

**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 May 31, 2021, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, 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
July 5, 2021

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 MAY 31, 2021

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		May 31,	February 28,	May 31,	February 28,
		2021	2021	2021	2021
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	5,174,957	5,105,168	3,354,166	3,157,192
Trade and other current receivables					
Trade receivables	5	73,215,046	73,525,984	68,682,223	69,057,533
Other receivables		814,303	826,607	651,040	672,233
Seller loan in Special Purpose Vehicle for securitization	10	-	-	211,422	219,626
Other current assets		64,244	103,068	45,235	45,098
Total Current Assets		<u>79,268,550</u>	<u>79,560,827</u>	<u>72,944,086</u>	<u>73,151,682</u>
NON-CURRENT ASSETS					
Trade receivables	5	2,336,651	2,313,359	1,760,849	1,776,888
Fixed deposits at banks under obligations		40,093	38,968	-	-
Long-term loan to a subsidiary	6	-	-	124,350	119,494
Investments in an associate	7.1 and 7.2	-	-	-	-
Investments in subsidiaries	7.2	-	-	1,206,645	1,206,645
Investment in equity securities measured at fair value through profit or loss	8	5,062	5,062	5,062	5,062
Investment in equity securities designated at fair value through other comprehensive income	9	36,000	-	36,000	-
Subordinated lendings	11.1	-	-	84,074	84,074
Leasehold improvement and equipment		752,690	793,455	609,331	643,783
Right-of-use assets		602,035	665,748	480,990	536,182
Intangible assets other than goodwill		739,742	696,556	578,542	530,380
Derivative assets	17	49,473	-	49,473	-
Deferred tax assets	12	2,817,808	3,122,541	2,722,185	3,023,235
Other non-current assets		194,062	191,986	175,380	173,279
Total Non-current Assets		<u>7,573,616</u>	<u>7,827,675</u>	<u>7,832,881</u>	<u>8,099,022</u>
TOTAL ASSETS		<u><u>86,842,166</u></u>	<u><u>87,388,502</u></u>	<u><u>80,776,967</u></u>	<u><u>81,250,704</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 MAY 31, 2021

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at May 31, 2021	As at February 28, 2021	As at May 31, 2021	As at February 28, 2021
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	13	6,684,818	10,379,071	4,220,000	7,860,000
Trade and other current payables					
Trade payables		292,093	556,154	218,151	413,004
Other payables		1,413,993	1,384,259	1,314,017	1,266,934
Current portion of long-term liabilities					
Long-term borrowings	14	5,021,852	3,839,423	5,021,852	3,839,423
Long-term debentures	16	3,212,412	3,156,040	3,212,412	3,156,040
Derivative liabilities	17	1,361,804	1,287,130	1,361,804	1,287,130
Lease liabilities		416,550	453,755	351,107	384,411
Current income tax payable		602,361	629,183	553,021	558,537
Other current liabilities		338,186	332,850	357,752	359,400
Total Current Liabilities		<u>19,344,069</u>	<u>22,017,865</u>	<u>16,610,116</u>	<u>19,124,879</u>
NON-CURRENT LIABILITIES					
Long-term borrowings	14	40,886,260	38,982,198	38,302,834	36,807,309
Long-term borrowings under securitization project	15	-	-	1,444,783	1,489,622
Long-term debentures	16	6,269,822	6,269,361	4,796,740	4,796,279
Derivative liabilities	17	1,033,594	1,858,375	1,033,594	1,858,375
Lease liabilities		208,196	235,874	152,140	174,184
Subordinated borrowings	11.2	84,074	84,074	-	-
Provisions for employee benefit	18	503,192	478,346	455,179	431,606
Other non-current liabilities		91,613	82,745	68,445	70,039
Total Non-current Liabilities		<u>49,076,751</u>	<u>47,990,973</u>	<u>46,253,715</u>	<u>45,627,414</u>
TOTAL LIABILITIES		<u>68,420,820</u>	<u>70,008,838</u>	<u>62,863,831</u>	<u>64,752,293</u>

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT MAY 31, 2021

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at May 31, 2021	As at February 28, 2021	As at May 31, 2021	As at February 28, 2021
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY	19				
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		13,621,011	12,471,581	13,270,819	11,790,986
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY					
Exchange differences on translating					
financial statements of foreign operations		(109,879)	(121,225)	-	-
Cumulative loss on cash flow hedges		(960,683)	(895,575)	(960,683)	(895,575)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		18,153,449	17,057,781	17,913,136	16,498,411
NON-CONTROLLING INTERESTS		267,897	321,883	-	-
TOTAL SHAREHOLDERS' EQUITY		18,421,346	17,379,664	17,913,136	16,498,411
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		86,842,166	87,388,502	80,776,967	81,250,704

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 MAY 31, 2021
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the three-month		For the three-month	
		periods ended		periods ended	
		May 31,	May 31,	May 31,	May 31,
		2021	2020	2021	2020
REVENUES					
Credit card income		1,549,691	1,737,629	1,549,276	1,791,829
Loan income	20	2,611,896	3,075,718	2,550,500	2,907,696
Hire-purchase income		272,673	249,143	83,721	66,035
Other income					
Bad debt recovery		328,346	250,040	328,346	250,040
Collection service income		57,693	72,460	29	225
Insurance broker business income		150,595	132,595	110,404	-
Dividend income		-	-	222,200	114,800
Others		70,319	138,112	29,091	31,826
Total Other income		606,953	593,207	690,070	396,891
Total Revenues		5,041,213	5,655,697	4,873,567	5,162,451
EXPENSES					
Operating and administrative expenses		1,888,421	2,038,548	1,716,789	1,763,136
Directors and managements' remuneration	21	32,468	44,595	14,932	25,881
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill		2,024	2,892	1,206	3,202
Total Expenses		1,922,913	2,086,035	1,732,927	1,792,219
Finance costs		453,167	558,158	471,479	572,287
Expected credit loss		1,225,961	2,391,806	872,001	2,153,886
Share of loss from an associate		-	12,521	-	-
PROFIT BEFORE INCOME TAX		1,439,172	607,177	1,797,160	644,059
INCOME TAX EXPENSE	22	355,478	152,266	317,327	101,142
PROFIT FOR THE PERIOD		1,083,694	454,911	1,479,833	542,917
PROFIT ATTRIBUTABLE TO :					
Owners of the parent		1,149,430	530,095	1,479,833	542,917
Non-controlling interests		(65,736)	(75,184)	-	-
		1,083,694	454,911	1,479,833	542,917
BASIC EARNINGS PER SHARE	BAHT	4.60	2.12	5.92	2.17
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 MAY 31, 2021

“UNAUDITED”

UNIT : THOUSAND BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the three-month		For the three-month	
	periods ended		periods ended	
	May 31,	May 31,	May 31,	May 31,
	2021	2020	2021	2020
Profit for the period	1,083,694	454,911	1,479,833	542,917
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	11,346	102,593	-	-
- Non-controlling interests	14,748	39,673	-	-
Loss on cash flow hedges	(65,108)	(73,140)	(65,108)	(73,140)
Other comprehensive income (loss) for the period, net of tax	(39,014)	69,126	(65,108)	(73,140)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,044,680	524,037	1,414,725	469,777
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :				
Owners of the parent	1,095,668	559,548	1,414,725	469,777
Non-controlling interests	(50,988)	(35,511)	-	-
	1,044,680	524,037	1,414,725	469,777

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 THREE-MONTH PERIOD ENDED MAY 31, 2021
“UNAUDITED”

UNIT : THOUSAND BAHT

	CONSOLIDATED FINANCIAL STATEMENTS							Non- controlling interests	Total shareholders' equity	
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of shareholders' equity		Total owners of the parent			
		Legal reserve	Appropriated Reserve for business expansion	Unappropriated	Exchange differences on translating financial statements of foreign operations	Cumulative loss on cash flow hedges				
Beginning balance as at March 1, 2020	250,000	478,000	25,000	4,850,000	9,903,788	(177,795)	(1,346,848)	13,982,145	354,501	14,336,646
Changes during the period										
Dividend paid	-	-	-	-	-	-	-	-	(6,955)	(6,955)
Profit (loss) for the period	-	-	-	-	530,095	-	-	530,095	(75,184)	454,911
Other comprehensive income (loss)	-	-	-	-	-	102,593	(73,140)	29,453	39,673	69,126
Ending balance as at May 31, 2020	<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>10,433,883</u>	<u>(75,202)</u>	<u>(1,419,988)</u>	<u>14,541,693</u>	<u>312,035</u>	<u>14,853,728</u>
Beginning balance as at March 1, 2021	250,000	478,000	25,000	4,850,000	12,471,581	(121,225)	(895,575)	17,057,781	321,883	17,379,664
Changes during the period										
Dividend paid	-	-	-	-	-	-	-	-	(2,998)	(2,998)
Profit (loss) for the period	-	-	-	-	1,149,430	-	-	1,149,430	(65,736)	1,083,694
Other comprehensive income (loss)	-	-	-	-	-	11,346	(65,108)	(53,762)	14,748	(39,014)
Ending balance as at May 31, 2021	<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>13,621,011</u>	<u>(109,879)</u>	<u>(960,683)</u>	<u>18,153,449</u>	<u>267,897</u>	<u>18,421,346</u>

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 THREE-MONTH PERIOD ENDED MAY 31, 2021

“UNAUDITED”

UNIT : THOUSAND BAHT

	SEPARATE FINANCIAL STATEMENTS					Other components of shareholders' equity Cumulative loss on cash flow hedges	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, 2020	250,000	478,000	25,000	4,850,000	9,102,559	(1,346,848)	13,358,711
Changes during the period							
Profit for the period	-	-	-	-	542,917	-	542,917
Other comprehensive loss	-	-	-	-	-	(73,140)	(73,140)
Ending balance as at May 31, 2020	<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>9,645,476</u>	<u>(1,419,988)</u>	<u>13,828,488</u>
Beginning balance as at March 1, 2021	250,000	478,000	25,000	4,850,000	11,790,986	(895,575)	16,498,411
Changes during the period							
Profit for the period	-	-	-	-	1,479,833	-	1,479,833
Other comprehensive loss	-	-	-	-	-	(65,108)	(65,108)
Ending balance as at May 31, 2021	<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>13,270,819</u>	<u>(960,683)</u>	<u>17,913,136</u>

