

**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 August 31, 2022, the related consolidated and separate statements of profit or loss and profit or loss and other comprehensive income for the three-month and six-month periods ended August 31, 2022, the related consolidated and separate statements of changes in shareholders' equity and cash flows for the six-month period ended August 31, 2022, 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
October 4, 2022

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 AUGUST 31, 2022

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		August 31,	February 28,	August 31,	February 28,
		2022	2022	2022	2022
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	4,176,236	4,235,603	2,434,331	2,639,136
Trade and other current receivables					
Trade receivables	5	80,317,238	76,839,427	77,517,728	73,982,280
Other receivables		479,760	518,100	391,415	412,773
Fixed deposits at banks under obligations		-	3,000	-	-
Current portion of long-term loan to a subsidiary	6	-	-	29,053	-
Current portion of loans from purchase of accounts receivable	7	5,901	-	-	-
Seller loan in Special Purpose Vehicle for securitization	11	-	-	298,549	275,773
Current portion of derivative assets	18	1,072,018	82,380	1,072,018	82,380
Current tax assets		7,805	7,805	-	-
Other current assets		125,500	101,352	44,124	43,071
Total Current Assets		<u>86,184,458</u>	<u>81,787,667</u>	<u>81,787,218</u>	<u>77,435,413</u>
NON-CURRENT ASSETS					
Trade receivables	5	2,989,369	3,236,973	1,350,705	1,512,440
Fixed deposits at banks under obligations		42,327	41,333	-	-
Long-term loan to a subsidiary	6	-	-	116,213	130,244
Loans from purchase of accounts receivable	7	5,819	-	-	-
Investments in subsidiaries	8	-	-	1,235,409	1,210,909
Investments in equity securities designated at fair value through profit or loss	9	5,062	5,062	5,062	5,062
Investment in equity securities designated at fair value through other comprehensive income	10	144,000	144,000	144,000	144,000
Subordinated lendings	12.1	-	-	84,074	84,074
Leasehold improvements and equipment		556,348	622,934	485,278	528,845
Right-of-use assets		855,055	611,069	743,843	538,356
Intangible assets other than goodwill		945,948	920,386	800,384	777,857
Derivative assets	18	1,385,018	293,795	1,385,018	293,795
Deferred tax assets	13	2,197,162	2,624,482	2,085,359	2,524,973
Other non-current assets		178,983	181,687	164,787	167,847
Total Non-current Assets		<u>9,305,091</u>	<u>8,681,721</u>	<u>8,600,132</u>	<u>7,918,402</u>
TOTAL ASSETS		<u><u>95,489,549</u></u>	<u><u>90,469,388</u></u>	<u><u>90,387,350</u></u>	<u><u>85,353,815</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 AUGUST 31, 2022

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		August 31,	February 28,	August 31,	February 28,
		2022	2022	2022	2022
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	14	5,284,331	9,171,904	4,290,000	7,941,240
Trade and other current payables					
Trade payables		173,945	269,599	161,608	248,207
Other payables		1,645,509	1,628,020	1,577,432	1,550,316
Current portion of long-term liabilities					
Long-term borrowings	15	19,174,696	17,090,217	17,224,187	16,317,580
Long-term debentures	17	3,799,657	3,798,878	3,799,657	3,798,878
Derivative liabilities	18	274,014	654,801	274,014	654,801
Lease liabilities		382,409	356,328	331,711	312,304
Current income tax payable		138,904	379,519	81,385	348,000
Other current liabilities		364,162	387,092	354,401	394,973
Total Current Liabilities		<u>31,237,627</u>	<u>33,736,358</u>	<u>28,094,395</u>	<u>31,566,299</u>
NON-CURRENT LIABILITIES					
Long-term borrowings	18	36,225,605	30,896,445	35,090,764	28,578,535
Long-term borrowings under securitization project	16	-	-	1,348,296	1,401,709
Long-term debentures	17	4,323,132	4,460,676	2,850,050	2,987,594
Derivative liabilities	18	536,178	212,925	536,178	212,925
Lease liabilities		492,864	268,650	433,279	240,121
Subordinated borrowings	12.2	84,074	84,074	-	-
Provisions for employee benefit	19	496,937	463,335	451,049	419,132
Other non-current liabilities		81,306	82,962	65,895	68,102
Total Non-current Liabilities		<u>42,240,096</u>	<u>36,469,067</u>	<u>40,775,511</u>	<u>33,908,118</u>
TOTAL LIABILITIES		<u>73,477,723</u>	<u>70,205,425</u>	<u>68,869,906</u>	<u>65,474,417</u>

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT AUGUST 31, 2022

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		August 31,	February 28,	August 31,	February 28,
		2022	2022	2022	2022
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY	20				
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		16,164,769	14,808,860	16,078,224	14,703,739
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY					
Exchange differences on translating financial statements					
of foreign operations		(70,134)	(95,808)	-	-
Cumulative loss on cash flow hedges		(163,780)	(427,341)	(163,780)	(427,341)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		21,533,855	19,888,711	21,517,444	19,879,398
NON-CONTROLLING INTERESTS		477,971	375,252	-	-
TOTAL SHAREHOLDERS' EQUITY		22,011,826	20,263,963	21,517,444	19,879,398
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		95,489,549	90,469,388	90,387,350	85,353,815

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 AUGUST 31, 2022
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the three-month		For the three-month	
		periods ended		periods ended	
		August 31,	August 31,	August 31,	August 31,
		2022	2021	2022	2021
REVENUES					
Credit card income		1,878,398	1,594,207	1,842,096	1,566,775
Loan income	21	2,629,143	2,586,425	2,610,144	2,551,912
Hire-purchase income		253,134	257,892	61,620	80,669
Other income					
Bad debt recovery		410,459	310,059	410,459	310,059
Gain on sale of written-off receivables	27.3	-	319,764	-	319,764
Collection service income		54,488	48,885	-	-
Insurance broker business income		162,044	174,472	162,044	162,917
Others		87,751	52,696	77,607	32,105
Total Other income		714,742	905,876	650,110	824,845
Total Revenues		5,475,417	5,344,400	5,163,970	5,024,201
EXPENSES					
Operating and administrative expenses		1,956,228	1,934,391	1,802,606	1,728,115
Directors and managements' remuneration	22	28,599	39,440	15,655	28,924
Loss on impairment of assets (reversal)		(1,426)	-	(1,426)	-
Loss on sale and write-off of leasehold improvements and equipment and intangible assets other than goodwill		2,369	5,725	845	5,259
Total Expenses		1,985,770	1,979,556	1,817,680	1,762,298
Finance costs		468,521	448,318	487,222	467,061
Expected credit losses		1,851,200	2,005,119	1,804,239	1,745,778
PROFIT BEFORE INCOME TAX		1,169,926	911,407	1,054,829	1,049,064
INCOME TAX EXPENSES	23	238,643	194,092	212,049	206,502
PROFIT FOR THE PERIOD		931,283	717,315	842,780	842,562
PROFIT ATTRIBUTABLE TO :					
Owners of the parent		903,562	678,111	842,780	842,562
Non-controlling interests		27,721	39,204	-	-
		931,283	717,315	842,780	842,562
BASIC EARNINGS PER SHARE	BAHT	3.61	2.71	3.37	3.37
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 AUGUST 31, 2022
“UNAUDITED”

UNIT : THOUSAND BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the three-month		For the three-month	
	periods ended		periods ended	
	August 31,	August 31,	August 31,	August 31,
	2022	2021	2022	2021
Profit for the period	931,283	717,315	842,780	842,562
Other comprehensive income (loss), net of tax				
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translating financial statements of foreign operations				
- Owners of the parent	24,818	2,644	-	-
- Non-controlling interests	31,786	12,805	-	-
Loss on cash flow hedges	(25,596)	(33,796)	(25,596)	(33,796)
Other comprehensive income (loss) for the period, net of tax	<u>31,008</u>	<u>(18,347)</u>	<u>(25,596)</u>	<u>(33,796)</u>
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u><u>962,291</u></u>	<u><u>698,968</u></u>	<u><u>817,184</u></u>	<u><u>808,766</u></u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :				
Owners of the parent	902,784	646,959	817,184	808,766
Non-controlling interests	59,507	52,009	-	-
	<u><u>962,291</u></u>	<u><u>698,968</u></u>	<u><u>817,184</u></u>	<u><u>808,766</u></u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS
FOR THE SIX-MONTH PERIOD ENDED AUGUST 31, 2022
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the six-month		For the six-month	
		periods ended		periods ended	
		August 31,	August 31,	August 31,	August 31,
		2022	2021	2022	2021
REVENUES					
Credit card income		3,688,139	3,143,898	3,614,961	3,116,051
Loan income	21	5,257,558	5,198,321	5,212,791	5,102,412
Hire-purchase income		519,865	530,565	126,723	164,390
Other income					
Bad debt recovery		795,888	638,405	795,888	638,405
Gain on sale of written-off receivables	27.3 and 27.4	104,979	319,764	104,979	319,764
Collection service income		110,730	106,578	-	29
Insurance broker business income		341,396	325,067	341,396	273,321
Dividend income		-	-	158,600	222,200
Others		141,511	123,015	105,874	61,196
Total Other income		1,494,504	1,512,829	1,506,737	1,514,915
Total Revenues		10,960,066	10,385,613	10,461,212	9,897,768
EXPENSES					
Operating and administrative expenses		3,946,332	3,822,812	3,627,156	3,444,904
Directors and managements' remuneration	22	71,833	71,908	44,472	43,856
Loss on sale and write-off of leasehold improvements and equipment and intangible assets other than goodwill		2,428	7,749	951	6,465
Total Expenses		4,020,593	3,902,469	3,672,579	3,495,225
Finance costs		905,225	901,485	945,713	938,540
Expected credit losses		3,414,677	3,231,080	3,334,392	2,617,779
PROFIT BEFORE INCOME TAX		2,619,571	2,350,579	2,508,528	2,846,224
INCOME TAX EXPENSES	23	529,532	549,570	471,547	523,829
PROFIT FOR THE PERIOD		2,090,039	1,801,009	2,036,981	2,322,395
PROFIT (LOSS) ATTRIBUTABLE TO :					
Owners of the parent		2,018,405	1,827,541	2,036,981	2,322,395
Non-controlling interests		71,634	(26,532)	-	-
		2,090,039	1,801,009	2,036,981	2,322,395
BASIC EARNINGS PER SHARE	BAHT	8.07	7.31	8.15	9.29
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 SIX-MONTH PERIOD ENDED AUGUST 31, 2022
“UNAUDITED”

UNIT : THOUSAND BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the six-month		For the six-month	
	periods ended		periods ended	
	August 31,	August 31,	August 31,	August 31,
	2022	2021	2022	2021
Profit for the period	2,090,039	1,801,009	2,036,981	2,322,395
Other comprehensive income (loss), net of tax				
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translating financial statements of foreign operations				
- Owners of the parent	25,674	13,990	-	-
- Non-controlling interests	33,469	27,553	-	-
Gain (loss) on cash flow hedges	263,561	(98,904)	263,561	(98,904)
Other comprehensive income (loss) for the period, net of tax	322,704	(57,361)	263,561	(98,904)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,412,743	1,743,648	2,300,542	2,223,491
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :				
Owners of the parent	2,307,640	1,742,627	2,300,542	2,223,491
Non-controlling interests	105,103	1,021	-	-
	2,412,743	1,743,648	2,300,542	2,223,491

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 SIX-MONTH PERIOD ENDED AUGUST 31, 2022
"UNAUDITED"

UNIT : THOUSAND BAHT

Notes	CONSOLIDATED FINANCIAL STATEMENTS							Total owners of the parent	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	Non-controlling interests			
			Appropriated	Unappropriated	Exchange differences on translating financial statements of foreign operations	Cumulative loss on cash flow hedges				
		Legal reserve	Reserve for business expansion							
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	20.1	-	-	-	(662,488)	-	-	(662,488)	(7,038)	(669,526)
Profit (loss) for the period		-	-	-	1,827,541	-	-	1,827,541	(26,532)	1,801,009
Other comprehensive income (loss)		-	-	-	-	13,990	(98,904)	(84,914)	27,553	(57,361)
Ending balance as at August 31, 2021		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>13,636,634</u>	<u>(107,235)</u>	<u>18,137,920</u>	<u>315,866</u>	<u>18,453,786</u>
Beginning balance as at March 1, 2022		250,000	478,000	25,000	4,850,000	14,808,860	(95,808)	19,888,711	375,252	20,263,963
Changes during the period										
Dividend paid	20.2	-	-	-	(662,496)	-	-	(662,496)	(2,384)	(664,880)
Profit for the period		-	-	-	2,018,405	-	-	2,018,405	71,634	2,090,039
Other comprehensive income		-	-	-	-	25,674	263,561	289,235	33,469	322,704
Ending balance as at August 31, 2022		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>16,164,769</u>	<u>(70,134)</u>	<u>21,533,855</u>	<u>477,971</u>	<u>22,011,826</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 SIX-MONTH PERIOD ENDED AUGUST 31, 2022
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	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	Reserve for business expansion	Unappropriated		
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								
Dividend paid	20.1	-	-	-	-	(662,488)	-	(662,488)
Profit for the period		-	-	-	-	2,322,395	-	2,322,395
Other comprehensive loss		-	-	-	-	-	(98,904)	(98,904)
Ending balance as at August 31, 2021		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>13,450,893</u>	<u>(994,479)</u>	<u>18,059,414</u>
Beginning balance as at March 1, 2022		250,000	478,000	25,000	4,850,000	14,703,739	(427,341)	19,879,398
Changes during the period								
Dividend paid	20.2	-	-	-	-	(662,496)	-	(662,496)
Profit for the period		-	-	-	-	2,036,981	-	2,036,981
Other comprehensive income		-	-	-	-	-	263,561	263,561
Ending balance as at August 31, 2022		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>16,078,224</u>	<u>(163,780)</u>	<u>21,517,444</u>

