

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

TO THE BOARD OF DIRECTORS

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of AEON Thana Sinsap (Thailand) Public Company Limited and its subsidiaries and the separate statement of financial position of AEON Thana Sinsap (Thailand) Public Company Limited as at November 30, 2018, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income for the three-month and nine-month periods ended November 30, 2018, and the related consolidated and separate statements of changes in shareholders' equity and cash flows for the nine-month period ended November 30, 2018, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our 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 us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

BANGKOK
January 8, 2019

Nisakorn Songmanee
Certified Public Accountant (Thailand)
Registration No. 5035
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT NOVEMBER 30, 2018

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		November 30,	February 28,	November 30,	February 28,
		2018	2018	2018	2018
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	4,183,099	4,089,802	3,037,428	3,227,739
Trade and other current receivables					
Trade receivables	5	77,018,195	72,466,271	74,982,207	70,883,021
Other receivables		694,637	717,372	627,220	659,983
Seller loan in Special Purpose Vehicle for securitization	7	-	-	98,382	39,087
Receivables per currency swap contracts	11 and 13	67,119	66,220	67,119	66,220
Other current assets		150,852	99,858	37,817	40,430
Total Current Assets		<u>82,113,902</u>	<u>77,439,523</u>	<u>78,850,173</u>	<u>74,916,480</u>
NON-CURRENT ASSETS					
Trade receivables	5	1,479,503	941,597	378,697	248,716
Fixed deposits at banks under obligations		41,906	29,840	-	-
Investment in an associate	6.1 and 6.2	37,096	32,482	16,819	16,819
Investments in subsidiaries	6.2	-	-	1,028,011	1,028,011
Other long-term investments					
Related companies	6.3	20,072	20,072	20,072	20,072
Subordinated lendings	8.1	-	-	84,074	71,157
Leasehold improvement and equipment		964,570	900,495	805,837	639,914
Intangible assets		543,325	527,504	422,759	399,170
Receivables per currency swap contracts	11 and 13	365,023	237,437	365,023	237,437
Deferred tax assets	9	585,482	446,590	569,784	428,198
Other non-current assets		205,091	195,860	179,327	172,080
Total Non-Current Assets		<u>4,242,068</u>	<u>3,331,877</u>	<u>3,870,403</u>	<u>3,261,574</u>
TOTAL ASSETS		<u><u>86,355,970</u></u>	<u><u>80,771,400</u></u>	<u><u>82,720,576</u></u>	<u><u>78,178,054</u></u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT NOVEMBER 30, 2018

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		November 30,	February 28,	November 30,	February 28,
		2018	2018	2018	2018
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	10	6,894,199	3,952,399	5,080,948	2,820,000
Trade and other current payables					
Trade payables		511,549	502,611	230,888	360,430
Other payables		1,518,582	1,510,117	1,449,365	1,517,646
Current portion of long-term liabilities					
Liabilities under finance lease agreements		1,187	5,961	-	-
Long-term borrowings	11	6,736,457	12,662,086	6,638,727	12,662,086
Long-term debentures	13	2,236,730	1,685,317	2,236,730	1,685,317
Current income tax payable		255,212	413,593	236,628	397,245
Payables per currency swap contracts	11 and 13	294,575	1,123,923	294,575	1,123,923
Other current liabilities		216,203	172,323	207,758	143,505
Total Current Liabilities		<u>18,664,694</u>	<u>22,028,330</u>	<u>16,375,619</u>	<u>20,710,152</u>
NON-CURRENT LIABILITIES					
Liabilities under finance lease agreements		23	4,923	-	-
Long-term borrowings	11	34,987,960	28,126,037	34,466,732	27,501,940
Long-term borrowings under securitization project	12	-	-	1,589,412	1,366,167
Long-term debentures	13	14,140,374	12,907,856	12,667,292	11,667,286
Payables per currency swap contracts	11 and 13	705,662	1,648,651	705,662	1,648,651
Subordinated borrowings	8.2	84,074	71,157	-	-
Provisions for employee benefits	14	192,385	151,930	169,588	105,193
Other non-current liabilities		14,132	10,715	499	1,029
Total Non-Current Liabilities		<u>50,124,610</u>	<u>42,921,269</u>	<u>49,599,185</u>	<u>42,290,266</u>
TOTAL LIABILITIES		<u>68,789,304</u>	<u>64,949,599</u>	<u>65,974,804</u>	<u>63,000,418</u>

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT NOVEMBER 30, 2018

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		November 30,	February 28,	November 30,	February 28,
		2018	2018	2018	2018
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY	15				
SHARE CAPITAL					
Authorized share capital					
250,000,000 ordinary shares of Baht 1 each		250,000	250,000	250,000	250,000
Issued and paid-up share capital					
250,000,000 ordinary shares of Baht 1 each, fully paid		250,000	250,000	250,000	250,000
SHARE PREMIUM ON ORDINARY SHARES		478,000	478,000	478,000	478,000
RETAINED EARNINGS					
Appropriated					
Legal reserve		25,000	25,000	25,000	25,000
Reserve for business expansion		4,850,000	4,850,000	4,850,000	4,850,000
Unappropriated		11,763,523	10,223,575	11,142,772	9,574,636
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY					
Exchange differences on translating financial statements of foreign operations					
		(123,810)	(89,941)	-	-
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		17,242,713	15,736,634	16,745,772	15,177,636
NON-CONTROLLING INTERESTS		323,953	85,167	-	-
TOTAL SHAREHOLDERS' EQUITY		17,566,666	15,821,801	16,745,772	15,177,636
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		86,355,970	80,771,400	82,720,576	78,178,054

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS
FOR THE THREE-MONTH PERIOD ENDED NOVEMBER 30, 2018
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the three-month		For the three-month	
		periods ended		periods ended	
		November 30,	November 30,	November 30,	November 30,
		2018	2017	2018	2017
REVENUES					
Credit card income		1,914,111	1,691,855	1,991,362	1,778,570
Loan income	16	2,689,342	2,473,504	2,617,805	2,444,802
Hire-purchase income		111,308	89,786	15,257	19,529
Other income					
Bad debt recovery		198,320	149,088	198,320	149,088
Collection service income		67,737	58,402	632	1,366
Commission income		123,792	119,487	-	-
Dividend income		-	-	20,000	10,000
Others		120,775	94,882	33,126	34,964
Total other income		<u>510,624</u>	<u>421,859</u>	<u>252,078</u>	<u>195,418</u>
Total Revenues		<u>5,225,385</u>	<u>4,677,004</u>	<u>4,876,502</u>	<u>4,438,319</u>
EXPENSES					
Operating and administrative expenses		2,101,443	1,972,909	1,877,249	1,843,189
Directors and managements' remuneration	17	44,589	44,083	28,144	25,715
Bad debts and doubtful accounts		1,406,957	1,184,567	1,352,082	1,146,040
Loss (gain) on sale and write-off of leasehold improvement and equipment and intangible assets		82	870	(69)	300
Finance costs		537,500	526,945	582,546	574,058
Total Expenses		<u>4,090,571</u>	<u>3,729,374</u>	<u>3,839,952</u>	<u>3,589,302</u>
Share of profit from investment in an associate		725	271	-	-
PROFIT BEFORE INCOME TAX		<u>1,135,539</u>	<u>947,901</u>	<u>1,036,550</u>	<u>849,017</u>
INCOME TAX EXPENSE	18	<u>218,634</u>	<u>189,054</u>	<u>196,674</u>	<u>164,390</u>
NET PROFIT FOR THE PERIOD		<u><u>916,905</u></u>	<u><u>758,847</u></u>	<u><u>839,876</u></u>	<u><u>684,627</u></u>
NET PROFIT ATTRIBUTABLE TO :					
Owners of the parent		900,682	749,782	839,876	684,627
Non-controlling interests		16,223	9,065	-	-
		<u>916,905</u>	<u>758,847</u>	<u>839,876</u>	<u>684,627</u>
BASIC EARNINGS PER SHARE	BAHT	3.60	3.00	3.36	2.74
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	SHARES	250,000,000	250,000,000	250,000,000	250,000,000

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED NOVEMBER 30, 2018
“UNAUDITED”

UNIT : THOUSAND BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the three-month		For the three-month	
	periods ended		periods ended	
	November 30,	November 30,	November 30,	November 30,
	2018	2017	2018	2017
Net profit for the period	916,905	758,847	839,876	684,627
Other comprehensive loss, net of tax				
Components of other comprehensive loss that				
will be reclassified to profit or loss				
Exchange differences on translating				
financial statements of foreign operations				
- Owners of the parent	(38,240)	(8,030)	-	-
- Non-controlling interests	(9,617)	(1,503)	-	-
Other comprehensive loss for the period, net of tax	(47,857)	(9,533)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	869,048	749,314	839,876	684,627
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :				
Owners of the parent	862,442	741,752	839,876	684,627
Non-controlling interests	6,606	7,562	-	-
	869,048	749,314	839,876	684,627

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS
FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2018
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the nine-month		For the nine-month	
		periods ended		periods ended	
		November 30,	November 30,	November 30,	November 30,
		2018	2017	2018	2017
REVENUES					
Credit card income		5,645,625	5,017,057	5,874,221	5,275,836
Loan income	16	7,932,631	7,034,708	7,750,113	6,931,983
Hire-purchase income		301,420	281,550	46,999	66,833
Other income					
Bad debt recovery		550,610	440,149	550,610	440,149
Collection service income		198,823	172,105	2,559	4,768
Commission income		375,920	361,623	-	-
Dividend income		-	-	200,384	58,000
Others		330,262	299,454	104,785	111,030
Total other income		1,455,615	1,273,331	858,338	613,947
Total Revenues		15,335,291	13,606,646	14,529,671	12,888,599
EXPENSES					
Operating and administrative expenses		6,298,394	5,880,753	5,615,607	5,476,222
Directors and managements' remuneration	17	133,749	126,417	82,986	75,103
Bad debts and doubtful accounts		3,866,604	3,470,971	3,727,612	3,355,326
Loss on impairment of investment		-	6,368	-	6,368
Loss on sale and write-off of leasehold improvement and equipment and intangible assets		3,203	6,078	1,734	5,218
Finance costs		1,643,334	1,567,797	1,778,464	1,670,480
Total Expenses		11,945,284	11,058,384	11,206,403	10,588,717
Share of profit (loss) from investment in an associate		4,613	(1,064)	-	-
PROFIT BEFORE INCOME TAX		3,394,620	2,547,198	3,323,268	2,299,882
INCOME TAX EXPENSE	18	666,080	493,347	605,137	426,212
NET PROFIT FOR THE PERIOD		2,728,540	2,053,851	2,718,131	1,873,670
NET PROFIT ATTRIBUTABLE TO :					
Owners of the parent		2,689,943	2,038,396	2,718,131	1,873,670
Non-controlling interests		38,597	15,455	-	-
		2,728,540	2,053,851	2,718,131	1,873,670
BASIC EARNINGS PER SHARE	BAHT	10.76	8.15	10.87	7.49
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	SHARES	250,000,000	250,000,000	250,000,000	250,000,000

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2018
 “UNAUDITED”

UNIT : THOUSAND BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month		For the nine-month	
	periods ended		periods ended	
	November 30,	November 30,	November 30,	November 30,
	2018	2017	2018	2017
Net profit for the period	2,728,540	2,053,851	2,718,131	1,873,670
Other comprehensive income (loss), net of tax				
Components of other comprehensive income (loss) that will be reclassified to profit or loss				
Exchange differences on translating financial statements of foreign operations				
- Owners of the parent	(33,869)	(43,148)	-	-
- Non-controlling interests	128	(6,619)	-	-
Other comprehensive loss for the period, net of tax	(33,741)	(49,767)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>2,694,799</u>	<u>2,004,084</u>	<u>2,718,131</u>	<u>1,873,670</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :				
Owners of the parent	2,656,074	1,995,248	2,718,131	1,873,670
Non-controlling interests	38,725	8,836	-	-
	<u>2,694,799</u>	<u>2,004,084</u>	<u>2,718,131</u>	<u>1,873,670</u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2018
“UNAUDITED”

UNIT : THOUSAND BAHT

Notes	CONSOLIDATED FINANCIAL STATEMENTS									
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings Appropriated Legal reserve	Retained earnings Unappropriated Reserve for business expansion	Other components of shareholders' equity Exchange differences on translating financial statements of foreign operations	Total owners of the parent	Share subscription received in advance of a subsidiary	Non-controlling interests	Total shareholders' equity	
Beginning balance, as at March 1, 2017	250,000	478,000	25,000	4,850,000	8,107,999	(31,975)	13,679,024	17,655	76,199	13,772,878
Changes during the period										
Share subscription received in advance of a subsidiary	-	-	-	-	-	-	-	(17,655)	-	(17,655)
Increase in share capital from non-controlling interests in a subsidiary	-	-	-	-	-	-	-	-	17,655	17,655
Dividend paid 15.1	-	-	-	-	(462,498)	-	(462,498)	-	(15,627)	(478,125)
Interim dividend paid 15.2	-	-	-	-	(399,998)	-	(399,998)	-	-	(399,998)
Net profit for the period	-	-	-	-	2,038,396	-	2,038,396	-	15,455	2,053,851
Other comprehensive loss	-	-	-	-	-	(43,148)	(43,148)	-	(6,619)	(49,767)
Ending balance, as at November 30, 2017	250,000	478,000	25,000	4,850,000	9,283,899	(75,123)	14,811,776	-	87,063	14,898,839
Beginning balance, as at March 1, 2018	250,000	478,000	25,000	4,850,000	10,223,575	(89,941)	15,736,634	-	85,167	15,821,801
Changes during the period										
Increase in share capital from non-controlling interests in a subsidiary 6.2	-	-	-	-	-	-	-	-	235,547	235,547
Dividend paid 15.3	-	-	-	-	(562,498)	-	(562,498)	-	(35,486)	(597,984)
Interim dividend paid 15.4	-	-	-	-	(587,497)	-	(587,497)	-	-	(587,497)
Net profit for the period	-	-	-	-	2,689,943	-	2,689,943	-	38,597	2,728,540
Other comprehensive income (loss)	-	-	-	-	-	(33,869)	(33,869)	-	128	(33,741)
Ending balance, as at November 30, 2018	250,000	478,000	25,000	4,850,000	11,763,523	(123,810)	17,242,713	-	323,953	17,566,666