See condensed notes to the financial statements

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

STATEMENT OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MAY 31, 2021

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the three-month		For the three-month	
		periods ended		periods ended	
		May 31,	May 31,	May 31,	May 31,
		2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the period		1,083,694	454,911	1,479,833	542,917
Adjustments for:					
Income tax expense		355,478	152,266	317,327	101,142
Share of loss from an associate using equity method		-	12,521	-	-
Expected credit loss		1,225,961	2,391,806	872,001	2,153,886
Depreciation of leasehold improvement and equipment and right-of-use assets		236,671	248,822	199,129	213,143
Amortization of intangible assets other than goodwill		49,365	44,104	38,889	36,050
Loss on sale of leasehold improvement and equipment		1,018	2,836	661	3,202
Loss on write-off of leasehold improvement and equipment		1,006	5	545	-
Loss on sale of intangible assets other than goodwill		-	389	-	-
Employee benefit expense		25,898	19,931	23,573	17,670
Unrealized gain on exchange rate		-	-	(4,855)	(830)
Interest income		(3,202,574)	(3,466,762)	(2,925,304)	(2,957,936)
(Gain) loss on cancellation of lease agreements		(334)	-	26	-
Gain on discount received from lease agreements		-	(11,885)	-	(11,885)
Dividend income		-	-	(222,200)	(114,800)
Finance costs		453,167	558,158	471,479	572,287
		<u>229,350</u>	<u>407,102</u>	<u>251,104</u>	<u>554,846</u>
Changes in operating assets and liabilities					
Operating assets (increase) decrease					
Trade and other current receivables		(747,490)	321,398	(495,675)	1,196,371
Other current assets		39,169	(37,735)	(137)	(2,600)
Other non-current assets		(1,823)	18,680	(2,101)	6,849
Operating liabilities increase (decrease)					
Trade and other current payables		(207,259)	14,374	(101,365)	(31,157)
Other current liabilities		4,976	33,284	(1,648)	15,564
Other non-current liabilities		8,448	11,576	(751)	834
Net cash flows provided by (used in) operation		<u>(674,629)</u>	<u>768,679</u>	<u>(350,573)</u>	<u>1,740,707</u>
Interest received		3,161,309	3,409,044	2,886,251	2,852,239
Dividend received		-	-	222,200	114,800
Finance costs paid		(468,497)	(685,190)	(503,379)	(714,086)
Income tax paid		(58,585)	(64,542)	(5,516)	(3,549)
Employee benefit paid		(1,052)	(480)	-	(480)
Net cash flows provided by operating activities		<u>1,958,546</u>	<u>3,427,511</u>	<u>2,248,983</u>	<u>3,989,631</u>

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MAY 31, 2021
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the three-month		For the three-month	
		periods ended		periods ended	
		May 31,	May 31,	May 31,	May 31,
		2021	2020	2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash paid for fixed deposits at banks under obligations		-	(6)	-	-
Cash received from fixed deposits at banks under obligations		323	-	-	-
Cash paid for purchase of leasehold improvement and equipment	4.2	(59,578)	(92,107)	(47,554)	(77,341)
Cash received from sale of leasehold improvement and equipment		1,258	729	841	160
Cash paid for purchase of intangible assets other than goodwill	4.2	(95,736)	(47,579)	(95,145)	(40,612)
Cash paid for investment in equity securities designated at fair value through other comprehensive income		(36,000)	-	(36,000)	-
Net cash flows used in investing activities		<u>(189,733)</u>	<u>(138,963)</u>	<u>(177,858)</u>	<u>(117,793)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received from bank overdrafts and short-term borrowings from financial institutions	4.4	14,505,805	29,534,559	12,150,033	24,200,000
Cash repayments for bank overdrafts and short-term borrowings from financial institutions	4.4	(18,250,807)	(32,160,968)	(15,790,033)	(27,300,056)
Cash received from long-term borrowings	4.4	2,873,981	4,829,522	2,571,061	4,704,388
Cash repayments for long-term borrowings	4.4	(716,220)	(2,750,950)	(716,220)	(2,750,950)
Cash received from long-term borrowings under securitization project	4.4	-	-	126,904	149,515
Cash repayments for long-term borrowings under securitization project	4.4	-	-	(126,904)	(149,515)
Cash repayments for long-term debentures	4.4	-	(3,027,700)	-	(3,027,700)
Cash paid for lease liabilities	4.4	(149,083)	(159,666)	(127,834)	(132,604)
Cash received from sales of written-off receivables		38,842	-	38,842	-
Dividend paid		(3,383)	(6,955)	-	-
Net cash flows used in financing activities		<u>(1,700,865)</u>	<u>(3,742,158)</u>	<u>(1,874,151)</u>	<u>(4,306,922)</u>
Net increase (decrease) in cash and cash equivalents before effect of exchange rate		67,948	(453,610)	196,974	(435,084)
Effect of exchange rate changes on cash and cash equivalents		1,841	335,394	-	-
Net increase (decrease) in cash and cash equivalents		69,789	(118,216)	196,974	(435,084)
Cash and cash equivalents at the beginning of the period		5,105,168	4,993,557	3,157,192	3,462,432
Cash and cash equivalents at the end of the period	4.1	<u>5,174,957</u>	<u>4,875,341</u>	<u>3,354,166</u>	<u>3,027,348</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 PERIOD ENDED MAY 31, 2021
“UNAUDITED”**

**1. GENERAL INFORMATION AND OPERATIONS OF THE COMPANY AND ITS SUBSIDIARIES
(THE “GROUP”)**

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, personal loans and others. Subsequently, on October 6, 2020, the Company has registered another objective which is to conduct life and non-life insurance broker business.

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.

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 7.1 and Note 7.2.

Coronavirus Disease 2019 Pandemic

A novel coronavirus (“COVID-19”) pandemic started in early 2020 in Thailand and countries the Group operate. It clearly affects overall Thailand and global economy, including the Company and the Group’s employees, customers, business partners and business operations.

In order to mitigate the impacts, the Company provides supports to customers as the relief measurement for loan to affected customer from the impact of COVID-19, following to the Bank of Thailand’s the relief measurement to help debtors from the Thai economic situation, by reducing minimum payment rates for credit card and personal loan and providing grace period for principal and interest according to conditions and terms specified by the Company.

Moreover, AEON Microfinance (Myanmar) Co., Ltd. (the “subsidiary”) has temporarily suspended new loans to customers due to the impact of the political turmoil in Myanmar since February 1, 2021. The subsidiary has continuously reduced operation costs and continued pursuing debt collection.

Nevertheless, the Group’s and Company’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

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 “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to 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 periods ended May 31, 2021 and 2020 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, 2021, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.

- 2.3 The unaudited results of operations presented in the three-month period ended May 31, 2021 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 TFRSs, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month period ended May 31, 2021 should be read in conjunction with the audited financial statements for the year ended February 28, 2021.
- 2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the three-month period ended May 31, 2021 have included the subsidiaries’ interim financial statements which were reviewed.

For the three-month periods ended May 31, 2021 and 2020, 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 periods ended May 31,	
				2021	2020
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. ⁽³⁾	Retail finance business	Cambodia	October 5, 2011	50.00	50.00
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⁾ The Company has the power to control over AEON Specialized Bank (Cambodia) Plc. in accordance with the requirement of TFRS No. 10 "Consolidated Financial Statements".

The interim consolidated financial statements for the three-month periods ended May 31, 2021 and 2020 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 periods ended May 31,	
				2021	2020
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 the 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 the associate using the most recent financial statements of the subsidiaries and the 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 periods ended	
	May 31, 2021	May 31, 2020
	Subsidiaries	
ACS Servicing (Thailand) Company Limited	March 31, 2021	March 31, 2020
AEON Insurance Service (Thailand) Company Limited	March 31, 2021	March 31, 2020
AEON Specialized Bank (Cambodia) Plc.	March 31, 2021	March 31, 2020
AEON Microfinance (Myanmar) Company Limited	March 31, 2021	March 31, 2020
AEON Leasing Service (Lao) Company Limited	March 31, 2021	March 31, 2020
An associate		
ACS Trading Vietnam Company Limited	March 31, 2021	March 31, 2020

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 financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Group's interim financial statements.

Accounting Treatment Guidance on “The temporary relief measures for entities supporting their debtors who effected from the situations that affected Thailand’s economy”

The objective of this accounting treatment guidance is to grant the temporary relief measures for entities helping their debtors who effected from the situations that affected Thailand’s economy with the helping period during January 1, 2020 to December 31, 2021 or until there are any changes from the Bank of Thailand, which require the compliance for such changes. The entities who support their debtors and elect to apply this accounting treatment guidance should comply with all relief measures specified in this accounting treatment guidance.

For the three-month period ended May 31, 2021, the Group and the Company have adhered to such Accounting Treatment Guidance regarding staging of receivables. For receivables that are credit impaired but still have the potential for repayment, the Group and the Company will classify the receivables as low credit risk (Stage 1) if the debtor has been repaying for 3 consecutive months or 3 payment periods, whichever is longer.

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

The Amendment to Thai Financial Reporting Standards No. 16 “Leases” (“TFRS 16”) Phase 1 added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

In addition, the Amendment to Thai Financial Reporting Standards No. 16 “Leases” (“TFRS 16”) Phase 2 has been announced in the Royal Gazette on May 13, 2021, which permit a lessee to apply the practical expedient regarding COVID-19-related rent concessions to rent concessions for which any reduction in lease payments affects only payments originally due on or before June 30, 2022. A lessee shall apply this amendment for annual reporting periods beginning on or after April 1, 2021. Earlier application is permitted, including in financial statements not authorized for issue at March 31, 2021.

The Group’s and the Company’s management will adopt such TFRSs 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 has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any significant impact 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, 2021.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

4.1 Cash and cash equivalents as at May 31, 2021 and February 28, 2021 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	May 31,	February 28,	May 31,	February 28,
	2021	2021	2021	2021
	Baht '000	Baht '000	Baht '000	Baht '000
Cash	933,892	981,293	892,022	946,970
Deposits at banks - call deposits	4,241,065	4,123,875	2,462,144	2,210,222
Cash and cash equivalents	<u>5,174,957</u>	<u>5,105,168</u>	<u>3,354,166</u>	<u>3,157,192</u>

- 4.2 Cash paid for purchase of leasehold improvement and equipment and intangible assets other than goodwill for the three-month periods ended May 31, 2021 and 2020 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Leasehold improvement and equipment				
Liabilities recorded - brought forward	25,839	43,432	23,896	40,514
Purchase of leasehold improvement and equipment	53,983	66,139	42,787	49,186
	<u>79,822</u>	<u>109,571</u>	<u>66,683</u>	<u>89,700</u>
<u>Less</u> Cash paid for purchase of				
leasehold improvement and equipment	(59,578)	(92,107)	(47,554)	(77,341)
Liabilities recorded - carried forward	<u>20,244</u>	<u>17,464</u>	<u>19,129</u>	<u>12,359</u>
Intangible assets other than goodwill				
Liabilities recorded - brought forward	13,521	1,572	13,520	1,571
Purchase of intangible assets other than goodwill	89,904	73,034	87,051	46,427
	<u>103,425</u>	<u>74,606</u>	<u>100,571</u>	<u>47,998</u>
<u>Less</u> Cash paid for purchase of				
intangible assets other than goodwill	(95,736)	(47,579)	(95,145)	(40,612)
Liabilities recorded - carried forward	<u>7,689</u>	<u>27,027</u>	<u>5,426</u>	<u>7,386</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 three-month period ended May 31, 2021 and 2020, such sale was settled by decreasing the Seller loan Account of Baht 8.20 million and Baht 23.28 million, respectively, instead of cash receipt.