See condensed notes to the financial statements

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

STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED AUGUST 31, 2022

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the six-month		For the six-month	
		periods ended		periods ended	
		August 31,	August 31,	August 31,	August 31,
		2022	2021	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the period		2,090,039	1,801,009	2,036,981	2,322,395
Adjustments for:					
Income tax expenses		529,532	549,570	471,547	523,829
Expected credit losses		3,414,677	3,231,080	3,334,392	2,617,779
Depreciation of leasehold improvements and equipment and right-of-use assets		408,490	459,574	350,641	386,336
Amortization of intangible assets other than goodwill		116,658	98,782	95,639	77,772
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill		2,428	7,749	951	6,465
Employee benefit expense		56,562	47,972	45,832	43,332
Gain on sale of written-off receivables		(104,979)	(319,764)	(104,979)	(319,764)
Unrealized gain on exchange rate		-	-	(15,022)	(9,382)
Interest income		(6,904,193)	(6,591,538)	(6,241,275)	(5,865,607)
(Gain) loss on cancellation of lease agreements		(112)	(317)	(112)	44
Gain on discount received from lease agreements		-	(69)	-	(69)
Dividend income		-	-	(158,600)	(222,200)
Finance costs		905,225	901,485	945,713	938,540
		514,327	185,533	761,708	499,470
Changes in operating assets and liabilities					
Operating assets (increase) decrease					
Trade and other current receivables		(6,347,259)	(3,074,414)	(6,649,753)	(3,106,929)
Loans from purchase of accounts receivable		(11,720)	-	-	-
Other current assets		(24,133)	(14,876)	(1,052)	1,427
Other non-current assets		2,789	4,573	3,059	1,140
Operating liabilities increase (decrease)					
Trade and other current payables		(44,955)	(308,799)	(24,901)	(210,761)
Other current liabilities		(24,831)	25,736	(40,572)	17,208
Other non-current liabilities		(1,792)	3,313	(1,799)	(5,090)
Net cash flows used in operations		(5,937,574)	(3,178,934)	(5,953,310)	(2,803,535)
Interest received		6,804,208	6,443,048	6,128,186	5,715,842
Dividend received		-	-	158,600	222,200
Finance costs paid		(897,177)	(864,691)	(941,805)	(916,564)
Income tax paid		(405,156)	(642,469)	(364,437)	(571,768)
Employee benefits paid		(22,960)	(1,052)	(13,915)	-
Net cash flows provided by (used in) operating activities		(458,659)	1,755,902	(986,681)	1,646,175

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED AUGUST 31, 2022
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		For the six-month periods ended		For the six-month periods ended	
		August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash received from fixed deposits at banks under obligations		3,000	21	-	-
Cash paid for purchase of leasehold improvements and equipment	4.2	(92,319)	(96,917)	(84,301)	(73,534)
Cash received from sale of leasehold improvements and equipment		978	1,824	654	1,312
Cash paid for purchase of intangible assets other than goodwill	4.2	(240,851)	(195,469)	(220,037)	(190,447)
Cash paid for investment in equity securities designated at fair value through other comprehensive income		-	(144,000)	(24,500)	(144,000)
Net cash flows used in investing activities		<u>(329,192)</u>	<u>(434,541)</u>	<u>(328,184)</u>	<u>(406,669)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received from bank overdrafts and short-term borrowings from financial institutions	4.4	45,940,020	38,743,380	44,612,203	35,210,983
Cash repayments for bank overdrafts and short-term borrowings from financial institutions	4.4	(49,790,879)	(38,410,266)	(48,263,443)	(34,480,103)
Cash received from long-term borrowings	4.4	10,948,421	2,879,138	9,329,662	2,571,061
Cash repayments for long-term borrowings	4.4	(5,558,505)	(3,491,220)	(3,771,125)	(3,491,220)
Cash received from long-term borrowings under securitization project	4.4	-	-	286,485	239,997
Cash repayments for long-term borrowings under securitization project	4.4	-	-	(286,485)	(239,997)
Cash repayments for long-term debentures	4.4	-	(522,600)	-	(522,600)
Cash paid for lease liabilities	4.4	(273,747)	(283,812)	(239,720)	(244,125)
Cash received from sales of written-off receivables		104,979	416,869	104,979	416,869
Dividend paid		(665,588)	(670,390)	(662,496)	(662,488)
Net cash flows provided by (used in) financing activities		<u>704,701</u>	<u>(1,338,901)</u>	<u>1,110,060</u>	<u>(1,201,623)</u>
Net increase (decrease) in cash and cash equivalents before effect of exchange rate		(83,150)	(17,540)	(204,805)	37,883
Effect of exchange rate changes on cash and cash equivalents		23,783	(51,430)	-	-
Net increase (decrease) in cash and cash equivalents		<u>(59,367)</u>	<u>(68,970)</u>	<u>(204,805)</u>	<u>37,883</u>
Cash and cash equivalents at the beginning of the period		4,235,603	5,105,168	2,639,136	3,157,192
Cash and cash equivalents at the end of the period	4.1	<u><u>4,176,236</u></u>	<u><u>5,036,198</u></u>	<u><u>2,434,331</u></u>	<u><u>3,195,075</u></u>

See condensed notes to the financial statements

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED AUGUST 31, 2022
“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 as mentioned in Note 2.5 and Note 8.

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 employees, customers, business partners and business operations of the Group and the Company.

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.

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. However, the subsidiary has resumed providing new loans to existing customers starting January 22, 2022. 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 and six-month periods ended August 31, 2022 and 2021 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, 2022, 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 and six-month periods ended August 31, 2022 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 and six-month periods ended August 31, 2022 should be read in conjunction with the audited financial statements for the year ended February 28, 2022.
- 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 and six-month periods ended August 31, 2022 have included the subsidiaries’ interim financial statements which were reviewed.

For the three-month and six-month periods ended August 31, 2022 and 2021, the subsidiaries included in the consolidated financial statements are as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%) for the three-month and six-month periods ended August 31,	
				2022	2021
ACS Servicing (Thailand) Company Limited	Collection servicer	Thailand	March 13, 2007	100.00	100.00
ACSI (Thailand) Co., Ltd.	Non-life insurance broker and life insurance broker	Thailand	July 1, 2013	100.00	100.00
AEON Specialized Bank (Cambodia) Plc. ⁽⁴⁾	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 ⁽³⁾	Special purpose juristic person in securitization projects	Thailand	March 20, 2015	48.75	48.75
AEON Asset Management (Thailand) Co.,Ltd ⁽²⁾	Non-performing assets management	Thailand	August 2, 2022	99.00	-

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

⁽²⁾ The Company indirectly holds shares of AEON Asset Management (Thailand) Co., Ltd through ACS Servicing (Thailand) Company Limited with 1.00% shareholdings.

⁽³⁾ 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.

⁽⁴⁾ 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 and six-month periods ended August 31, 2022 and 2021 include equity interest in an associate as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%) for the three-month and six-month periods ended August 31,	
				2022	2021
ACS Trading Vietnam Company Limited	Retail finance business	Vietnam	May 26, 2008	- ⁽¹⁾	20.00

⁽¹⁾ Since November 29, 2021, the proportion of the Company’s shareholding in ACS Trading Vietnam Company Limited (“ACS Trading Vietnam”) decreased from 20% to 3.03% because the Company waived the rights to purchase the increased share capital in ACS Trading Vietnam. This resulted in reclassification of the investment from investment in an associate to investment in equity securities measured at fair value through profit or loss.

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 and six-month periods ended August 31,	
	2022	2021
Subsidiaries		
ACS Servicing (Thailand) Company Limited	June 30, 2022	June 30, 2021
ACSI (Thailand) Co., Ltd.,	June 30, 2022	June 30, 2021
AEON Specialized Bank (Cambodia) Plc.	June 30, 2022	June 30, 2021
AEON Microfinance (Myanmar) Company Limited	June 30, 2022	June 30, 2021
AEON Leasing Service (Lao) Company Limited	June 30, 2022	June 30, 2021
An associate		
ACS Trading Vietnam Company Limited	-(⁽¹⁾)	June 30, 2021

⁽¹⁾ Since November 29, 2021, the proportion of the Company's shareholding in ACS Trading Vietnam Company Limited ("ACS Trading Vietnam") decreased from 20% to 3.03% because the Company waived the rights to purchase the increased share capital in ACS Trading Vietnam. This resulted in reclassification of the investment from investment in an associate to investment in equity securities measured at fair value through profit or loss.

- 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 issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and accounting requirements for interest rate reform - Phase 2. The adoption of these financial reporting standards does not have any significant impact on the Group's and the Company's interim financial statements.

Accounting Treatment Guidance on "Guidelines for supporting debtors affected by COVID-19"

The objective of this accounting treatment guidance is to grant the temporary relief measures for entities helping their debtors affected from COVID-19 with the supporting period during January 1, 2022 to December 31, 2023 or until there are any changes from the Bank of Thailand, which requires the compliance for such changes. The entities who support their debtors and elect to apply the temporary relief measures according to this accounting treatment guidance should disclose information as specified in this accounting treatment guidance.

For the three-month and six-month periods ended August 31, 2022, 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.

In the case where debt restructuring results in the original effective interest rate not reflecting the projected cash flows from such debts, the Group and the Company will adhere to such Accounting Treatment Guidance by using the new effective interest rate to calculate the present value of the restructured debts under the guidelines in the relief measurement to help debtors following the Bank of Thailand's circular letter.

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

On August 19, 2022, Thai Financial Reporting Standard No.17 "Insurance Contracts" has been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2025 onwards.

On September 26, 2022, the following Thai Accounting Standards and Thai Financial Reporting Standards have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2023 onwards.

Thai Accounting Standards ("TAS")

TAS 16	Property, Plant and Equipment
TAS 32	Financial Instruments: Presentation
TAS 37	Provisions, Contingent Liabilities and Contingent Assets
TAS 41	Agriculture

Thai Financial Reporting Standards ("TFRS")

TFRS 1	First-time Adoption of Thai Financial Reporting Standards
TFRS 3	Business Combinations
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

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 is in the process to assess the impact of these TFRSs on the financial statements of the Group and the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended February 28, 2022, except the accounting policies for new transaction (see Note 7) as follows:

Loans from purchase of accounts receivable and accrued interest

The loans from purchase of accounts receivable represent non-performing receivables which a subsidiary has purchased from financial institutions and credit service companies by bidding for debts management and collection. Under the purchase contracts of non-performing receivables, the subsidiary takes all the risks in the collection without recourse. The loans from purchase of accounts receivable are recognized as purchased or originated credit-impaired financial assets. The subsidiary initially recognizes purchased or originated credit-impaired financial assets at cost, which comprise purchased amount (fair value as at transaction date equals or approximates to purchased price) plus direct expense of loans from purchase of accounts receivable, and presents at amortized cost plus accrued interest income, net of allowance for expected credit losses.

Allowance for expected credit losses of loans from purchase of accounts receivable

The loans from purchase of accounts receivable are purchased or originated credit-impaired financial assets. The subsidiary recognizes allowance for expected credit losses from loans from purchase of accounts receivable as the cumulative changes in lifetime expected credit losses since initial recognition.

The subsidiary estimates the amount of expected credit losses of loans from purchase of accounts receivable by calculating the difference between the carrying amount of loans from purchase of accounts receivable and the present value of estimated future cash flow, and by discounting the unbiased forecast cash flows based on reasonable and supportable information that is relevant and available without undue cost or effort.

The subsidiary uses judgment in estimating the amount and period of expected net cash inflows in calculating allowance for expected credit losses and credit-adjusted effective interest rate since initial recognition of loans from purchase of accounts receivable for recognition of interest income. In estimating cash flows, the subsidiary considers loss experience and adjusts on the basis of current observable data. In addition, the subsidiary uses reasonable and supportive forecasts of future economic conditions that are proven to be statistically correlated, and uses appropriate judgment to estimate the amount of expected credit losses. The subsidiary uses judgement in assessing financial situation of debtor, net collateral value and future information and uses forward-looking information model to calculate allowance for expected credit losses.