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2018

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	SEPARATE FINANCIAL STATEMENTS				Total shareholders' equity	
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings Appropriated Legal reserve	Retained earnings Unappropriated Reserve for business expansion		
Beginning balance, as at March 1, 2017		250,000	478,000	25,000	4,850,000	7,688,986	13,291,986
Changes during the period							
Dividend Paid	15.1	-	-	-	-	(462,498)	(462,498)
Interim dividend Paid	15.2	-	-	-	-	(399,998)	(399,998)
Net profit for the period		-	-	-	-	1,873,670	1,873,670
Ending balance, as at November 30, 2017		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>8,700,160</u>	<u>14,303,160</u>
Beginning balance, as at March 1, 2018		250,000	478,000	25,000	4,850,000	9,574,636	15,177,636
Changes during the period							
Dividend Paid	15.3	-	-	-	-	(562,498)	(562,498)
Interim dividend Paid	15.4	-	-	-	-	(587,497)	(587,497)
Net profit for the period		-	-	-	-	2,718,131	2,718,131
Ending balance, as at November 30, 2018		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>11,142,772</u>	<u>16,745,772</u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2018

“UNAUDITED”

UNIT : THOUSAND BAHT

Notes	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month		For the nine-month	
	periods ended		periods ended	
	November 30,	November 30,	November 30,	November 30,
	2018	2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	3,394,620	2,547,198	3,323,268	2,299,882
Adjustments for:				
Share of (profit) loss from investment in an associate	(4,613)	1,064	-	-
Bad debts and doubtful accounts	3,866,604	3,470,971	3,727,612	3,355,326
Depreciation of leasehold improvement and equipment	296,031	290,861	234,085	211,278
Amortization of intangible assets	122,823	140,974	102,332	105,635
Loss on impairment of investment	-	6,368	-	6,368
Loss on sale of leasehold improvement and equipment	2,791	5,369	1,731	4,561
Loss on write-off of leasehold improvement and equipment	412	146	3	94
Loss on write-off of intangible assets	-	563	-	563
Employee benefit expense	40,591	25,688	36,079	18,518
Interest income	(8,983,756)	(7,926,850)	(8,153,779)	(7,332,579)
Dividend income	-	-	(200,384)	(58,000)
Finance costs	1,643,334	1,567,797	1,778,464	1,670,480
	<u>378,837</u>	<u>130,149</u>	<u>849,411</u>	<u>282,126</u>
Operating assets (increase) decrease				
Trade and other current receivables	(9,128,079)	(12,404,234)	(8,061,523)	(13,262,659)
Other current assets	(51,003)	(34,055)	2,613	762
Other non-current assets	(9,300)	(1,390)	(7,247)	(4,810)
Operating liabilities increase (decrease)				
Trade and other current payables	177,918	254,138	(49,796)	240,516
Other current liabilities	45,736	6,562	64,253	(2,495)
Other non-current liabilities	3,405	2,034	(530)	(2,122)
Cash paid for operations	(8,582,486)	(12,046,796)	(7,202,819)	(12,748,682)
Proceeds from interest income	8,897,889	7,593,058	8,097,267	7,105,999
Dividend received	-	-	176,132	58,000
Finance costs paid	(1,810,345)	(1,680,866)	(1,936,014)	(1,809,806)
Income tax paid	(962,997)	(575,427)	(907,340)	(541,941)
Retirement benefits paid	(136)	(1,149)	-	-
Net cash used in operating activities	<u>(2,458,075)</u>	<u>(6,711,180)</u>	<u>(1,772,774)</u>	<u>(7,936,430)</u>

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2018
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		For the nine-month periods ended		For the nine-month periods ended	
		November 30, 2018	November 30, 2017	November 30, 2018	November 30, 2017
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from short-term loan to a related company		-	-	-	100,000
Cash paid for fixed deposits at banks under obligations		(12,367)	(2,315)	-	-
Cash paid for purchase of leasehold improvement and equipment	4.2	(353,414)	(124,562)	(355,732)	(77,713)
Proceeds from sale of leasehold improvement and equipment		291	622	228	321
Cash paid for purchase of intangible assets	4.2	(125,974)	(50,926)	(110,866)	(48,858)
Proceeds from capital refund from a subsidiary		-	-	-	10
Capital refund paid from dissolution in a subsidiary		-	(30)	-	-
Net cash used in investing activities		<u>(491,464)</u>	<u>(177,211)</u>	<u>(466,370)</u>	<u>(26,240)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from bank overdrafts and short-term borrowings from financial institutions	4.4	50,211,872	34,713,758	48,669,080	33,806,339
Cash repayments for bank overdrafts and short-term borrowings from financial institutions	4.4	(47,153,994)	(30,724,737)	(46,408,132)	(29,805,609)
Cash paid for finance lease agreements	4.4	(9,674)	(4,943)	-	-
Proceeds from long-term borrowings	4.4	12,439,520	14,000,986	12,439,520	13,498,000
Cash repayments for long-term borrowings	4.4	(13,182,272)	(7,951,363)	(13,182,272)	(7,617,460)
Proceeds from sale of additional revolving receivables under securitization projects		-	-	-	1,016,038
Proceeds from long-term borrowings under securitization project	4.4	-	-	837,333	1,081,387
Cash repayments for long-term borrowings under securitization project	4.4	-	-	(591,906)	(574,976)
Proceeds from long-term debentures issuance	4.4	3,032,512	997,079	2,800,000	600,000
Cash repayments for long-term debentures	4.4	(1,487,850)	(3,242,000)	(1,487,850)	(3,242,000)
Proceeds from subordinated borrowings	4.4	12,917	22,060	-	-
Proceeds from sale of written-off receivables	22.1	123,055	173,487	123,055	173,487
Proceeds from ordinary shares issued of a subsidiary		235,547	-	-	-
Cash paid for dividend		(593,459)	(467,613)	(562,498)	(462,498)
Cash paid for interim dividend		(587,497)	(399,998)	(587,497)	(399,998)
Net cash provided by financing activities		<u>3,040,677</u>	<u>7,116,716</u>	<u>2,048,833</u>	<u>8,072,710</u>
Net increase (decrease) in cash and cash equivalents		91,138	228,325	(190,311)	110,040
Increase (decrease) in exchange differences on translating financial statements of foreign operations		2,159	(49,767)	-	-
Cash and cash equivalents at the beginning of the period		<u>4,089,802</u>	<u>3,649,124</u>	<u>3,227,739</u>	<u>2,932,195</u>
Cash and cash equivalents at the end of the period	4.1	<u><u>4,183,099</u></u>	<u><u>3,827,682</u></u>	<u><u>3,037,428</u></u>	<u><u>3,042,235</u></u>

See condensed notes to the financial statements

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED NOVEMBER 30, 2018
“UNAUDITED”**

1. OPERATIONS OF THE COMPANY

The Company was registered as a limited company under the Civil and Commercial Code on September 18, 1992 and registered to be Public Limited Company with the Ministry of Commerce on August 7, 2001. The Company was listed on The Stock Exchange of Thailand on December 11, 2001. The Company’s head office is located at 388, 27th Floor, Exchange Tower, Sukhumvit Road, Klongtoey, Bangkok. The Company’s main objective is to do the retail finance services which consist of credit card, hire-purchase and personal loans, and others.

AEON Financial Service Co., Ltd., incorporated in Japan, and ACS Capital Corporation Limited, incorporated in Thailand, are major shareholders with 35.12% and 19.20% shareholdings, respectively. AEON Co., Ltd., incorporated in Japan, is the ultimate parent company of the group.

The Company has subsidiaries which are under its control in finance and operations and an associate which the Company has significant influence, but no control or joint control, over the financial and operating policies as mentioned in Note 2.5, Note 6.1 and Note 6.2.

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

2.1 These interim consolidated and separate financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2017) “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to the interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission (the “SEC”).

All financial information presented has been rounded to the nearest thousand Baht unless otherwise stated.

2.2 The interim consolidated and separate financial statements for the three-month and nine-month periods ended November 30, 2018 and 2017 are prepared by the management of the Company and are unaudited. However, in the opinion of the Company, all adjustments necessary for a fair presentation have been reflected therein.

The consolidated and separate statements of financial position as at February 28, 2018, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which have been audited.

- 2.3 The unaudited results of operations presented in the three-month and nine-month periods ended November 30, 2018 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with Thai Financial Reporting Standards (“TFRSs”), but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and nine-month periods ended November 30, 2018 should be read in conjunction with the audited financial statements for the year ended February 28, 2018.
- 2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from these interim consolidated financial statements. The interim consolidated financial statements for the three-month and nine-month periods ended November 30, 2018 have included the subsidiaries’ interim financial information which were reviewed.

For the three-month and nine-month periods ended November 30, 2018 and 2017, the subsidiaries included in the consolidated financial statements are as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%) For the three-month and nine-month periods ended November 30,	
				2018	2017
ACS Servicing (Thailand) Company Limited	Collection servicer	Thailand	March 13, 2007	100.00	100.00
AEON Insurance Service (Thailand) Company Limited	Non-life insurance broker and life insurance broker	Thailand	July 1, 2013	100.00	100.00
AEON Specialized Bank (Cambodia) Plc.	Retail finance business	Cambodia	October 5, 2011	50.00 ⁽³⁾	80.00
AEON Microfinance (Myanmar) Company Limited	Retail finance business	Myanmar	November 2, 2012	100.00	100.00
AEON Leasing Service (Lao) Company Limited ⁽¹⁾	Retail finance business	Laos	January 11, 2013	100.00	100.00
ATS Rabbit Special Purpose Vehicle Company Limited ⁽²⁾	Special purpose juristic person in securitization projects	Thailand	March 20, 2015	48.75	48.75

⁽¹⁾ The Company indirectly holds shares of AEON Leasing Service (Lao) Company Limited through ACS Servicing (Thailand) Company Limited and AEON Insurance Service (Thailand) Company Limited with 3.71% and 3.71% shareholdings, respectively.

⁽²⁾ The Company has the power to control over ATS Rabbit Special Purpose Vehicle Company Limited because the Company has power to appoint the board of directors and rights to provide certain service which is significantly impacted by the performance of underlying assets and has rights to get variable return from such company under securitization project.

⁽³⁾ Since April 24, 2018, the proportion of the Company’s shareholding in AEON Specialized Bank (Cambodia) Plc. (the “subsidiary”) decreased from 80% to 50% because the Company waived the rights to purchase the increased shares of the subsidiary; however, the Company still has the power to control over the subsidiary in accordance with the requirement of TFRS No.10 (Revised 2017) “Consolidated Financial Statements” (see Note 6.2).

The interim consolidated financial statements for the three-month and nine-month periods ended November 30, 2018 and 2017 include equity interest in an associate as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%)	
				For the three-month and nine-month periods ended November 30, 2018	2017
ACS Trading Vietnam Company Limited	Retail finance business	Vietnam	May 26, 2008	20.00	20.00

The significant accounting policies used for the financial statements of the subsidiaries and associate are adjusted to be the same as those of the Company.

- 2.6 The financial statements of the subsidiaries and the associate used in the preparation of consolidated financial statements are as of a date or for a period that is different from that of the consolidated financial statements. However, the Company consolidated the financial information of the subsidiaries and associate using the most recent financial statements of the subsidiaries and associate adjusted for the effects of significant transactions or events that occur between the date of those financial statements and the date of the consolidated financial statements. The dates of the end of the reporting period of the financial statements of the aforementioned subsidiaries and the associate are as follows:

	The date of the end of the reporting period in preparation of the consolidated financial statements	
	For the three-month and nine-month periods ended November 30, 2018	November 30, 2017
Subsidiaries		
ACS Servicing (Thailand) Company Limited	September 30, 2018	September 30, 2017
AEON Insurance Service (Thailand) Company Limited	September 30, 2018	September 30, 2017
AEON Specialized Bank (Cambodia) Plc.	September 30, 2018	September 30, 2017
AEON Microfinance (Myanmar) Company Limited	September 30, 2018	September 30, 2017
AEON Leasing Service (Lao) Company Limited	September 30, 2018	September 30, 2017
Associate		
ACS Trading Vietnam Company Limited	September 30, 2018	September 30, 2017

- 2.7 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Group and the Company have adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions (“FAP”) which become effective for the accounting periods beginning on or after January 1, 2018. 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 Group’s and the Company’s financial statements.

2.8 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

On March 14, 2018, the Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standard No.15 “Revenue from Contracts with Customers”, which has been announced in the Royal Gazette and will be effective for the financial statements for the periods beginning on or after January 1, 2019 onwards.

The Group’s and the Company’s management will adopt such TFRS in the preparation of the Group’s and the Company’s financial statements when it becomes effective. The Group’s and the Company’s management have assessed the impact of this TFRS and considered that the adoption of this financial reporting standard does not have any significant impact on the financial statements of the Group and the Company in the period of initial application.

In addition, on September 21, 2018, the Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standards that are relevant to financial instruments, which have been announced in the Royal Gazette and will be effective for the financial statements for the periods beginning on or after January 1, 2020 onwards, as follows:

Thai Accounting Standards (“TAS”)

TAS 32	Financial Instruments: Presentation
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Thai Financial Reporting Standards (“TFRS”)

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

Subsequently, on November 27, 2018, the Federation of Accounting Professions has issued the Notification regarding 52 Thai Financial Reporting Standards (TFRSs) that will be effective for the financial statements for the periods beginning on or after January 1, 2019 onwards, which have been announced in the Royal Gazette. 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 Group’s and the Company’s management will adopt relevant TFRSs in the preparation of the Group’s and the Company’s financial statements when they become effective or earlier than the effective date. The Group’s and the Company’s management are in the process to assess the impact of these TFRSs on the financial statements of the Group and the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended February 28, 2018.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

4.1 Cash and cash equivalents as at November 30, 2018 and February 28, 2018 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
November 30,	February 28,	November 30,	February 28,	
2018	2018	2018	2018	
Baht '000	Baht '000	Baht '000	Baht '000	
Cash	1,368,965	1,302,910	1,351,797	1,281,876
Deposits at bank - call deposits	2,814,134	2,786,892	1,685,631	1,945,863
Cash and cash equivalents	<u>4,183,099</u>	<u>4,089,802</u>	<u>3,037,428</u>	<u>3,227,739</u>

4.2 Cash paid for purchase of leasehold improvement and equipment and intangible assets for the nine-month periods ended November 30, 2018 and 2017, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2018	2017	2018	2017
	Baht '000	Baht '000	Baht '000	Baht '000
Leasehold improvement and equipment				
Liabilities recorded - brought forward	28,400	10,042	25,232	10,042
Purchase of leasehold improvement and equipment	<u>368,375</u>	<u>134,594</u>	<u>401,971</u>	<u>82,363</u>
	396,775	144,636	427,203	92,405
<u>Less</u> Liabilities relating to transferred employees (see Note 14)	-	-	(28,316)	-
<u>Less</u> Cash paid for purchase of leasehold improvement and equipment	<u>(353,414)</u>	<u>(124,562)</u>	<u>(355,732)</u>	<u>(77,713)</u>
Liabilities recorded - carried forward	<u>43,361</u>	<u>20,074</u>	<u>43,155</u>	<u>14,692</u>
Intangible assets				
Liabilities recorded - brought forward	11,017	3,897	11,017	3,897
Purchase of intangible assets	<u>141,029</u>	<u>54,125</u>	<u>125,921</u>	<u>52,057</u>
	152,046	58,022	136,938	55,954
<u>Less</u> Cash paid for purchase of intangible assets	<u>(125,974)</u>	<u>(50,926)</u>	<u>(110,866)</u>	<u>(48,858)</u>
Liabilities recorded - carried forward	<u>26,072</u>	<u>7,096</u>	<u>26,072</u>	<u>7,096</u>

4.3 The Company had non-cash items relating to sale of the rights on loans receivable to ATS Rabbit Special Purpose Vehicle Company Limited, a subsidiary, which the Company had sold loans receivable to. During the nine-month period ended November 30, 2018, such sale was settled by increasing the Subordinated lendings Account and the Seller loan Account of Baht 12.92 million and Baht 59.29 million, respectively, and during the nine-month period ended November 30, 2017 by increasing the Subordinated lendings Account and the Seller loan Account of Baht 22.06 million and Baht 35.03 million, respectively, instead of cash receipt.

