management Committee

No.	Name list	Nationality	Position
1	Mr. Chakrit Naksorn	Thai	Chairman of Risk management committee
2	Mr. Manop Tririthvilai	Thai	Risk management committee
3	Mr. Nantapat Ngamplung	Thai	Risk management committee/ Independent

### ➤ Members of Remuneration Committee

No.	Name list	Nationality	Position
1	Mr. Chakrit Naksorn	Thai	Chairman of Remuneration Committee
2	Mr. Kriengkrai Nissyan	Thai	Remuneration Committee
3	Mr. Theeramate Vuttipadhpibul	Thai	Remuneration Committee/ Independent member

### ➤ Members of Nominating Committee

No.	Name list	Nationality	Position
1	Mr. Chakrit Naksorn	Thai	Chairman of nominating committee
2	Mr. Kriengkrai Nissyan	Thai	Nominating committee
3	Mr. Nantapat Ngamplung	Thai	Nominating committee/ independent member

### 5. Members of Related Party Transaction Committee

No.	Name list	Nationality	Position
1	Mr. Theeramate Vuttipadhpibul	Thai	Chairman of Related Party Transaction Committee/ Independent director
2	Mr. Chatphonchai Panyathambodee	Thai	Related party transaction committee
3	Miss Saranya Kamonsinlapacharoen	Thai	Related party transaction

## AUDITOR

The auditor of the Company is Deloitte (Lao) Sole Company limited

# MAHATHUEN LEASING PUBLIC COMPANY

## GENERAL INFORMATION

The management of Mahathuen Leasing Public Company ("the Company") presents its report and the Company's interim financial statement for the third-month period ended March 31, 2019.

## STATEMENT OF THE MANAGEMENT' RESPONSIBILITY IN RESPECT OF THE INTERIM FINANCIAL STATEMENTS

The company's management is responsible for the preparation of the interim financial statements which have been prepared in accordance with the accounting policies as described in the interim financial statement. These accounting policies are not intended to present the financial position, the results of operations and the cash flows of the Company in accordance with international generally accepted accounting principles. In preparing those interim financial statements, the Company's management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the interim financial statement on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

The Company's management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and for ensuring that the interim financial statements comply with the selected accounting policies. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

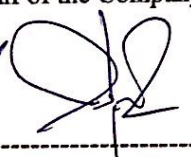
The Company's management has confirmed that the Company has complied with the above requirements in preparing the accompanying interim financial statements.

## APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

We hereby approve the accompanying interim financial statements for the nine-month period ended March 31, 2019, which are prepared in accordance with the accounting policies as described in the interim financial statements.



On behalf of the Company's management

  
Manop Tririthvilai  
Chief Executive Officer

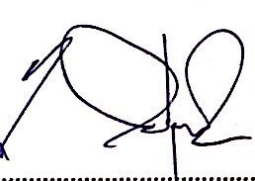
May 10, 2019


**MAHATHUEN LEASING PUBLIC COMPANY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2019**

UNIT : LAK

	Notes	As at March 31, 2019 "UNAUDITED"	As at December 31, 2018
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4,1	5.884.771.438	6.159.987.949
Current portion of finance lease and installment loan receivables	5	41.922.200.131	39.429.347.750
Asset held for sale	6	179.858.561	121.900.877
Other current assets	7	263.429.740	296.906.544
<b>Total Current Assets</b>		<b>48.250.259.870</b>	<b>46.008.143.120</b>
<b>NON-CURRENT ASSETS</b>			
Cash deposit at Bank of the Lao PDR		2.000.002.700	2.000.002.700
Finance lease and installment loan receivables	5	23.793.848.754	22.469.360.783
Leasehold improvement and equipment	8	1.416.968.924	1.236.091.653
<b>Total Non-current Assets</b>		<b>27.210.820.378</b>	<b>25.705.455.136</b>
<b>TOTAL ASSETS</b>		<b>75.461.080.248</b>	<b>71.713.598.256</b>



  
 .....  
 Mr. Manop Tririthvilai  
 Chief Executive Officer  
 Date : May 10, 2019

  
 .....  
 Mr. Thongthawal Thongtham  
 Chief Financial Officer  
 Date : May 10, 2019