The subsidiary recognizes the amount of the change in lifetime expected credit losses of the financial assets as gain or loss from expected credit losses in profit or loss. The subsidiary recognizes favourable changes in lifetime expected credit losses as a reversal of expected credit losses, even if the lifetime expected credit losses are less than the amount of expected credit losses that were included in the estimated cash flows on initial recognition.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

4.1 Cash and cash equivalents as at August 31, 2022 and February 28, 2022 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
August 31,	February 28,	August 31,	February 28,	
2022	2022	2022	2022	
Baht '000	Baht '000	Baht '000	Baht '000	
Cash	553,411	666,891	498,070	627,565
Deposits at banks - call deposits	3,622,825	3,568,712	1,936,261	2,011,571
Total cash and cash equivalents	<u>4,176,236</u>	<u>4,235,603</u>	<u>2,434,331</u>	<u>2,639,136</u>

4.2 Cash paid for purchase of leasehold improvements and equipment, and intangible assets other than goodwill for the six-month periods ended August 31, 2022 and 2021 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Baht '000	Baht '000	Baht '000	Baht '000
Leasehold improvements and equipment				
Liabilities recorded - brought forward	34,470	25,839	34,218	23,896
Purchase of leasehold improvements and equipment	<u>82,409</u>	<u>93,670</u>	<u>74,643</u>	<u>72,204</u>
	116,879	119,509	108,861	96,100
<u>Less</u> Cash paid for purchase of				
leasehold improvements and equipment	<u>(92,319)</u>	<u>(96,917)</u>	<u>(84,301)</u>	<u>(73,534)</u>
Liabilities recorded - carried forward	<u>24,560</u>	<u>22,592</u>	<u>24,560</u>	<u>22,566</u>
Intangible assets other than goodwill				
Liabilities recorded - brought forward	146,101	13,521	145,885	13,520
Purchase of intangible assets other than goodwill	<u>139,047</u>	<u>201,045</u>	<u>118,167</u>	<u>195,891</u>
	285,148	214,566	264,052	209,411
<u>Less</u> Cash paid for purchase of				
intangible assets other than goodwill	<u>(240,851)</u>	<u>(195,469)</u>	<u>(220,037)</u>	<u>(190,447)</u>
Liabilities recorded - carried forward	<u>44,297</u>	<u>19,097</u>	<u>44,015</u>	<u>18,964</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 six-month periods ended August 31, 2022 and 2021, such sale was settled by increasing the Seller loan Account of Baht 22.78 million and Baht 21.40 million, respectively, instead of cash receipt.
- 4.4 Changes in liabilities arising from financing activities for the six-month periods ended August 31, 2022 and 2021 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
	Beginning balance as at March 1, 2022 Baht '000	Financing cash flows		Non-cash changes		“Unaudited” Ending balance as at August 31, 2022 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	9,171,904	45,940,020	(49,790,879)	(36,714)	-	5,284,331
Long-term borrowings	47,986,662	10,948,421	(5,558,505)	2,055,346	(31,623)	55,400,301
Long-term debentures	8,259,554	-	-	(139,923)	3,158	8,122,789
Lease liabilities	624,978	-	(273,747)	2,969	521,073*	875,273

*The amount comprises addition of lease agreements and extensions of existing lease agreements.

CONSOLIDATED FINANCIAL STATEMENTS						
	Beginning balance as at March 1, 2021 Baht '000	Financing cash flows		Non-cash changes		“Unaudited” Ending balance as at August 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	38,743,380	(38,410,266)	(20,938)	-	10,691,247
Long-term borrowings	42,821,621	2,879,138	(3,491,220)	2,080,082	2,392	44,292,013
Long-term debentures	9,425,401	-	(522,600)	139,569	3,355	9,045,725
Lease liabilities	689,629	-	(283,812)	4,282	206,980	617,079

SEPARATE FINANCIAL STATEMENTS						“Unaudited” Ending balance as at August 31, 2022 Baht '000
Beginning balance as at March 1, 2022 Baht '000	Financing cash flows		Non-cash changes		Baht '000	
	Cash received	Cash paid	Differences on translating foreign currencies	Others		
Bank overdrafts and short-term borrowings from financial institutions	7,941,240	44,612,203	(48,263,443)	-	-	4,290,000
Long-term borrowings	44,896,115	9,329,662	(3,771,125)	1,891,922	(31,623)	52,314,951
Long-term borrowings under securitization project	1,401,709	286,485	(286,485)	-	(53,413)	1,348,296
Long-term debentures	6,786,472	-	-	(139,923)	3,158	6,649,707
Lease liabilities	552,425	-	(239,720)	-	452,285*	764,990

*The amount comprises addition of lease agreements and extensions of existing lease agreements.

SEPARATE FINANCIAL STATEMENTS						“Unaudited” Ending balance as at August 31, 2021 Baht '000
Beginning balance as at March 1, 2021 Baht '000	Financing cash flows		Non-cash changes		Baht '000	
	Cash received	Cash paid	Differences on translating foreign currencies	Others		
Bank overdrafts and short-term borrowings from financial institutions	7,860,000	35,210,983	(34,480,103)	-	-	8,590,880
Long-term borrowings	40,646,732	2,571,061	(3,491,220)	1,920,852	2,392	41,649,817
Long-term borrowings under securitization project	1,489,622	239,997	(239,997)	-	(55,979)	1,433,643
Long-term debentures	7,952,319	-	(522,600)	139,569	3,355	7,572,643
Lease liabilities	558,595	-	(244,125)	-	191,067	505,537

5. TRADE RECEIVABLES

5.1 Trade receivables as at August 31, 2022 and February 28, 2022 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at August 31, 2022 Baht '000	As at February 28, 2022 Baht '000	As at August 31, 2022 Baht '000	As at February 28, 2022 Baht '000
Trade receivables	92,627,004	89,626,146	87,425,046	84,065,981
Trade receivables under securitization project - ATS Rabbit Special Purpose Vehicle Company Limited	1,348,296	1,401,709	1,348,296	1,401,709
Total	93,975,300	91,027,855	88,773,342	85,467,690
Less Allowance for expected credit losses	(10,668,693)	(10,951,455)	(9,904,909)	(9,972,970)
Total trade receivables	83,306,607	80,076,400	78,868,433	75,494,720

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 August 31, 2022 and February 28, 2022, trade receivables are as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
“Unaudited”						
	As at August 31, 2022			As at February 28, 2022		
	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	2,455,856	3,596,956	6,052,812	2,562,979	3,972,671	6,535,650
<u>Less</u> Unearned financing income	(248,223)	(309,621)	(557,844)	(277,545)	(366,710)	(644,255)
	<u>2,207,633</u>	<u>3,287,335</u>	<u>5,494,968</u>	<u>2,285,434</u>	<u>3,605,961</u>	<u>5,891,395</u>
<u>Less</u> Allowance for expected credit losses	(249,092)	(434,903)	(683,995)	(283,862)	(508,248)	(792,110)
Hire-purchase and accrued interest receivable - net	<u>1,958,541</u>	<u>2,852,432</u>	<u>4,810,973</u>	<u>2,001,572</u>	<u>3,097,713</u>	<u>5,099,285</u>
Loans receivable						
Loans and accrued interest receivable	46,050,897	166,984	46,217,881	45,513,782	181,622	45,695,404
<u>Less</u> Allowance for expected credit losses	(6,180,078)	(30,047)	(6,210,125)	(6,236,426)	(42,362)	(6,278,788)
Loans and accrued interest receivable - net	<u>39,870,819</u>	<u>136,937</u>	<u>40,007,756</u>	<u>39,277,356</u>	<u>139,260</u>	<u>39,416,616</u>
Credit card receivable						
Credit card and accrued interest receivable	42,181,281	-	42,181,281	39,323,715	-	39,323,715
<u>Less</u> Allowance for expected credit losses	(3,774,452)	-	(3,774,452)	(3,880,166)	-	(3,880,166)
Credit card and accrued interest receivable - net	<u>38,406,829</u>	<u>-</u>	<u>38,406,829</u>	<u>35,443,549</u>	<u>-</u>	<u>35,443,549</u>
Receivable from rendering the collection service						
Receivable from rendering the collection service	17,968	-	17,968	15,593	-	15,593
<u>Less</u> Allowance for expected credit losses	(121)	-	(121)	(391)	-	(391)
Receivable from rendering the collection service - net	<u>17,847</u>	<u>-</u>	<u>17,847</u>	<u>15,202</u>	<u>-</u>	<u>15,202</u>
Receivable from insurance broker business						
	<u>63,202</u>	<u>-</u>	<u>63,202</u>	<u>101,748</u>	<u>-</u>	<u>101,748</u>
Total trade receivables	<u>80,317,238</u>	<u>2,989,369</u>	<u>83,306,607</u>	<u>76,839,427</u>	<u>3,236,973</u>	<u>80,076,400</u>

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“Unaudited”

	As at August 31, 2022			As at February 28, 2022		
	Due within	Due after	Total	Due within	Due after	Total
	1 year	1 year		1 year	1 year	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	879,628	1,939,188	2,818,816	914,643	2,192,369	3,107,012
<u>Less</u> Unearned financing income	<u>(248,223)</u>	<u>(309,621)</u>	<u>(557,844)</u>	<u>(277,545)</u>	<u>(366,709)</u>	<u>(644,254)</u>
	631,405	1,629,567	2,260,972	637,098	1,825,660	2,462,758
<u>Less</u> Allowance for expected credit losses	<u>(108,050)</u>	<u>(278,862)</u>	<u>(386,912)</u>	<u>(109,304)</u>	<u>(313,220)</u>	<u>(422,524)</u>
Hire-purchase and accrued interest receivable - net	<u>523,355</u>	<u>1,350,705</u>	<u>1,874,060</u>	<u>527,794</u>	<u>1,512,440</u>	<u>2,040,234</u>
Loans receivable						
Loans and accrued interest receivable	45,122,958	-	45,122,958	44,363,688	-	44,363,688
<u>Less</u> Allowance for expected credit losses	<u>(5,800,040)</u>	<u>-</u>	<u>(5,800,040)</u>	<u>(5,733,592)</u>	<u>-</u>	<u>(5,733,592)</u>
Loans and accrued interest receivable - net	<u>39,322,918</u>	<u>-</u>	<u>39,322,918</u>	<u>38,630,096</u>	<u>-</u>	<u>38,630,096</u>
Credit card receivable						
Credit card and accrued interest receivable	41,326,210	-	41,326,210	38,539,555	-	38,539,555
<u>Less</u> Allowance for expected credit losses	<u>(3,717,957)</u>	<u>-</u>	<u>(3,717,957)</u>	<u>(3,816,854)</u>	<u>-</u>	<u>(3,816,854)</u>
Credit card and accrued interest receivable - net	<u>37,608,253</u>	<u>-</u>	<u>37,608,253</u>	<u>34,722,701</u>	<u>-</u>	<u>34,722,701</u>
Receivable from insurance broker business	<u>63,202</u>	<u>-</u>	<u>63,202</u>	<u>101,689</u>	<u>-</u>	<u>101,689</u>
Total trade receivables	<u>77,517,728</u>	<u>1,350,705</u>	<u>78,868,433</u>	<u>73,982,280</u>	<u>1,512,440</u>	<u>75,494,720</u>

5.2 Quality of assets

Staging analysis for trade receivables as at August 31, 2022 and February 28, 2022 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					
	“Unaudited”					
	As at August 31, 2022			As at February 28, 2022		
	Trade receivables	Allowance for expected credit losses	Total trade receivables	Trade receivables	Allowance for expected credit losses	Total trade receivables
Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
Low credit risk receivables (Stage 1)	85,120,134	(4,895,019)	80,225,115	82,898,746	(5,563,984)	77,334,762
Significant increase in credit risk receivables (Stage 2)	3,706,358	(1,776,788)	1,929,570	3,701,623	(1,917,326)	1,784,297
Default receivables in credit risk (Stage 3)	5,148,808	(3,996,886)	1,151,922	4,427,486	(3,470,145)	957,341
Total	93,975,300	(10,668,693)	83,306,607	91,027,855	(10,951,455)	80,076,400

	SEPARATE FINANCIAL STATEMENTS					
	“Unaudited”					
	As at August 31, 2022			As at February 28, 2022		
	Trade receivables	Allowance for expected credit losses	Total trade receivables	Trade receivables	Allowance for expected credit losses	Total trade receivables
Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
Low credit risk receivables (Stage 1)	80,863,346	(4,790,036)	76,073,310	78,540,851	(5,440,033)	73,100,818
Significant increase in credit risk receivables (Stage 2)	3,444,327	(1,691,955)	1,752,372	3,348,067	(1,768,513)	1,579,554
Default receivables in credit risk (Stage 3)	4,465,669	(3,422,918)	1,042,751	3,578,772	(2,764,424)	814,348
Total	88,773,342	(9,904,909)	78,868,433	85,467,690	(9,972,970)	75,494,720

Trade receivables as at August 31, 2022 and February 28, 2022 classified by aging are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at August 31, 2022	As at February 28, 2022	As at August 31, 2022	As at February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Less than 3 months	89,028,932	86,925,982	84,510,113	82,214,531
3 months up	4,946,368	4,101,873	4,263,229	3,253,159
Total	93,975,300	91,027,855	88,773,342	85,467,690
<u>Less Allowance for expected credit losses</u>	<u>(10,668,693)</u>	<u>(10,951,455)</u>	<u>(9,904,909)</u>	<u>(9,972,970)</u>
Total trade receivables	83,306,607	80,076,400	78,868,433	75,494,720

5.3 Troubled debt restructuring

For the three-month periods ended August 31, 2022 and 2021, the Company recognized interest income on restructured debts totaling Baht 17.46 million and Baht 25.35 million, respectively.