4.4 Changes in liabilities arising from financing activities for the nine-month periods ended November 30, 2018 and 2017 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
	As at March 1, 2018	Changes in cash flows		Non-cash items		“Unaudited” As at November 30, 2018
	Baht '000	Cash received	Cash paid	Differences on translating foreign currencies	Others	Baht '000
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Bank overdrafts and short-term borrowings from financial institutions	3,952,399	50,211,872	(47,153,994)	(116,078)	-	6,894,199
Liabilities under finance lease agreements	10,884	-	(9,674)	-	-	1,210
Long-term borrowings	40,788,123	12,439,520	(13,182,272)	1,671,198	7,848	41,724,417
Long-term debentures	14,593,173	3,032,512	(1,487,850)	224,484	14,785	16,377,104
Subordinated borrowings	71,157	12,917	-	-	-	84,074

CONSOLIDATED FINANCIAL STATEMENTS						
	As at March 1, 2017	Changes in cash flows		Non-cash items		“Unaudited” As at November 30, 2017
	Baht '000	Cash received	Cash paid	Differences on translating foreign currencies	Others	Baht '000
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Bank overdrafts and short-term borrowings from financial institutions	3,501,820	34,713,758	(30,724,737)	-	-	7,490,841
Liabilities under finance lease agreements	16,886	-	(4,943)	-	397	12,340
Long-term borrowings	37,424,010	14,000,986	(7,951,363)	(2,057,520)	4,224	41,420,337
Long-term debentures	14,722,070	997,079	(3,242,000)	(751,749)	24,075	11,749,475
Subordinated borrowings	45,263	22,060	-	-	-	67,323

SEPARATE FINANCIAL STATEMENTS

	As at March 1, 2018	Changes in cash flows		Non-cash items		“Unaudited” As at November 30, 2018
		Cash received	Cash paid	Differences on translating foreign currencies	Others	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Bank overdrafts and short-term borrowings from financial institutions	2,820,000	48,669,080	(46,408,132)	-	-	5,080,948
Long-term borrowings	40,164,026	12,439,520	(13,182,272)	1,676,338	7,847	41,105,459
Long-term borrowings under securitization project	1,366,167	837,333	(591,906)	-	(22,182)	1,589,412
Long-term debentures	13,352,603	2,800,000	(1,487,850)	224,484	14,785	14,904,022

SEPARATE FINANCIAL STATEMENTS

	As at March 1, 2017	Changes in cash flows		Non-cash items		“Unaudited” As at November 30, 2017
		Cash received	Cash paid	Differences on translating foreign currencies	Others	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Bank overdrafts and short-term borrowings from financial institutions	2,580,042	33,806,339	(29,805,609)	-	-	6,580,772
Long-term borrowings	36,955,978	13,498,000	(7,617,460)	(2,057,520)	4,223	40,783,221
Long-term borrowings under securitization project	789,300	1,081,387	(574,976)	-	22,059	1,317,770
Long-term debentures	13,947,597	600,000	(3,242,000)	(751,749)	24,075	10,577,923

5. TRADE RECEIVABLES

5.1 Trade receivables as at November 30, 2018 and February 28, 2018, consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at November 30, 2018 Baht '000	As at February 28, 2018 Baht '000	As at November 30, 2018 Baht '000	As at February 28, 2018 Baht '000
Trade receivables	79,793,577	74,457,393	76,589,778	72,122,528
Trade receivables under securitization project - ATS Rabbit Special Purpose Vehicle Company Limited	<u>1,589,412</u>	<u>1,366,167</u>	<u>1,589,412</u>	<u>1,366,167</u>
Total	81,382,989	75,823,560	78,179,190	73,488,695
<u>Less</u> Allowance for doubtful accounts	<u>(2,885,291)</u>	<u>(2,415,692)</u>	<u>(2,818,286)</u>	<u>(2,356,958)</u>
Total trade receivables	<u>78,497,698</u>	<u>73,407,868</u>	<u>75,360,904</u>	<u>71,131,737</u>
Trade receivables due within 1 year	77,018,195	72,466,271	74,982,207	70,883,021
Trade receivables due after 1 year	<u>1,479,503</u>	<u>941,597</u>	<u>378,697</u>	<u>248,716</u>
Total trade receivables	<u>78,497,698</u>	<u>73,407,868</u>	<u>75,360,904</u>	<u>71,131,737</u>

As the securitization transaction under the Receivables Sale and Purchase Agreement for transferred rights on loans receivable with ATS Rabbit Special Purpose Vehicle Company Limited does not qualify for derecognition of financial assets according to the “Guideline on Accounting regarding Derecognition of Financial Assets and Liabilities” issued by the Federation of Accounting Professions, the Company continues to recognize the full carrying amount of these receivables and use them as collateral for long-term borrowings under the securitization project (see Note 5.5).

As at November 30, 2018 and February 28, 2018, trade receivables are as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
“Unaudited”						
	As at November 30, 2018			As at February 28, 2018		
	Due within	Due after	Total	Due within	Due after	Total
	1 year	1 year		1 year	1 year	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	803,285	1,077,001	1,880,286	677,663	654,252	1,331,915
<u>Less</u> Unearned financing income	(56,948)	(70,505)	(127,453)	(46,135)	(18,832)	(64,967)
	<u>746,337</u>	<u>1,006,496</u>	<u>1,752,833</u>	<u>631,528</u>	<u>635,420</u>	<u>1,266,948</u>
<u>Less</u> Allowance for doubtful accounts	(45,710)	-	(45,710)	(45,040)	-	(45,040)
Hire-purchase and accrued interest receivable - net	<u>700,627</u>	<u>1,006,496</u>	<u>1,707,123</u>	<u>586,488</u>	<u>635,420</u>	<u>1,221,908</u>
Loans receivable						
Loans and accrued interest receivable	42,017,139	473,007	42,490,146	39,490,563	306,177	39,796,740
<u>Less</u> Allowance for doubtful accounts	(1,687,758)	-	(1,687,758)	(1,406,224)	-	(1,406,224)
Loans and accrued interest receivable - net	<u>40,329,381</u>	<u>473,007</u>	<u>40,802,388</u>	<u>38,084,339</u>	<u>306,177</u>	<u>38,390,516</u>
Credit card receivable						
Credit card and accrued interest receivable	36,997,018	-	36,997,018	34,588,275	-	34,588,275
<u>Less</u> Allowance for doubtful accounts	(1,149,542)	-	(1,149,542)	(962,919)	-	(962,919)
Credit card and accrued interest receivable - net	<u>35,847,476</u>	<u>-</u>	<u>35,847,476</u>	<u>33,625,356</u>	<u>-</u>	<u>33,625,356</u>
Receivable from rendering the collection service						
Receivable from rendering the collection service	22,970	-	22,970	48,855	-	48,855
<u>Less</u> Allowance for doubtful accounts	(2,281)	-	(2,281)	(1,509)	-	(1,509)
Receivable from rendering the collection service - net	<u>20,689</u>	<u>-</u>	<u>20,689</u>	<u>47,346</u>	<u>-</u>	<u>47,346</u>
Receivable from insurance broker business						
	<u>120,022</u>	<u>-</u>	<u>120,022</u>	<u>122,742</u>	<u>-</u>	<u>122,742</u>
Total trade receivables	<u>77,018,195</u>	<u>1,479,503</u>	<u>78,497,698</u>	<u>72,466,271</u>	<u>941,597</u>	<u>73,407,868</u>

SEPARATE FINANCIAL STATEMENTS

“Unaudited”

	As at November 30, 2018			As at February 28, 2018		
	Due within 1 year	Due after 1 year	Total	Due within 1 year	Due after 1 year	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	219,079	371,836	590,915	234,008	123,042	357,050
<u>Less</u> Unearned financing income	(56,948)	(70,505)	(127,453)	(46,135)	(18,832)	(64,967)
	<u>162,131</u>	<u>301,331</u>	<u>463,462</u>	<u>187,873</u>	<u>104,210</u>	<u>292,083</u>
<u>Less</u> Allowance for doubtful accounts	(14,840)	-	(14,840)	(11,114)	-	(11,114)
Hire-purchase and accrued interest receivable - net	<u>147,291</u>	<u>301,331</u>	<u>448,622</u>	<u>176,759</u>	<u>104,210</u>	<u>280,969</u>
Loans receivable						
Loans and accrued interest receivable	40,954,872	77,366	41,032,238	38,652,542	144,506	38,797,048
<u>Less</u> Allowance for doubtful accounts	(1,661,031)	-	(1,661,031)	(1,386,302)	-	(1,386,302)
Loans and accrued interest receivable - net	<u>39,293,841</u>	<u>77,366</u>	<u>39,371,207</u>	<u>37,266,240</u>	<u>144,506</u>	<u>37,410,746</u>
Credit card receivable						
Credit card and accrued interest receivable	36,683,490	-	36,683,490	34,399,564	-	34,399,564
<u>Less</u> Allowance for doubtful accounts	(1,142,415)	-	(1,142,415)	(959,542)	-	(959,542)
Credit card and accrued interest receivable - net	<u>35,541,075</u>	<u>-</u>	<u>35,541,075</u>	<u>33,440,022</u>	<u>-</u>	<u>33,440,022</u>
Total trade receivables	<u>74,982,207</u>	<u>378,697</u>	<u>75,360,904</u>	<u>70,883,021</u>	<u>248,716</u>	<u>71,131,737</u>

5.2 Quality of assets

Trade receivables as at November 30, 2018 and February 28, 2018 classified by aging, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2018 Baht '000	As at February 28, 2018 Baht '000	As at November 30, 2018 Baht '000	As at February 28, 2018 Baht '000
Less than 3 months	79,103,697	74,044,653	75,956,869	71,761,305
3 months up	2,279,292	1,778,907	2,222,321	1,727,390
Total	81,382,989	75,823,560	78,179,190	73,488,695
<u>Less</u> Allowance for doubtful accounts	(2,885,291)	(2,415,692)	(2,818,286)	(2,356,958)
Total trade receivables	<u>78,497,698</u>	<u>73,407,868</u>	<u>75,360,904</u>	<u>71,131,737</u>

5.3 Troubled debt restructuring

For the three-month periods ended November 30, 2018 and 2017, the Company recognized interest income on restructured debts totaling Baht 38.36 million and Baht 39.92 million, respectively.

For the nine-month periods ended November 30, 2018 and 2017, the Company recognized interest income on restructured debts totaling Baht 168.64 million and Baht 168.69 million, respectively.

The Company had outstanding balances of credit card receivable, hire-purchase receivable and loans receivable as at November 30, 2018 and February 28, 2018 as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
	As at November 30, 2018		As at February 28, 2018	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	40,426	1,429,091	45,562	1,487,941
Non-restructured trade receivables	3,724,157	79,810,906	3,487,624	74,164,022
Total	<u>3,764,583</u>	<u>81,239,997</u>	<u>3,533,186</u>	<u>75,651,963</u>

SEPARATE FINANCIAL STATEMENTS				
“Unaudited”				
	As at November 30, 2018		As at February 28, 2018	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	40,390	1,418,759	45,528	1,475,496
Non-restructured trade receivables	3,137,204	76,760,431	3,210,892	72,013,199
Total	<u>3,177,594</u>	<u>78,179,190</u>	<u>3,256,420</u>	<u>73,488,695</u>

As at November 30, 2018 and February 28, 2018, the Company had no commitment to provide additional loans to its restructured debtors after debt restructuring.

5.4 Allowance for doubtful accounts

Allowance for doubtful accounts as at November 30, 2018 and February 28, 2018, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”			
	As at November 30, 2018	As at February 28, 2018	As at November 30, 2018	As at February 28, 2018
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	2,415,692	2,259,949	2,356,958	2,211,771
Bad debts and doubtful accounts	3,866,604	4,678,530	3,727,612	4,528,435
Gain on devaluation of long-term borrowings under securitization project	-	-	94,393	89,860
Written-off bad debts	(3,397,005)	(4,522,787)	(3,360,677)	(4,473,108)
Ending balance	<u>2,885,291</u>	<u>2,415,692</u>	<u>2,818,286</u>	<u>2,356,958</u>

5.5 Transfers of financial assets

The Company entered into the Receivables Sale and Purchase Agreement with Special Purposes Vehicle Company, which was incorporated under the Civil and Commercial Code of Thailand to be special purpose vehicle (SPV) under the Royal Enactment on Special Purpose Juristic Persons for Securitization B.E. 2540 (1997). Under the securitization plan which was approved by the SEC, the Company sold an amount of revolving receivables and the SPV also appointed the Company to act as the servicer responsible for collecting payments from its obligor under the Receivables Sale and Purchase Agreement and Servicing Agreement.

Details of aforementioned sales of receivables are summarized as follows:

		ATS Rabbit*
Approved date of the securitization project by the SEC		October 2, 2015
Initial selling date		October 29, 2015
Type of transferred receivables		Loans receivable
Revolving period		October 2015 - October 2025 (approximately)
Initial sale of receivables		
Net book value of initial receivables	Baht	456,076,200
Proceeds from transfer of the rights in receivables	Baht	433,272,390
Subordinated lendings	Baht	50,081,313
Minimum seller loans - pari passu with debentures	Baht	None
Number of contracts		49,225
Average principal amount outstanding	Baht	9,265
Interest rate		28% p.a.

* ATS Rabbit Special Purpose Vehicle Company Limited (Subsidiary)

The Company does not recognize other assets obtained in the transfer of financial assets including retained interests in the financial statements because it is not practical to estimate their reliable fair values.

On October 22, 2015, the Company entered into the Receivables Sale and Purchase Agreement with ATS Rabbit Special Purpose Vehicle Company Limited which was registered as a special purpose vehicle company under the Civil and Commercial Code of Thailand for the purpose of implementing or facilitating the securitization in accordance with the securitization project approved by the Office of the SEC on October 2, 2015 for transferred rights, title, interest and benefits in respect of the Initial Receivables, the Future Receivables and the Additional Receivables on the term of the Agreement.