See the condensed notes to the interim financial statements


**MAHATHUEN LEASING PUBLIC COMPANY**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT MARCH 31, 2019**

UNIT : LAK

	Notes	As at March 31, 2019 "UNAUDITED"	As at December 31, 2018
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	3,058,098,013	2,992,141,896
Short-term borrowing from a related party	10	2,493,000,000	1,608,000,000
Current portion of liability under a finance lease agreement	11	39,874,513	38,064,025
Income tax payable		2,350,093,752	2,070,937,928
Accrued dividends		-	-
Other current liabilities		25,080,931	20,081,800
<b>Total Current Liabilities</b>		<b>7,966,147,209</b>	<b>6,729,225,649</b>
<b>NON-CURRENT LIABILITIES</b>			
Liability under finance lease agreement	11	113,504,953	124,178,788
Other non-current liabilities		56,375,000	49,500,000
<b>Total Non-current Liabilities</b>		<b>169,879,953</b>	<b>173,678,788</b>
<b>TOTAL LIABILITIES</b>		<b>8,136,027,162</b>	<b>6,902,904,437</b>
<b>SHAREHOLDERS' EQUITY</b>			
<b>SHARE CAPITAL</b>			
Authorized share capital		40,000,000,000	40,000,000,000
Issued and paid-up share capital		40,000,000,000	40,000,000,000
Share Premium		12,832,667,550	12,832,667,550
<b>RETAINED EARNINGS</b>			
Appropriated - legal reserve		2,443,735,507	2,443,735,507
Unappropriated		12,048,650,029	9,534,290,762
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>67,325,053,086</b>	<b>64,810,693,819</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>75,461,080,248</b>	<b>71,713,598,256</b>



  
 .....  
 Mr. Manop Tririthvilai  
 Chief Executive Officer  
 Date : May 10, 2019

  
 .....  
 Mr. Thongthawal Thongtham  
 Chief Financial Officer  
 Date : May 10, 2019


See the condensed notes to the interim financial statements


**MAHATHUEN LEASING PUBLIC COMPANY**  
**STATEMENT OF INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019**  
**"UNAUDITED"**

UNIT : LAK

	Notes	2019	2018
<b>REVENUES</b>			
Revenue from interest - finance leases and installment loans		5.521.067.754	4.375.921.944
Net gain on exchange rate		27.009.311	-
Other income	14	202.653.441	197.892.283
<b>Total Revenues</b>		<u>5.750.730.506</u>	<u>4.573.814.227</u>
<b>EXPENSES</b>			
Administrative expenses	15	2.387.831.523	1.927.038.384
Doubtful accounts and bad debt expense		202.416.964	122.503.760
Net loss on exchange rate		-	387.754.290
Finance cost		58.966.929	311.690.178
<b>Total Expenses</b>		<u>2.649.215.416</u>	<u>2.748.986.612</u>
<b>PROFIT BEFORE INCOME TAX EXPENSE</b>		3.101.515.090	1.824.827.615
<b>INCOME TAX EXPENSE</b>		(587.155.825)	(437.397.521)
<b>NET PROFIT</b>		<u>2.514.359.265</u>	<u>1.387.430.094</u>
<b>BASIC EARNINGS PER SHARE (LAK)</b>	12	63	50
<b>WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (SHARES)</b>	12	40.000.000	27.760.000



  
 Mr. Manop Tririthvilai  
 Chief Executive Officer  
 Date : May 10, 2019

  
 Mr. Thongthawal Thongtham  
 Chief Financial Officer  
 Date : May 10, 2019


**MAHATHUEN LEASING PUBLIC COMPANY**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019**  
**"UNAUDITED"**


UNIT : LAK

Note	Paid-up Share Capital	Share Premium	Retained Earnings		Total Shareholders' Equity
			Appropriated Legal Reserve	Unappropriated	
<b>For the three-month period ended March 31, 2018</b>					
Beginning balance as at January 1, 2018	27.760.000.000	-	1.784.378.967	9.707.281.908	39.251.660.875
Profit for the period	-	-	-	1.387.430.094	1.387.430.094
Ending balance as at March 31, 2018	<u>27.760.000.000</u>	<u>-</u>	<u>1.784.378.967</u>	<u>11.094.712.002</u>	<u>40.639.090.969</u>
<b>For the three-month period ended March 31, 2019</b>					
Beginning balance as at January 1, 2019	40.000.000.000	12.832.667.550	2.443.735.507	9.534.290.764	64.810.693.821
Profit for the period	-	-	-	2.514.359.265	2.514.359.265
Ending balance as at March 31, 2019	<u>40.000.000.000</u>	<u>12.832.667.550</u>	<u>2.443.735.507</u>	<u>12.048.650.029</u>	<u>67.325.053.086</u>