For the six-month periods ended August 31, 2022 and 2021, the Company recognized interest income on restructured debts totaling Baht 38.00 million and Baht 62.82 million, respectively.

The Company had outstanding balances of credit card receivable, hire-purchase receivable and loans receivable as at August 31, 2022 and February 28, 2022, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	“Unaudited”			
	As at August 31, 2022		As at February 28, 2022	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	17,176	639,729	21,160	801,805
Non-restructured trade receivables	3,670,066	93,254,402	3,697,818	90,108,709
Total	<u>3,687,242</u>	<u>93,894,131</u>	<u>3,718,978</u>	<u>90,910,514</u>

	SEPARATE FINANCIAL STATEMENTS			
	“Unaudited”			
	As at August 31, 2022		As at February 28, 2022	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	17,142	639,113	21,142	801,309
Non-restructured trade receivables	2,595,454	88,071,027	2,622,002	84,564,692
Total	<u>2,612,596</u>	<u>88,710,140</u>	<u>2,643,144</u>	<u>85,366,001</u>

As at August 31, 2022 and February 28, 2022, the Company had no commitment to provide additional loans to its restructured debtors after debt restructuring.

5.4 Allowance for expected credit losses

Allowance for expected credit losses as at August 31, 2022 and February 28, 2022 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at August 31, 2022 Baht '000	As at February 28, 2022 Baht '000	As at August 31, 2022 Baht '000	As at February 28, 2022 Baht '000
Beginning balance	10,951,455	11,593,219	9,972,970	10,891,803
Expected credit losses	3,655,330	7,007,152	3,651,236	6,328,214
Written-off bad debts	(3,938,092)	(7,648,916)	(3,719,297)	(7,247,047)
Ending balance	<u>10,668,693</u>	<u>10,951,455</u>	<u>9,904,909</u>	<u>9,972,970</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		25% p.a.

* ATS Rabbit Special Purpose Vehicle Company Limited (Subsidiary)

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

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

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

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

For the three-month and six-month periods ended August 31, 2022 and 2021, transactions relating to the transfers of financial assets under the securitization project are summarized as follows:

	For the three-month periods ended August 31,		For the six-month periods ended August 31,	
	2022 Million Baht	2021 Million Baht	2022 Million Baht	2021 Million Baht
Transfers of future and additional receivables (at book value)				
- Loans receivable (ATS Rabbit)	149	142	309	261
	<u>149</u>	<u>142</u>	<u>309</u>	<u>261</u>
Cash collection on behalf of a Special Purpose Vehicle				
- Loans receivable (ATS Rabbit)	240	203	468	423
	<u>240</u>	<u>203</u>	<u>468</u>	<u>423</u>
Servicing income on cash collection from a Special Purpose Vehicle				
- Loans receivable (ATS Rabbit)	19	20	38	40
	<u>19</u>	<u>20</u>	<u>38</u>	<u>40</u>

6. LONG-TERM LOAN TO A SUBSIDIARY

As at August 31, 2022 and February 28, 2022, the Company has long-term loan to a subsidiary (see Note 24.2.1) in the separate financial statements as follows:

	Due within the year	Interest rate p.a. (%)	Foreign currency Million	SEPARATE FINANCIAL STATEMENTS "Unaudited"	
				As at August 31, 2022 Baht equivalent Baht '000	As at February 28, 2022 Baht equivalent Baht '000
Loans in USD currency	2022 - 2026	8.50	4.00	145,266	130,244
				145,266	130,244
<u>Less</u> Current portion of long-term loan to a subsidiary				(29,053)	-
Total long-term loan to a subsidiary				<u>116,213</u>	<u>130,244</u>

Such long-term loan to a subsidiary is unsecured.

7. LOANS FROM PURCHASE OF ACCOUNTS RECEIVABLE

As at August 31, 2022, loans from purchase of accounts are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited” As at August 31, 2022 Baht '000
Hire purchase receivables	11,410
	<u>11,410</u>
<u>Add</u> Accrued Interest	310
	<u>11,720</u>
<u>Less</u> Current portion of loans receivable from purchase of accounts receivable	(5,901)
Loans receivable from purchase of accounts receivable - net of current portion	<u>5,819</u>

On May 24, 2022, ACS Servicing (Thailand) Co., Ltd ("the Subsidiary") bought written-off receivables under loan agreements by a bidding process from an unrelated local company ("the seller") with the selling price of Baht 11.41 million. On the same date, the Subsidiary entered into the Asset Sale and Purchase Agreement with the seller and already paid the payment in full to the seller. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the subsidiary's rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements.

8. INVESTMENTS IN SUBSIDIARIES

As at August 31, 2022 and February 28, 2022, the Company had investments in subsidiaries (see Note 24.1) which are accounted for using the cost method in the separate financial statements as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”			
	As at August 31, 2022		As at February 28, 2022	
	Ownership %	Cost Baht '000	Ownership %	Cost Baht '000
ACS Servicing (Thailand) Company Limited	100.00	175,349.1	100.00	175,349.1
ACSI (Thailand) Co., Ltd.	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	96.29	107,333.1	96.29	107,333.1
ATS Rabbit Special Purpose Vehicle Company Limited	48.75	19.5	48.75	19.5
AEON Asset Management (Thailand) Company Limited	98.00	24,499.7	-	-
Total		<u>1,235,409.0</u>		<u>1,210,909.3</u>

On April 11, 2022, the Board of Directors' Meeting of ACSI (Thailand) Co., Ltd. (the "Subsidiary") had a special resolution to approve the Subsidiary's dissolution. Subsequently, on April 28, 2022, the Annual General Meeting of Shareholders of the Subsidiary had the resolutions to approve the Subsidiary's dissolution. The Subsidiary has registered the dissolution with the Department of Business Development, Ministry of Commerce on June 30, 2022. As at August 31, 2022, the Subsidiary is in process of liquidation.

On August 2, 2022, the Company has established a new subsidiary under the name "AEON Asset Management (Thailand) Company Limited" (the "Subsidiary"), whereas the Company holds 98% of the shares. The initial registered capital is Baht 25 million, which were fully paid. The objective of the Subsidiary is to purchase and manage non-performing assets.

9. INVESTMENTS IN EQUITY SECURITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

Investments in equity securities designated at fair value through profit or loss as at August 31, 2022 and February 28, 2022 consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS "Unaudited"			
	As at August 31, 2022		As at February 28, 2022	
	Ownership %	Fair Value Baht '000	Ownership %	Fair Value Baht '000
AEON (Thailand) Co., Ltd. ⁽¹⁾	3.82	-	3.82	-
PT. AEON Credit Service Indonesia ⁽²⁾	2.59	5,062	2.59	5,062
ACS Trading Vietnam Company Limited	3.03	-	-	-
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 designated at fair value through profit or loss are categorized into level 3.

10. INVESTMENT IN EQUITY SECURITIES DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Investment in equity securities designated at fair value through other comprehensive income as at August 31, 2022 and February 28, 2022 consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS "Unaudited"			
	As at August 31, 2022		As at February 28, 2022	
	Ownership %	Fair Value Baht '000	Ownership %	Fair Value Baht '000
Rabbit Cash Co., Ltd. ⁽¹⁾	18.00	<u>144,000</u>	18.00	<u>144,000</u>
Total		<u>144,000</u>		<u>144,000</u>

⁽¹⁾ 1,440,000 shares of Baht 100 each, fully paid

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 investment in equity securities designated at fair value through other comprehensive income are categorized into level 3.

11. SELLER LOAN IN SPECIAL PURPOSE VEHICLE FOR SECURITIZATION

Seller loan in Special Purpose Vehicle for securitization as at August 31, 2022 and February 28, 2022 are as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at August 31, 2022 Baht '000	As at February 28, 2022 Baht '000
Seller loan in Special Purpose Vehicle for securitization (see Note 24.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	298,549	275,773
Total Seller loan in Special Purpose Vehicle for securitization	<u>298,549</u>	<u>275,773</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.

12. SUBORDINATED LENDINGS AND SUBORDINATED BORROWINGS

12.1 Subordinated lendings to Special Purpose Vehicle as at August 31, 2022 and February 28, 2022 are as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at August 31, 2022 Baht '000	As at February 28, 2022 Baht '000
Subordinated lendings (see Note 24.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	84,074	84,074
Total subordinated lendings	<u>84,074</u>	<u>84,074</u>

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

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

12.2 Subordinated borrowings of Special Purpose Vehicle as at August 31, 2022 and February 28, 2022 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”	
	As at	As at
	August 31, 2022	February 28, 2022
	Baht '000	Baht '000
Subordinated borrowings		
ATS Rabbit Special Purpose Vehicle Company Limited (ATC Rabbit)	84,074	84,074
Total subordinated borrowings	<u>84,074</u>	<u>84,074</u>

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.

13. DEFERRED TAX ASSETS

Deferred tax assets as at August 31, 2022 and February 28, 2022 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at	As at	As at	As at
	August 31, 2022	February 28, 2022	August 31, 2022	February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Deferred tax assets				
Allowance for expected credit loss	2,065,667	2,076,888	1,980,982	1,994,594
Cumulative loss from fair value measurement of investments in equity securities	4,502	4,502	7,866	7,866
Allowance for impairment of assets	1,779	8,579	-	6,800
Provisions for employee benefit	96,945	90,248	90,210	83,826
Deferred revenue from customer loyalty programs	97,939	97,898	97,939	97,898
Lease agreements	17,399	15,255	16,050	13,880
Derivatives	-	304,803	-	304,803
Others	41,509	26,619	15,188	15,306
	<u>2,325,740</u>	<u>2,624,792</u>	<u>2,208,235</u>	<u>2,524,973</u>
Deferred tax liabilities				
Lease agreements	443	310	-	-
Derivatives	122,876	-	122,876	-
Others	5,259	-	-	-
	<u>128,578</u>	<u>310</u>	<u>122,876</u>	<u>-</u>
Deferred tax assets	<u>2,197,162</u>	<u>2,624,482</u>	<u>2,085,359</u>	<u>2,524,973</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, 2022 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at August 31, 2022 Baht '000
Deferred tax assets				
Allowance for expected credit loss	2,076,888	(11,221)	-	2,065,667
Cumulative loss from fair value measurement of investments in equity securities	4,502	-	-	4,502
Allowance for impairment of assets	8,579	(6,800)	-	1,779
Provisions for employee benefit	90,248	6,697	-	96,945
Deferred revenue from customer loyalty programs	97,898	41	-	97,939
Lease agreements	15,255	2,144	-	17,399
Others	26,619	14,890	-	41,509
	<u>2,319,989</u>	<u>5,751</u>	<u>-</u>	<u>2,325,740</u>
Deferred tax liabilities				
Lease agreements	310	133	-	443
Derivatives	(304,803)	361,789	65,890	122,876
Others	-	5,259	-	5,259
	<u>(304,493)</u>	<u>367,181</u>	<u>65,890</u>	<u>128,578</u>
Deferred tax assets	<u>2,624,482</u>	<u>(361,430)</u>	<u>(65,890)</u>	<u>2,197,162</u>

CONSOLIDATED FINANCIAL STATEMENTS				
	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 February 28, 2022 Baht '000
Deferred tax assets				
Allowance for expected credit loss	2,256,201	(179,313)	-	2,076,888
Non-accrual of interest income	1,815	(1,815)	-	-
Cumulative loss from fair value measurement of investments in equity securities	4,502	-	-	4,502
Allowance for impairment of investment and assets	12,400	(3,821)	-	8,579
Provisions for employee benefit	95,669	12,443	(17,864)	90,248
Deferred revenue from customer loyalty programs	81,899	15,999	-	97,898
Lease agreements	11,998	3,257	-	15,255
Derivatives	629,102	(413,734)	89,435	304,803
Others	29,109	(2,490)	-	26,619
	<u>3,122,695</u>	<u>(569,474)</u>	<u>71,571</u>	<u>2,624,792</u>
Deferred tax liabilities				
Lease agreements	154	156	-	310
	<u>154</u>	<u>156</u>	<u>-</u>	<u>310</u>
Deferred tax assets	<u>3,122,541</u>	<u>(569,630)</u>	<u>71,571</u>	<u>2,624,482</u>