During the life of the securitization project, the Company may repurchase the rights on the Purchased Receivables with ATS Rabbit in the following circumstances:

1. When the Company has breached its representations and warranties with respect to the Purchased Receivables which are ineligible. The Company is obliged to repurchase such ineligible receivables on the next Monthly Purchase Date.
2. The Company, as the collection agent, may exercise the Clean up Call Option for repurchase of remaining Purchased Receivables whenever the continued servicing of the Purchase Receivables is deemed to be burdensome.
3. The Company may exercise the Tax Redemption Option for repurchase of remaining Purchased Receivables, where there is incurred taxes other than corporate income tax and special business tax.

For the three-month and nine-month periods ended November 30, 2018 and 2017, transactions relating to the transfers of financial assets under the securitization project are summarized as follows:

	For the three-month periods ended November 30,		For the nine-month periods ended November 30,	
	2018 Million Baht	2017 Million Baht	2018 Million Baht	2017 Million Baht
Transfers of future and additional receivables (at book value)				
- Loans receivable (ATS Rabbit)	304	425	910	1,016
	<u>304</u>	<u>425</u>	<u>910</u>	<u>1,016</u>
Cash collection on behalf of a Special Purpose Vehicle				
- Loans receivable (ATS Rabbit)	311	261	891	762
	<u>311</u>	<u>261</u>	<u>891</u>	<u>762</u>
Servicing income on cash collection from a Special Purpose Vehicle				
- Loans receivable (ATS Rabbit)	21	17	59	39
	<u>21</u>	<u>17</u>	<u>59</u>	<u>39</u>

6. INVESTMENTS IN AN ASSOCIATE AND SUBSIDIARIES AND LONG-TERM INVESTMENTS IN RELATED COMPANIES

Investments in an associate and subsidiaries and long-term investments in related companies consist of:

6.1 Investment in an associate in the consolidated financial statements

As at November 30, 2018 and February 28, 2018, the Company had investment in an entity, which is an associate and is accounted for using the equity method in the consolidated financial statements as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
“Unaudited”						
			As at November 30, 2018		As at February 28, 2018	
	Paid-up capital	Ownership %	Cost	Equity	Cost	Equity
			method	method	method	method
			Baht '000	Baht '000	Baht '000	Baht '000
Investment in an associate						
ACS Trading Vietnam Company Limited	VND 50,000 million	20.00	16,819.3	37,095.6	16,819.3	32,482.3
Total investment in an associate			<u>16,819.3</u>	<u>37,095.6</u>	<u>16,819.3</u>	<u>32,482.3</u>

6.2 Investments in an associate and subsidiaries in the separate financial statements

As at November 30, 2018 and February 28, 2018, the Company had investments in an associate and subsidiaries which are accounted for using the cost method in the separate financial statements as follows:

SEPARATE FINANCIAL STATEMENTS					
“Unaudited”					
		As at November 30, 2018		As at February 28, 2018	
	Ownership %	Cost	Ownership %	Cost	
		Baht '000	%	Baht '000	
Investments in an associate and subsidiaries					
Investment in an associate (see Note 19.1)					
ACS Trading Vietnam Company Limited	20.00	<u>16,819.3</u>	20.00	<u>16,819.3</u>	
Total investment in an associate		<u>16,819.3</u>		<u>16,819.3</u>	
Investments in subsidiaries (see Note 19.1)					
ACS Servicing (Thailand) Company Limited	100.00	175,349.1	100.00	175,349.1	
AEON Insurance Service (Thailand) Company Limited	100.00	149,224.3	100.00	149,224.3	
AEON Specialized Bank (Cambodia) Plc.	50.00	323,580.0	80.00	323,580.0	
AEON Microfinance (Myanmar) Company Limited	100.00	276,769.1	100.00	276,769.1	
AEON Leasing Service (Lao) Company Limited	92.58	103,069.1	92.58	103,069.1	
ATS Rabbit Special Purpose Vehicle Company Limited	48.75	19.5	48.75	19.5	
Total investments in subsidiaries		<u>1,028,011.1</u>		<u>1,028,011.1</u>	
Total investments in an associate and subsidiaries		<u>1,044,830.4</u>		<u>1,044,830.4</u>	

On February 26, 2018, the Shareholders' Meeting of AEON Specialized Bank (Cambodia) Plc., which is a subsidiary of the Company, had a resolution to approve the issuance of 7,500,000 new ordinary shares at USD 1 per share for business expansion responding to the minimum capital requirement by the National Bank of Cambodia ("NBC") to existing shareholders based on existing share proportion. However, the Board of Directors' Meeting of the Company had a resolution to waive the rights to purchase the increased shares of the subsidiary. Subsequently, on March 7, 2018, AEON Financial Service Co., Ltd., which is the Company's major shareholder and another shareholder of the subsidiary, paid for the capital injection to such subsidiary in the amount of USD 7.50 million. The subsidiary registered the increased share capital on April 24, 2018. After the completion of increased share capital registration, the proportion of the Company's shareholding in the subsidiary decreased from 80% to 50%. However, the Company still has the power to control over the subsidiary in accordance with the requirement of TFRS No.10 (Revised 2017) "Consolidated Financial Statements".

In addition, the Shareholders' Meeting of the subsidiary had a resolution to approve the declaration of dividend payment for the fiscal year 2017 in the amount of USD 0.092 per share from total retained earnings as at December 31, 2017, to the shareholders based on shareholders' structure at that time (prior to the change in shareholders' structure). The dividend would be paid after getting approval from the NBC. Subsequently, on June 14, 2018, the subsidiary obtained an approval from the NBC on dividend payment totaling USD 1.15 million or equivalent to Baht 36.77 million, which was paid to the shareholders on June 29, 2018.

6.3 Long-term investments in related companies as at November 30, 2018 and February 28, 2018, consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	"Unaudited"			
	As at November 30, 2018		As at February 28, 2018	
Ownership	Cost	Ownership	Cost	
%	Baht '000	%	Baht '000	
Long-term investments in related companies				
AEON (Thailand) Co., Ltd. (340,000 shares of Baht 100 each, Baht 25 called up)	5.23	8,500	5.23	8,500
PT. AEON Credit Service Indonesia (173 shares of IDR 30 million each, par value of IDR 30 million, fully paid)	2.59*	19,072	5.18	19,072
AEON Credit Service Systems (Philippines) Inc. (100,000 shares of PHP 100 each, par value of PHP 100, fully paid)	3.33	7,645	3.33	7,645
		35,217		35,217
<u>Less</u> Allowance for impairment of investment		(15,145)		(15,145)
Total long-term investments in related companies		20,072		20,072

* On October 31, 2018, PT. AEON Credit Service Indonesia registered the increase of share capital of 3,340 shares at the par value of IDR 30 million each. However, the Company waived the right to purchase the increased shares of the related company. As a result, the proportion of the Company's shareholding decreased from 5.18% to 2.59%.

7. SELLER LOAN IN SPECIAL PURPOSE VEHICLE FOR SECURITIZATION

Seller loan in Special Purpose Vehicle for securitization as at November 30, 2018 and February 28, 2018, are as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2018 Baht '000	As at February 28, 2018 Baht '000
Seller loan in Special Purpose Vehicle for securitization (see Note 19.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	98,382	39,087
Total Seller loan in Special Purpose Vehicle for securitization	<u>98,382</u>	<u>39,087</u>

Subsequent to the sale of the rights in initial loans receivable under securitization project, the Company received partial payments from ATS Rabbit with Seller Loan Account under securitization project for sales of the rights in loans receivable to ATS Rabbit during the sales period of the rights in additional receivables or repurchase period of the rights in loans receivable. Such Seller Loan Account will decrease from cash repayment when the outstanding amount reaches or exceeds the determined level, or every 3-month period after the payment date as agreed in the agreement, whichever is earlier.

8. SUBORDINATED LENDINGS AND SUBORDINATED BORROWINGS

8.1 Subordinated lendings to Special Purpose Vehicle as at November 30, 2018 and February 28, 2018, are as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2018 Baht '000	As at February 28, 2018 Baht '000
Subordinated lendings (see Note 19.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	84,074	71,157
Total subordinated lendings	<u>84,074</u>	<u>71,157</u>

On October 22, 2015, the Company entered into the subordinated term loan agreement with ATS Rabbit amounting to 5% of transferred rights in initial receivables (see Note 5.5) and originated transaction cost, and of Future Receivables and Additional Receivables, which are settled by Seller Loan Account and backed for each issuance of debentures of ATS Rabbit, for the purposes of partial payment from ATS Rabbit for the sales of rights in loans receivable.

The term loan is due within the year 2025, and the interest is payable on a monthly basis at the rate of 12% per annum.

8.2 Subordinated borrowings of Special Purpose Vehicle are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2018	As at February 28, 2018
	Baht '000	Baht '000
Subordinated borrowings		
ATS Rabbit Special Purpose Vehicle Company Limited (ATC Rabbit)	84,074	71,157
Total subordinated borrowings	84,074	71,157

On October 22, 2015, ATS Rabbit, a subsidiary, entered into the subordinated term borrowings agreement with BSS Holdings Co., Ltd. amounting to 5% of transferred rights in initial receivables (see Note 5.5) and originated transaction cost, and of Future Receivables and Additional Receivables, which are settled by Seller Loan Account and backed for each issuance of debentures of ATS Rabbit, for the purposes of partial payment for the purchase of rights in loans receivable.

The term borrowings are due within the year 2025, and the interest is payable on a monthly basis at the rate of 12% per annum.

9. DEFERRED TAX ASSETS

Deferred tax assets as at November 30, 2018 and February 28, 2018, consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2018	As at February 28, 2018	As at November 30, 2018	As at February 28, 2018
	Baht '000	Baht '000	Baht '000	Baht '000
Deferred tax assets				
Allowance for doubtful accounts	569,180	476,804	563,657	471,392
Non-accrual of interest income	44,508	34,573	43,387	33,885
Allowance for impairment of assets	7,000	13,080	7,000	13,080
Provisions for employee benefits	38,477	30,386	33,918	21,039
Deferred revenue from customer loyalty programs	38,437	34,464	38,437	34,464
Others	13,502	5,974	8,701	3,029
	<u>711,104</u>	<u>595,281</u>	<u>695,100</u>	<u>576,889</u>
Deferred tax liabilities				
Unrealized loss on exchange rate of currency swap contracts	125,316	148,691	125,316	148,691
Others	306	-	-	-
	<u>125,622</u>	<u>148,691</u>	<u>125,316</u>	<u>148,691</u>
Deferred tax assets	585,482	446,590	569,784	428,198

The movements of deferred tax assets and liabilities during the period/year are as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
	Balance as at February 28, 2018	Items as recognized in profit or loss	Items as recognized in other comprehensive income	Balance as at November 30, 2018
	Baht '000	Baht '000	Baht '000	Baht '000
Deferred tax assets				
Allowance for doubtful accounts	476,804	92,376	-	569,180
Non-accrual of interest income	34,573	9,935	-	44,508
Allowance for impairment of assets	13,080	(6,080)	-	7,000
Provisions for employee benefits	30,386	8,091	-	38,477
Deferred revenue from customer loyalty programs	34,464	3,973	-	38,437
Others	5,974	7,528	-	13,502
	<u>595,281</u>	<u>115,823</u>	<u>-</u>	<u>711,104</u>
Deferred tax liabilities				
Unrealized loss on exchange rate of currency swap contracts	148,691	(23,375)	-	125,316
Others	-	306	-	306
	<u>148,691</u>	<u>(23,069)</u>	<u>-</u>	<u>125,622</u>
Deferred tax assets	<u>446,590</u>	<u>138,892</u>	<u>-</u>	<u>585,482</u>

CONSOLIDATED FINANCIAL STATEMENTS				
	Balance as at February 28, 2017	Items as recognized in profit or loss	Items as recognized in other comprehensive income	Balance as at February 28, 2018
	Baht '000	Baht '000	Baht '000	Baht '000
Deferred tax assets				
Allowance for doubtful accounts	447,959	28,845	-	476,804
Non-accrual of interest income	39,585	(5,012)	-	34,573
Allowance for impairment of assets	-	13,080	-	13,080
Provisions for employee benefits	26,590	6,731	(2,935)	30,386
Deferred revenue from customer loyalty programs	26,588	7,876	-	34,464
Others	3,268	2,706	-	5,974
	<u>543,990</u>	<u>54,226</u>	<u>(2,935)</u>	<u>595,281</u>
Deferred tax liabilities				
Unrealized loss on exchange rate of currency swap contracts	147,056	1,635	-	148,691
Others	992	(992)	-	-
	<u>148,048</u>	<u>643</u>	<u>-</u>	<u>148,691</u>
Deferred tax assets	<u>395,942</u>	<u>53,583</u>	<u>(2,935)</u>	<u>446,590</u>

SEPARATE FINANCIAL STATEMENTS
“Unaudited”

	Balance as at February 28, 2018	Items as recognized in profit or loss	Items as recognized in other comprehensive income	Balance as at November 30, 2018
	Baht '000	Baht '000	Baht '000	Baht '000
Deferred tax assets				
Allowance for doubtful accounts	471,392	92,265	-	563,657
Non-accrual of interest income	33,885	9,502	-	43,387
Allowance for impairment of assets	13,080	(6,080)	-	7,000
Provisions for employee benefits	21,039	12,879	-	33,918
Deferred revenue from customer loyalty programs	34,464	3,973	-	38,437
Others	3,029	5,672	-	8,701
	<u>576,889</u>	<u>118,211</u>	<u>-</u>	<u>695,100</u>
Deferred tax liabilities				
Unrealized loss on exchange rate of currency swap contracts	148,691	(23,375)	-	125,316
	<u>148,691</u>	<u>(23,375)</u>	<u>-</u>	<u>125,316</u>
Deferred tax assets	<u>428,198</u>	<u>141,586</u>	<u>-</u>	<u>569,784</u>

SEPARATE FINANCIAL STATEMENTS

	Balance as at February 28, 2017	Items as recognized in profit or loss	Items as recognized in other comprehensive income	Balance as at February 28, 2018
	Baht '000	Baht '000	Baht '000	Baht '000
Deferred tax assets				
Allowance for doubtful accounts	442,354	29,038	-	471,392
Non-accrual of interest income	38,961	(5,076)	-	33,885
Allowance for impairment of assets	-	13,080	-	13,080
Provisions for employee benefits	19,658	4,938	(3,557)	21,039
Deferred revenue from customer loyalty programs	26,588	7,876	-	34,464
Others	1,700	1,329	-	3,029
	<u>529,261</u>	<u>51,185</u>	<u>(3,557)</u>	<u>576,889</u>
Deferred tax liabilities				
Unrealized loss on exchange rate of currency swap contracts	147,056	1,635	-	148,691
	<u>147,056</u>	<u>1,635</u>	<u>-</u>	<u>148,691</u>
Deferred tax assets	<u>382,205</u>	<u>49,550</u>	<u>(3,557)</u>	<u>428,198</u>

10. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term borrowings from financial institutions as at November 30, 2018 and February 28, 2018, consist of the following:

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
	As at November 30, 2018		As at February 28, 2018	
	Interest rate	Baht '000	Interest rate	Baht '000
	p.a. (%)		p.a. (%)	
Overdrafts in THB currency	1.69	590,948	-	-
Short-term borrowings in THB currency	1.60 - 1.69	4,490,000	1.60 - 1.67	2,820,000
Short-term borrowings in USD currency	2.93 - 3.50	759,037	2.14 - 2.44	384,312
Short-term borrowings in LAK currency	6.60 - 9.50	281,549	7.30 - 9.50	224,719
Short-term borrowings in MMK currency	11.70 - 12.50	772,665	11.70 - 12.50	523,368
Total		<u>6,894,199</u>		<u>3,952,399</u>

SEPARATE FINANCIAL STATEMENTS				
“Unaudited”				
	As at November 30, 2018		As at February 28, 2018	
	Interest rate	Baht '000	Interest rate	Baht '000
	p.a. (%)		p.a. (%)	
Overdrafts in THB currency	1.69	590,948	-	-
Short-term borrowings in THB currency	1.60 - 1.69	4,490,000	1.60 - 1.67	2,820,000
Total		<u>5,080,948</u>		<u>2,820,000</u>

Short-term borrowings in THB and foreign currencies from financial institutions are borrowings from various financial institutions in the form of promissory notes and are unsecured.