See the condensed notes to the interim financial statements



  
 .....  
 Mr. Manop Tririthvilai  
 Chief Executive Officer  
 Date : May 10, 2019

  
 .....  
 Mr. Thongthawal Thongtham  
 Chief Financial Officer  
 Date : May 10, 2019

**MAHATHUEN LEASING PUBLIC COMPANY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019**  
**"UNAUDITED"**

UNIT : LAK

	Notes	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before income tax expense		3.101.515.090	1.824.827.615
Adjustments for:			
Bad debt and doubtful accounts		202.416.964	122.503.760
Amortization of deferred commission expense	4,2	896.840.562	727.919.071
Impairment loss of asset held for sale (reversal)		7.500.000	(5.000.000)
Depreciation and amortization		110.438.979	106.120.968
Finance cost		58.966.929	311.690.178
Unrealized loss on exchange rate		74.791.563	466.000.957
Profit from operations before changes in operating assets and liabilities		4.452.470.087	3.554.062.549
Changes in operating assets and liabilities			
Decrease (increase) in finance lease and installment loan receivables		(6.730.060.793)	(5.576.339.683)
Decrease (increase) in asset held for sale		(65.457.683)	54.608.955
Decrease (increase) in other current assets		1.847.148.155	861.443
(Increase) Cash deposit at bank of the Lao PDR		-	-
Decrease (increase) in trade and other payables		62.076.572	(1.017.276)
Decrease (increase) in liability under finance lease agreement		(8.863.348)	(7.359.953)
Increase (decrease) in other current liabilities		4.999.133	(2.649.851)
Increase (decrease) in other non-current liabilities		6.875.000	4.125.000
Cash received (paid) from operations		(430.812.877)	(1.973.708.816)
Cash paid for interest		(55.087.384)	(300.328.190)
Cash paid for income tax		(308.000.000)	(191.000.000)
Net cash provided by (used in) operating activities		(793.900.261)	(2.465.037.006)



.....  
Mr. Manop Tririthvilai  
Chief Executive Officer  
Date : May 10, 2019

.....  
Mr. Thongthawal Thongtham  
Chief Financial Officer  
Date : May 10, 2019

**MAHATHUEN LEASING COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019**  
**"UNAUDITED"**

**UNIT: LAK**

	Notes	2019	2018
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash paid for purchases of leasehold improvement and equipment		(291.316.250)	(78.982.989)
Cash paid for purchase of intangible asset		-	-
Net cash used in investing activities		<u>(291.316.250)</u>	<u>(78.982.989)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash received from short-term borrowings from a related party		810.000.000	2.645.000.000
Cash repayment of short-term borrowings from a related party		-	-
Cash received from share subscription		-	-
Dividends paid		-	-
Net cash provided by (used in) financing activities		<u>810.000.000</u>	<u>2.645.000.000</u>
Net increase in cash and cash equivalents		(275.216.511)	100.980.005
Cash and cash equivalents as at January 1,		<u>6.159.987.949</u>	<u>2.033.555.517</u>
<b>Cash and cash equivalents as at March 31,</b>	4,1	<u><u>5.884.771.438</u></u>	<u><u>2.134.535.522</u></u>



.....  
 Mr. Manop Tririthvithai  
 Chief Executive Officer  
 Date : May 10, 2019

.....  
 Mr. Thongthawal Thongtham  
 Chief Financial Officer  
 Date : May 10, 2019

See the condensed notes to the interim financial statements

**MAHATHUEN LEASING PUBLIC COMPANY  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2019  
 “UNAUDITED”**

**1. GENERAL INFORMATION OF THE COMPANY**

Mahathuen Leasing Public Company (the “Company”) is a company, incorporated and domiciled in the Lao People’s Democratic Republic (“Lao PDR”). The address of the Company’s registered office is at 628, Ban Phonphanao, K5, Kaysonephomvihan Road, Saysettha District, Vientiane Capital, Lao PDR. The principal business of the Company is to retail finance business through providing credit line for individual customers to buy motorcycle.