	SEPARATE FINANCIAL STATEMENTS			
	“Unaudited”			
	Beginning balance as at March 1, 2022 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at August 31, 2022 Baht '000
Deferred tax assets				
Allowance for expected credit loss	1,994,594	(13,612)	-	1,980,982
Cumulative loss from fair value measurement of investments in equity securities	7,866	-	-	7,866
Allowance for impairment of assets	6,800	(6,800)	-	-
Provisions for employee benefit	83,826	6,384	-	90,210
Deferred revenue from customer loyalty programs	97,898	41	-	97,939
Lease agreements	13,880	2,170	-	16,050
Others	15,306	(118)	-	15,188
	<u>2,220,170</u>	<u>(11,935)</u>	<u>-</u>	<u>2,208,235</u>
Deferred tax liabilities				
Derivatives	(304,803)	361,789	65,890	122,876
	<u>(304,803)</u>	<u>361,789</u>	<u>65,890</u>	<u>122,876</u>
Deferred tax assets	<u>2,524,973</u>	<u>(373,724)</u>	<u>(65,890)</u>	<u>2,085,359</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 February 28, 2022 Baht '000
Deferred tax assets				
Allowance for expected credit loss	2,178,361	(183,767)	-	1,994,594
Cumulative loss from fair value measurement of investments in equity securities	4,502	3,364	-	7,866
Allowance for impairment of investment and assets	15,764	(8,964)	-	6,800
Provisions for employee benefit	86,320	14,268	(16,762)	83,826
Deferred revenue from customer loyalty programs	81,899	15,999	-	97,898
Lease agreements	11,550	2,330	-	13,880
Derivatives	629,102	(413,734)	89,435	304,803
Others	15,737	(431)	-	15,306
	<u>3,023,235</u>	<u>(570,935)</u>	<u>72,673</u>	<u>2,524,973</u>
Deferred tax assets	<u>3,023,235</u>	<u>(570,935)</u>	<u>72,673</u>	<u>2,524,973</u>

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

Bank overdrafts and short-term borrowings from financial institutions as at August 31, 2022 and February 28, 2022 consist of the following:

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
	As at August 31, 2022		As at February 28, 2022	
	Interest rate	Baht '000	Interest rate	Baht '000
	p.a. (%)		p.a. (%)	
Overdrafts in THB currency	-	-	0.75	1,240
Short-term borrowings in THB currency	0.74 - 1.01	4,290,000	0.69 - 1.05	7,940,000
Short-term borrowings in USD currency	5.02 - 8.56	531,521	0.88 - 6.50	652,016
Short-term borrowings in LAK currency	6.50 - 6.60	253,574	6.13 - 6.60	302,751
Short-term borrowings in MMK currency	10.00	209,236	10.00 - 13.00	275,897
Total		<u>5,284,331</u>		<u>9,171,904</u>

SEPARATE FINANCIAL STATEMENTS				
“Unaudited”				
	As at August 31, 2022		As at February 28, 2022	
	Interest rate	Baht '000	Interest rate	Baht '000
	p.a. (%)		p.a. (%)	
Overdrafts in THB currency	-	-	0.75	1,240
Short-term borrowings in THB currency	0.74 - 1.01	4,290,000	0.69 - 1.05	7,940,000
Total		<u>4,290,000</u>		<u>7,941,240</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.

15. LONG-TERM BORROWINGS

As at August 31, 2022 and February 28, 2022, the Company entered into various long-term borrowings agreements in THB and foreign currencies as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
As at August 31, 2022				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2023 - 2027	1.90 - 3.33	23,145.24	6,182,694
Borrowings in USD currency	2022 - 2027	1.85 - 8.50	733.60	26,777,033
Borrowings in THB currency	2022 - 2026	1.54 - 3.69	22,500.00	22,500,000
<u>Less</u> Borrowings issuance cost				<u>(59,426)</u>
				55,400,301
<u>Less</u> Current portion of long-term borrowings				<u>(19,174,696)</u>
Total long-term borrowings				<u>36,225,605</u>

CONSOLIDATED FINANCIAL STATEMENTS

As at February 28, 2022

	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2022 - 2027	1.90 - 3.33	25,645.24	7,363,132
Borrowings in USD currency	2022 - 2027	1.85 - 8.50	656.30	21,651,334
Borrowings in THB currency	2022 - 2026	1.54 - 3.29	19,000.00	19,000,000
<u>Less</u> Borrowings issuance cost				(27,804)
				47,986,662
<u>Less</u> Current portion of long-term borrowings				(17,090,217)
Total long-term borrowings				<u>30,896,445</u>

SEPARATE FINANCIAL STATEMENTS

“Unaudited”

As at August 31, 2022

	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2023 - 2027	1.90 - 3.33	23,145.24	6,182,694
Borrowings in USD currency	2022 - 2027	1.85 - 3.38	646.60	23,691,683
Borrowings in THB currency	2022 - 2026	1.54 - 3.69	22,500.00	22,500,000
<u>Less</u> Borrowings issuance cost				(59,426)
				52,314,951
<u>Less</u> Current portion of long-term borrowings				(17,224,187)
Total long-term borrowings				<u>35,090,764</u>

SEPARATE FINANCIAL STATEMENTS

As at February 28, 2022

	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2022 - 2027	1.90 - 3.33	25,645.24	7,363,132
Borrowings in USD currency	2022 - 2025	1.85 - 3.38	564.30	18,560,787
Borrowings in THB currency	2022 - 2026	1.54 - 3.29	19,000.00	19,000,000
<u>Less</u> Borrowings issuance cost				(27,804)
				44,896,115
<u>Less</u> Current portion of long-term borrowings				(16,317,580)
Total long-term borrowings				<u>28,578,535</u>

As at August 31, 2022 and February 28, 2022, the Company can maintain financial ratios and other requirements according to the conditions as specified in the agreement.

16. LONG-TERM BORROWINGS UNDER SECURITIZATION PROJECT

As at August 31, 2022 and February 28, 2022, 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 1,348.30 million and Baht 1,401.71 million, respectively.

17. LONG-TERM DEBENTURES

Long-term debentures represent unsubordinated and unsecured debentures as at August 31, 2022 and February 28, 2022, 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 August 31, 2022 Baht '000	As at February 28, 2022 Baht '000
Company									
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
15/11/2019	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
29/12/2021	29/12/2026	70	JPY	100,000,000	7,000,000,000	0.65	Semi-annual	1,869,882	2,009,805
								6,669,882	6,809,805
								(20,175)	(23,333)
								6,649,707	6,786,472
								(3,799,657)	(3,798,878)
								<u>2,850,050</u>	<u>2,987,594</u>
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
								<u>4,323,132</u>	<u>4,460,676</u>

As at August 31, 2022 and February 28, 2022, the Company can maintain financial ratios and other requirements according to the conditions as specified in the agreement.

18. DERIVATIVE FINANCIAL INSTRUMENTS

The fair values and notional amounts of derivative instruments as at August 31, 2022 and February 28, 2022 are as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	“Unaudited”					
	As at August 31, 2022			As at February 28, 2022		
	Fair value		Notional amount Baht '000	Fair value		Notional amount Baht '000
	Assets Baht '000	Liabilities Baht '000		Assets Baht '000	Liabilities Baht '000	
Derivatives designated as cash flow hedges						
Cross currency and interest rate swaps	2,432,527	739,953	31,744,259	376,175	685,049	27,933,724
Interest rate swaps	24,509	70,239	8,000,000	-	182,677	9,000,000
	<u>2,457,036</u>	<u>810,192</u>	<u>39,744,259</u>	<u>376,175</u>	<u>867,726</u>	<u>36,933,724</u>
<u>Less</u> Current portion of derivative assets / liabilities	<u>(1,072,018)</u>	<u>(274,014)</u>	<u>(10,926,505)</u>	<u>(82,380)</u>	<u>(654,801)</u>	<u>(10,819,198)</u>
Total derivative assets / liabilities	<u><u>1,385,018</u></u>	<u><u>536,178</u></u>	<u><u>28,817,754</u></u>	<u><u>293,795</u></u>	<u><u>212,925</u></u>	<u><u>26,114,526</u></u>

19. 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 and six-month periods ended August 31, 2022 and 2021, amounts recognized in the statements of profit or loss in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month periods ended		For the six-month periods ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
	Baht '000	Baht '000	Baht '000	Baht '000
Past service cost (reversal)				
- For employees transferred from subsidiaries	-	(14)	(53)	2,768
Current service cost	18,052	20,109	44,383	40,334
Interest cost	2,942	1,966	5,911	3,935
Loss on settlement	74	13	6,321	935
Total	<u>21,068</u>	<u>22,074</u>	<u>56,562</u>	<u>47,972</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month periods ended		For the six-month periods ended	
	August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
	Baht '000	Baht '000	Baht '000	Baht '000
Past service cost (reversal)				
- For employees transferred from subsidiaries	-	-	-	3,813
Current service cost	16,151	17,952	40,383	35,905
Interest cost	2,725	1,807	5,449	3,614
Total	<u>18,876</u>	<u>19,759</u>	<u>45,832</u>	<u>43,332</u>

Movements in the present value of the provisions for post-employment benefit for the six-month periods ended August 31, 2022 and 2021 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2022	2021	2022	2021
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	463,335	478,346	419,132	431,606
Past service cost (reversal)				
- For employees transferred from subsidiaries	(53)	2,768	-	3,813
Current service cost	44,383	40,334	40,383	35,905
Interest cost	5,911	3,935	5,449	3,614
Loss on settlement	6,321	935	-	-
Benefits paid	(22,960)	(1,052)	(13,915)	-
Ending balance	<u>496,937</u>	<u>525,266</u>	<u>451,049</u>	<u>474,938</u>

The significant actuarial assumptions used to calculate the provisions under the defined benefit plans as at August 31, 2022 and February 28, 2022 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS		
“Unaudited”		
	As at August 31, 2022	As at February 28, 2022
	% per annum	% per annum
Financial assumptions		
Discount rate	0.84 - 2.60	0.84 - 2.60
Expected rate of salary increase	5.0	5.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 27.0	0.0 - 27.0
	Subject to range of age of employees	Subject to range of age of employees
Daily & Temporary staff		
	0.0 - 51.0	0.0 - 51.0
	Subject to range of age of employees	Subject to range of age of employees

SEPARATE FINANCIAL STATEMENTS		
“Unaudited”		
	As at August 31, 2022	As at February 28, 2022
	% per annum	% per annum
Financial assumptions		
Discount rate	2.60	2.60
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
Daily staff		
	0.0 - 51.0	0.0 - 51.0
	Subject to range of age of employees	Subject to range of age of employees

20. SHAREHOLDERS' EQUITY

- 20.1 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. The aforementioned shareholders included 4,410 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 662.50 million on July 20, 2021 in addition to the interim dividends which had been paid to all shareholders at Baht 1.85 per share, totaling Baht 462.50 million on November 5, 2020.
- 20.2 On June 24, 2022, the Annual General Meeting of Shareholders had the resolutions to approve the declaration of final dividends for the year ended February 28, 2022 at the rate of Baht 2.65 per share, totaling Baht 662.50 million. The aforementioned shareholders included 1,300 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 662.50 million on July 20, 2022 in addition to the interim dividends which had been paid to all shareholders at Baht 2.50 per share, totaling Baht 625.00 million on November 2, 2021.

- 20.3 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.

21. REVENUES RELATING TO SECURITIZATION TRANSACTION

For the three-month and six-month periods ended August 31, 2022 and 2021, 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			
	For the three-month periods ended August 31, 2022		For the six-month periods ended August 31, 2022	
	Baht '000	Baht '000	Baht '000	Baht '000
Loan income (see Note 24.2.2)				
Interest income from subordinated lendings	2,543	2,543	5,086	5,086
Revenue from seller loan in Special Purpose Vehicle	9,050	6,694	17,714	13,094
Dividend from investment in Special Purpose Vehicle	720	4,040	2,384	7,038
Collection servicing income	18,831	19,668	38,047	39,785
Total	<u>31,144</u>	<u>32,945</u>	<u>63,231</u>	<u>65,003</u>

22. DIRECTORS AND MANAGERMENTS' REMUNERATION

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

For the three-month and six-month periods ended August 31, 2022 and 2021, directors and managements' remuneration are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2022	2021	2022	2021
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Directors' remuneration (reversal)	(5,263)	2,890	6,021	5,030
Managements' remuneration	32,438	35,410	62,941	64,599
Post-employment benefits	1,424	1,140	2,871	2,279
Total	<u>28,599</u>	<u>39,440</u>	<u>71,833</u>	<u>71,908</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2022	2021	2022	2021
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Directors' remuneration (reversal)	(9,243)	7,735	(493)	4,485
Managements' remuneration	23,888	20,359	42,930	37,712
Post-employment benefits	1,010	830	2,035	1,659
Total	<u>15,655</u>	<u>28,924</u>	<u>44,472</u>	<u>43,856</u>

For the three-month and six-month periods ended August 31, 2022 and 2021, 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, 2022 and June 24, 2021, respectively.

23. CORPORATE INCOME TAX

The Company and its local subsidiaries used tax rate of 20% and the foreign subsidiaries used tax rate of 20% - 25% for corporate income tax and deferred tax calculations for the three-month and six-month periods ended August 31, 2022 and 2021.