11. LONG-TERM BORROWINGS

As at November 30, 2018 and February 28, 2018, the Company entered into various long-term borrowings agreements in THB and foreign currencies as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
	As at November 30, 2018			
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2019 - 2023	2.96 - 5.26	34,742.05	10,209,818
Borrowings in USD currency	2019 - 2023	2.26 - 3.38	623.49	20,616,592
Borrowings in THB currency	2019 - 2023	2.44 - 3.41	10,950.00	10,950,000
<u>Less</u> Borrowings issuance cost				<u>(51,993)</u>
				41,724,417
<u>Less</u> Current portion of long-term borrowings				<u>(6,736,457)</u>
Total long-term borrowings				<u><u>34,987,960</u></u>

CONSOLIDATED FINANCIAL STATEMENTS
As at February 28, 2018

	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2018 - 2022	3.16 - 5.26	46,800.00	13,908,305
Borrowings in USD currency	2018 - 2022	2.22 - 3.35	550.49	17,439,658
Borrowings in THB currency	2018 - 2022	2.44 - 3.20	9,500.00	9,500,000
<u>Less</u> Borrowings issuance cost				(59,840)
				40,788,123
<u>Less</u> Current portion of long-term borrowings				(12,662,086)
Total long-term borrowings				28,126,037

SEPARATE FINANCIAL STATEMENTS
“Unaudited”

As at November 30, 2018

	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2019 - 2023	2.96 - 5.26	34,742.05	10,209,818
Borrowings in USD currency	2019 - 2023	2.26 - 3.38	604.49	19,997,634
Borrowings in THB currency	2019 - 2023	2.44 - 3.41	10,950.00	10,950,000
<u>Less</u> Borrowings issuance cost				(51,993)
				41,105,459
<u>Less</u> Current portion of long-term borrowings				(6,638,727)
Total long-term borrowings				34,466,732

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As at February 28, 2018

	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2018 - 2022	3.16 - 5.26	46,800.00	13,908,305
Borrowings in USD currency	2018 - 2022	2.22 - 3.35	531.49	16,815,561
Borrowings in THB currency	2018 - 2022	2.44 - 3.20	9,500.00	9,500,000
<u>Less</u> Borrowings issuance cost				(59,840)
				40,164,026
<u>Less</u> Current portion of long-term borrowings				(12,662,086)
Total long-term borrowings				27,501,940

In the consolidated and separate financial statements as at November 30, 2018 and February 28, 2018, the Company has long-term borrowings in JPY currency from a related company which is a bank in Japan amounting to JPY 5,000.00 million or equivalent to Baht 1,467.25 million and JPY 5,000.00 million or equivalent to Baht 1,482.73 million, respectively, with interest rate at 4.16% - 4.84% per annum which are unsecured and will be due in the year 2019 and 2021 (see Note 19.2.1).

To manage risks that might occur from the fluctuation in foreign exchange rates of principal and interest of long-term borrowings denominated in foreign currencies, the Company has entered into cross currency swap contracts to hedge its debts as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS "Unaudited"			
As at November 30, 2018			
Notional amount Baht '000	Carrying amount		Total Baht '000
	Within 1 year Baht '000	Over 1 - 5 years Baht '000	
Receivables per currency swap contracts			
Cross Currency Swap Contracts			
JPY currency	5,197,000	-	222,656
USD currency	8,061,920	-	142,367
	<u>13,258,920</u>	<u>-</u>	<u>365,023</u>
Payables per currency swap contracts			
Cross Currency Swap Contracts			
JPY currency	5,111,250	(106,875)	(214,213)
USD currency	12,142,230	(187,700)	(348,883)
	<u>17,253,480</u>	<u>(294,575)</u>	<u>(669,971)</u>
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS As at February 28, 2018			
Notional amount Baht '000	Carrying amount		Total Baht '000
	Within 1 year Baht '000	Over 1 - 5 years Baht '000	
Receivables per currency swap contracts			
Cross Currency Swap Contracts			
JPY currency	2,883,750	56,215	180,488
	<u>2,883,750</u>	<u>56,215</u>	<u>180,488</u>
Payables per currency swap contracts			
Cross Currency Swap Contracts			
JPY currency	11,804,722	(752,003)	(264,867)
USD currency	18,016,680	(361,075)	(840,044)
	<u>29,821,402</u>	<u>(1,113,078)</u>	<u>(2,217,989)</u>

12. LONG-TERM BORROWINGS UNDER SECURITIZATION PROJECT

As at November 30, 2018 and February 28, 2018, the Company recognized the cash received and the settlement by the Seller Loan Account of ATS Rabbit for the transferred rights in loans receivable under securitization project (see Note 5.5) as long-term borrowings under securitization project in the separate financial statements in the amount of Baht 1,589.41 million and Baht 1,366.17 million, respectively.

13. LONG-TERM DEBENTURES

Long-term debentures represent unsubordinated and unsecured debentures as at November 30, 2018 and February 28, 2018, as follows:

Issue date	Maturity date	No. of units	Currency	Par value per unit	Amount	Interest rate p.a. (%)	Term of interest payment	“Unaudited”	
								As at November 30, 2018 Baht '000	As at February 28, 2018 Baht '000
Company									
24/07/2013	29/07/2018	17	USD	1,000,000	17,000,000	USD-LIBOR 6M + 0.01	Semi-annual	-	537,855
29/11/2013	29/11/2018	30	USD	1,000,000	30,000,000	USD-LIBOR 6M + 0.05	Semi-annual	-	949,155
28/03/2014	28/03/2019	30	USD	1,000,000	30,000,000	USD-LIBOR 6M	Semi-annual	992,454	949,155
27/03/2015	27/03/2019	22	JPY	100,000,000	2,200,000,000	JPY-TIBOR 6M + 0.36	Semi-annual	646,525	653,809
23/02/2016	21/02/2019	200,000	THB	1,000	200,000,000	2.87	Semi-annual	200,000	200,000
25/03/2016	25/03/2020	70	USD	1,000,000	70,000,000	USD-LIBOR 6M + 0.65	Semi-annual	2,315,726	2,214,695
28/03/2016	27/03/2020	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.50	Semi-annual	496,227	474,578
22/08/2016	20/08/2021	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.85	Semi-annual	496,227	474,578
24/08/2016	30/07/2019	400,000	THB	1,000	400,000,000	2.50	Quarterly	400,000	400,000
21/12/2016	21/12/2019	1,000,000	THB	1,000	1,000,000,000	2.73	Quarterly	1,000,000	1,000,000
21/12/2016	21/12/2021	1,000,000	THB	1,000	1,000,000,000	3.48	Quarterly	1,000,000	1,000,000
30/12/2016	30/12/2021	30	USD	1,000,000	30,000,000	USD-LIBOR 6M + 0.65	Semi-annual	992,454	949,154
18/08/2017	18/08/2020	200,000	THB	1,000	200,000,000	2.50	Quarterly	200,000	200,000
14/09/2017	14/09/2020	300,000	THB	1,000	300,000,000	2.50	Semi-annual	300,000	300,000
21/09/2017	21/09/2020	100,000	THB	1,000	100,000,000	2.50	Semi-annual	100,000	100,000
15/12/2017	15/12/2020	2,000,000	THB	1,000	2,000,000,000	2.37	Semi-annual	2,000,000	2,000,000
15/12/2017	15/12/2022	1,000,000	THB	1,000	1,000,000,000	2.93	Semi-annual	1,000,000	1,000,000
15/11/2018	15/11/2020	2,000,000	THB	1,000	2,000,000,000	2.96	Semi-annual	2,000,000	-
15/11/2018	15/11/2021	800,000	THB	1,000	800,000,000	3.26	Semi-annual	800,000	-
								14,939,613	13,402,979
<u>Less</u> Debentures issuance cost								(35,591)	(50,376)
								14,904,022	13,352,603
<u>Less</u> Current portion of long-term debentures								(2,236,730)	(1,685,317)
Total long-term debentures in separate financial statements								12,667,292	11,667,286
ATS Rabbit Special Purpose Vehicle Company Limited									
29/01/2018	28/10/2025	1,240,570	THB	1,000	1,240,570,000	4.00	Monthly	-	1,240,570
29/09/2018	28/10/2025	1,473,082	THB	1,000	1,473,082,000	2.84	Monthly	1,473,082	-
Total long-term debentures in consolidated financial statements								14,140,374	12,907,856

To manage risks that might occur from the fluctuation in foreign exchange rate of principal and interest of long-term debentures denominated in foreign currencies, the Company has entered into cross currency swap contracts to hedge its debts as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS “Unaudited” As at November 30, 2018				
	Notional Amount Baht '000	Carrying amount		Total Baht '000
		Within 1 year Baht '000	Over 1 - 5 years Baht '000	
Receivables per currency swap contracts				
Cross Currency Swap Contracts				
JPY currency	596,860	49,665	-	49,665
USD currency	975,000	17,454	-	17,454
	<u>1,571,860</u>	<u>67,119</u>	<u>-</u>	<u>67,119</u>
Payables per currency swap contracts				
Cross Currency Swap Contracts				
USD currency	4,630,900	-	(330,266)	(330,266)
	<u>4,630,900</u>	<u>-</u>	<u>(330,266)</u>	<u>(330,266)</u>

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS As at February 28, 2018				
	Notional Amount Baht '000	Carrying amount		Total Baht '000
		Within 1 year Baht '000	Over 1 - 5 years Baht '000	
Receivables per currency swap contracts				
Cross Currency Swap Contracts				
JPY currency	596,860	-	56,949	56,949
USD currency	527,850	10,005	-	10,005
	<u>1,124,710</u>	<u>10,005</u>	<u>56,949</u>	<u>66,954</u>
Payables per currency swap contracts				
Cross Currency Swap Contracts				
USD currency	6,565,900	(10,845)	(543,740)	(554,585)
	<u>6,565,900</u>	<u>(10,845)</u>	<u>(543,740)</u>	<u>(554,585)</u>

14. PROVISIONS FOR EMPLOYEE BENEFITS

The Company operates post-employment benefit plans under the Labor Protection Act, which are considered as unfunded defined benefit plans.

For the three-month and nine-month periods ended November 30, 2018 and 2017, amounts recognized in the statements of profit or loss in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month periods ended November 30,		For the nine-month periods ended November 30,	
	2018	2017	2018	2017
	Baht '000	Baht '000	Baht '000	Baht '000
Past service cost	-	-	9,140	-
Current service cost	8,880	7,492	27,820	22,473
Interest cost	1,174	1,072	3,631	3,215
Total	<u>10,054</u>	<u>8,564</u>	<u>40,591</u>	<u>25,688</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2018	2017	2018	2017
	Baht '000	Baht '000	Baht '000	Baht '000
Past service cost	-	-	9,140	-
Current service cost	7,939	5,389	23,815	16,166
Interest cost	1,041	784	3,124	2,352
Total	8,980	6,173	36,079	18,518

Movements in the present value of the provisions for post-employment benefits for the nine-month periods ended November 30, 2018 and 2017, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2018	2017	2018	2017
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	151,930	132,950	105,193	98,291
Past service cost	9,140	-	9,140	-
Current service cost	27,820	22,473	23,815	16,166
Interest cost	3,631	3,215	3,124	2,352
Benefits paid	(136)	(1,149)	-	-
Benefits transferred	-	-	28,316	-
Ending balance	192,385	157,489	169,588	116,809

The significant actuarial assumptions used to calculate the provisions under the defined benefit plans as at November 30, 2018 and February 28, 2018, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	“Unaudited”	
	As at November 30, 2018	As at February 28, 2018
	% per annum	% per annum
Financial assumptions		
Discount rate	2.54 - 2.96	2.54 - 2.96
Expected rate of salary increase	5.0 - 7.0	5.0 - 7.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 33.0	0.0 - 33.0
	Subject to range of age of employees	Subject to range of age of employees
Daily staff	0.0 - 51.0	0.0 - 51.0
	Subject to range of age of employees	Subject to range of age of employees
Temporary staff	0.0 - 61.0	0.0 - 61.0
	Subject to range of age of employees	Subject to range of age of employees

	SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”	
	As at November 30, 2018	As at February 28, 2018
	% per annum	% per annum
Financial assumptions		
Discount rate	2.92	2.89
Expected rate of salary increase	6.0	6.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 20.0	0.0 - 20.0
	Subject to range of age of employees	Subject to range of age of employees
Daily staff	0.0 - 51.0	0.0 - 51.0
	Subject to range of age of employees	Subject to range of age of employees
Temporary staff	0.0 - 61.0	0.0 - 61.0
	Subject to range of age of employees	Subject to range of age of employees

15. SHAREHOLDERS' EQUITY

- 15.1 On June 28, 2017, the Annual General Meeting of shareholders had the resolutions to approve the declaration of final dividends for the year ended February 28, 2017 at the rate of Baht 1.85 per share, totaling Baht 462.50 million. The aforementioned shareholders included 1,000 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 462.50 million on July 20, 2017 in addition to the interim dividends which had been paid to all shareholders at Baht 1.60 per share, totaling Baht 399.93 million on November 7, 2016.
- 15.2 On October 6, 2017, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the year ended February 28, 2018 at the rate of Baht 1.60 per share to shareholders, totaling Baht 400 million. The aforementioned shareholders included 1,000 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 399.99 million on November 6, 2017.
- 15.3 On June 22, 2018, the Annual General Meeting of shareholders had the resolutions to approve the declaration of final dividends for the year ended February 28, 2018 at the rate of Baht 2.25 per share, totaling Baht 562.50 million. The aforementioned shareholders included 1,000 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 562.50 million on July 20, 2018 in addition to the interim dividends which had been paid to all shareholders at Baht 1.60 per share, totaling Baht 399.99 million on November 6, 2017.