4.4 Changes in liabilities arising from financing activities for the three-month periods ended May 31, 2021 and 2020 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					“Unaudited”	
	Beginning balance as at March 1, 2021 Baht '000	Financing cash flows		Non-cash changes		Ending balance as at May 31, 2021 Baht '000	
		Cash received	Cash paid	Differences on translating foreign currencies	Others		
		Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
	Bank overdrafts and short-term borrowings from financial institutions	10,379,071	14,505,805	(18,250,807)	50,749	-	6,684,818
	Long-term borrowings	42,821,621	2,873,981	(716,220)	934,296	(5,566)	45,908,112
Long-term debentures	9,425,401	-	-	55,133	1,700	9,482,234	
Lease liabilities	689,629	-	(149,083)	-	84,200	624,746	

	CONSOLIDATED FINANCIAL STATEMENTS					“Unaudited”	
	Beginning balance as at March 1, 2020 Baht '000	Financing cash flows		Non-cash changes		Ending balance as at May 31, 2020 Baht '000	
		Cash received	Cash paid	Differences on translating foreign currencies	Others		
		Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
	Bank overdrafts and short-term borrowings from financial institutions	7,211,233	29,534,559	(32,160,968)	446,293	-	5,031,117
	Long-term borrowings	45,259,611	4,829,522	(2,750,950)	269,747	80,463	47,688,393
Long-term debentures	16,787,966	-	(3,027,700)	337,049	2,972	14,100,287	
Lease liabilities	-	-	(159,666)	6,280	972,796	819,410	

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	Beginning balance as at March 1, 2021 Baht '000	Financing cash flows		Non-cash changes		“Unaudited” Ending balance as at May 31, 2021 Baht '000
		Cash received Baht '000	Cash paid Baht '000	Differences on translating foreign currencies Baht '000	Others Baht '000	
Bank overdrafts and short-term borrowings from financial institutions	7,860,000	12,150,033	(15,790,033)	-	-	4,220,000
Long-term borrowings	40,646,732	2,571,061	(716,220)	824,915	(1,802)	43,324,686
Long-term borrowings under securitization project	1,489,622	126,904	(126,904)	-	(44,839)	1,444,783
Long-term debentures	7,952,319	-	-	55,133	1,700	8,009,152
Lease liabilities	558,595	-	(127,834)	-	72,486	503,247

SEPARATE FINANCIAL STATEMENTS

	Beginning balance as at March 1, 2020 Baht '000	Financing cash flows		Non-cash changes		“Unaudited” Ending balance as at May 31, 2020 Baht '000
		Cash received Baht '000	Cash paid Baht '000	Differences on translating foreign currencies Baht '000	Others Baht '000	
Bank overdrafts and short-term borrowings from financial institutions	3,400,056	24,200,000	(27,300,056)	-	-	300,000
Long-term borrowings	44,076,691	4,704,388	(2,750,950)	269,749	(23,166)	46,276,712
Long-term borrowings under securitization project	1,662,552	149,515	(149,515)	-	(68,678)	1,593,874
Long-term debentures	15,314,884	-	(3,027,700)	337,049	2,972	12,627,205
Lease liabilities	-	-	(132,604)	-	799,889	667,285

5. TRADE RECEIVABLES

5.1 Trade receivables as at May 31, 2021 and February 28, 2021 consist of the following:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at May 31, 2021 Baht '000	As at February 28, 2021 Baht '000	As at May 31, 2021 Baht '000	As at February 28, 2021 Baht '000
Trade receivables	85,244,956	85,942,940	79,188,015	80,236,602
Trade receivables under securitization project - ATS Rabbit Special Purpose Vehicle Company Limited	1,444,783	1,489,622	1,444,783	1,489,622
Total	86,689,739	87,432,562	80,632,798	81,726,224
<u>Less</u> Allowance for expected credit loss	<u>(11,138,042)</u>	<u>(11,593,219)</u>	<u>(10,189,726)</u>	<u>(10,891,803)</u>
Total trade receivables	75,551,697	75,839,343	70,443,072	70,834,421

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, the Company continues to recognize the full carrying amount of these receivables and uses them as collateral for long-term borrowings under the securitization project (see Note 5.5).

As at May 31, 2021 and February 28, 2021, trade receivables are as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
“Unaudited”						
	As at May 31, 2021			As at February 28, 2021		
	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	3,858,090	3,111,592	6,969,682	3,567,397	3,145,028	6,712,425
<u>Less</u> Unearned financing income	<u>(339,252)</u>	<u>(496,079)</u>	<u>(835,331)</u>	<u>(341,085)</u>	<u>(523,657)</u>	<u>(864,742)</u>
	3,518,838	2,615,513	6,134,351	3,226,312	2,621,371	5,847,683
<u>Less</u> Allowance for expected credit loss	<u>(467,005)</u>	<u>(452,522)</u>	<u>(919,527)</u>	<u>(392,025)</u>	<u>(480,357)</u>	<u>(872,382)</u>
Hire-purchase and accrued interest receivable - net	<u>3,051,833</u>	<u>2,162,991</u>	<u>5,214,824</u>	<u>2,834,287</u>	<u>2,141,014</u>	<u>4,975,301</u>
Loans receivable						
Loans and accrued interest receivable	44,602,323	228,230	44,830,553	45,123,605	208,290	45,331,895
<u>Less</u> Allowance for expected credit loss	<u>(6,303,090)</u>	<u>(54,570)</u>	<u>(6,357,660)</u>	<u>(6,634,437)</u>	<u>(35,945)</u>	<u>(6,670,382)</u>
Loans and accrued interest receivable - net	<u>38,299,233</u>	<u>173,660</u>	<u>38,472,893</u>	<u>38,489,168</u>	<u>172,345</u>	<u>38,661,513</u>
Credit card receivable						
Credit card and accrued interest receivable	35,588,614	-	35,588,614	36,088,232	-	36,088,232
<u>Less</u> Allowance for expected credit loss	<u>(3,860,680)</u>	<u>-</u>	<u>(3,860,680)</u>	<u>(4,050,362)</u>	<u>-</u>	<u>(4,050,362)</u>
Credit card and accrued interest receivable - net	<u>31,727,934</u>	<u>-</u>	<u>31,727,934</u>	<u>32,037,870</u>	<u>-</u>	<u>32,037,870</u>
Receivable from rendering the collection service						
Receivable from rendering the collection service	13,597	-	13,597	9,054	-	9,054
<u>Less</u> Allowance for expected credit loss	<u>(175)</u>	<u>-</u>	<u>(175)</u>	<u>(93)</u>	<u>-</u>	<u>(93)</u>
Receivable from rendering the collection service - net	<u>13,422</u>	<u>-</u>	<u>13,422</u>	<u>8,961</u>	<u>-</u>	<u>8,961</u>
Receivable from insurance broker business						
	122,624	-	122,624	155,698	-	155,698
Total trade receivables	<u>73,215,046</u>	<u>2,336,651</u>	<u>75,551,697</u>	<u>73,525,984</u>	<u>2,313,359</u>	<u>75,839,343</u>

SEPARATE FINANCIAL STATEMENTS

“Unaudited”

	As at May 31, 2021			As at February 28, 2021		
	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	1,033,328	2,661,304	3,694,632	1,006,603	2,745,539	3,752,142
<u>Less</u> Unearned financing income	<u>(339,252)</u>	<u>(496,079)</u>	<u>(835,331)</u>	<u>(341,085)</u>	<u>(523,656)</u>	<u>(864,741)</u>
	694,076	2,165,225	2,859,301	665,518	2,221,883	2,887,401
<u>Less</u> Allowance for expected credit loss	<u>(148,589)</u>	<u>(404,379)</u>	<u>(552,968)</u>	<u>(155,003)</u>	<u>(445,001)</u>	<u>(600,004)</u>
Hire-purchase and accrued interest receivable - net	<u>545,487</u>	<u>1,760,846</u>	<u>2,306,333</u>	<u>510,515</u>	<u>1,776,882</u>	<u>2,287,397</u>
Loans receivable						
Loans and accrued interest receivable	42,794,615	3	42,794,618	43,385,259	7	43,385,266
<u>Less</u> Allowance for expected credit loss	<u>(5,826,037)</u>	<u>-</u>	<u>(5,826,037)</u>	<u>(6,276,675)</u>	<u>(1)</u>	<u>(6,276,676)</u>
Loans and accrued interest receivable - net	<u>36,968,578</u>	<u>3</u>	<u>36,968,581</u>	<u>37,108,584</u>	<u>6</u>	<u>37,108,590</u>
Credit card receivable						
Credit card and accrued interest receivable	34,936,141	-	34,936,141	35,453,557	-	35,453,557
<u>Less</u> Allowance for expected credit loss	<u>(3,810,721)</u>	<u>-</u>	<u>(3,810,721)</u>	<u>(4,015,123)</u>	<u>-</u>	<u>(4,015,123)</u>
Credit card and accrued interest receivable - net	<u>31,125,420</u>	<u>-</u>	<u>31,125,420</u>	<u>31,438,434</u>	<u>-</u>	<u>31,438,434</u>
Receivable from insurance broker business	<u>42,738</u>	<u>-</u>	<u>42,738</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total trade receivables	<u>68,682,223</u>	<u>1,760,849</u>	<u>70,443,072</u>	<u>69,057,533</u>	<u>1,776,888</u>	<u>70,834,421</u>

5.2 Quality of assets

Staging analysis for trade receivables as at May 31, 2021 and February 28, 2021 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					
	“Unaudited”					
	As at May 31, 2021			As at February 28, 2021		
	Trade receivables	Allowance for expected credit loss	Total trade receivables	Trade receivables	Allowance for expected credit loss	Total trade receivables
Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
Low credit risk receivables (Stage 1)	78,706,214	(5,744,518)	72,961,696	79,446,594	(5,969,416)	73,477,178
Significant increase in credit risk receivables (Stage 2)	3,032,485	(1,509,376)	1,523,109	2,943,938	(1,578,830)	1,365,108
Default receivables in credit risk (Stage 3)	4,951,040	(3,884,148)	1,066,892	5,042,030	(4,044,973)	997,057
Total	86,689,739	(11,138,042)	75,551,697	87,432,562	(11,593,219)	75,839,343

	SEPARATE FINANCIAL STATEMENTS					
	“Unaudited”					
	As at May 31, 2021			As at February 28, 2021		
	Trade receivables	Allowance for expected credit loss	Total trade receivables	Trade receivables	Allowance for expected credit loss	Total trade receivables
Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
Low credit risk receivables (Stage 1)	73,817,556	(5,578,623)	68,238,933	74,480,252	(5,813,007)	68,667,245
Significant increase in credit risk receivables (Stage 2)	2,508,524	(1,352,009)	1,156,515	2,715,548	(1,489,812)	1,225,736
Default receivables in credit risk (Stage 3)	4,306,718	(3,259,094)	1,047,624	4,530,424	(3,588,984)	941,440
Total	80,632,798	(10,189,726)	70,443,072	81,726,224	(10,891,803)	70,834,421

Trade receivables as at May 31, 2021 and February 28, 2021 classified by aging are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	“Unaudited”	
	As at May 31, 2021	As at February 28, 2021
	Baht '000	Baht '000
Less than 3 months	82,175,491	82,848,008
3 months up	4,514,248	4,584,554
Total	86,689,739	87,432,562
Less Allowance for expected credit loss	(11,138,042)	(11,593,219)
Total trade receivables	75,551,697	75,839,343

	SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”	
	As at	As at
	May 31, 2021 Baht '000	February 28, 2021 Baht '000
Less than 3 months	76,762,873	77,653,277
3 months up	3,869,925	4,072,947
Total	80,632,798	81,726,224
<u>Less</u> Allowance for expected credit loss	(10,189,726)	(10,891,803)
Total trade receivables	70,443,072	70,834,421

5.3 Troubled debt restructuring

For the three-month periods ended May 31, 2021 and 2020, the Company recognized interest income on restructured debts totaling Baht 37.47 million and Baht 27.47 million, respectively.

The Company had outstanding balances of credit card receivable, hire-purchase receivable and loans receivable as at May 31, 2021 and February 28, 2021, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	“Unaudited”			
	As at May 31, 2021		As at February 28, 2021	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	27,534	1,096,017	29,220	1,158,699
Non-restructured trade receivables	3,744,270	85,457,501	3,777,597	86,109,111
Total	3,771,804	86,553,518	3,806,817	87,267,810

	SEPARATE FINANCIAL STATEMENTS			
	“Unaudited”			
	As at May 31, 2021		As at February 28, 2021	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	27,519	1,095,211	29,205	1,157,487
Non-restructured trade receivables	2,695,945	79,494,849	2,730,569	80,568,737
Total	2,723,464	80,590,060	2,759,774	81,726,224

As at May 31, 2021 and February 28, 2021, the Company had no commitment to provide additional loans to its restructured debtors after debt restructuring.