The company was listed on the Lao Securities Exchange market on September 18, 2018.

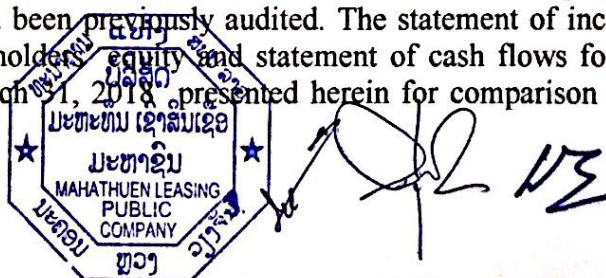
The major shareholder of the Company is Mahathuen Holding Company Limited (incorporated in Thailand) which owns 67.72% of the Company’s shares.

**2. BASIS FOR PREPARATION AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS**

2.1 The Company maintains its accounting records in Lao Kip (“LAK”) and the interim financial statements have been prepared in accordance with the basis for preparation and presentation of this interim financial information and the basis of accounting. The Company presents its interim financial statements using the following policies and policies as disclosed in Note 3 to the interim financial statements:

- The statement of financial position as of the end of the current interim period and a comparative statement of financial position as of the end of the immediately preceding financial year.
- The statements of income for the current interim period and cumulatively for the current financial year to date, with comparative statements of income for the comparable interim periods (current and year-to-date) of the immediately preceding financial year.
- The statement of changes in shareholders’ equity cumulatively for the current financial year to date, with a comparative statement for the comparable year-to-date period of the immediately preceding financial year.
- The statement of cash flows cumulatively for the current financial year to date, with a comparative statement for the comparable year-to-date period of the immediately preceding financial year.

2.2 The statements of financial position as at December 31, 2018, presented herein for comparison, have been derived from the financial statements of the Company for the year then ended which had been previously audited. The statement of income, statement of changes in shareholders’ equity and statement of cash flows for the three-month period ended March 31, 2018, presented herein for comparison have not been audited.



- 2.3 The Company's accounting policies applied differ from International Financial Reporting Standards ("IFRSs"). Accordingly, these interim financial statements are not intended to present the financial position and its financial performance and cash flows in accordance with IFRSs.
- 2.4 The unaudited results of operations presented in the three-month period ended March 31, 2019 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.5 The unaudited interim financial statements for the three-month period ended March 31, 2019 should be read in conjunction with the audited financial statements for the year ended December 31, 2018.
- 2.6 The unaudited interim financial statements have been prepared under the measurement basis of historical cost except as disclosed in the significant accounting policies.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The unaudited interim financial statements have been prepared in accordance with the Company's accounting policies which are consistent with those used in the audited financial statements of the Company for the year ended December 31, 2018.

### 4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

- 4.1 Cash and cash equivalents as at March 31, 2019 and December 31, 2018 consist of the following:

	As at March 31, 2019 LAK	As at December 31, 2018 LAK
Cash on hand	174,320,063	170,524,748
Cash at banks	<u>5,710,451,375</u>	<u>5,989,463,201</u>
	<u>5,884,771,438</u>	<u>6,159,987,949</u>

- 4.2 Non-cash items from initial direct cost of finance lease receivables and installment loan receivables for the three-month period ended March 31, are as follows:

	March 31, 2019 LAK	March 31, 2018 LAK
Initial direct cost brought forward	2,449,710,655	1,870,808,538
Add Increase during the years	1,053,150,000	1,000,940,000
Less Amortization of deferred commission expense	<u>(896,840,562)</u>	<u>(727,919,071)</u>
Initial direct cost carried forward	<u>2,606,020,093</u>	<u>2,143,829,467</u>



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## 5. FINANCE LEASE AND INSTALLMENT LOAN RECEIVABLES

Finance lease and installment loan receivables as at March 31,2019 and December 31,2018 consist of the following:

	March 31, 2019		
	Within one year LAK	Over 1 year to 5 years LAK	Total LAK
<b>Finance lease receivables</b>			
Finance lease receivables	4,701,570,100	473,036,000	5,174,606,100
<u>Less</u> Unearned interest income	<u>(1,066,661,757)</u>	<u>(86,787,720)</u>	<u>(1,153,449,477)</u>
	3,634,908,343	386,248,280	4,021,156,623
<u>Add</u> Initial direct cost	<u>31,021,361</u>	<u>13,857,896</u>	<u>44,879,257</u>
	3,665,929,704	400,106,176	4,066,035,880
<u>Less</u> Allowance for doubtful debts	<u>(1,221,311,675)</u>	<u>(19,546,775)</u>	<u>(1,240,858,450)</u>
Total finance lease receivables	<u>2,444,618,029</u>	<u>380,559,401</u>	<u>2,825,177,430</u>
<b>Installment loan receivables</b>			
Installment loan receivables	58,172,888,795	29,324,135,000	87,497,023,795
<u>Less</u> Unearned interest income	<u>(19,131,422,520)</u>	<u>(6,529,144,796)</u>	<u>(25,660,567,316)</u>
	39,041,466,275	22,794,990,204	61,836,456,479
<u>Add</u> Initial direct cost	<u>1,473,266,310</u>	<u>1,087,874,527</u>	<u>2,561,140,836</u>
	40,514,732,585	23,882,864,731	64,397,597,316
<u>Less</u> Allowance for doubtful debts	<u>(1,037,150,483)</u>	<u>(469,575,378)</u>	<u>(1,506,725,861)</u>
Total installment loan receivables	<u>39,477,582,102</u>	<u>23,413,289,353</u>	<u>62,890,871,455</u>
<b>Total</b>	<b><u>41,922,200,131</u></b>	<b><u>23,793,848,754</u></b>	<b><u>65,716,048,885</u></b>

	December 31, 2018		
	Within one year LAK	Over 1 year to 5 years LAK	Total LAK
<b>Finance lease receivables</b>			
Finance lease receivables	6,497,338,098	783,507,000	7,280,845,098
<u>Less</u> Unearned interest income	<u>(1,485,973,925)</u>	<u>(153,426,956)</u>	<u>(1,639,400,881)</u>
	5,011,364,173	630,080,044	5,641,444,217
<u>Add</u> Initial direct cost	<u>50,991,097</u>	<u>24,887,343</u>	<u>75,878,440</u>
	5,062,355,270	654,967,387	5,717,322,657
<u>Less</u> Allowance for doubtful debts	<u>(1,242,617,131)</u>	<u>(28,792,326)</u>	<u>(1,271,409,457)</u>
Total finance lease receivables	<u>3,819,738,139</u>	<u>626,175,061</u>	<u>4,445,913,200</u>
<b>Installment loan receivables</b>			
Installment loan receivables	52,666,393,406	27,345,125,000	80,011,518,406
<u>Less</u> Unearned interest income	<u>(17,558,264,664)</u>	<u>(6,100,532,735)</u>	<u>(23,658,797,399)</u>
	35,108,128,742	21,244,592,265	56,352,721,007
<u>Add</u> Initial direct cost	<u>1,347,991,419</u>	<u>1,025,840,796</u>	<u>2,373,832,215</u>
	36,456,120,161	22,270,433,061	58,726,553,222
<u>Less</u> Allowance for doubtful debts	<u>(846,510,550)</u>	<u>(427,247,339)</u>	<u>(1,273,757,889)</u>
Total installment loan receivables	<u>35,609,609,611</u>	<u>21,843,185,722</u>	<u>57,452,795,333</u>
<b>Total</b>	<b><u>39,429,347,750</u></b>	<b><u>22,469,360,783</u></b>	<b><u>61,898,708,533</u></b>



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The outstanding balances of finance lease receivables and installment loan receivables as at March 31, 2019 and December 31, 2018 aged by the number of months are summarised as follows:

	<b>As at March 31, 2019</b>	<b>As at December 31, 2018</b>
	<b>Finance lease and installment loan receivables net of unearned interest income LAK</b>	<b>Finance lease and installment loan receivables net of unearned interest income LAK</b>
Current	51,512,535,800	48,651,080,839
Past due 1 - 3 months	11,889,096,460	11,056,158,878
Past due 4 - 5 months	549,756,453	553,770,729
Past due 6 - 12 months	715,114,109	641,193,581
Past due over 12 months	1,191,110,280	1,091,961,197
<b>Total</b>	<b>65,857,613,102</b>	<b>61,994,165,224</b>
Allowance for doubtful debts	2,747,584,310	2,545,167,346

For the three-month period ended March 31, 2019 and 2018, no bad debt expense.