15.4 On October 5, 2018, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the year ended February 28, 2019 at the rate of Baht 2.35 per share to shareholders, totaling Baht 587.50 million. The aforementioned shareholders included 1,100 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 587.50 million on November 1, 2018.

15.5 Under the Securitization project, the subsidiary has to pay dividend to its shareholders from all remaining amounts after deducting the required accumulated reserves and payment of all fees and expenses. The subsidiary appropriates interim dividends after the approval of Board of Directors' meeting on a monthly basis at each Monthly Purchase Date as an appropriation of net profit after income tax of each month.

ATS Rabbit Special Purpose Vehicle Company Limited's registered share capital comprises 2 groups of ordinary shares and 2 groups of preferred shares. Dividends from the profits of the subsidiary shall be allocated to the holders of preferred shares which are non-controlling interests at the rate of 1% of the par value of each preferred share. The remaining dividends shall be distributed to the holders of ordinary shares and another group of preferred shares.

16. REVENUES RELATING TO SECURITIZATION TRANSACTION

For the three-month and nine-month periods ended November 30, 2018 and 2017, revenues relating to securitization transaction incurred from sales of loans receivable to ATS Rabbit Special Purpose Vehicle Company Limited are included in the presentation of Loan Income as follows:

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month periods ended November 30, 2018		For the nine-month periods ended November 30, 2017	
	Baht '000	Baht '000	Baht '000	Baht '000
Loan income (see Note 19.2.2)				
Interest income from subordinated lendings	2,442	1,679	6,874	4,514
Revenue from seller loan in Special Purpose Vehicle	2,457	5,052	6,050	8,222
Dividend from investment in Special Purpose Vehicle	8,464	9,181	27,895	15,627
Servicing income	20,981	16,140	59,148	38,531
Total	<u>34,344</u>	<u>32,052</u>	<u>99,967</u>	<u>66,894</u>

17. DIRECTORS AND MANAGERMENTS' REMUNERATION

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act. Managements' remuneration represents monetary remuneration as salaries and bonus paid to the Company's management.

For the three-month and nine-month periods ended November 30, 2018 and 2017, directors and managements' remuneration are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2018	2017	2018	2017
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Directors' remuneration	10,337	8,688	26,578	20,777
Managements' remuneration	33,117	34,450	103,814	102,805
Post-employment benefits	1,135	945	3,357	2,835
Total	<u>44,589</u>	<u>44,083</u>	<u>133,749</u>	<u>126,417</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2018	2017	2018	2017
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Directors' remuneration	7,650	4,800	19,243	14,400
Managements' remuneration	19,794	20,154	61,688	58,420
Post-employment benefits	700	761	2,055	2,283
Total	<u>28,144</u>	<u>25,715</u>	<u>82,986</u>	<u>75,103</u>

For the three-month and nine-month periods ended November 30, 2018 and 2017, directors' remunerations which were included in short-term employee benefits were approved by the Annual General Meeting of shareholders of the Company held on June 22, 2018 and June 28, 2017, respectively.

18. CORPORATE INCOME TAX

The Company and its local subsidiaries used tax rate of 20% for corporate income tax and deferred tax calculations for the three-month and nine-month periods ended November 30, 2018 and 2017. The foreign subsidiaries used 20% - 25% for corporate income tax and deferred tax calculations for the three-month and nine-month periods ended November 30, 2018 and 2017.

Income tax expense of the Company and its subsidiaries is calculated from profit before tax, added back transactions which are non-deductible expenses and deducted exempted income under the Revenue Code.

For the three-month and nine-month periods ended November 30, 2018 and 2017, income tax expense consists of:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2018	2017	2018	2017
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense for the period	263,365	210,026	804,972	533,426
Deferred income tax revenue	(44,731)	(20,972)	(138,892)	(40,079)
Income tax expense per statements of profit or loss	<u>218,634</u>	<u>189,054</u>	<u>666,080</u>	<u>493,347</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2018	2017	2018	2017
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense for the period	241,193	184,916	746,723	464,808
Deferred income tax revenue	(44,519)	(20,526)	(141,586)	(38,596)
Income tax expense per statements of profit or loss	<u>196,674</u>	<u>164,390</u>	<u>605,137</u>	<u>426,212</u>

Reconciliations of effective tax rates for the three-month and nine-month periods ended November 30, 2018 and 2017 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2018	2017	2018	2017
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	1,135,539	947,901	3,394,620	2,547,198
Permanent differences	(35,104)	(6,621)	(78,528)	(82,937)
Temporary differences	225,751	106,365	693,923	202,223
Taxable profit	<u>1,326,186</u>	<u>1,047,645</u>	<u>4,010,015</u>	<u>2,666,484</u>
Normal income tax rate (%)	20.00 - 25.00	20.00 - 25.00	20.00 - 25.00	20.00 - 25.00
Income tax for the period currently payable	263,365	210,026	804,972	533,426
Deferred tax from temporary differences	(44,731)	(20,972)	(138,892)	(40,079)
Income tax expense per statements of profit or loss	<u>218,634</u>	<u>189,054</u>	<u>666,080</u>	<u>493,347</u>
Effective tax rate (%)	19.25	19.94	19.62	19.37

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2018	2017	2018	2017
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	1,036,550	849,017	3,323,268	2,299,882
Permanent differences	(24,714)	(7,888)	(69,303)	(95,195)
Temporary differences	222,596	102,629	707,930	192,978
Income that is exempt from taxable	(28,464)	(19,181)	(228,279)	(73,625)
Taxable profit	<u>1,205,968</u>	<u>924,577</u>	<u>3,733,616</u>	<u>2,324,040</u>
Normal income tax rate (%)	20.00	20.00	20.00	20.00
Income tax for the period currently payable	241,193	184,916	746,723	464,808
Deferred tax from temporary differences	(44,519)	(20,526)	(141,586)	(38,596)
Income tax expense per statements of profit or loss	<u>196,674</u>	<u>164,390</u>	<u>605,137</u>	<u>426,212</u>
Effective tax rate (%)	18.97	19.36	18.21	18.53

19. TRANSACTIONS WITH RELATED PARTIES

The consolidated and separate financial statements include certain transactions with the subsidiaries, an associate and related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. The consolidated and separate financial statements reflect the effects of these transactions on the basis determined by the Company, the subsidiaries, the associate and the related parties which are as follows:

19.1 Investments in an associate and subsidiaries (see Note 6.2) as at November 30, 2018 and February 28, 2018, are as follows:

Related parties	Relationship	SEPARATE FINANCIAL STATEMENTS					
		“Unaudited”					
		As at November 30, 2018			As at February 28, 2018		
		Ownership	Paid-up	Cost	Ownership	Paid-up	Cost
	%	capital		%	capital		
		Baht '000	Baht '000		Baht '000	Baht '000	
Investments in an associate and subsidiaries							
Investment in an associate							
ACS Trading Vietnam Company Limited	Associate	20.00	84,096.3	16,819.3	20.00	84,096.3	16,819.3
Total investment in an associate			<u>16,819.3</u>			<u>16,819.3</u>	
Investments in subsidiaries							
ACS Servicing (Thailand) Company Limited	Subsidiary	100.00	175,349.1	175,349.1	100.00	175,349.1	175,349.1
AEON Insurance Service (Thailand) Company Limited	Subsidiary	100.00	149,224.3	149,224.3	100.00	149,224.3	149,224.3
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	50.00	643,720.4	323,580.0	80.00	408,619.4	323,580.0
AEON Microfinance (Myanmar) Company Limited	Subsidiary	100.00	276,769.1	276,769.1	100.00	276,769.1	276,769.1
AEON Leasing Service (Lao) Company Limited	Subsidiary	92.58	111,402.9	103,069.1	92.58	111,402.9	103,069.1
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	48.75	40.0	19.5	48.75	40.0	19.5
Total investments in subsidiaries			<u>1,028,011.1</u>			<u>1,028,011.1</u>	
Total investments in an associate and subsidiaries			<u>1,044,830.4</u>			<u>1,044,830.4</u>	

19.2 Business transactions with related parties

19.2.1 Balances with related parties as at November 30, 2018 and February 28, 2018, are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		November 30, 2018	February 28, 2018	November 30, 2018	February 28, 2018
		Baht '000	Baht '000	Baht '000	Baht '000
Other receivables					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	24,982	5,132
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	2,201	4,840
AEON Financial Service Co., Ltd.	Major shareholder	894	677	112	83
AEON Credit Service Company Limited	Common ultimate holding company	-	33	-	33
ACS Capital Corporation Limited	Shareholder and one common director	1,450	134	16	78
AEON Leasing Service (Lao) Company Limited	Subsidiary	-	-	441	866
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	42,095	35,688
AEON Microfinance (Myanmar) Company Limited	Subsidiary	-	-	1,000	9
ACS Trading Vietnam Company Limited	Associate	6	6	-	6
AEON Bank Ltd.	Common ultimate holding company	67	-	-	-
		<u>2,417</u>	<u>850</u>	<u>70,847</u>	<u>46,735</u>
Seller loan in Special Purpose Vehicle for securitization (see Note 7)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	98,382	39,087
Subordinated lendings (see Note 8.1)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	84,074	71,157
Long-term borrowings (see Note 11)					
AEON Bank Ltd.	Common ultimate holding company	1,467,246	1,482,730	1,467,246	1,482,730
Trade payables					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	1,319	135,904
Other payables					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	4,648	3,270
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	72,516	110,133
AEON (Thailand) Company Limited	Shareholder and two common directors	21	423	21	423
AEON Financial Service Co., Ltd.	Major shareholder	24,383	39,895	19,134	38,034
AEON Credit Service Company Limited	Common ultimate holding company	12,541	9,006	8,199	2,542
AEON Credit Service Systems (Philippines) Inc.	Holding shares	68,562	821	3,053	345
AEON Bank Ltd.	Common ultimate holding company	4,186	1,926	4,186	1,278
AEON Credit Service (Asia) Company Limited	Common ultimate holding company	589	394	-	-
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	57,791	52,017
AEON Credit Service (Philippines) Inc.	Common ultimate holding company	-	593	-	-
		<u>110,282</u>	<u>53,058</u>	<u>169,548</u>	<u>208,042</u>

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at November 30, 2018	As at February 28, 2018	As at November 30, 2018	As at February 28, 2018
		Baht '000	Baht '000	Baht '000	Baht '000
Long-term borrowings under securitization project (see Note 12)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	1,589,412	1,366,167
Deposit received					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	5,055	14,264
Deferred revenue					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	499	101
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	-	929
		<u>-</u>	<u>-</u>	<u>499</u>	<u>1,030</u>

19.2.2 Transactions with related parties for the three-month and nine-month periods ended November 30, 2018 and 2017, are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS			
		For the three-month periods ended November 30,		For the nine-month periods ended November 30,	
		2018	2017	2018	2017
		Baht '000	Baht '000	Baht '000	Baht '000
Other income					
ACS Capital Corporation Limited	Shareholder and one common director	600	3,000	2,600	9,000
AEON Bank Ltd.	Common ultimate holding company	-	293	-	430
AEON Financial Service Co., Ltd.	Major shareholder	-	-	-	3
		<u>600</u>	<u>3,293</u>	<u>2,600</u>	<u>9,433</u>
Operating and administrative expenses					
Others					
AEON Financial Service Company Limited	Major shareholder	25,931	13,397	77,884	67,378
AEON Credit Service Company Limited	Common ultimate holding company	8,609	17,604	32,066	41,398
AEON (Thailand) Company Limited	Holding shares and two common directors	1,942	3,681	7,747	12,098
ACS Capital Corporation Limited	Shareholder and one common director	-	2	-	6,519
AEON Credit Service Systems (Philippines) Inc.	Holding shares	2,847	3,139	7,524	10,177
AEON Credit Service (Asia) Company Limited	Common ultimate holding company	1,069	24	2,216	1,301
AEON Bank Ltd.	Common ultimate holding company	604	354	1,960	1,661
		<u>41,002</u>	<u>38,201</u>	<u>129,397</u>	<u>140,532</u>

CONSOLIDATED FINANCIAL STATEMENTS					
Related parties	Relationship	For the three-month		For the nine-month	
		periods ended November 30,		periods ended November 30,	
		2018	2017	2018	2017
		Baht '000	Baht '000	Baht '000	Baht '000
Finance costs					
AEON Financial Service Company Limited	Major shareholder	401	-	1,037	-
AEON Bank Ltd.	Common ultimate holding company	2,803	2,788	8,471	8,494
		<u>3,204</u>	<u>2,788</u>	<u>9,508</u>	<u>8,494</u>
Dividend paid					
ACS Capital Corporation Limited	Shareholder and one common director	112,800	76,800	220,800	165,600
AEON Financial Service Company Limited	Major shareholder	206,330	140,480	403,880	302,910
AEON Holding (Thailand) Limited	Common ultimate holding company	51,700	-	101,200	-
		<u>370,830</u>	<u>217,280</u>	<u>725,880</u>	<u>468,510</u>
SEPARATE FINANCIAL STATEMENTS					
Related parties	Relationship	For the three-month		For the nine-month	
		periods ended November 30,		periods ended November 30,	
		2018	2017	2018	2017
		Baht '000	Baht '000	Baht '000	Baht '000
Sale promotion income					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	1,538	2,053	5,076	7,157
Credit card income					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	88,030	92,150	253,970	272,840
Revenues relating to securitization transaction (included in loan income) (See Note 16)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	34,344	32,052	99,967	66,894
Dividend income					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	20,000	10,000	75,000	58,000
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	95,016	-
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	30,368	-
		<u>20,000</u>	<u>10,000</u>	<u>200,384</u>	<u>58,000</u>
Other income					
ACS Capital Corporation Limited	Shareholder and one common director	600	3,000	2,600	9,000
AEON Insurance Service (Thailand) Company Limited	Subsidiary	13,144	15,512	39,256	42,129
ACS Servicing (Thailand) Company Limited	Subsidiary	962	743	2,895	2,951
AEON Leasing Service (Lao) Company Limited	Subsidiary	-	319	-	1,438
AEON Microfinance (Myanmar) Company Limited	Subsidiary	-	2,343	-	4,333
		<u>14,706</u>	<u>21,917</u>	<u>44,751</u>	<u>59,851</u>
Operating and administrative expenses					
Collection service fee					
ACS Servicing (Thailand) Company Limited	Subsidiary	115,986	328,175	296,903	1,025,026
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	2,441	2,294	7,434	7,251
		<u>118,427</u>	<u>330,469</u>	<u>304,337</u>	<u>1,032,277</u>