5.4 Allowance for expected credit loss

Allowance for expected credit loss as at May 31, 2021 and February 28, 2021 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
May 31,	February 28,	May 31,	February 28,	
2021	2021	2021	2021	
Baht '000	Baht '000	Baht '000	Baht '000	
Beginning balance	11,593,219	11,027,128	10,891,803	10,789,796
Expected credit loss	1,342,961	6,614,952	1,025,636	6,020,077
Written-off bad debts	(1,798,138)	(6,048,861)	(1,727,713)	(5,918,070)
Ending balance	<u>11,138,042</u>	<u>11,593,219</u>	<u>10,189,726</u>	<u>10,891,803</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 periods ended May 31, 2021 and 2020, transactions relating to the transfers of financial assets under the securitization project are summarized as follows:

	2021 Million Baht	2020 Million Baht
Transfers of future and additional receivables (at book value)		
- Loans receivable (ATS Rabbit)	119	126
	<u>119</u>	<u>126</u>
Cash collection on behalf of a Special Purpose Vehicle		
- Loans receivable (ATS Rabbit)	220	261
	<u>220</u>	<u>261</u>
Servicing income on cash collection from a Special Purpose Vehicle		
- Loans receivable (ATS Rabbit)	20	22
	<u>20</u>	<u>22</u>

6. LONG-TERM LOAN TO A SUBSIDIARY

As at May 31, 2021, the Company has long-term loan to a subsidiary amounting to USD 4 million or equivalent to Baht 124.35 million which will be due in 2026. The loan is unsecured and has interest rate at 8.5% per annum (see Note 23.2.1) (As at February 28, 2021 : USD 4 million or equivalent to Baht 119.49 million).

7. INVESTMENTS IN AN ASSOCIATE AND SUBSIDIARIES

Investments in an associate and subsidiaries consist of:

7.1 Investment in an associate in the consolidated financial statements

As at May 31, 2021 and February 28, 2021, 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 May 31, 2021		As at February 28, 2021		
	Paid-up capital	Ownership %	Cost method Baht '000	Equity method Baht '000	Cost method Baht '000	Equity method Baht '000
Investment in an associate						
ACS Trading Vietnam Company Limited	VND 50,000 million	20.00	16,819.3	-	16,819.3	-
<u>Less</u> Allowance for impairment of investment			<u>(16,819.3)</u>	<u>-</u>	<u>(16,819.3)</u>	<u>-</u>
Total investment in an associate			-	-	-	-

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

As at May 31, 2021 and February 28, 2021, 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 May 31, 2021		As at February 28, 2021	
Ownership	Cost	Ownership	Cost	
%	Baht '000	%	Baht '000	
Investments in an associate and subsidiaries				
Investment in an associate (see Note 23.1)				
ACS Trading Vietnam Company Limited	20.00	16,819.3	20.00	16,819.3
<u>Less</u> Allowance for impairment of investment		<u>(16,819.3)</u>		<u>(16,819.3)</u>
Total investment in an associate		<u>-</u>		<u>-</u>
Investments in subsidiaries (see Note 23.1)				
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	50.00	323,580.0
AEON Microfinance (Myanmar) Company Limited	100.00	455,403.3	100.00	455,403.3
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>1,206,645.3</u>		<u>1,206,645.3</u>
Total investments in an associate and subsidiaries		<u>1,206,645.3</u>		<u>1,206,645.3</u>

8. INVESTMENTS IN EQUITY SECURITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS

Investments in equity securities measured at fair value through profit or loss as at May 31, 2021 and February 28, 2021 consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	“Unaudited”			
	As at May 31, 2021		As at February 28, 2021	
Ownership	Fair Value	Ownership	Fair Value	
%	Baht '000	%	Baht '000	
AEON (Thailand) Co., Ltd. ⁽¹⁾	3.82	-	3.82	-
PT. AEON Credit Service Indonesia ⁽²⁾	2.59	<u>5,062</u>	2.59	<u>5,062</u>
Total		<u>5,062</u>		<u>5,062</u>

⁽¹⁾ 340,000 shares of Baht 100 each, Baht 25 called up

⁽²⁾ 173 shares of IDR 30 million each, par value of IDR 30 million, fully paid

The fair values of investments in equity securities measured at fair value through profit or loss are categorized into level 3.

9. INVESTMENTS IN EQUITY SECURITIES DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investments in equity securities designated at fair value through other comprehensive income as at May 31, 2021 consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS “Unaudited” As at May 31, 2021	
	Ownership %	Fair Value Baht '000
Rabbit Cash Co., Ltd. ⁽¹⁾	18.00	<u>36,000</u>
Total		<u><u>36,000</u></u>

(1) 1,440,000 shares of Baht 100 each, Baht 25 called up

On March 29, 2021, the Company has entered into a Joint Venture Agreement with BSS Holdings Company Limited (“BSS Holdings”) and Humanica Public Company Limited (“HUMAN”) to incorporate a Joint Venture Company under the name of “Rabbit Cash Company Limited”, whereas BSS Holdings, the Company and HUMAN holds 77%, 18% and 5%, respectively, of the shares. The initial registered capital is Baht 800 million.

The fair values of investments in equity securities designated at fair value through other comprehensive income are categorized into level 3.

10. SELLER LOAN IN SPECIAL PURPOSE VEHICLE FOR SECURITIZATION

Seller loan in Special Purpose Vehicle for securitization as at May 31, 2021 and February 28, 2021 are as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at May 31, 2021 Baht '000	As at February 28, 2021 Baht '000
Seller loan in Special Purpose Vehicle for securitization (see Note 23.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	<u>211,422</u>	<u>219,626</u>
Total Seller loan in Special Purpose Vehicle for securitization	<u><u>211,422</u></u>	<u><u>219,626</u></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.

11. SUBORDINATED LENDINGS AND SUBORDINATED BORROWINGS

11.1 Subordinated lendings to Special Purpose Vehicle as at May 31, 2021 and February 28, 2021 are as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at May 31, 2021 Baht '000	As at February 28, 2021 Baht '000
Subordinated lendings (see Note 23.2.1) ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	84,074	84,074
Total subordinated lendings	84,074	84,074

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.

11.2 Subordinated borrowings of Special Purpose Vehicle as at May 31, 2021 and February 28, 2021 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”	
	As at May 31, 2021 Baht '000	As at February 28, 2021 Baht '000
Subordinated borrowings ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	84,074	84,074
Total subordinated borrowings	84,074	84,074

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.

12. DEFERRED TAX ASSETS

Deferred tax assets as at May 31, 2021 and February 28, 2021 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at May 31, 2021 Baht '000	As at February 28, 2021 Baht '000	As at May 31, 2021 Baht '000	As at February 28, 2021 Baht '000
Deferred tax assets				
Allowance for expected credit loss	2,116,832	2,256,201	2,037,945	2,178,361
Non-accrual of interest income	-	1,815	-	-
Cumulative loss from fair value measurement investments in equity securities	4,502	4,502	4,502	4,502
Allowance for impairment of investment and assets	-	12,400	3,364	15,764
Provisions for employee benefit	100,638	95,669	91,036	86,320
Deferred revenue from customer loyalty programs	87,530	81,899	87,530	81,899
Lease agreements	13,546	11,998	13,007	11,550
Derivatives	469,185	629,102	469,185	629,102
Others	25,872	29,109	15,616	15,737
	<u>2,818,105</u>	<u>3,122,695</u>	<u>2,722,185</u>	<u>3,023,235</u>
Deferred tax liabilities				
Lease agreements	297	154	-	-
	<u>297</u>	<u>154</u>	<u>-</u>	<u>-</u>
Deferred tax assets	<u>2,817,808</u>	<u>3,122,541</u>	<u>2,722,185</u>	<u>3,023,235</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”			
	Beginning balance as at March 1, 2021 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at May 31, 2021 Baht '000
Deferred tax assets				
Allowance for expected credit loss	2,256,201	(139,369)	-	2,116,832
Non-accrual of interest income	1,815	(1,815)	-	-
Cumulative loss from fair value measurement investments in equity securities	4,502	-	-	4,502
Allowance for impairment of investment and assets	12,400	(12,400)	-	-
Provisions for employee benefit	95,669	4,969	-	100,638
Deferred revenue from customer loyalty programs	81,899	5,631	-	87,530
Lease agreements	11,998	1,548	-	13,546
Derivatives	629,102	(176,194)	16,277	469,185
Others	29,109	(3,237)	-	25,872
	<u>3,122,695</u>	<u>(320,867)</u>	<u>16,277</u>	<u>2,818,105</u>
Deferred tax liabilities				
Lease agreements	154	143	-	297
	<u>154</u>	<u>143</u>	<u>-</u>	<u>297</u>
Deferred tax assets	<u>3,122,541</u>	<u>(321,010)</u>	<u>16,277</u>	<u>2,817,808</u>

CONSOLIDATED FINANCIAL STATEMENTS

	Beginning balance as at March 1, 2020 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at February 28, 2021 Baht '000
Deferred tax assets				
Allowance for expected credit loss	2,187,825	68,376	-	2,256,201
Non-accrual of interest income	73,406	(71,591)	-	1,815
Cumulative loss from fair value measurement				
investments in equity securities	1,700	2,802	-	4,502
Allowance for impairment of investment and assets	5,200	7,200	-	12,400
Provisions for employee benefit	78,683	11,522	5,464	95,669
Deferred revenue from customer loyalty programs	59,373	22,526	-	81,899
Lease agreements	1,798	10,200	-	11,998
Derivatives	562,147	179,772	(112,817)	629,102
Others	24,878	4,231	-	29,109
	<u>2,995,010</u>	<u>235,038</u>	<u>(107,353)</u>	<u>3,122,695</u>
Deferred tax liabilities				
Unrealized loss on exchange rate of currency swap contracts	93,155	(93,155)	-	-
Lease agreements	(968)	1,122	-	154
	<u>92,187</u>	<u>(92,033)</u>	<u>-</u>	<u>154</u>
Deferred tax assets	<u>2,902,823</u>	<u>327,071</u>	<u>(107,353)</u>	<u>3,122,541</u>

SEPARATE FINANCIAL STATEMENTS

“Unaudited”

	Beginning balance as at March 1, 2021 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at May 31, 2021 Baht '000
Deferred tax assets				
Allowance for expected credit loss	2,178,361	(140,416)	-	2,037,945
Cumulative loss from fair value measurement				
investments in equity securities	4,502	-	-	4,502
Allowance for impairment of investment and assets	15,764	(12,400)	-	3,364
Provisions for employee benefit	86,320	4,716	-	91,036
Deferred revenue from customer loyalty programs	81,899	5,631	-	87,530
Lease agreements	11,550	1,457	-	13,007
Derivatives	629,102	(176,194)	16,277	469,185
Others	15,737	(121)	-	15,616
	<u>3,023,235</u>	<u>(317,327)</u>	<u>16,277</u>	<u>2,722,185</u>
Deferred tax assets	<u>3,023,235</u>	<u>(317,327)</u>	<u>16,277</u>	<u>2,722,185</u>