#### 6. ASSET HELD FOR SALE

Asset held for sale as at March 31, 2019 and December 31, 2018 consist of the following:

	<b>March 31, 2019 LAK</b>	<b>December 31, 2018 LAK</b>
Asset held for sale - motorcycles	199,858,561	134,400,877
<u>Less</u> Allowance for diminution in value of assets	(20,000,000)	(12,500,000)
	<b>179,858,561</b>	<b>121,900,877</b>

#### 7. OTHER CURRENT ASSETS

Other current assets as at March 31, 2019 and December 31, 2018 consist of the following:

	<b>March 31, 2019 LAK</b>	<b>December 31, 2018 LAK</b>
Prepaid expenses	177,709,380	244,604,184
Advance payments	43,273,020	8,343,020
Others	42,447,340	43,959,340
	<b>263,429,740</b>	<b>296,906,544</b>



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## 8. LEASEHOLD IMPROVEMENT AND EQUIPMENT

Leasehold improvement and equipment as at March 31,2019 and December 31,2018 consist of the following:

As at March 31, 2019

	Balance as at January 1, 2019 LAK	Additions LAK	Disposals LAK	Balance as at March 31, 2019 LAK
<b>Cost</b>				
Office furniture and fixtures	993,812,273	-	-	993,812,273
Office equipment	601,773,585	24,495,160	-	626,268,745
Vehicles	1,232,389,825	266,821,090	-	1,499,210,915
<b>Total</b>	<b>2,827,975,683</b>	<b>291,316,250</b>	<b>-</b>	<b>3,119,291,933</b>
<b>Accumulated depreciation</b>				
Office furniture and fixtures	(413,346,127)	(38,290,449)	-	(451,636,576)
Office equipment	(405,838,138)	(23,656,552)	-	(429,494,690)
Vehicles	(772,699,765)	(48,491,978)	-	(821,191,743)
<b>Total</b>	<b>(1,591,884,030)</b>	<b>(110,438,979)</b>	<b>-</b>	<b>(1,702,323,009)</b>
<b>Leasehold improvement and equipment</b>	<b>1,236,091,653</b>			<b>1,416,968,924</b>

As at December 31, 2018

	Balance as at January 1, 2018 LAK	Additions LAK	Disposals LAK	Balance as at December 31, 2018 LAK
<b>Cost</b>				
Office furniture and fixtures	908,071,627	85,740,646	-	993,812,273
Office equipment	487,017,035	114,756,550	-	601,773,585
Vehicles	1,232,389,825	-	-	1,232,389,825
<b>Total</b>	<b>2,627,478,487</b>	<b>200,497,196</b>	<b>-</b>	<b>2,827,975,683</b>
<b>Accumulated depreciation</b>				
Office furniture and fixtures	(263,489,756)	(149,856,371)	-	(413,346,127)
Office equipment	(325,137,595)	(80,700,543)	-	(405,838,138)
Vehicles	(565,144,872)	(207,554,893)	-	(772,699,765)
<b>Total</b>	<b>(1,153,772,223)</b>	<b>(438,111,807)</b>	<b>-</b>	<b>(1,591,884,030)</b>
<b>Leasehold improvement and equipment</b>	<b>1,473,706,264</b>			<b>1,236,091,653</b>

Depreciation for the period ended

March 31,2019	LAK	110,438,979
December 31,2018	LAK	438,111,807



## 9. TRADE AND OTHER PAYABLES

Trade and other payables as at March 31,2019 and December 31,2018 consist of the following:

	As at March 31,2019 LAK	As at December 31,2018 LAK
Trade payables - related parties (see Note 16)	717,632,000	336,516,000
Trade payables - other parties	1,521,942,000	1,637,791,000
Other payables - related parties (see Note 16)	1,761,720	1,152,400
Other tax payable	57,684,388	46,326,362
Accrued expenses	759,077,905	970,356,134
	<u>3,058,098,013</u>	<u>2,992,141,896</u>