		SEPARATE FINANCIAL STATEMENTS			
		For the three-month		For the nine-month	
		periods ended November 30,		periods ended November 30,	
Related parties	Relationship	2018	2017	2018	2017
		Baht '000	Baht '000	Baht '000	Baht '000
Operating and administrative expenses (continued)					
Others					
AEON Financial Service Company Limited	Major shareholder	18,953	13,785	64,073	60,329
AEON Credit Service Company Limited	Common ultimate				
	holding company	4,866	3,885	14,021	14,669
AEON (Thailand) Company Limited	Holding shares and				
	two common directors	1,942	3,681	7,747	12,098
AEON Insurance Service (Thailand) Company Limited	Subsidiary	8,611	7,762	19,061	14,047
ACS Capital Corporation Limited	Shareholder and				
	one common director	-	-	-	5,894
AEON Credit Service Systems (Philippines) Inc.	Holding shares	1,046	1,998	3,542	6,934
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	2,790	1,285	6,387	3,282
AEON Bank Ltd.	Common ultimate				
	holding company	604	667	1,960	1,185
		<u>38,812</u>	<u>33,063</u>	<u>116,791</u>	<u>118,438</u>
Finance costs					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	100,685	81,882	286,184	191,478
AEON Bank Ltd.	Common ultimate				
	holding company	2,803	2,788	8,471	8,494
		<u>103,488</u>	<u>84,670</u>	<u>294,655</u>	<u>199,972</u>
Dividend paid					
ACS Capital Corporation Limited	Shareholder and				
	one common director	112,800	76,800	220,800	165,600
AEON Financial Service Company Limited	Major shareholder	206,330	140,480	403,880	302,910
AEON Holding (Thailand) Limited	Common ultimate				
	holding company	51,700	-	101,200	-
		<u>370,830</u>	<u>217,280</u>	<u>725,880</u>	<u>468,510</u>

- Other income for the three-month and nine-month periods ended November 30, 2018 and 2017 include the computer fee charged to ACS Capital Corporation Limited at the rate of Baht 1,000,000 per month from March 2017 to March 2018 and Baht 200,000 per month from April 2018 onwards, and charged to AEON Insurance Service (Thailand) Co., Ltd., and ACS Servicing (Thailand) Co., Ltd., at the rate of Baht 200,000 per month and Baht 200,000 per month, respectively.
- Revenues relating to securitization transaction are determined by the Company and its subsidiary in accordance with securitization projects (see Note 5.5).
- Collection service fee paid to ACS Servicing (Thailand) Co., Ltd. is based on general market price and in the normal course of business.
- Management assistant fee is paid to AEON Financial Service Co., Ltd. as stated in the agreement.
- Pricing policy for other operating and administrative expenses is determined by the Company and related parties based on the cost plus basis.
- Purchase price of computer programs paid to AEON Credit Service Systems (Philippines) Inc. is as specified in the agreement.

20. SEGMENT INFORMATION

The Group presents segment information in respect of the business segments based on the management and internal reporting structure. The business segments of the Group consist of:

Retail finance services Consist of credit card, hire-purchase, personal loans and others
Other businesses Consist of debt collection service and insurance brokerage service

The Group does not have revenues from transactions with a single external customer at 10% or more of total revenues.

Transactions between segments are recorded on the same basis as the transaction conducted with the third party. Transactions between segments are eliminated on consolidation.

The segment information of the Group was classified by business segment as follows:

20.1 Operating results classified by business are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
For the three-month period ended November 30, 2018					
	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	4,718,486	231,669	275,230	-	5,225,385
Inter - segment revenues	123,674	-	97,440	(221,114)	-
	<u>4,842,160</u>	<u>231,669</u>	<u>372,670</u>	<u>(221,114)</u>	<u>5,225,385</u>
Expenses					
Operating and administrative expenses	1,877,759	135,521	297,824	(209,661)	2,101,443
Directors and managements' remuneration	28,144	10,275	6,170	-	44,589
Bad debts and doubtful accounts	1,388,492	16,997	1,468	-	1,406,957
Loss (gain) on sale and write-off of leasehold improvement and equipment and intangible assets	(69)	38	113	-	82
Finance costs	498,586	38,901	13	-	537,500
Total expenses	<u>3,792,912</u>	<u>201,732</u>	<u>305,588</u>	<u>(209,661)</u>	<u>4,090,571</u>
Share of profit from investment in an associate	-	-	-	725	725
Profit before income tax	1,049,248	29,937	67,082	(10,728)	1,135,539
Income tax expense	200,907	5,358	12,369	-	218,634
Net profit for the period	<u>848,341</u>	<u>24,579</u>	<u>54,713</u>	<u>(10,728)</u>	<u>916,905</u>

CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended November 30, 2017

	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	4,283,117	147,917	245,970	-	4,677,004
Inter - segment revenues	123,139	-	351,606	(474,745)	-
	<u>4,406,256</u>	<u>147,917</u>	<u>597,576</u>	<u>(474,745)</u>	<u>4,677,004</u>
Expenses					
Operating and administrative expenses	1,844,232	99,201	494,062	(464,586)	1,972,909
Directors and managements' remuneration	25,715	9,786	8,582	-	44,083
Bad debts and doubtful accounts	1,169,499	14,492	576	-	1,184,567
Loss on sale and write-off of leasehold improvement and equipment and intangible assets	300	8	579	(17)	870
Finance costs	503,720	22,782	602	(159)	526,945
Total expenses	<u>3,543,466</u>	<u>146,269</u>	<u>504,401</u>	<u>(464,762)</u>	<u>3,729,374</u>
Share of profit from investment in an associate	-	-	-	271	271
Profit before income tax	862,790	1,648	93,175	(9,712)	947,901
Income tax expense	168,981	1,403	18,670	-	189,054
Net profit for the period	<u>693,809</u>	<u>245</u>	<u>74,505</u>	<u>(9,712)</u>	<u>758,847</u>

CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended November 30, 2018

	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	13,922,510	608,420	804,361	-	15,335,291
Inter - segment revenues	507,219	-	405,186	(912,405)	-
	<u>14,429,729</u>	<u>608,420</u>	<u>1,209,547</u>	<u>(912,405)</u>	<u>15,335,291</u>
Expenses					
Operating and administrative expenses	5,618,354	369,862	1,019,209	(709,031)	6,298,394
Directors and managements' remuneration	82,986	29,854	20,909	-	133,749
Bad debts and doubtful accounts	3,822,005	43,827	772	-	3,866,604
Loss (gain) on sale and write-off of leasehold improvement and equipment and intangible assets	1,734	143	(6,547)	7,873	3,203
Finance costs	1,539,539	103,443	352	-	1,643,334
Total expenses	<u>11,064,618</u>	<u>547,129</u>	<u>1,034,695</u>	<u>(701,158)</u>	<u>11,945,284</u>
Share of profit from investment in an associate	-	-	-	4,613	4,613
Profit before income tax	3,365,111	61,291	174,852	(206,634)	3,394,620
Income tax expense	619,085	13,447	33,548	-	666,080
Net profit for the period	<u>2,746,026</u>	<u>47,844</u>	<u>141,304</u>	<u>(206,634)</u>	<u>2,728,540</u>

CONSOLIDATED FINANCIAL STATEMENTS

For the nine-month period ended November 30, 2017

	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	12,432,877	430,349	743,420	-	13,606,646
Inter - segment revenues	388,849	-	1,020,165	(1,409,014)	-
	<u>12,821,726</u>	<u>430,349</u>	<u>1,763,585</u>	<u>(1,409,014)</u>	<u>13,606,646</u>
Expenses					
Operating and administrative expenses	5,477,489	286,905	1,466,222	(1,349,863)	5,880,753
Directors and managements' remuneration	75,103	34,050	17,264	-	126,417
Bad debts and doubtful accounts	3,424,484	45,911	576	-	3,470,971
Loss on impairment of investment	6,368	-	-	-	6,368
Loss on sale and write-off of leasehold improvement and equipment and intangible assets	5,218	8	869	(17)	6,078
Finance costs	1,509,753	57,323	1,872	(1,151)	1,567,797
Total expenses	<u>10,498,415</u>	<u>424,197</u>	<u>1,486,803</u>	<u>(1,351,031)</u>	<u>11,058,384</u>
Share of loss from investment in an associate	-	-	-	(1,064)	(1,064)
Profit before income tax	2,323,311	6,152	276,782	(59,047)	2,547,198
Income tax expense	434,026	3,690	55,631	-	493,347
Net profit for the period	<u>1,889,285</u>	<u>2,462</u>	<u>221,151</u>	<u>(59,047)</u>	<u>2,053,851</u>

20.2 Financial positions classified by business are as follows:

CONSOLIDATED FINANCIAL STATEMENTS

"Unaudited"

As at November 30, 2018

	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Trade and other receivables	75,946,029	3,077,540	278,859	(110,093)	79,192,335
Leasehold improvement and equipment and intangible assets	1,228,596	205,290	83,010	(9,001)	1,507,895
Other assets	5,497,403	174,679	1,000,539	(1,016,881)	5,655,740
Total assets	<u>82,672,028</u>	<u>3,457,509</u>	<u>1,362,408</u>	<u>(1,135,975)</u>	<u>86,355,970</u>
Total liabilities	<u>65,926,231</u>	<u>2,612,978</u>	<u>362,543</u>	<u>(112,448)</u>	<u>68,789,304</u>

CONSOLIDATED FINANCIAL STATEMENTS

As at February 28, 2018

	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Trade and other receivables	71,756,031	2,168,305	494,235	(293,331)	74,125,240
Leasehold improvement and equipment and intangible assets	1,039,084	171,940	219,035	(2,060)	1,427,999
Other assets	5,317,527	157,395	778,232	(1,034,993)	5,218,161
Total assets	<u>78,112,642</u>	<u>2,497,640</u>	<u>1,491,502</u>	<u>(1,330,384)</u>	<u>80,771,400</u>
Total liabilities	<u>62,934,982</u>	<u>1,859,160</u>	<u>462,925</u>	<u>(307,468)</u>	<u>64,949,599</u>

21. CREDIT FACILITIES AND LETTER OF GUARANTEE

- 21.1 As at November 30, 2018 and February 28, 2018, the Company has unused committed and unsecured revolving credit facility agreements with various financial institutions totaling Baht 3,000 million.
- 21.2 As at November 30, 2018 and February 28, 2018, the Company has unused and unsecured overdraft facilities with various banks totaling Baht 2,489 million and Baht 3,060 million, respectively.
- 21.3 As at November 30, 2018 and February 28, 2018, the Company has a bank's letter of guarantee issued to suppliers for guarantee payment of Baht 0.50 million. Such letter of guarantee is unsecured.
- 21.4 As at November 30, 2018 and February 28, 2018, two subsidiaries have letters of guarantee issued by banks in the amounts of Baht 5.98 million and Baht 6.78 million, respectively.
- 21.5 As at February 28, 2018, the Company has outstanding standby letters of credit issued by two banks of not exceeding USD 3.41 million. In addition, the Company has letters of guarantee for guarantee repayment of a subsidiary's loans of not exceeding USD 6.61 million as at February 28, 2018 (as at November 30, 2018 : Nil).

22. SALE OF WRITTEN-OFF RECEIVABLES

- 22.1 On February 22, 2018, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to two unrelated local companies (the "buyers") with the purchase price of Baht 164.07 and Baht 15.07 million, respectively. On the same date, the Company entered into the "Asset Sale and Purchase Agreement" with the buyers. The agreements set out the conditions and terms in respect of the sales, assignment and conveyance of the Company's rights, title, claim, obligation, liability and interest in the written-off trade receivables under loan agreements and credit card agreements. On February 22, 2018, which is the closing date as specified in the agreements, the Company received the initial payment of Baht 41.02 million and Baht 15.07 million, respectively, from the buyers. One of the buyers has agreed to pay the remaining amount of purchase price amounting to Baht 123.05 million in three installments of Baht 41.02 million per each, on March 22, 2018, April 22, 2018 and on the delivery date, respectively. The Company has already recognized gain on sale of written-off receivables after claim for damages from sales of loans receivable totaling Baht 179.14 million in the consolidated and separate statements of profit or loss for the year ended February 28, 2018, and recorded outstanding receivables of Baht 123.05 million as other receivables in the consolidated and separate statements of financial position as at February 28, 2018.

Subsequently, during the nine-month period ended November 30, 2018, the Company has already received cash proceeds of the remaining balance as specified in the agreement.

Under the Asset Sale and Purchase Agreement, if the buyer wished to sell or transfer loans receivable that were intended to be a portfolio sale to a third party, the Company was entitled to a right to first negotiate with the buyer with regard to a purchase of the portfolio before any third party. If the negotiation was not concluded within three months or the Company decided not to make a purchase, the buyer might sell such loans receivable to a third party.

- 22.2 On June 28, 2018, the Company sold written-off receivables under loan agreements and credit card agreements to ACS Servicing (Thailand) Company Limited (the “buyer”), a subsidiary, with the purchase price of Baht 31.52 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement sets out the conditions and terms in respect of the sales, assignment and conveyance of the Company’s rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On June 28, 2018, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. However, the Group has retained substantially all of the risks and rewards of the assets transferred to the buyer which is the subsidiary. Consequently, the Company recorded cash received from the buyer as deferred revenue which will be recognized as revenue when the buyer can collect from debtors. The Company has already recognized revenue of Baht 3.16 million as bad debt recovery in the consolidated and separate statements of profit or loss for the three-month and nine-month periods ended November 30, 2018, and recorded outstanding deferred revenue of Baht 28.36 million as other current liabilities in the separate statements of financial position as at November 30, 2018.

Under the Asset Sale and Purchase Agreement, if the buyer wished to sell or transfer loans receivable that were intended to be a portfolio sale to a third party, the Company was entitled to a right to first negotiate with the buyer with regard to a purchase of the portfolio before any third party. If the negotiation was not concluded within three months or the Company decided not to make a purchase, the buyer might sell such loans receivable to a third party.

23. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issue by the Company’s authorized director and the Audit Committee on January 8, 2019.