	SEPARATE FINANCIAL STATEMENTS			
	Beginning balance as at March 1, 2020 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at February 28, 2021 Baht '000
Deferred tax assets				
Allowance for expected credit loss	2,157,959	20,402	-	2,178,361
Non-accrual of interest income	71,755	(71,755)	-	-
Cumulative loss from fair value measurement				
investments in equity securities	1,700	2,802	-	4,502
Allowance for impairment of investment and assets	5,200	10,564	-	15,764
Provisions for employee benefit	70,518	10,171	5,631	86,320
Deferred revenue from customer loyalty programs	59,373	22,526	-	81,899
Lease agreements	1,798	9,752	-	11,550
Derivatives	562,147	179,772	(112,817)	629,102
Others	16,516	(779)	-	15,737
	<u>2,946,966</u>	<u>183,455</u>	<u>(107,186)</u>	<u>3,023,235</u>
Deferred tax liabilities				
Unrealized loss on exchange rate of currency swap contracts	93,155	(93,155)	-	-
Deferred tax assets	<u>2,853,811</u>	<u>276,610</u>	<u>(107,186)</u>	<u>3,023,235</u>

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

Bank overdrafts and short-term borrowings from financial institutions as at May 31, 2021 and February 28, 2021 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS			
	"Unaudited"			
	As at May 31, 2021		As at February 28, 2021	
	Interest rate p.a. (%)	Baht '000	Interest rate p.a. (%)	Baht '000
Short-term borrowings in THB currency	0.69 - 0.80	4,220,000	0.69 - 0.97	7,860,000
Short-term borrowings in USD currency	0.89 - 6.50	1,445,259	0.96 - 6.12	1,367,909
Short-term borrowings in LAK currency	5.70 - 6.60	292,630	5.70 - 6.60	266,339
Short-term borrowings in MMK currency	10.00 - 13.00	726,929	10.00 - 13.00	884,823
Total		<u>6,684,818</u>		<u>10,379,071</u>

	SEPARATE FINANCIAL STATEMENTS			
	"Unaudited"			
	As at May 31, 2021		As at February 28, 2021	
	Interest rate p.a. (%)	Baht '000	Interest rate p.a. (%)	Baht '000
Short-term borrowings in THB currency	0.69 - 0.80	4,220,000	0.69 - 0.97	7,860,000
Total		<u>4,220,000</u>		<u>7,860,000</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.

14. LONG-TERM BORROWINGS

As at May 31, 2021 and February 28, 2021, the Company entered into various long-term borrowings agreements in THB and foreign currencies as follows:

CONSOLIDATED FINANCIAL STATEMENTS “Unaudited” As at May 31, 2021				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2021 - 2025	1.90 - 4.84	29,645.24	8,565,961
Borrowings in USD currency	2021 - 2027	1.85 - 8.50	686.29	21,581,351
Borrowings in THB currency	2021 - 2024	1.54 - 3.29	15,800.00	15,800,000
<u>Less</u> Borrowings issuance cost				(39,200)
				45,908,112
<u>Less</u> Current portion of long-term borrowings				(5,021,852)
Total long-term borrowings				40,886,260

CONSOLIDATED FINANCIAL STATEMENTS As at February 28, 2021				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2021 - 2025	2.06 - 4.84	20,642.05	5,931,678
Borrowings in USD currency	2021 - 2027	1.85 - 8.50	699.29	21,127,341
Borrowings in THB currency	2021 - 2024	1.54 - 3.29	15,800.00	15,800,000
<u>Less</u> Borrowings issuance cost				(37,398)
				42,821,621
<u>Less</u> Current portion of long-term borrowings				(3,839,423)
Total long-term borrowings				38,982,198

SEPARATE FINANCIAL STATEMENTS “Unaudited” As at May 31, 2021				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2021 - 2025	1.90 - 4.84	29,645.24	8,565,961
Borrowings in USD currency	2021 - 2025	1.85 - 3.38	699.29	18,997,925
Borrowings in THB currency	2021 - 2024	1.54 - 3.29	15,800.00	15,800,000
<u>Less</u> Borrowings issuance cost				(39,200)
				43,324,686
<u>Less</u> Current portion of long-term borrowings				(5,021,852)
Total long-term borrowings				38,302,834

SEPARATE FINANCIAL STATEMENTS As at February 28, 2021				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2021 - 2025	2.06 - 4.84	20,642.05	5,931,678
Borrowings in USD currency	2021 - 2025	1.85 - 3.38	627.29	18,952,452
Borrowings in THB currency	2021 - 2024	1.54 - 3.29	15,800.00	15,800,000
<u>Less</u> Borrowings issuance cost				(37,398)
				40,646,732
<u>Less</u> Current portion of long-term borrowings				(3,839,423)
Total long-term borrowings				36,807,309

In the consolidated and separate financial statements as at May 31, 2021, the Company has long-term borrowings in JPY currency from a related company which is a bank in Japan amounting to JPY 2,500 million or equivalent to Baht 722.28 million with interest rate at 4.84% per annum which are unsecured and will be due in the year 2021 (see Note 23.2.1) (As at February 28, 2021 : JPY 2,500 million or equivalent to Baht 718.15 million).

15. LONG-TERM BORROWINGS UNDER SECURITIZATION PROJECT

As at May 31, 2021 and February 28, 2021, 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 1,444.78 million and Baht 1,489.62 million, respectively.

16. LONG-TERM DEBENTURES

Long-term debentures represent unsubordinated and unsecured debentures as at May 31, 2021 and February 28, 2021, 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 May 31, 2021 Baht '000	As at February 28, 2021 Baht '000
Company									
22/08/2016	20/08/2021	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.85	Semi-annual	471,576	453,198
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	943,152	906,396
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	15/11/2021	800,000	THB	1,000	800,000,000	3.26	Semi-annual	800,000	800,000
15/11/2019	15/11/2022	2,800,000	THB	1,000	2,800,000,000	2.27	Semi-annual	2,800,000	2,800,000
15/11/2019	15/11/2024	1,000,000	THB	1,000	1,000,000,000	2.57	Semi-annual	1,000,000	1,000,000
								8,014,728	7,959,594
<u>Less</u> Debentures issuance cost								(5,576)	(7,275)
								8,009,152	7,952,319
<u>Less</u> Current portion of long-term debentures								(3,212,412)	(3,156,040)
Total long-term debentures in separate financial statements								4,796,740	4,796,279
ATS Rabbit Special Purpose Vehicle Company Limited									
29/09/2018	28/10/2025	1,473,082	THB	1,000	1,473,082,000	2.84	Monthly	1,473,082	1,473,082
Total long-term debentures in consolidated financial statements								6,269,822	6,269,361

17. DERIVATIVE FINANCIAL INSTRUMENTS

The fair values and notional amounts of derivative instruments are set out as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS						
“Unaudited”						
	As at May 31, 2021			As at February 28, 2021		
	Fair value		Notional amount	Fair value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Derivatives designated as cash flow hedges						
Cross currency swaps	49,473	2,057,607	28,978,615	-	2,780,776	26,243,724
Interest rate swaps	-	337,791	9,000,000	-	364,729	9,000,000
	<u>49,473</u>	<u>2,395,398</u>	<u>37,978,615</u>	<u>-</u>	<u>3,145,505</u>	<u>35,243,724</u>
Less Current portion of derivative liabilities	-	(1,361,804)	(5,939,425)	-	(1,287,130)	(4,699,532)
Total derivative assets / liabilities	<u>49,473</u>	<u>1,033,594</u>	<u>32,039,190</u>	<u>-</u>	<u>1,858,375</u>	<u>30,544,192</u>

18. PROVISIONS FOR EMPLOYEE BENEFIT

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

For the three-month periods ended May 31, 2021 and 2020, amounts recognized in the statements of profit or loss in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Past service cost				
- For employees transferred from subsidiaries	2,782	-	3,814	-
Current service cost	20,225	18,262	17,952	16,174
Interest cost	1,969	1,663	1,807	1,490
Loss on settlement	922	6	-	6
Total	<u>25,898</u>	<u>19,931</u>	<u>23,573</u>	<u>17,670</u>

Movements in the present value of the provisions for post-employment benefit for the three-month periods ended May 31, 2021 and 2020, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	478,346	393,419	431,606	352,594
Past service cost				
- For employees transferred from subsidiaries	2,782	-	3,814	-
Current service cost	20,225	18,262	17,952	16,174
Interest cost	1,969	1,663	1,807	1,490
Loss on settlement	922	6	-	6
Benefits paid	(1,052)	(480)	-	(480)
Ending balance	<u>503,192</u>	<u>412,870</u>	<u>455,179</u>	<u>369,784</u>

The significant actuarial assumptions used to calculate the provisions under the defined benefit plans as at May 31, 2021 and February 28, 2021 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	“Unaudited”	
	As at May 31, 2021	As at February 28, 2021
	% per annum	% per annum
Financial assumptions		
Discount rate	0.96 - 1.66	0.96 - 1.66
Expected rate of salary increase	5.0	5.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 28.0	0.0 - 28.0
Subject to range of age of employees	Subject to range of age of employees	Subject to range of age of employees
Daily & Temporary staff	0.0 - 54.0	0.0 - 54.0
Subject to range of age of employees	Subject to range of age of employees	Subject to range of age of employees
	SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”	
	As at May 31, 2021	As at February 28, 2021
	% per annum	% per annum
Financial assumptions		
Discount rate	1.66	1.66
Expected rate of salary increase	5.0	5.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 17.0	0.0 - 17.0
Subject to range of age of employees	Subject to range of age of employees	Subject to range of age of employees
Daily staff	0.0 - 52.0	0.0 - 52.0
Subject to range of age of employees	Subject to range of age of employees	Subject to range of age of employees

19. SHAREHOLDERS' EQUITY

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.

20. REVENUES RELATING TO SECURITIZATION TRANSACTION

For the three-month periods ended May 31, 2021 and 2020, revenues relating to securitization transaction incurred from sales of rights in loans receivable to ATS Rabbit Special Purpose Vehicle Company Limited are included in the presentation of Loan income as follows:

	SEPARATE FINANCIAL STATEMENTS	
	2021 Baht '000	2020 Baht '000
Loan income (see Note 23.2.2)		
Interest income from subordinated lendings	2,543	2,543
Revenue from seller loan in Special Purpose Vehicle	6,400	6,541
Dividend from investment in Special Purpose Vehicle	2,998	6,955
Collection Servicing income	20,117	22,498
Total	<u>32,058</u>	<u>38,537</u>

21. DIRECTORS AND MANagements' 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 periods ended May 31, 2021 and 2020, directors and managements' remuneration are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2021 Baht '000	2020 Baht '000	2021 Baht '000	2020 Baht '000
Short-term employee benefits				
Directors' remuneration (reversal)	2,140	12,319	(3,250)	7,250
Managements' remuneration	29,189	31,088	17,352	17,736
Post-employment benefits	1,139	1,188	830	895
Total	<u>32,468</u>	<u>44,595</u>	<u>14,932</u>	<u>25,881</u>

For the three-month periods ended May 31, 2021 and 2020, 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 24, 2021 and June 24, 2020, respectively.

22. 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 periods ended May 31, 2021 and 2020. The foreign subsidiaries used 20% - 25% for corporate income tax and deferred tax calculations for the three-month periods ended May 31, 2021 and 2020.