## 10. SHORT-TERM BORROWING FROM A RELATED PARTY

Short-term borrowing from a related party as at March 31,2019 and December 31,2018 consist of the following:

	Interest rate per loan agreement % p.a.	Balances as at			
		March 31,2019		December 31,2018	
		THB	LAK	THB	LAK
Short-term borrowing	10%	<u>9,000,000</u>	<u>2,493,000,000</u>	<u>6,000,000</u>	<u>1,608,000,000</u>

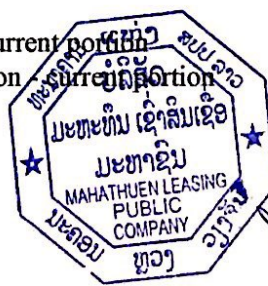
As at March 31, 2019 and December 31,2018, short-term borrowing from a related party (see Note 16) represent unsecured borrowing which are repayable at maturity date within 1 year.

## 11. LIABILITY UNDER A FINANCE LEASE AGREEMENT

The Company entered into a financial lease agreement of vehicle. The minimum lease payments and their present value of liability under the finance lease agreement as at March 31,2019 and December 31,2018 consist of the following:

	Minimum lease payments		Present value of minimum lease payments	
	March 31,2019 LAK	December 31,2018 LAK	March 31,2019 LAK	December 31,2018 LAK
Within 1 year	50,622,268	50,622,268	50,622,268	50,622,268
Over 1 year and within 5 years	<u>116,306,247</u>	<u>128,961,814</u>	<u>116,306,247</u>	<u>128,961,814</u>
	166,928,515	179,584,082	166,928,515	179,584,082
<u>Less</u> Deferred interest	-	-	(13,549,049)	(17,341,269)
	<u>166,928,515</u>	<u>179,584,082</u>	<u>153,379,466</u>	<u>162,242,813</u>

	March 31,2019 LAK	December 31,2018 LAK
Liability under a finance lease agreement, current portion	39,874,513	38,064,025
Liability under a finance lease agreement, non-current portion	<u>113,504,953</u>	<u>124,178,788</u>
	<u>153,379,466</u>	<u>162,242,813</u>



**12. EARNINGS PER SHARE**

For the three-month period ended March 31, 2019 and December 31, 2018, the Company calculated the weighted average number of ordinary shares and earning per share as follows:

	March 31, 2019	March 31, 2018
Number of ordinary shares as at January 1,	40,000,000	27,760,000
Net profit for the three-month period ended March,31	<u>2,514,359,265</u>	<u>1,387,430,094</u>
Basic earnings per share (LAK)	<u>63</u>	<u>50</u>

**13. DIVIDENDS**

At the Annual General Meeting of Shareholder 2018 held on 26 April 2019, the shareholders approved for the dividend payment from net profit and operating results for the year 2018 at the rate of LAK 147 per share, totaling of LAK 5,880 million. Such dividends are to be paid by May 25, 2019.

**14. OTHER INCOME**

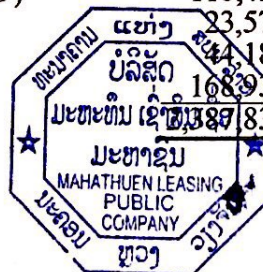
Other income for the three-month period ended March 31, consist of the following:

	March 31,2019 LAK	March 31,2018 LAK
Penalty income	159,628,167	152,221,765
Others	<u>43,025,274</u>	<u>45,670,518</u>
	<u>202,653,441</u>	<u>197,892,283</u>

**15. ADMINISTRATIVE EXPENSES**

Administrative expenses for the three-month period ended March 31, consist of the following:

	March 31,2019 LAK	March 31,2018 LAK
Staff costs	1,464,903,659	1,162,088,046
Remuneration to managements	211,700,832	211,711,418
Utility expenses	92,724,520	73,644,578
Marketing expenses	64,360,000	9,825,000
Net loss on sales of assets held for sale	132,960,731	95,455,354
Professional fee	74,044,250	62,313,375
Depreciation and amortization (see Notes 9)	110,438,979	106,120,968
Entertainment expenses	23,576,500	16,974,972
Stationery expenses	168,186,635	46,001,550
Others	<u>168,335,417</u>	<u>142,903,123</u>
	<u>1,831,523</u>	<u>1,927,038,384</u>



## 16. RELATED PARTY TRANSACTIONS

The Company has business transactions with its related parties which are key management personnel, including directors and company associated with these individuals also constitutes related parties. Such transactions have been dealt with on the terms and basis determined between the Company and related parties.