(Translation)

No. 01/2019

January 10, 2019

President

The Stock Exchange of Thailand

Re: Notification of the Resolution of the Board of Directors' Meeting No. 1/2019

We, AEON Thana Sinsap (Thailand) Public Company Limited (“Company”), hereby reported the resolutions passed at the meeting of the Board of Directors No. 1/2019 held on January 10, 2019, from 10:00 a.m. as follows:

1. Acknowledge the Company's performance for the third quarter ended November 30, 2018;
2. Unanimously approved the reviewed financial statements of the Company for the third quarter and nine-month period ended November 30, 2018;
3. Unanimously approved the related transactions with the related companies (Details as attachment)

Please be informed accordingly

Yours sincerely,

Kiyoyasu Asanuma

Managing Director

Connected transactions

The Board of Director's meeting of AEON Thana Sinsap (Thailand) Plc. No. 1/2019 held on January 10, 2019 had a resolution of the connected transaction as follows:

Date of agreement:

Company	Date of agreement
AEON Credit Service Systems (Philippines) Inc ("AEON Systems")	Agreement period is one year from March 2019 to February 2020.

Contractual parties with AEONTS and its subsidiaries companies:

Company	Business	Relationship with AEONTS
AEON Systems	System Development	- AEON Systems is 90% owned by AFS - AEON Systems is 3.3% owned by AEONTS

*AEON Financial Service Co., Ltd. ("AFS")

- Major shareholder of AEONTS, holding 35.12% of AEONTS's shares

- Major shareholder of AEON Systems

AEONTS' s subsidiaries:

Company	Business	% of shares held by AEONTS
1). AEON Specialized bank (Cambodia) Private Company Limited ("ASB Cambodia")	Retail Finance	50%
2). AEON Leasing Service (Lao) Company Limited ("ALS Lao")	Retail Finance	92.58%
3). AEON Microfinance (Myanmar) Company Limited ("AMF Myanmar")	Retail Finance	100%

General characteristics of transactions:

1. AEONTS and its subsidiaries (ASB Cambodia, ALS Lao, AMF Myanmar) engage outsourcing service agreement in the system development and maintenance of the systems which need for each company's operation from AEON Systems with cost of totally not more than 60,560,936 baht details as follows:

Unit: Baht

Company	Yearly Manpower Cost
AEONTS	9,867,983
ASB Cambodia	31,113,367
ALS Lao	9,373,884
AMF Myanmar	10,205,702
Total	60,560,936

Value of consideration:

Unit: Baht

Related company name	Amount
AEON Systems (Manpower Cost)	60,560,936
Total	60,560,936

*Exchange rate as of 28 December 2018: 1 PHP / 0.6303 THB

Name, position and shareholding proportion of the connected persons

Related company name	Paid Up Capital No. of shares	Name of connected persons	Share (s) in related company	% of share in AEONTS
AFS	45,698,196,100 JPY/ 225,510,128 shares	Mr. Hideki Wakabayashi ¹	-	-
AEON Systems	300 Million Peso/ 3,000,000 shares	Mr. Junichi Iwakami ²	1 share	-

Note: ¹Mr. Hideki Wakabayashi is the Chairman of the Board of Directors of AEONTS and the Director of AFS

²Mr. Junichi Iwakami is the Senior Executive Vice President of AEONTS and the Non-Executive Director of AEON Systems

The measurement of total transactions

By measurement in percentage of the Company Net Tangible Assets (NTA), total transaction is 60.6 million baht or 0.36% which more than 0.03% but less than 3% of NTA of the Company. So this transaction is the connected transaction pursuant to the Notifications which shall be approved by Audit Committee and

Board of Director as well as disclose to the Stock Exchange of Thailand.

In addition, the Company approved the connected transaction within the last six months as follows:

- Board of Director's meeting No. 7/2018 held on July 11, 2018, approved management support agreement in terms of business management and operation by AEON Financial Service, in amounting to 95.7 million baht or 0.59% of the company NTA.
- Board of Director's meeting No. 10/2018 held on October 5, 2018, approved Annual System Fee for the ACE Plus System to AEON Systems in amounting to 2,307,786 baht and approved that ASB Cambodia pay the system development fee for 3D-Secure and payWave to AEON Systems in amounting to 2,712,123 baht and also approved to waived the right to subscribe the increasing shares of PT AEON Credit Service Indonesia totally amount to 11,875,758 baht. Total transection is 16.9 million baht or 0.10% of the Company NTA.

Therefore, the total connected transaction approved by the Board of Directors' meeting in the last six months period including this time was 173.2 million baht or 1.05% which more than 0.03% of the Company NTA but less than 3% of NTA of the Company.

Opinion of the Audit Committee:

The Audit Committee has considered the purpose of transactions is supporting normal business transaction of the Company with fair and reasonable transactions. The Audit Committee has additional opinion as follow;

1. The Company should allocate the budget on new system investment, license fee and maintenance fee clearly in each year.
2. The Company should follow up the overseas investment in system development to be maximum efficiency.

Opinion of the Board of Director:

The Board of Directors has considered the agreement and has opinion that the transaction is necessary and reasonable.

Management Discussion and Analysis for the 3rd Quarter 2018 ended November 30, 2018

AEON Thana Sinsap (Thailand) Public Company Limited (“the Company”) has already submitted the consolidated reviewed the 3rd quarter financial statements as of November 30, 2018 which were reviewed by Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. The operating performance is summarized as follows.

Overview

According to the Bank of Thailand and Office of the National Economic and Social Development Board data, the Thai economy in the third quarter of 2018 expanded by 3.3%, decreased from 4.6% in the previous quarter due to a slowdown in both of export and tourism sectors. Meanwhile, the private consumption expenditure accelerated in line with rising consumer confidence. In addition, the public consumption and private investment were constantly expanding. However, Thai economy still faces other risk such as The U.S.-China trade war, global economic uncertainty and domestic political situation.

As of November 30, 2018, the Company’s total cards reached 8.43 million cards, increased by 4% from the end of fiscal year 2017 (including 2.59 million credit cards, increased by 4% and 5.84 million member cards, increased by 3%). Covering networks nationwide, the Company has 103 branches, 444 ATMs, and over 4,583 member dealers to provide quality financial services to AEON cardholders.

Summary of Consolidated Financial Results

1. Operating Results

Revenues

For the nine-month period of 2018, the total consolidated revenues were 15,335 million baht, showing an increase of 1,728 million baht or 13% y-y. In the third quarter of 2018, the Company’s revenues were 5,225 million baht, an increase of 548 million baht or 12%y-y. This is the result of an increase in core business revenues by 11% y-y, continued growth of bad debt recovery by 33% y-y as well as a strong growth from overseas businesses.

As of November 30, 2018, the Company has active billings of 3.16 million transaction per month and 2.14 million active IDs which came from up-country 69% and Bangkok 31%. Details of each business can be described as follows:

- Credit Card

For the nine-month period of 2018, credit cards turnover accounted 63% of total turnovers with revenue of 5,646 million baht, an increase of 629 million baht or 13% y-y. In the third quarter of 2018, credit card revenue was 1,914 million baht, an increase of 222 million baht or 13% y-y and 2%q-q. In November 2018, the Company cooperated with JCB International (Thailand) to launch the AEON J-Premier Platinum Credit Card, which offering exclusive privileges in dining, travel and shopping under the concept “Extreme Japan Experience”. The AEON J-Premier Platinum Credit Card offers the special discount and cash back up to 18% when shopping at AEON Mall in Japan and up to 12% discount at JCB merchants. For every spending 20 baht, card member will earn 1 point and every 2 points will earn 1 Mile from Japan Airlines and Thai Airways. Moreover, they can enjoy the JCB lounge over 50 airports in Asia. Thus, the Company has focused on promotion activities to encourage customer's spending. For example the campaign AEON Gift 2019, AEON cardholders register via SMS or AEON Thai Mobile Application or website in order to redeem the premiums and vouchers. In addition, AEON Specialized Bank (Cambodia) Plc had credit card revenue of 25 million baht, grew by 80% y-y.

- Loans

For the nine-month period of 2018, loans shared 30% of total turnovers (shared 21% from personal loan and 9% from purposed loan for mobile phones, IT products, electrical appliances and etc. at department stores and our dealers nationwide) with the revenue of 7,933 million baht, an increase of 898 million baht or 13% y-y. In the third quarter of 2018, loans revenue was 2,689 million baht, an increase of 216 million baht or 9% y-y and 2% q-q. This is because the Company integrated the credit limit for purpose loan and cash loan (Your Cash), which the customers may use at maximum credit approved on either cash advance or installment loans (AEON Happy Pay). Thus, the Company provides more channels to facilitate financial services to customers and reduce Company's operation cost. Moreover, loan income from AEON Microfinance (Myanmar) Company Limited grew by 78% y-y and AEON Specialized Bank (Cambodia) Plc grew by 39% y-y.

- Hire Purchase

For the nine-month period of 2018, motorcycle and used car hire purchase in Thailand and electrical appliances, mobile phone and etc. in oversea business, with the revenues of 301 million baht, an increase of 20 million baht or 7% y-y due to hire purchase sale growth from overseas business which grew by 44% y-y and represented 78% of total hire purchase sales. In the third quarter of 2018, the Company had hire purchase revenue 111 million baht, an increase of 22 million baht or 24% y-y and 12% q-q. This was mainly contributed by auto loans business. In addition, the Company had hire purchase income from AEON

Specialized Bank (Cambodia) Plc that increased 12% y-y and AEON Leasing Service (Lao) Company Limited that increased 37% y-y.

- Others

For the nine-month period of 2018, other incomes were 1,456 million baht, showing an increase of 182 million baht or 14% y-y and represented 9% of total revenues. In the third quarter of 2018, other incomes were 511 million baht, an increase of 89 million or 21% y-y and 7% q-q. The increase was mainly from the continued growth of bad debt recovery that increased 33% y-y and 9% q-q. Moreover, the income for the nine month period of company's subsidiaries in Thailand, the Company had commission income from AEON Insurance Service (Thailand) Co., Ltd. amounted to 376 million baht, increasing by 4% y-y and collection service income from ACS Servicing (Thailand) Co., Ltd. amounted to 199 million baht, increasing 16% y-y

Expenses

The Company's expenses mainly consist of operating and administrative expenses, bad debt and doubtful accounts and finance cost. For the nine-month period, the Company had total consolidated expenses of 11,945 million baht, an increase of 887 million baht or 8% y-y. In the third quarter of 2018, the consolidated expenses were 4,091 million baht, an increase of 361 million baht or 10% y-y. Details of expenses are shown as follows:

- Operating and Administrative Expenses

For the nine-month period of 2018, the consolidated operating and administrative expense were 6,435 million baht, increasing by 7% y-y and represented 42% of total revenues. In the third quarter of 2018, the consolidated operating and administrative expenses were 2,146 million baht, increasing by 6% y-y, but decreasing by 2% q-q and represented 41% of total revenues. The expenses increase came from an increase in marketing expense and personal expense from overseas businesses.

- Bad debt and Doubtful accounts

The consolidated bad debts and doubtful accounts, for the nine-month period, amounted to 3,867 million baht, increasing by 11% y-y. In the third quarter of 2018, the Company recorded bad debts and doubtful accounts of 1,407 million baht, increasing by 19% y-y and 12% q-q. The increase of bad debt and doubtful accounts was mainly from the expansion of our loan portfolio.

- Finance Cost

For the nine-month period of 2018, the Company recorded finance cost of 1,643 million baht, increasing by 5% y-y. For the third quarter of 2018, the finance cost was 538 million baht, increasing by 2% y-y and decreasing by 3% q-q due to a lower interest rate from our subsidiary, the Special Purpose Vehicle project (SPV) and well-managed funding cost. However, finance cost in the third quarter of 2018 accounted for 10%. The average funding cost decreased from 3.32% in 2Q18 to 3.06% in 3Q18.

Net Profit

For the nine-month period of 2018, consolidated operating income was reported at 3,395 million baht, showing an increase of 848 million baht or 33% y-y. However, net profit from the Company was 2,690 million baht, showing an increase of 652 million baht or 32% y-y, and earning per share was 10.76 baht. In the third quarter of 2018, the Company had consolidated operating income of 1,136 million baht, an increase of 188 million baht or 20% y-y. The Company reported net profit attributed to owners of the parent of 901 million baht, showing an increase of 151 million baht or 20% y-y, 5% q-q and earning per share was 3.60 baht. The net profit in the third quarter of 2018 increased mainly from an increase in core business revenues, continued growth of bad debt recovery and account receivable as well as a strong growth from overseas businesses.

2. Financial Status

Total Assets

As of November 30, 2018, consolidated total assets were 86,356 million baht, an increase of 5,585 million baht or 7% from 80,771 million baht as of February 28, 2018. The main assets were attributed to the portfolio of net account receivables which shared 91% of total assets.

- Accounts Receivable

The Company has gross accounts receivable of 81,383 million baht (both current assets and non-current assets) as of November 30, 2018, an increase of 5,559 million baht or 7% from as of February 28, 2018. This can be categorized by business type as follows: credit card receivable 36,997 million baht, increasing by 7% y-y; loans receivable 42,490 million baht, increasing by 7% y-y; hire purchase receivable 1,753 million baht, increasing by 38% y-y and other receivable 143 million baht.

- Allowance for doubtful accounts

As of November 30, 2018, the Company provided allowance for doubtful accounts of 2,885 million baht or 3.54% of total accounts receivable, comparing to that of 2,416 million baht or 3.19% of total accounts receivable at the end of previous fiscal year. The percentage account receivable 3 month's overdue or non-performing loan ratio was 2.80%, increased from 2.35% at the end of last year but the increasing ratio is less than the previous quarter. The coverage ratio of allowance for doubtful accounts to accounts receivable overdue more than 3 months (NPLs) was 127% in the third quarter of 2018, lower from the end of fiscal year 2017 of 136%.

Liabilities

The consolidated liabilities of the Company as of November 30, 2018, totaling 68,789 million baht, an increase of 3,840 million baht or 6% from 64,950 million baht at the end of fiscal year 2017. This is a result of both short-term and long-term borrowings totally 64,996 million baht, increasing by 10% from the end of fiscal year 2017. The portion of long-term borrowings was 49,128 million baht or represented 76% of total borrowings, increased from 69% of fiscal year 2017.

On November 15, 2018, the Company has issued two tranches of debentures for Private Placement to institutional investors at the amount of 2,800 million baht comprise; (1) Tranche 1: Debenture term is 2 years and fixed interest rate at 2.96% per annum (2) Tranche 2: Debenture term is 3 years and fixed interest rate at 3.26% per annum. The debentures have been rated A-(tha) by Fitch Ratings (Thailand) Limited.

Shareholders' Equity

As of November 30, 2018, total shareholders' equity amounted to 17,567 million baht, an increase of 1,745 million baht or 11% from 15,822 million baht at the end of fiscal year 2017. Consequently, book value as of November 30, 2018 was 69 baht per share, increased from 62.9 baht per share as of February 28, 2018.

Debt to Equity ratio as of November 30, 2018, remained constant at 3.9 times. Return on Equity (ROE) and Return on Asset (ROA) for nine month period are 21.5% and 4.3%, respectively.