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 periods ended May 31, 2021 and 2020, income tax expense consists of:

	CONSOLIDATED		SEPARATE FINANCIAL	
	FINANCIAL STATEMENTS		STATEMENTS	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense for the period	34,468	249,659	-	191,040
Deferred income tax expense (revenue)	321,010	(97,393)	317,327	(89,898)
Income tax expense per statements of profit or loss	<u>355,478</u>	<u>152,266</u>	<u>317,327</u>	<u>101,142</u>

Reconciliations of effective tax rates for the three-month periods ended May 31, 2021 and 2020 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	1,439,172	607,177	1,797,160	644,059
Permanent differences	105,550	133,296	(2,591)	(16,594)
Temporary differences	(1,370,831)	451,344	(1,586,636)	449,488
Income that is exempt from tax	-	-	(225,198)	(121,755)
Taxable profit (loss)	<u>173,891</u>	<u>1,191,817</u>	<u>(17,265)</u>	<u>955,198</u>
Normal income tax rate (%)	20.00 - 25.00	20.00 - 25.00	20.00	20.00
Income tax for the period currently payable	34,468	249,659	-	191,040
Deferred tax from temporary differences	321,010	(97,393)	317,327	(89,898)
Income tax expense per statements of profit or loss	<u>355,478</u>	<u>152,266</u>	<u>317,327</u>	<u>101,142</u>
Effective tax rate (%)	24.70	25.08	17.66	15.70

23. 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:

23.1 Investments in an associate and subsidiaries (see Note 7.2) as at May 31, 2021 and February 28, 2021 are as follows:

Related parties	Relationship	SEPARATE FINANCIAL STATEMENTS					
		“Unaudited”					
		As at May 31, 2021			As at February 28, 2021		
		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
<u>Less</u> Allowance for impairment in investment				<u>(16,819.3)</u>			<u>(16,819.3)</u>
Total investment in an associate				<u>-</u>			<u>-</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	50.00	643,720.4	323,580.0
AEON Microfinance (Myanmar) Company Limited	Subsidiary	100.00	455,403.3	455,403.3	100.00	455,403.3	455,403.3
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>1,206,645.3</u>			<u>1,206,645.3</u>
Total investments in an associate and subsidiaries				<u><u>1,206,645.3</u></u>			<u><u>1,206,645.3</u></u>

23.2 Business transactions with related parties

23.2.1 Balances with related parties as at May 31, 2021 and February 28, 2021 are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
		As at May 31, 2021 Baht '000	As at February 28, 2021 Baht '000	As at May 31, 2021 Baht '000	As at February 28, 2021 Baht '000
Other receivables					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	2,135	37,974
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	2,321	2,964
AEON Financial Service Co., Ltd.	Major shareholder	3,938	154	3,906	105
AEON Credit Service Company Limited	Common ultimate holding company	67	-	-	-
ACS Capital Corporation Limited	Shareholder and one common director	3,429	5,672	379	376
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	50,154	49,828
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	4,394	1,663
AEON (Cambodia) Co., Ltd.	Common ultimate holding company	-	80	-	-
AEON (Thailand) Ltd.	Common ultimate holding company	-	-	-	-
		<u>5,239</u>	<u>24</u>	<u>-</u>	<u>-</u>
		<u>12,673</u>	<u>5,930</u>	<u>63,289</u>	<u>92,910</u>
Long-term loan to a subsidiary (see Note 6)					
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	124,350	119,494
Seller loan in Special Purpose Vehicle for securitization (see Note 10)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	211,422	219,626
Subordinated lendings (see Note 11.1)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	84,074	84,074
Trade payables					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	194	163
Other payables					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	17,322	2,046
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	57,149	59,897
AEON (Thailand) Company Limited	Common ultimate holding company	986	1,176	986	1,176
AEON Financial Service Co., Ltd.	Major shareholder	34,399	56,883	25,909	48,037
AEON Credit Service Company Limited	Common ultimate holding company	2,702	3,653	898	1,891
AEON Credit Service Systems (Philippines) Inc.	Holding shares	4,764	3,590	-	-
AEON Bank Ltd.	Common ultimate holding company	3,206	1,682	3,206	1,682
AEON Credit Service (Asia) Company Limited	Common ultimate holding company	76	78	-	-
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	44,718	49,045
AEON Insurance Service Company Limited	Common ultimate holding company	655	672	-	-
ACS Capital Corporation Limited	Common ultimate holding company	20	3	-	-
		<u>46,808</u>	<u>67,737</u>	<u>150,188</u>	<u>163,774</u>
Long-term borrowings (see Note 14)					
AEON Bank Ltd.	Common ultimate holding company	722,275	718,151	722,275	718,151
Long-term borrowings under securitization project (see Note 15)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	1,444,783	1,489,622
Deposit received					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	4,163	4,163
Deferred revenue					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	78,165	78,809

23.2.2 Transactions with related parties for the three-month periods ended May 31, 2021 and 2020 are as follows:

Related parties	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2021	2020	2021	2020
		Baht '000	Baht '000	Baht '000	Baht '000
Sales promotion income					
AEON Insurance Services (Thailand) Company Limited	Subsidiary	-	-	317	437
Credit card income					
AEON Insurance Services (Thailand) Company Limited	Subsidiary	-	-	28,274	78,986
Revenue relating to securitization transaction (included in loan income) (see Note 20)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	32,058	38,537
Dividend income					
AEON Insurance Services (Thailand) Company Limited	Subsidiary	-	-	200,000	100,000
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	22,200	14,800
		<u>-</u>	<u>-</u>	<u>222,200</u>	<u>114,800</u>
Collection service income					
ACS Capital Corporation Limited	Shareholder and one common director	71	282	-	-
Other income					
ACS Capital Corporation Limited	Shareholder and one common director	250	5,122	900	1,189
AEON Insurance Services (Thailand) Company Limited	Subsidiary	-	-	2,238	15,263
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	4,650	3,246
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	2,731	2,817
		<u>250</u>	<u>5,122</u>	<u>10,519</u>	<u>22,515</u>
Operating and administrative expenses					
Collection service fee					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	124,944	113,822
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	1,334	1,639
		<u>-</u>	<u>-</u>	<u>126,278</u>	<u>115,461</u>
Others					
AEON Financial Service Co., Ltd.	Major shareholder	36,796	28,576	29,930	24,162
AEON Credit Service Company Limited	Common ultimate holding company	4,093	9,215	1,566	3,466
AEON (Thailand) Company Limited	Holding shares and two common directors	3,897	5,200	3,897	5,200
AEON Credit Service Systems (Philippines) Inc.	Holding shares	-	1,452	-	679
ACS Capital Corporation Limited	Shareholder and one common director	40	-	-	-
AEON Bank Ltd.	Common ultimate holding company	4,657	2,731	1,752	787
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	7,121	4,411
AEON Insurance Service Company Limited	Common ultimate holding company	818	-	-	-
		<u>50,301</u>	<u>47,174</u>	<u>44,266</u>	<u>38,705</u>

Related parties	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2021	2020	2021	2020
		Baht '000	Baht '000	Baht '000	Baht '000
Finance costs					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	84,705	105,725
AEON Bank Ltd.	Common ultimate holding company	2,669	1,724	1,548	1,724
AEON Financial Service Co., Ltd.	Major shareholder	2,117	710	-	-
		<u>4,786</u>	<u>2,434</u>	<u>86,253</u>	<u>107,449</u>

- Other income for the three-month periods ended May 31, 2021 and 2020 include the computer fee charged to ACS Capital Corporation Limited, AEON Insurance Service (Thailand) Company Limited and ACS Servicing (Thailand) Company Limited at the rate of Baht 200,000 per month, Baht 200,000 per month, Baht 200,000 per month, respectively, and from March 2021 onwards, charged to ACS Servicing (Thailand) Company Limited at the rate of Baht 707,349 per month, and from March 2020 onwards, Finance and Accounting operation services fee charged to ACS Capital Corporation Limited, AEON Insurance Service (Thailand) Company Limited and ACS Servicing (Thailand) Company Limited at the rate of Baht 97,000 per month, Baht 580,000 per month and Baht 760,000 per month, respectively. From January 2021 onwards, Finance and Accounting operation services fee charged to ACS Capital Corporation Limited, AEON Insurance Service (Thailand) Company Limited and ACS Servicing (Thailand) Company Limited at the rate of Baht 50,000 per month, Baht 330,000 per month and Baht 720,000 per month, respectively. The service fees are determined on a cost plus basis.
- Revenues relating to securitization transaction are determined by the Company and its subsidiaries in accordance with securitization projects (see Note 5.5).
- Collection service fee paid to ACS Servicing (Thailand) Company Limited 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.

24. 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 and personal loans and others
 Other business Consist of debt collection service and insurance brokerage services

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:

24.1 Operating results, classified by business for the three-month periods ended May 31, 2021 and 2020, are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
For the three-month period ended May 31, 2021					
	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	4,484,791	334,343	222,079	-	5,041,213
Inter - segment revenues	356,719	10,985	134,786	(502,490)	-
	<u>4,841,510</u>	<u>345,328</u>	<u>356,865</u>	<u>(502,490)</u>	<u>5,041,213</u>
Expenses					
Operating and administrative expenses	1,713,460	171,042	276,778	(272,859)	1,888,421
Directors and managements' remuneration	14,932	8,210	9,326	-	32,468
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill	1,206	85	733	-	2,024
Total expenses	<u>1,729,598</u>	<u>179,337</u>	<u>286,837</u>	<u>(272,859)</u>	<u>1,922,913</u>
Finance costs	399,350	55,820	572	(2,575)	453,167
Expected credit loss	908,636	317,243	82	-	1,225,961
Profit (loss) before income tax	1,803,926	(207,072)	69,374	(227,056)	1,439,172
Income tax expense	321,096	17,957	16,425	-	355,478
Profit (loss) for the period	<u>1,482,830</u>	<u>(225,029)</u>	<u>52,949</u>	<u>(227,056)</u>	<u>1,083,694</u>

CONSOLIDATED FINANCIAL STATEMENTS					
For the three-month period ended May 31, 2020					
	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	4,908,365	446,005	301,327	-	5,655,697
Inter - segment revenues	215,549	830	128,300	(344,679)	-
	<u>5,123,914</u>	<u>446,835</u>	<u>429,627</u>	<u>(344,679)</u>	<u>5,655,697</u>
Expenses					
Operating and administrative expenses	1,763,117	191,685	309,978	(226,232)	2,038,548
Directors and managements' remuneration	25,881	9,947	8,767	-	44,595
Loss (gain) on sale and write-off of leasehold improvement and equipment	3,202	56	(366)	-	2,892
Total expenses	<u>1,792,200</u>	<u>201,688</u>	<u>318,379</u>	<u>(226,232)</u>	<u>2,086,035</u>
Finance costs	477,941	81,567	1,467	(2,817)	558,158
Bad debts and doubtful accounts (reversal)	2,199,281	192,853	(328)	-	2,391,806
Share of loss from an associate	-	-	-	12,521	12,521
Profit (loss) before income tax	654,492	(29,273)	110,109	(128,151)	607,177
Income tax expense	104,620	26,912	20,734	-	152,266
Profit (loss) for the period	<u>549,872</u>	<u>(56,185)</u>	<u>89,375</u>	<u>(128,151)</u>	<u>454,911</u>

24.2 Financial positions classified by business are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
"Unaudited"					
As at May 31, 2021					
	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Trade and other receivables	71,043,959	5,145,560	340,625	(164,144)	76,366,000
Leasehold improvement and equipment and intangible assets other than goodwill	1,187,873	164,670	146,830	(6,941)	1,492,432
Other assets	8,664,463	1,000,284	691,846	(1,372,859)	8,983,734
Total assets	<u>80,896,295</u>	<u>6,310,514</u>	<u>1,179,301</u>	<u>(1,543,944)</u>	<u>86,842,166</u>
Total liabilities	<u>62,983,134</u>	<u>5,467,768</u>	<u>284,659</u>	<u>(314,741)</u>	<u>68,420,820</u>

CONSOLIDATED FINANCIAL STATEMENTS					
As at February 28, 2021					
	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Trade and other receivables	71,456,826	4,958,981	439,019	(188,876)	76,665,950
Leasehold improvement and equipment and intangible assets other than goodwill	1,174,163	173,771	149,019	(6,942)	1,490,011
Other assets	8,701,283	1,069,615	810,686	(1,349,043)	9,232,541
Total assets	<u>81,332,272</u>	<u>6,202,367</u>	<u>1,398,724</u>	<u>(1,544,861)</u>	<u>87,388,502</u>
Total liabilities	<u>64,820,381</u>	<u>5,160,685</u>	<u>334,830</u>	<u>(307,058)</u>	<u>70,008,838</u>

25. CREDIT FACILITIES AND LETTER OF GUARANTEE

- 25.1 As at May 31, 2021 and February 28, 2021, the Company has unused committed and unsecured revolving credit facility agreements with various financial institutions totaling Baht 3,000 million.
- 25.2 As at May 31, 2021 and February 28, 2021, the Company has unused and unsecured overdraft facilities with various banks totaling Baht 3,090 million.
- 25.3 As at May 31, 2021 and February 28, 2021, 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.
- 25.4 As at May 31, 2021 and February 28, 2021, two subsidiaries have letters of guarantee issued by banks in the amounts of Baht 5.78 million.