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

For the three-month and six-month periods ended August 31, 2022 and 2021, income tax expenses consist of:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2022	2021	2022	2021
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense (revenue) for the period	(6,238)	(10,376)	168,102	24,092
Deferred income tax expense	244,881	204,468	361,430	525,478
Income tax expense per statements of profit or loss	<u>238,643</u>	<u>194,092</u>	<u>529,532</u>	<u>549,570</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2022	2021	2022	2021
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense (revenue) for the period	(39,186)	-	97,823	-
Deferred income tax expense	251,235	206,502	373,724	523,829
Income tax expense per statements of profit or loss	<u>212,049</u>	<u>206,502</u>	<u>471,547</u>	<u>523,829</u>

Reconciliations of effective tax rates for the three-month and six-month periods ended August 31, 2022 and 2021 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2022	2021	2022	2021
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	1,169,926	911,407	2,619,571	2,350,579
Permanent differences	2,863	(81,157)	(4,877)	24,393
Temporary differences	(1,280,779)	(1,062,715)	(1,905,550)	(2,433,546)
Taxable profit (loss)	<u>(107,990)</u>	<u>(232,465)</u>	<u>709,144</u>	<u>(58,574)</u>
Normal income tax rate (%)	20.00 - 25.00	20.00 - 25.00	20.00 - 25.00	20.00 - 25.00
Income tax for the period currently payable	(6,238)	(10,376)	168,102	24,092
Deferred tax from temporary differences	244,881	204,468	361,430	525,478
Income tax expense per statements of profit or loss	<u>238,643</u>	<u>194,092</u>	<u>529,532</u>	<u>549,570</u>
Effective tax rate (%)	20.40	21.30	20.21	23.38

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2022	2021	2022	2021
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	1,054,829	1,049,064	2,508,528	2,846,224
Permanent differences	6,133	4,748	10,191	2,157
Temporary differences	(1,256,175)	(1,032,507)	(1,868,623)	(2,619,143)
Income that is exempt from taxable	(720)	(4,040)	(160,984)	(229,238)
Taxable profit (loss)	<u>(195,933)</u>	<u>17,265</u>	<u>489,112</u>	<u>-</u>
Normal income tax rate (%)	20.00	20.00	20.00	20.00
Income tax for the period currently payable	(39,186)	-	97,823	-
Deferred tax from temporary differences	251,235	206,502	373,724	523,829
Income tax expense per statements of profit or loss	<u>212,049</u>	<u>206,502</u>	<u>471,547</u>	<u>523,829</u>
Effective tax rate (%)	20.10	19.68	18.80	18.40

24. 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:

24.1 Investments in subsidiaries (see Note 8) as at August 31, 2022 and February 28, 2022 are as follows:

Related parties	Relationship	SEPARATE FINANCIAL STATEMENTS					
		“Unaudited” As at August 31, 2022			As at February 28, 2022		
		Ownership	Paid-up capital	Cost	Ownership	Paid-up capital	Cost
		%	Baht '000	Baht '000	%	Baht '000	Baht '000
ACS Servicing (Thailand) Company Limited	Subsidiary	100.00	175,349.1	175,349.1	100.00	175,349.1	175,349.1
ACSI (Thailand) Co., Ltd.	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	96.29	111,402.9	107,333.1	96.29	111,402.9	107,333.1
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	48.75	40.0	19.5	48.75	40.0	19.5
AEON Asset Management (Thailand) Company Limited	Subsidiary	98.00	24,499.7	24,499.7	-	-	-
Total				<u>1,235,409.0</u>			<u>1,210,909.3</u>

24.2 Business transactions with related parties

24.2.1 Balances with related parties as at August 31, 2022 and February 28, 2022 are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		August 31, 2022	February 28, 2022	August 31, 2022	February 28, 2022
		Baht '000	Baht '000	Baht '000	Baht '000
Other receivables					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	-	110
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	4,983	3,069
AEON Financial Service Co., Ltd.	Major shareholder	568	128	110	128
AEON Credit Service Company Limited	Common ultimate holding company	319	646	-	-
ACS Capital Corporation Limited	Shareholder and one common director	1,340	596	323	450
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	80,001	49,049
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	3,990	1,835
AEON (Cambodia) Company Limited	Common ultimate holding company	-	57	-	-
AEON Leasing Service(Lao) Co., Ltd.	Subsidiary	-	-	5,584	-
AEON Microfinance (Myanmar) Co.,Ltd.	Subsidiary	-	-	7,724	-
ACS Trading Vietnam Co.,Ltd.	Common ultimate holding company	8,127	-	8,127	-
AEON Mall (Cambodia) Co.,Ltd.	Common ultimate holding company	61	-	-	-
AEON (Thailand) Co., Ltd.	Common ultimate holding company	-	4,595	-	4,595
AEON Insurance Service Company Limited (JP)	Common ultimate holding company	126	-	-	-
		<u>10,541</u>	<u>6,022</u>	<u>110,842</u>	<u>59,236</u>

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at August 31, 2022 Baht '000	As at February 28, 2022 Baht '000	As at August 31, 2022 Baht '000	As at February 28, 2022 Baht '000
Long-term loan to a subsidiary (see Note 6)					
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	145,266	130,244
Seller loan in Special Purpose Vehicle for securitization (see Note 11)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	298,549	275,773
Subordinated lendings (see Note 12.1)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	84,074	84,074
Other payables					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	-	56
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	60,835	55,814
AEON (Thailand) Co., Ltd.	Common ultimate holding company	1,053	1,076	1,053	1,076
AEON Financial Service Co., Ltd.	Major shareholder	58,499	57,387	48,248	51,597
AEON Credit Service Company Limited	Common ultimate holding company	1,261	3,561	455	2,415
AEON Bank Ltd.	Common ultimate holding company	1,461	1,094	1,461	1,094
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	40,746	46,195
		<u>62,274</u>	<u>63,118</u>	<u>152,798</u>	<u>158,247</u>
Long-term borrowing under securitization project (see Note 16)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	1,348,296	1,401,709
Deposit Received					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	4,137	4,163

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		August 31, 2022	February 28, 2022	August 31, 2022	February 28, 2022
		Baht '000	Baht '000	Baht '000	Baht '000
Deferred Revenue					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	76,894	77,928
ACS Capital Corporation Limited	Shareholder and one common director	975	-	975	-
		<u>975</u>	<u>-</u>	<u>77,869</u>	<u>77,928</u>

24.2.2 Transactions with related parties for the three-month and six-month periods ended August 31, 2022 and 2021 are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS			
		For the three-month		For the six-month	
		periods ended August 31,		periods ended August 31,	
		2022	2021	2022	2021
		Baht '000	Baht '000	Baht '000	Baht '000
Other income (reversal)					
ACS Capital Corporation Limited	Shareholder and one common director	(1,656)	13,036	4,351	13,286
Operating and administrative expenses					
Others					
AEON Financial Service Co., Ltd.	Major shareholder	38,280	37,872	85,814	74,668
AEON Credit Service Company Limited	Common ultimate holding company	5,520	2,634	11,408	6,727
AEON (Thailand) Company Limited	Common ultimate holding company	5,687	4,358	6,490	8,255
ACS Capital Corporation Limited	Shareholder and one common director	-	20	-	60
AEON Bank Ltd.	Common ultimate holding company	4,520	3,812	8,568	8,469
AEON Insurance Service Company Limited (JP)	Common ultimate holding company	-	503	-	1,321
		<u>54,007</u>	<u>49,199</u>	<u>112,280</u>	<u>99,500</u>
Finance costs					
AEON Bank Ltd.	Common ultimate holding company	1,370	2,198	2,674	4,867
AEON Financial Service Co., Ltd.	Major shareholder	4,261	3,849	8,358	5,966
		<u>5,631</u>	<u>6,047</u>	<u>11,032</u>	<u>10,833</u>

		CONSOLIDATED FINANCIAL STATEMENTS			
		For the three-month		For the six-month	
		periods ended August 31,		periods ended August 31,	
Related parties	Relationship	2022	2021	2022	2021
		Baht '000	Baht '000	Baht '000	Baht '000
Dividend paid					
ACS Capital Corporation Limited	Shareholder and one common director	127,200	114,480	127,200	114,480
AEON Financial Service Co., Ltd.	Major shareholder	232,670	209,403	232,670	209,403
AEON Holding (Thailand) Limited	Common ultimate holding company	58,300	52,470	58,300	52,470
		<u>418,170</u>	<u>376,353</u>	<u>418,170</u>	<u>376,353</u>
		SEPARATE FINANCIAL STATEMENTS			
		For the three-month		For the six-month	
		periods ended August 31,		periods ended August 31,	
Related parties	Relationship	2022	2021	2022	2021
		Baht '000	Baht '000	Baht '000	Baht '000
Sale promotion income					
ACSI (Thailand) Company Limited	Subsidiary	-	414	-	731
Credit card income					
ACSI (Thailand) Company Limited	Subsidiary	-	58	-	28,332
Revenues relating to securitization transaction					
(included in loan income)					
(see Note 21)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	31,144	32,945	63,231	65,003
Dividend income					
ACSI (Thailand) Company Limited	Subsidiary	-	-	55,000	200,000
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	103,600	22,200
		<u>-</u>	<u>-</u>	<u>158,600</u>	<u>222,200</u>
Other income (reversal)					
ACS Capital Corporation Limited	Shareholder and one common director	(2,939)	900	2,461	1,800
ACSI (Thailand) Company Limited	Subsidiary	154	1,869	311	4,107
ACS Servicing (Thailand) Company Limited	Subsidiary	6,685	4,649	12,985	9,299
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	10,804	2,837	13,739	5,568
AEON Leasing Service (Lao) Company Limited	Subsidiary	5,584	-	5,584	-
AEON Microfinance Myanmar Company Limited	Subsidiary	7,724	-	7,724	-
ACS Trading Vietnam Co.,Ltd.	Common ultimate holding company	8,128	-	8,128	-
		<u>36,140</u>	<u>10,255</u>	<u>50,932</u>	<u>20,774</u>
Operating and administrative expenses					
Collection service fee					
ACS Servicing (Thailand) Company Limited	Subsidiary	130,088	119,362	248,924	244,306
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	934	1,316	1,796	2,650
		<u>131,022</u>	<u>120,678</u>	<u>250,720</u>	<u>246,956</u>

		SEPARATE FINANCIAL STATEMENTS			
Related parties	Relationship	For the three-month periods ended August 31,		For the six-month periods ended August 31,	
		2022	2021	2022	2021
		Baht '000	Baht '000	Baht '000	Baht '000
Others (reversal)					
AEON Financial Service Co., Ltd.	Major shareholder	23,386	27,620	54,663	57,550
AEON Credit Service Company Limited	Common ultimate holding company	1,428	546	2,879	2,112
AEON (Thailand) Company Limited	Common ultimate holding company	5,688	4,358	6,490	8,255
AEON Bank Ltd.	Common ultimate holding company	2,194	1,469	3,721	3,221
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	10,844	7,579	20,490	14,700
ACS Servicing (Thailand) Company Limited	Subsidiary	(3)	-	688	-
AEON Credit Service (Malaysia) BHD.	Common ultimate holding company	439	-	439	-
ACSI (Thailand) Company Limited	Subsidiary	-	19	-	19
		<u>43,976</u>	<u>41,591</u>	<u>89,370</u>	<u>85,857</u>
Finance costs					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	76,964	83,962	154,261	168,667
AEON Bank Ltd.	Common ultimate holding company	-	1,027	-	2,575
		<u>76,964</u>	<u>84,989</u>	<u>154,261</u>	<u>171,242</u>
Dividend paid					
ACS Capital Corporation Limited	Shareholder and one common director	127,200	114,480	127,200	114,480
AEON Financial Service Co., Ltd.	Major shareholder	232,670	209,403	232,670	209,403
AEON Holding (Thailand) Limited	Common ultimate holding company	58,300	52,470	58,300	52,470
		<u>418,170</u>	<u>376,353</u>	<u>418,170</u>	<u>376,353</u>

- Other income for the three-month and six-month periods ended August 31, 2022 and 2021 includes computer fee and Finance and Accounting operation services fee charged to ACS Capital Corporation Limited, ACSI (Thailand) Co., Ltd. and ACS Servicing (Thailand) Company Limited. Details are as follows:

(1) Computer fee

The computer fee is charged to ACS Capital Corporation Limited, ACSI (Thailand) Co., Ltd and ACS Servicing (Thailand) Company Limited at the rate of Baht 200,000 per month, Baht 200,000 per month and Baht 707,349 per month, respectively.

The service fees are determined on a cost plus basis.

From January 2022 onwards, there is no charge for computer service from ACSI (Thailand) Co., Ltd.

(2) Finance and Accounting operation services fee

Finance and Accounting operation services fee is charged to ACS Capital Corporation Limited, ACSI (Thailand) Co., Ltd. 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.

From January 2022 onwards, Finance and Accounting operation services fee is charged to ACSI (Thailand) Co., Ltd. and ACS Servicing (Thailand) Company Limited at the rate of Baht 50,000 per month and Baht 730,000 per month, respectively.

From July 2022 onwards, Finance and Accounting operation services fee is charged to ACS Servicing (Thailand) Company Limited at the rate of Baht 731,000 per month.

From July 2022 onwards, implementation cost of Finance and Accounting system is charged to ACS Capital Corporation Limited and ACS Servicing (Thailand) Company Limited at the rate of Baht 50,000 per month and Baht 46,725 per month, respectively.