Significant balances and transactions for the three-month period ended March 31,2019 and December 31,2018 are summarized as following:

Balances as at March 31,2019 and December 31,2018 consist of the following:

Account name/Company's name	Relationship	March 31,2019 LAK	December 31,2018 LAK
<b>Trade payables</b>			
JB Honda	(1)	360,986,000	142,475,000
JB Honda Nonsavang	(1)	241,861,000	92,250,000
JB Honda ThaNgon	(1)	114,785,000	101,791,000
		<u>717,632,000</u>	<u>336,516,000</u>
<b>Other payables</b>			
JB Honda Nonsavang	(1)	1,761,720	1,152,400
		<u>1,761,720</u>	<u>1,152,400</u>
<b>Short-term borrowing</b>			
Ms. Inthavilay Oudom	Shareholder and director	2,493,000,000	1,608,000,000
		<u>2,493,000,000</u>	<u>1,608,000,000</u>
<b>Accrued interest expense</b>			
Ms. Inthavilay Oudom	Shareholder and director	10,928,481	7,048,936
		<u>10,928,481</u>	<u>7,048,936</u>



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Transactions for the three-month periods ended March 31, consist of the following:

Account name/Company's name	Relationship	2019 LAK	2018 LAK
<b>Sales of asset held for sale</b>			
JB Honda	(1)	7,500,000	20,170,000
		<u>7,500,000</u>	<u>20,170,000</u>
<b>Purchases of leasing assets</b>			
JB Honda	(1)	1,730,474,000	1,880,802,000
JB Honda Nonsavang	(1)	1,321,791,000	903,032,000
JB Honda ThaNgom	(1)	507,412,000	-
		<u>3,559,677,000</u>	<u>2,783,834,000</u>
<b>Commission expense</b>			
JB Honda	(1)	115,500,000	125,940,000
JB Honda Nonsavang	(1)	82,750,000	64,500,000
JB Honda ThaNgom	(1)	35,750,000	-
		<u>234,000,000</u>	<u>190,440,000</u>
<b>Other expenses</b>			
JB Honda	(1)	-	9,825,000
JB Honda Nonsavang	(1)	4,343,360	6,831,520
		<u>4,343,360</u>	<u>16,656,520</u>
<b>Interest expense</b>			
Ms. Inthavilay Oudom	Shareholder and director	58,966,929	306,394,564

(1) The director of the Company is the shareholder of this entity.

Managements' remuneration for the three-month periods ended March 31, consist of the following:

	March 31,2019 LAK	March 31,2018 LAK
Short-term benefits	211,700,832	211,711,418
	<u>211,700,832</u>	<u>211,711,418</u>



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## 17. OPERATING LEASE COMMITMENT

The Company has commitments under long-term lease for office space. The minimum future lease payments under lease agreement as at March 31,2019 and December 31, 2018 are summarized as follows:

	March 31,2019 LAK	December 31,2018 LAK
Within one year	83,240,137	53,307,292
Over 1 year but not over 5 years	612,441,441	561,080,833
More than 5 years	546,104,611	589,116,667
	<u>1,241,786,189</u>	<u>1,203,504,792</u>

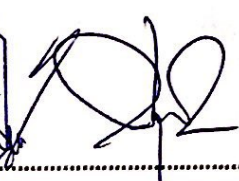
Under the lease agreement, the lessors required the Company to pay rental for 12 months in advance on the date of agreement.


For the three-month period ended March 31,2019 and 2018, rentals applicable to lease agreement which were paid and recorded as expense in the statements of income are LAK 62.16 million and LAK 49.83 million, respectively.

## 18. APPROVAL FOR ISSUE OF FINANCIAL STATEMENTS

These financial statements were approved for issue by the authorized directors of the Company on May 10, 2019.



  
 .....  
 Mr. Manop Tirithvilai  
 Chief Executive Officer  
 Date : May 10, 2019

  
 .....  
 Mr. Thongthawal Thongtham  
 Chief Financial Officer  
 Date : May 10, 2019