26. SALE OF WRITTEN-OFF RECEIVABLES

- 26.1 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 0.31 million and Baht 0.53 million as bad debt recovery in the consolidated and separate statements of profit or loss for the three-month periods ended May 31, 2021 and 2020, respectively, and recorded outstanding deferred revenue of Baht 22.42 million as other current liabilities in the separate statements of financial position as at May 31, 2021 (as at February 28, 2021 : Baht 22.73 million).

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.

26.2 On October 28, 2019, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to ACS Servicing (Thailand) Company Limited (the “buyer”), a subsidiary, with the purchase price of Baht 59.11 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 October 28, 2019, 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 0.30 million and Baht 0.44 million as bad debt recovery in the consolidated and separate statements of profit or loss for the three-month periods ended May 31, 2021 and 2020, respectively, and recorded outstanding deferred revenue of Baht 55.65 million as other current liabilities in the separate statements of financial position as at May 31, 2021 (as at February 28, 2021 : Baht 55.95 million).

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.

26.3 On October 30, 2020, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the “buyer”) with the purchase price of Baht 249.70 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement 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 receivables under loan agreements and credit card agreements. On October 30, 2020, which is the closing date as specified in the agreement and May 31, 2021 the Company received the initial payment of Baht 74.90 million and Baht 116.53 million, respectively. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 58.26 million in 3 installments of Baht 19.42 million per each and last installment will be on July 30, 2021. The Company has already recognized gain on sale of written-off receivables totaling Baht 249.70 million in the consolidated and separate statements of profit or loss for the year ended February 28, 2021, and recorded outstanding receivables of Baht 58.26 million as other receivables in the consolidated and separate statements of financial position as at May 31, 2021 (as at February 28, 2021 : Baht 97.12 million).

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. The claim was to be settled with the final payment which the Company would receive from the buyer. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the three-month period ended May 31, 2021. In addition, under the Asset Sale and Purchase Agreement, if the buyer wished to sell or transfer loan to a third part, the buyer shall get written approval from the Company. In addition, a third party shall comply all terms and conditions of the agreement, by entering into the Accession Agreement in form determined by the Company.

27. EVENT AFTER THE REPORTING PERIOD

On June 24, 2021, the Annual General Meeting of Shareholders had the resolutions to approve the declaration of final dividends for the year ended February 28, 2021 at the rate of Baht 2.65 per share, totaling Baht 662.50 million, which will be paid to all shareholders on July 20, 2021 in addition to the interim dividends which had been paid to the shareholders at Baht 1.85 per share, totaling Baht 462.50 million on November 5, 2020.

28. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issue by the Company's authorized director on July 5, 2021.

(Translation)

No. 12/2021

July 5, 2021

To: President

The Stock Exchange of Thailand

Re: Notification of the Resolution of the Board of Directors' Meeting No. 8/2021

We, AEON Thana Sinsap (Thailand) Public Company Limited (“Company”), hereby report the resolutions pass at the meeting of the Board of Directors No. 8/2021, which held on July 5, 2021 from 10.00 a.m. as follows:

1. Unanimously approved the reviewed financial statements of the Company for the first quarter ended May 31, 2021
2. Approved the temporary suspension of AEON Microfinance (Myanmar) Co., Ltd. (“AMFM”) to provide new loans to customer in Myanmar due to the impact of the political turmoil since February 1, 2021 and the COVID-19 pandemic. AMFM has continuously reduced operation cost and continued pursuing debt collection. Which AEON Thana Sinsap (Thailand) PCL. has 100% owned of AMFM.
3. Approved the connected transactions with the related companies (Details as attachment 1)

Please be informed according

Yours sincerely,

Mrs. Suporn Wattanavekin

Director

Attachment 1

Connected transactions

The Board of Director's meeting of AEON Thana Sinsap (Thailand) PLC. No.8/2021 held on July 5, 2021 had a resolution of the connected transaction as follows:

1. Date of agreement:

Company	Date of agreement
AEON Financial Service Co., Ltd. ("AFS")	Agreement period is 12 months from March 1, 2021 to February 28, 2022

2. Contractual parties with AEON Thana Sinsap (Thailand) PLC. ("AEONTS"):

Company	Business	Relationship with AEONTS
AFS	Finance	Major shareholder of AEONTS, holding 35.12% of AEONTS' s shares
AFS Corporation ("AFSC")	Finance	AFS is a shareholder, holding 100% of AFSC's shares

3. AEONTS's subsidiaries:

Company	Business	% of shares held by AEONTS
1). ACS Servicing (Thailand) Company Limited ("ACSS")	Collection Service	100%
2). AEON Insurance Service (Thailand) Company Limited ("AIS")	Non-life and Life Insurance Broker	100%
3). AEON Specialized bank (Cambodia) Private Company Limited ("ASB Cambodia")	Specialized bank	50%
4.) AEON Microfinance (Myanmar) Company Limited ("AMF Myanmar")	Retail Finance	100%
5.) AEON Leasing Service (Lao) Company Limited ("ALS Lao")	Retail Finance	92.58%

4. General characteristics of transactions:

AFS and AFSC provide the business administration and support to the overseas subsidiaries in order to grow and develop AFS subsidiaries' business. AEONTS and its subsidiaries enter into "Business Administration Agreement" and pay management fee to AFS and AFSC as follows;

Company	Management Annual Fee (Unit: Thousand Baht)
	FY2021
AEONTS	92,107.48
ACSS	4,130.19
AIS	2,611.20
ASB Cambodia	4,706.90
AMF Myanmar	-
ALS Lao	709.13
Total (Baht)	104,264.89

*Exchange rate: JPY 100 = THB 28.3241 (as of 25th June 2021)

This amount was calculated based on the cost (labor cost, administration cost, equipment cost etc.) of AFS who works for subsidiaries including overseas business, and the cost is allocated to the subsidiaries of AFS group.

5. Value of consideration:

Transaction	Amount (Unit: '000 Baht)
Business Administration Agreement	104,264.89

6. 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	45,698,196,100JPY/ 216,010,128 shares	Mr. Mitsugu Tamai ¹	-	-

Note: ¹Mr. Mitsugu Tamai is Chairman of the Board of Directors of AEONTS and Director and Managing Executive Officer of AFS

7. The measurement of total transactions:

By measurement in percentage of the Company Net Tangible Assets (NTA), total transaction is 104.3 million baht or 0.60% which more than 0.03% but less than 3.00% 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. 2/2021 held on February 3, 2021, approved AEONTS and its subsidiaries (ASB Cambodia, ALS Lao, and AMF Myanmar) engage outsourcing service agreement in the system development, maintenance and license of the systems which need for each company's operation from AFS at the amount of 85.45 million baht or 0.57% of the company NTA.
- Board of Director's meeting No. 05/2021 held on April 27, 2021, approved the connected transaction as follows:
 1. Director's meeting of AEONTS had resolution to waived the right and not participate in capital injection in ACSTV at the amount of 76.27 million baht or 0.47% of the company NTA.
 2. Director's meeting of AEONTS had resolution to engage with AFS for system licenses usage of SAS-FM to analyze profitability and improve productivity such as categorizing customers by cost and revenue to prioritize collection operation at the amount of 1.86 million baht or 0.01% of the company NTA.
 3. Director's meeting of AEONTS had resolution to engages in using EUROMONITOR service, the service provider of strategic market research, those contract will be arranged among AFS and its oversea listed subsidiaries such as AEONTS, AEON Financial Service (Hong Kong) Co., Ltd. ("AFS Hong Kong"), AEON Credit Service (M) Berhad ("ACS Malaysia") at the amount of 0.91 million baht or 0.006% 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 268.75 million baht or 1.65% 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 and resolved that the transaction is reasonable and be proposed to the Board of Directors for further approval.

Opinion of the Board of Director:

The Board of Directors has considered the transaction and has opinion that the transaction is necessary, reasonable and not different from the Audit Committee's opinion.

Management Discussion and Analysis

For the 1st Quarter 2021 ended May 31, 2021

AEON Thana Sinsap (Thailand) Public Company Limited (“the Company”) has already submitted the consolidated reviewed the 1st quarter financial statements as of May 31, 2021 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 first quarter of 2021 contracted by 2.6% compared with a decrease of 4.2% in the previous quarter. The main supporting factors were the return-to-expansion of export goods, private investment as well as a continual expansion of government expenditure. Meanwhile, the new wave of the COVID-19 pandemic continues to affect private consumption and domestic tourism sector continued to decline.

As of May 31, 2021, the Company’s total cards reached 9.25 million cards, including 2.98 million credit cards, and 6.27 million member cards. The Company has active customers more than 2 million IDs, mainly from Bangkok 31%, and in up-country 69%. Covering networks nationwide, the Company has 102 branches, 407 ATMs, and 6,260 member dealers to provide quality financial services to AEON cardholders. For overseas business in Cambodia, Myanmar and Laos, they have active customers more than 173,206 with representing 9% of total company customers.

The Company and subsidiaries have managed liquidity risk of operating cash flow under the COVID-19 situation with soft loan facilities in the amount of 2.5 billion baht from the total amount of 5 billion baht from Government Saving Bank in Thailand. This is not only potentially decreases our funding costs but also stabilized company financial conditions.

In the first quarter of 2021, the Company started the operation of life and non-life insurance brokerage business to be in line with customers’ lifestyle, increase efficiency and reduce operation cost by follow digitalization planning. In addition, the Company entered into a joint venture agreement with BSS Holding Company Limited and Humanica Public Company Limited to incorporate a joint venture company under the name of “Rabbit Cash Company Limited” to penetrate the digital lending market, with the Company holding 18% of shares. However, the extensive experience of AEON Thana Sinsap (Thailand) Public

Company Limited has contributed to the operation aspect of this joint venture that will lead to successful business expansion in the future.