From July 2022 onwards, maintenance fee of Finance and Accounting system is charged to ACS Capital Corporation Limited and ACS Servicing (Thailand) Company Limited at the rate of Baht 3,500 per month and Baht 83,000 per month, respectively.

All service fees are determined on a cost plus basis.

- Revenues relating to securitization transactions are determined by the Company and subsidiaries in accordance with securitization projects (see Note 5.5).
- Collection service fee paid to ACS Servicing (Thailand) Co., Ltd. is based on general market price and in the normal course of business.
- Management assistant fee is paid to AEON Financial Service Co., Ltd. as stated in the agreement.
- Pricing policy for other operating and administrative expenses are 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. as specified in the agreement.

25. 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:

25.1 Operating results, classified by business for the three-month and six-month periods ended August 31, 2022 and 2021, are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
For the three-month period ended August 31, 2022					
	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	4,940,265	305,667	229,485	-	5,475,417
Inter - segment revenues	30,664	9,199	126,023	(165,886)	-
	<u>4,970,929</u>	<u>314,866</u>	<u>355,508</u>	<u>(165,886)</u>	<u>5,475,417</u>
Expenses					
Operating and administrative expenses	1,795,727	170,363	143,871	(153,733)	1,956,228
Directors and managements' remuneration	15,655	4,989	7,955	-	28,599
Loss on impairment of assets (reversal)	(1,426)	-	-	-	(1,426)
Loss on sale and write-off of leasehold improvements and equipment and intangible assets other than goodwill	845	1,007	517	-	2,369
Total expenses	<u>1,810,801</u>	<u>176,359</u>	<u>152,343</u>	<u>(153,733)</u>	<u>1,985,770</u>
Finance costs	423,756	47,190	529	(2,954)	468,521
Expected credit losses	1,842,506	8,573	121	-	1,851,200
Profit before income tax	893,866	82,744	202,515	(9,199)	1,169,926
Income tax expenses	212,409	15,928	10,306	-	238,643
Profit for the period	<u>681,457</u>	<u>66,816</u>	<u>192,209</u>	<u>(9,199)</u>	<u>931,283</u>

CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended August 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	4,981,080	280,098	83,222	-	5,344,400
Inter - segment revenues	10,285	4,527	117,619	(132,431)	-
	<u>4,991,365</u>	<u>284,625</u>	<u>200,841</u>	<u>(132,431)</u>	<u>5,344,400</u>
Expenses					
Operating and administrative expenses	1,724,329	159,514	175,761	(125,213)	1,934,391
Directors and managements' remuneration	28,924	6,844	3,672	-	39,440
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill	5,259	393	73	-	5,725
Total expenses	<u>1,758,512</u>	<u>166,751</u>	<u>179,506</u>	<u>(125,213)</u>	<u>1,979,556</u>
Finance costs	393,476	57,035	498	(2,691)	448,318
Expected credit loss (reversal)	<u>1,786,522</u>	<u>218,723</u>	<u>(126)</u>	<u>-</u>	<u>2,005,119</u>
Profit (loss) before income tax	1,052,855	(157,884)	20,963	(4,527)	911,407
Income tax expense (revenue)	<u>206,251</u>	<u>(16,549)</u>	<u>4,390</u>	<u>-</u>	<u>194,092</u>
Profit (loss) for the period	<u>846,604</u>	<u>(141,335)</u>	<u>16,573</u>	<u>(4,527)</u>	<u>717,315</u>

CONSOLIDATED FINANCIAL STATEMENTS

For the six-month period ended August 31, 2022

	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	9,858,143	622,218	479,705	-	10,960,066
Inter - segment revenues	198,588	21,151	250,706	(470,445)	-
	<u>10,056,731</u>	<u>643,369</u>	<u>730,411</u>	<u>(470,445)</u>	<u>10,960,066</u>
Expenses					
Operating and administrative expenses	3,614,698	332,128	290,564	(291,058)	3,946,332
Directors and managements' remuneration	44,472	12,851	14,510	-	71,833
Loss on sale and write-off of leasehold improvements and equipment and intangible assets other than goodwill	951	1,026	451	-	2,428
Total expenses	<u>3,660,121</u>	<u>346,005</u>	<u>305,525</u>	<u>(291,058)</u>	<u>4,020,593</u>
Finance costs	815,320	94,948	722	(5,765)	905,225
Expected credit losses (reversal)	<u>3,410,582</u>	<u>4,365</u>	<u>(270)</u>	<u>-</u>	<u>3,414,677</u>
Profit before income tax	2,170,708	198,051	424,434	(173,622)	2,619,571
Income tax expenses	<u>472,739</u>	<u>37,412</u>	<u>19,381</u>	<u>-</u>	<u>529,532</u>
Profit for the period	<u>1,697,969</u>	<u>160,639</u>	<u>405,053</u>	<u>(173,622)</u>	<u>2,090,039</u>

CONSOLIDATED FINANCIAL STATEMENTS
For the six-month period ended August 31, 2021

	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000		
Revenues					
Revenue from external customers	9,465,871	614,441	305,301	-	10,385,613
Inter - segment revenues	367,004	15,512	252,405	(634,921)	-
	<u>9,832,875</u>	<u>629,953</u>	<u>557,706</u>	<u>(634,921)</u>	<u>10,385,613</u>
Expenses					
Operating and administrative expenses	3,437,789	330,556	452,539	(398,072)	3,822,812
Directors and managements' remuneration	43,856	15,054	12,998	-	71,908
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill	6,465	478	806	-	7,749
Total expenses	<u>3,488,110</u>	<u>346,088</u>	<u>466,343</u>	<u>(398,072)</u>	<u>3,902,469</u>
Finance costs	792,826	112,855	1,070	(5,266)	901,485
Expected credit loss (reversal)	<u>2,695,158</u>	<u>535,966</u>	<u>(44)</u>	<u>-</u>	<u>3,231,080</u>
Profit (loss) before income tax	2,856,781	(364,956)	90,337	(231,583)	2,350,579
Income tax expense	<u>527,347</u>	<u>1,408</u>	<u>20,815</u>	<u>-</u>	<u>549,570</u>
Profit (loss) for the period	<u>2,329,434</u>	<u>(366,364)</u>	<u>69,522</u>	<u>(231,583)</u>	<u>1,801,009</u>

25.2 Financial positions classified by business are as follows:

CONSOLIDATED FINANCIAL STATEMENTS
"Unaudited"

As at August 31, 2022

	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000		
Trade and other receivables	79,116,646	4,531,014	311,991	(173,284)	83,786,367
Leasehold improvements and equipment and intangible assets other than goodwill	1,285,662	141,246	82,330	(6,942)	1,502,296
Other assets	<u>10,132,082</u>	<u>820,344</u>	<u>583,993</u>	<u>(1,335,533)</u>	<u>10,200,886</u>
Total assets	<u>90,534,390</u>	<u>5,492,604</u>	<u>978,314</u>	<u>(1,515,759)</u>	<u>95,489,549</u>
Total liabilities	<u>69,080,125</u>	<u>4,492,561</u>	<u>170,678</u>	<u>(265,641)</u>	<u>73,477,723</u>

CONSOLIDATED FINANCIAL STATEMENTS

As at February 28, 2022

	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000		
Trade and other receivables	75,858,446	4,660,254	233,465	(149,860)	80,602,305
Leasehold improvements and equipment and intangible assets other than goodwill	1,306,702	144,856	98,705	(6,943)	1,543,320
Other assets	<u>8,343,195</u>	<u>687,801</u>	<u>635,593</u>	<u>(1,342,826)</u>	<u>8,323,763</u>
Total assets	<u>85,508,343</u>	<u>5,492,911</u>	<u>967,763</u>	<u>(1,499,629)</u>	<u>90,469,388</u>
Total liabilities	<u>65,628,919</u>	<u>4,712,649</u>	<u>128,388</u>	<u>(264,531)</u>	<u>70,205,425</u>

26. CREDIT FACILITIES AND LETTER OF GUARANTEE

- 26.1 As at August 31, 2022 and February 28, 2022, the Company has unused committed and unsecured revolving credit facility agreements with various financial institutions totaling Baht 3,000 million.
- 26.2 As at August 31, 2022 and February 28, 2022, the Company has unused and unsecured overdraft facilities with various banks totaling Baht 3,090 million and Baht 3,089 million, respectively.
- 26.3 As at August 31, 2022 and February 28, 2022, 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.
- 26.4 As at August 31, 2022 and February 28, 2022, a foreign subsidiary has unused and unsecured overdraft facilities with a local bank in the amount of Baht 23.16 million and Baht 30.03 million, respectively.
- 26.5 As at August 31, 2022 and February 28, 2022, a subsidiary has letters of guarantee issued by banks in the amounts of Baht 1.63 million.

27. SALE OF WRITTEN-OFF RECEIVABLES

- 27.1 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 0.08 million and Baht 0.20 million as bad debt recovery in the consolidated and separate statements of profit or loss for the three-month and six-month periods ended August 31, 2022, respectively, and Baht 0.24 million and Baht 0.55 million as bad debt recovery in the consolidated and separate statements of profit and loss for the three-month and six-month periods ended August 31, 2021, respectively, and recorded outstanding deferred revenue of Baht 21.56 million as other current liabilities in the separate statements of financial position as at August 31, 2022 (as at February 28, 2022 : Baht 21.76 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.

- 27.2 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 0.21 million and Baht 0.39 million as bad debt recovery in the consolidated and separate statements of profit or loss for the three-month and six-month periods ended August 31, 2022, respectively, and Baht 0.32 million and Baht 0.62 million as bad debt recovery in the consolidated and separate statements of profit and loss for the three-month and six-month periods ended August 31, 2021, respectively, and recorded outstanding deferred revenue of Baht 54.38 million as other current liabilities in the separate statements of financial position as at August 31, 2022 (as at February 28, 2022 : Baht 54.77 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.

- 27.3 On August 31, 2021, 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 319.76 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 August 31, 2021, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. The Company has already recognized gain on sale of written-off receivables totaling Baht 319.76 million in the consolidated and separate statements of profit or loss for the three-month and six-month periods ended August 31, 2021.

27.4 On March 4, 2022, 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 104.98 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 March 4, 2022, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. The Company has already recognized gain on sale of written-off receivables totaling Baht 104.98 million in the consolidated and separate statements of profit or loss for the six-month period ended August 31, 2022.

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. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the six-month period ended August 31, 2022.

In addition, under the Asset Sale and Purchase Agreement, if the buyer wished to sell or transfer loan to a third party, 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.

28. EVENTS AFTER THE REPORTING PERIOD

28.1 According to the resolution of Company’s Board of Directors’ meeting on August 9, 2022 to approve the Employee Joint Investment Program (“EJIP”), the Company has started EJIP on September 1, 2022 for a period of 5 years until August 31, 2027. EJIP is an investment program on accumulative buying of the Company’s shares on a periodic basis, serving as a mean of remuneration given to the employees of the Company and its domestic subsidiaries.

28.2 On October 4, 2022, the Board of Directors’ Meeting had the resolutions to approve the declaration of interim dividends for the year ended February 28, 2023 at the rate of Baht 2.55 per share, totaling Baht 637.50 million, which will be paid to all shareholders on November 2, 2022.

29. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issue by the Company’s Board of Directors on October 4, 2022.

Headline: Resolution of the Board of Directors' No. 11/2022 Interim dividend payment
Security Symbol: AEONTS

Announcement Details

Dividend payment / Omitted dividend payment	
Subject	Cash dividend payment
Date of Board resolution	04-Oct-2022
Type of dividend payment	Cash dividend payment
Record date for the right to receive dividends	19-Oct-2022
Ex-dividend date	18-Oct-2022
Payment for	Common shareholders
Cash dividend payment (baht per share)	2.55
Par value (baht)	1.00
Payment date	02-Nov-2022
Paid from	Operating period from 01-Mar-2022 to 31-Aug-2022 and Retained Earnings

The company hereby certifies that the information above is correct and complete.

Signature _____
(Tutomu Omodera)
Managing Director
Authorized Persons to Disclose
Information

This announcement was prepared and disseminated by listed company or issuer through the electronic system which is provided for the purpose of dissemination of the information and related documents of listed company or issuer to the Stock Exchange of Thailand only. The Stock Exchange of Thailand has no responsibility for the correctness and completeness of any statements, figures, reports or opinions contained in this announcement, and has no liability for any losses and damages in any cases. In case you have any inquiries or clarification regarding this announcement, please directly contact listed company or issuer who made this announcement.

Management Discussion and Analysis

For the 2nd Quarter ended August 31, 2022

AEON Thana Sinsap (Thailand) Public Company Limited (“the Company”) has already submitted the consolidated reviewed the 2nd quarter financial statements as of August 31, 2022 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 second quarter of 2022 increased by 2.5%, following a rise of 2.3% in the first quarter of 2022. The main supporting factors were the return-to-expansion of export goods and private final consumption expenditure. In addition, the relaxation of the COVID-19 restrictions resulting in the number of foreign tourist. Unemployment rate in the second quarter of 2022 was at 1.37% down from 1.89% of the same quarter previous year. However, increasing interest rate, inflation rate and flooding are likely to have an impact to the Thai economy in the second half of year 2022 which will affect to the direction of household consumption expenditure.

The Company performance of the first half of FY2022, total new turnovers increased by 35% y-y, and the second half of FY2022 increased by 30% y-y and 3% Q-Q.

As at August 31, 2022, the Company had total cards as below;

Number of AEONTS Cards and Networks	August 31, 2021	August 31, 2022
Number of Credit Cards (million cards)	3.01	3.19
Number of Member Cards (million cards)	6.28	6.41
Branches	100 branches	103 branches
Bangkok	29%	30%
Province	71%	70%
ATMs (machine)	404	147
Affiliated Dealers	6,272	6,132

Summary of Consolidated Financial Results

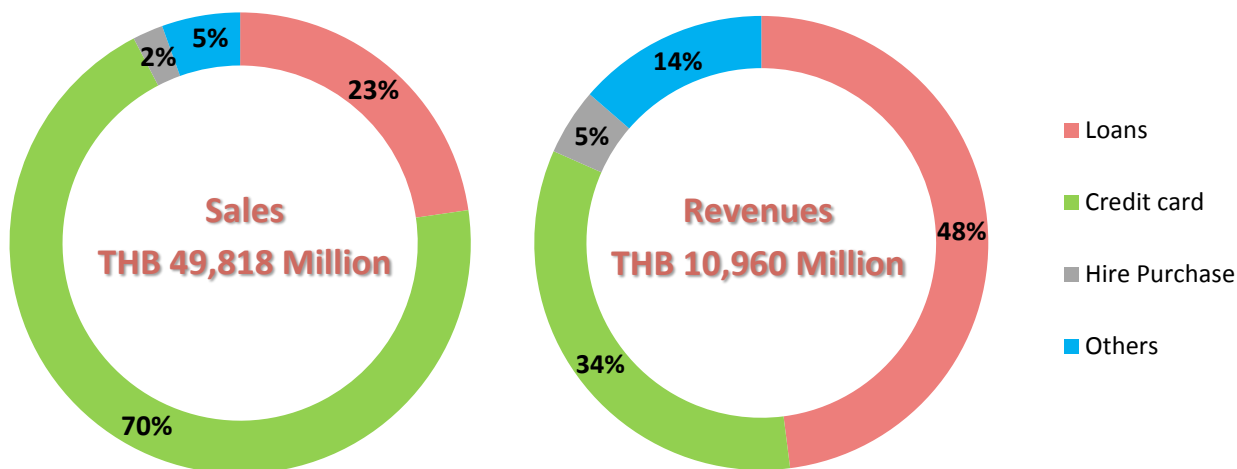
1. Operating Results

Profit and Loss Statement (Consolidated) Unit : Million Baht	Consolidated					Separate		
	2Q/22	%YoY	1H/21	1H/22	%YoY	1H/21	1H/22	%YoY
Credit card income	1,878	18%	3,144	3,688	17%	3,116	3,615	16%
Loan income	2,629	2%	5,198	5,258	1%	5,102	5,213	2%
Hire-purchase income	253	-2%	531	520	-2%	164	127	-23%
Other income	715	-21%	1,513	1,495	-1%	1,515	1,507	-0.5%
Total Revenues	5,475	2%	10,386	10,960	5%	9,898	10,461	6%
Operating and administrative expenses	1,985	1%	3,895	4,018	3%	3,489	3,672	5%
Expected credit loss	1,851	-8%	3,231	3,415	6%	2,618	3,334	27%
Finance costs	468	4%	901	905	0.4%	939	946	0.7%
Other expenses	1	-83%	8	2	-8%	6	1	-83%
Total Expenses	4,305	-3%	8,035	8,340	4%	7,052	7,953	13%
Profit before tax income	1,170	28%	2,351	2,620	11%	2,846	2,509	-12%
Income tax expenses	239	23%	550	530	-4%	524	472	-10%
Net profit for the period	904	33%	1,828	2,018	10%	2,322	2,037	-12%
Earnings Per Share (Baht per share)	3.61	33%	7.31	8.07	10%	9.29	8.15	-12%

Revenues

In the first half of fiscal year 2022, the total consolidated revenues were 10,960 million baht, grew 574 million baht or 5% y-y. In the second quarter of FY2022, the Company recorded revenue at 5,475 million baht, increased 131 million baht or 2% y-y. The increasing mainly came from credit card income grew by 18% y-y which corresponds to increasing in the volume of card spending and cash advance. Other income from bad debt recovery grew by 32% y-y. As at August 31, 2022, the Company has active customers more than 2.6 million, mainly from Bangkok 30%, and in up-country 70%. In terms of overseas business in Cambodia, Myanmar and Laos, they have active customers more than 118,000 users representing 6% of active customers of the Company. The company more focus on sales activities on online channel in order to be in line with consumer behavior. Details of each business can be described as follows:

Sales and Revenues Structure for the first half FY2022



- Credit Card

In the first half year of 2022, credit card sales accounted for 70% of total turnovers with total revenues amounted to 3,688 million baht, increased of 544 million baht or 17% y-y. In the second quarter of FY2022, credit card revenue recorded at 1,878 million baht, increased 284 million baht or 18% y-y. For overseas business, AEON Specialized Bank (Cambodia) Plc recorded credit card revenue in the second quarter of FY2022 of 73 million baht, grew by 30% y-y.

- Loans

In the first half of 2022, loans shared 23% of total turnovers with the loan revenue of 5,258 million baht which was 48% of total revenues, increased of 59 million baht or 1% y-y. In the second quarter of FY2022, loan revenue amounted to 2,629 million baht, increased of 43 million baht or 2% y-y. Moreover, loan income from AEON Specialized Bank (Cambodia) PLC of 107 million baht, decreased by 23% y-y and AEON Microfinance (Myanmar) Company Limited of 1 million baht, decreased by 94% y-y.

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 95% of total personal loan sales which Promptpay service shared more than 70% of total personal loan sales.

- Hire Purchase

The Company offers motorcycle, used car hire purchase, electrical appliances, mobile phones and others and hire purchase business of overseas subsidiaries. For the first half of FY2022, hire purchase revenues recorded at 520 million baht, decreased of 11 million baht or 2% y-y. In the second quarter of FY2022, hire purchase revenue was recorded at 253 million baht, down by 5 million baht or 2% y-y. In addition, hire purchase income in the first half of FY2022 from AEON Specialized Bank (Cambodia) Plc was 336 million baht, increased by 8% y-y and AEON Leasing Service (Lao) Company Limited of 57 million baht, decreased by 5% y-y.

- Others

In the first half of FY2022, other incomes was recorded at 1,495 million baht or 14% of total revenues, decreased of 18 million baht or 1% y-y. Other revenues comprising of bad debt recovery amounted to 796 million baht, increased 25%, shared 7% of total revenues, Insurance broker business income totaled 341 million baht, shared 3% of total revenues, gain on sales of written-off receivables was recorded at 105 million baht, collection service income was recorded at 111 million baht, and others amounted to 142 million baht accordingly. In the second quarter of FY2022, other income was recorded at 715 million baht, decreased by 21% y-y because the Company recorded a gain on sale of written-off receivables of 320 million baht in second quarter last year but there is no gain on sale of written-off receivables in second quarter this year.

Expenses

The Company's expenses mainly consist of operating and administrative expenses, expected credit loss and finance cost. In the first half of FY2022, the Company had total consolidated expenses of 8,340 million baht, increased of 305 million baht or 4% y-y. In the second quarter of FY2022, the consolidated expenses amounted to 4,305 million baht, decreased of 127 million baht or 3% y-y. Details of expenses are shown as follows:

- Operating and Administrative Expenses

In the first half of FY2022, the consolidated operating and administrative expense totaled 4,018 million baht, increased of 123 million baht or 3% y-y. The increase in operating and administrative expense was mainly from personal expense, administrative and transportation expense, and marketing activities. In the second quarter of FY2022, the consolidated operating and administrative expenses amounted to 1,985 million baht, shared 36% of total revenues which increased of 11 million baht or 0.5% y-y. However, considering the Company separate financial statement cost to income ratio showed at 35% of total revenues both in the second quarter of FY2022 and the first half of FY2022.

- Expected Credit Loss

In the first half of FY2022, the consolidated expected credit loss amounted to 3,415 million baht, increased of 184 million baht or 6% y-y. In the second quarter of FY2022, the consolidated expected credit loss was recorded at 1,851 million baht decreased of 154 million baht or 8% y-y.

- Finance Cost

The Company recorded consolidated finance cost in the first half of FY2022 of 905 million baht, increased of 0.4% y-y. In the second quarter of FY2022, the finance cost was 468 million baht, increased of 20 million baht or 4% y-y, which the portion of finance cost in the second quarter was 8% of total revenues. The average funding cost in the second quarter of FY2022 was at 2.57%

Net Profit

For the first half of FY2022, consolidated operating income was reported at 2,620 million baht, increased of 269 million baht or 11% y-y. Net profit attribute to the parent amounted to 2,018 million baht, increased of 190 million baht or 10% y-y, and earning per share was 8.07 baht. For the second quarter of FY2022, net profit attribute to the parent amounted to 904 million baht increased by 33% y-y. Net profit was mainly contributed by continuing growth of bad debt recovery and efficiently control the operation cost and funding cost.

2. Financial Status

Statement of Financial Position	February 28, 2022	August 31, 2022
Unit : Million Baht		
Accounts Receivable	91,028	93,975
Total Assets	90,469	95,490
Total Borrowing	65,418	68,807
Total Liabilities	70,205	73,478
Total Equities	20,264	22,012
ROE	19.2%	19.5%
ROA	4.0%	4.3%
D/E Ratio	3.5	3.3

Total Assets

As at August 31, 2022, consolidated total assets were 95,490 million baht, increased by 6% from 90,469 million baht as of February 28, 2022. The main assets were attributed to the portfolio of net account receivables which shared 98% of total assets.

- Accounts Receivable

As at August 31, 2022, The Company has accounts receivable of 93,975 million baht increased by 3% from 91,028 million baht as of February 28, 2022 mainly came from new domestic turnovers increased around 3.3 billion baht or 4% from the end of last fiscal year according to marketing activities to support new customers and increasing of outstanding. However, account receivables can be categorized by business type as follows: credit card receivable of 42,181 million baht, grew by 7% from the last fiscal year, loans receivable of 46,218 million baht, grew by 1% from the last fiscal year, hire purchase receivable of 5,495 million baht, down by 7% from the last fiscal year and others receivable totaled 81 million baht accordingly.

- Allowance for expected credit loss

As at August 31, 2022, the Company and its subsidiary provided allowance for expected credit loss of 10,669 million baht or 11.35% of total accounts receivable. For consolidated financial statements, the delinquent account receivables for 3 months and up was 5.3% and default receivables in credit risk (NPL Stage 3) was 5.5%. In part of separate financial statement, the delinquent account receivables for 3 months and up was 4.8% and default receivables in credit risk (NPL Stage 3) was 5%. At the end of second quarter of FY2022, the consolidated coverage ratio of allowance for expected credit loss to NPL (NPL Coverage ratio) was 207%

Liabilities

As at August 31, 2022, the consolidated liabilities of the Company amounted to 73,478 million baht, increased by 5% from 70,205 million baht at the end of last fiscal year. There were both short-term and long-term borrowings totally 68,807 million baht, increasing by 5% from the end of last year. The portion of long-term borrowings was 40,549 million baht or represented 59% 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. In addition, the Company has unused unsecured revolving credit facilities 12,020 million baht and 3,000 million baht unused committed facilities with various financial institutions which is enough to drive the Company's operation. The Company also has the debentures totaling 3,800 million baht that will mature within 12 months, which the Company can issue new debentures or use a working capital to repay as scheduled.

Shareholders' Equity

As at August 31, 2022, total shareholders' equity amounted to 22,012 million baht, increased of 1,748 million baht or 9% from the end of the last fiscal year. Book value as at August 31, 2022 was 86.1 baht per share, increased from 79.6 baht per share as of February 28, 2022.

As at August 31, 2022, Debt to Equity ratio stood at 3.3 times decreased from 3.5 times at the end of FY2021. Return on Equity (ROE) and Return on Asset (ROA) for the first half of FY2022 are 19.5% and 4.3%, respectively.

The Company also announces to pay interim dividend of six month performance at the amount 2.55 baht per share or 31.6% payout ratio. The shareholder register book for the right to receive dividends shall be recorded on October 19, 2022 (XD will be posted on October 18, 2022) and dividend will be paid on November 2, 2022.

Key Financial Ratio	2Q21	2Q22	Aug'21	Aug'22
Net Profit Margin (%)	12.7%	16.5%	17.6%	18.4%
Interest Coverage ratio (Times)	3.0	3.4	3.6	3.9
Cost to Income (%)	36.9%	36.2%	37.5%	36.6%
EPS (Baht)	2.71	3.61	7.31	8.07

Key Financial Ratio	As of August 2021	As of August 2022
Allowance for Expected Credit Loss/ Total Receivables (%)	12.6%	11.3%
NPL Coverage Ratio (%)	243%	207%
Book Value per Share (Baht)	72.6	86.1