Summary of Consolidated Financial Results

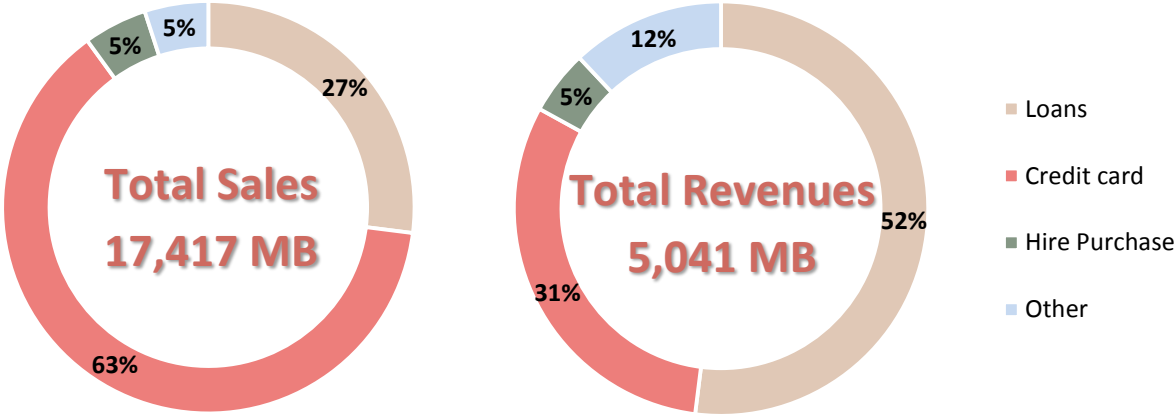
1. Operating Results

Profit and Loss Statement (Consolidated) Unit : Million Baht	1Q/20	4Q/20	1Q/21	%QoQ	%YoY
Credit card income	1,738	1,563	1,550	-1%	-11%
Loan income	3,076	2,525	2,612	3%	-15%
Hire-purchase income	249	276	273	-1%	10%
Other income	593	639	607	-5%	2%
Total Revenues	5,656	5,005	5,041	1%	-11%
Operating and administrative expenses	2,083	2,160	1,921	-11%	-8%
Expected credit loss	2,392	883	1,226	39%	-49%
Finance costs	558	469	453	-3%	-19%
Other expenses	15	2	2	0%	-87%
Total Expenses	5,048	3,514	3,602	3%	-29%
Profit before tax income	607	1,491	1,439	-3%	137%
Income tax expenses	152	231	355	54%	132%
Net profit for the period	530	1,184	1,149	-3%	117%
Earning Per Share (Baht per share)	2.12	4.74	4.60	-3%	117%

Revenues

In the first quarter of 2021 ended May 31, 2021, the total consolidated revenues were 5,041 million baht, decreasing of 615 million baht or 11% y-y. This was an impact of the third wave of the COVID-19 pandemic, which is presently spreading rapidly and appears almost uncontrollable coupled with a higher household debt. In addition, the Bank of Thailand cut the ceiling rates of interest rates on credit card from 18% to 16% per annum and personal loan from 28% to 25% per annum, effective from August 1, 2020 onward. However, the company focuses on promoting sales through online channels to be consistent with consumer's behavior. Moreover, our revenue from bad debt recovery continued growing by 31% y-y. Details of each business can be described as follows:

Sales and Revenues Structure for the first quarter of 2021



- Credit Card

In the first quarter of 2021, credit card sales accounted for 63% of total turnovers with revenue of 1,550 million baht, a decrease of 188 million baht or 11% y-y, mainly resulted from a reduction in interest rate for credit card by 2%, which effective in 1st August 2020 and decreasing of credit card spending due to the impact of the COVID-19 pandemic. However, credit card revenue was 31% of total revenues. In this quarter, the Company launched the promotion “AEON 365 DAYS PRIVILEGES” which offering privileges to AEON credit card holders by adding new partners Lazada and Food Panda, customers can get a discount code through AEON THAI MOBILE Application. For overseas business, AEON Specialized Bank (Cambodia) Plc had credit card revenue in the first quarter of 2021 of 29 million baht, grew by 16% y-y.

- Loans

In the first quarter of 2021, loans shared 27% of total turnovers with the revenue of 2,612 million baht, a decrease of 464 million baht or 15% y-y which was 52% of total revenues, mainly from a reduction in interest rate ceiling for personal loan by 3%. Moreover, loan income from AEON Specialized Bank (Cambodia) PLC of 72 million baht, decreasing by 14% y-y and AEON Microfinance (Myanmar) Company Limited of 21 million baht, decreasing by 83% y-y due to COVID-19 lockdown and political turmoil that impacted operation in Yangon and Mandalay. Therefore, AEON Microfinance (Myanmar) Co., Ltd has stopped new loan and cut the expenses as well as continued pursuing debt collection respectively.

The Company has been expanding more online service channels to customers and reduced the Company's operation cost. As a result, the Cardless transactions currently accounted for 37% of total personal loan sales.

- Hire Purchase

In the first quarter of 2021, motorcycle and used car hire purchase in Thailand and electrical appliances, mobile phones in overseas business, with the revenues of 273 million baht, increasing by 24 million baht or 10% y-y. In addition, hire purchase income from AEON Specialized Bank (Cambodia) Plc was 160 million baht, increasing by 5% y-y and AEON Leasing Service (Lao) Company Limited of 28 million baht, decreasing 10% y-y.

- Others

In the first quarter of 2021, other incomes were 607 million baht or 12% of total revenues, showing an increase of 14 million baht or 2% y-y. Other revenues consist of bad debt recovery, which was 328 million baht or 7% of total revenues, collection service income was 58 million baht or 1% of total revenues, Insurance business income was 151 million baht or 3% of total revenues, and others of 70 million baht or 1% of total revenues. Other revenues was mainly from the continued growth of bad debt recovery that increased by 31% y-y caused by the increased of expedite the legal process.

Expenses

The Company's expenses mainly consist of operating and administrative expenses, expected credit loss and finance cost. In the first quarter of 2021, the Company had total consolidated expenses of 3,602 million baht, a decrease of 1,434 million baht or 28% y-y. Details of expenses are shown as follows:

- Operating and Administrative Expenses

In the first quarter of 2021, the consolidated operating and administrative expense were 1,921 million baht, decreasing by 162 million baht or 8% y-y. The decrease in operating and administrative expense was mainly from personal expense, transportation expense, and decelerated of marketing activities as well as a decrease in space of property expenses. However, the Company still maintained effective operating cost control with cost to income ratio at 38% of total revenues. Considering the Company's separate financial statement, the operating and administrative expenses as a percentage of revenues was 36 in the first quarter of 2020.

- Expected Credit Loss

The consolidated expected credit loss in the first quarter of 2021 amounted to 1,226 million baht, decreasing by 1,166 million baht or 49% y-y. Net credit cost was at 4.1% reduced from 5.6% in the fourth quarter of 2020.

- Finance Cost

The Company recorded consolidated finance cost in the first quarter of 2021 of 453 million baht, decreasing by 19% y-y, which the portion of finance cost in the first quarter was 9% of total revenues. The average funding cost in the first quarter of 2021 was at 2.66% decreased from 2.89% in the first quarter of 2020.

Net Profit

For the first quarter of 2021, consolidated operating income was reported at 1,439 million baht, an increase of 832 million baht or 137% y-y. The Company recorded net profit of 1,149 million baht, an increase of 619 million baht or 117% y-y, and earning per share was 4.60 baht, which was resulted from higher provision in the first quarter of 2020 with probable forward looking risk factors due to COVID-19 situation. Net profit was mainly contributed by continued growth of bad debt recovery and efficiently control the operation cost.

2. Financial Status

Statement of Financial Position	February 28, 2021	May 31, 2021	Change
Unit : Million Baht			%YoY
Accounts Receivable	87,433	86,690	-1%
Total Assets	87,389	86,842	-1%
Total Borrowing	62,710	62,160	-1%
Total Liabilities	70,009	68,421	-2%
Total Equites	17,380	18,421	6%
ROE	19.5%	26.1%	34%
ROA	4.0%	5.3%	33%
D/E Ratio	4.0	3.7	-8%

Total Assets

As of May 31, 2021, consolidated total assets were 86,842 million baht, a decrease of 546 million baht or 1% from 87,389 million baht as of February 28, 2021. The main assets were attributed to the portfolio of net account receivables which shared 87% of total assets.

- Accounts Receivable

The Company has accounts receivable of 86,690 million baht as of May 31, 2021, decreased by 1% from as of February 28, 2021. The decrease was attributed mainly from the reducing of trading volume caused by the COVID-19 pandemic, but some of customers able to repay better than expected caused there is no lockdown measure. However, this can be categorized by business type as

follows: credit card receivable of 35,589 million baht, decreasing by 1% y-y; loans receivable of 44,831 million baht, decreased by 1% y-y; hire purchase receivable of 6,134 million baht, increasing by 5% y-y and others receivable of 136 million baht decreased by 18% from last year accordingly.

- Allowance for expected credit loss

As of May 31, 2021, the Company provided allowance for doubtful accounts of 11,138 million baht or 12.8% of total accounts receivable, decreasing from 11,593 million baht or 13.3% of total accounts receivable at the end of previous year. The delinquent account receivables for 3 months and up was 5.2% in the first quarter of 2021, which was at the same level as last year. For default receivables in credit risk (Stage 3) was 5.6% decreased from 5.8% at the end of previous year, mainly from caution on new loan under the third wave of COVID-19 situation and some of the customers able to repay and accelerated write off of NPL from 2020. In the first quarter of 2021, the consolidated coverage ratio of allowance for expected credit loss to NPL (NPL Coverage ratio) was at 225% and the Company's NPL coverage ratio was at 237%.

Liabilities

The consolidated liabilities of the Company as of May 31, 2021 totaling 68,421 million baht, a decrease of 1,588 million baht or 2% from 70,009 million baht at the end of previous year. There were both short-term and long-term borrowings totally 62,160 million baht, decreasing by 1% from the end of last year. The portion of long-term borrowings was 47,241 million baht or represented 76% of total borrowings. To manage risk that might occur from the fluctuation in currency. The Company has entered cross currency interest rate swap contracts to hedge its debt. However, the Company has unused unsecured revolving credit facilities as of May 31, 2021 totaling 3 billion baht and unused uncommitted facilities with foreign banks totaling 7.8 billion baht, which is enough to drive the Company's operation. The Company also has the debentures totaling 3.4 billion baht that will mature within the next 12 months, which the Company can issue the replacement debentures or use a working capital to repay those debentures.

Shareholders' Equity

As of May 31, 2021, total shareholders' equity amounted to 18,421 million baht, an increase of 1,042 million baht or 6% from the end of fiscal year 2020. Book value as of May 31, 2021 was 72.6 baht per share, increased from that of 68.2 baht per share as of February 28, 2021.

Debt to Equity ratio as of May 31, 2021 was at 3.7 times decreased from 4.0 times at the end of 2020 while the Company considers it is within the appropriate range to appreciate leverage and maintaining acceptable credit rating. Return on Equity (ROE) and Return on Asset (ROA) for the first quarter of 2021 are 26.1% and 5.3%, respectively.

Key Financial Ratio	1Q20	FY20	1Q21
Net Profit Margin (%)	9.4%	17.3%	22.8%
Interest Coverage ratio (Times)	2.1	3.2	4.2
Allowance for Expected Credit Loss/ Total Receivables (%)	13.3%	13.3%	12.8%
NPL Coverage Ratio (%)	359%	230%	225%
Cost to Income (%)	36.8%	39.0%	38.1%
Book Value per Share (Baht)	68.2	68.2	72.6
EPS (Baht)	2.12	14.76	4.60