

## **REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE SHAREHOLDERS AND BOARD OF DIRECTORS**

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED**

### **Opinion**

We have audited the consolidated financial statements of AEON Thana Sinsap (Thailand) Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of AEON Thana Sinsap (Thailand) Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at February 28, 2023, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of AEON Thana Sinsap (Thailand) Public Company Limited and its subsidiaries and of AEON Thana Sinsap (Thailand) Public Company Limited as at February 28, 2023, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

### **Basis for Opinion**

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Responses
<p><b>Allowance for expected credit loss</b></p> <p>The allowance for expected credit loss of trade receivables is considered to be a key audit matter as there are management’s judgment and assumptions applied to the calculation including forward economic looking and post model adjustments.</p> <p>The Group and the Company have applied Thai Financial Reporting Standard No.9 - Financial Instruments (“TFRS9”). This standard requires the Group and the Company to recognize impairment loss based on expected credit loss.</p> <p>The Group and the Company calculated allowance for expected credit loss on trade receivables based on forward-looking information basis by calculating on a probability-weighted credit losses with respective risk of expected cash shortfalls either based on credit events arising in the 12 months from the reporting date or based on credit events arising over the lifetime of the financial instrument; depending on the significant increase in credit risk (“SICR”) since initial recognition.</p>	<p>Key audit procedures included</p> <ul style="list-style-type: none"> <li>• Reviewed management written policies, which were collaborated from the Group and the Company management’s experts, and procedures to derive the allowance for expected credit loss estimate. Determined whether the policies and procedures for the estimation are incorporate with the requirements of TFRS 9 and properly approved by the appropriate level of management</li> <li>• Obtained an understanding of the Group’s and Company’s design of internal controls over significant input data used in the calculation of allowance for expected credit loss, and calculation of allowance for expected credit loss</li> <li>• Evaluated the design and implementation and performed operating effectiveness testing of key internal controls over significant input data used in the calculation of allowance for expected credit loss, and calculation of allowance for expected credit loss</li> </ul>

Key Audit Matters	Audit Responses
<p><b>Allowance for expected credit loss (continued)</b></p> <p>The post model adjustment may also be recorded by the Group and the Company using credit expert assumptions and judgment where the inputs, assumptions and/or modelling techniques do not capture all relevant risk factors in respect to the current economic conditions and market circumstances.</p> <p>Accounting policy for the allowance for expected credit loss and detail of allowance for expected credit loss were disclosed in Note 3.2.2 and Note 5 to the financial statements, respectively.</p>	<ul style="list-style-type: none"> <li>• Evaluated the design and implementation and performed operating effectiveness testing of key General Computer Controls over the IT processing environment for retail finance system with the involvement of IT specialists</li> <li>• Involved our internal specialists to assess the model documentation. This included assessing the appropriateness of model design, assumptions, inputs, formulas used and post model adjustments. We tested the data used in the ECL calculation by reconciling to source systems</li> <li>• Evaluated relevant inputs and assumptions used by management in each stage of the expected credit loss calculation by considering whether the inputs and assumption appear reasonable, considering the historical loss experience and adjust this for current observable data and considering the relationship between those assumptions and forecast of reasonable and supportable future economic conditions</li> <li>• Tested calculation of allowance for expected credit loss for a sample of models</li> <li>• Performed analysis of the Group’s and the Company’s allowance for expected credit loss by comparing to historical data and considering related macroeconomic factors.</li> </ul>

## **Other Information**

Management is responsible for the other information. The other information comprises information in the annual report, but does not include the consolidated and separate financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**BANGKOK**  
April 11, 2023

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 FEBRUARY 28, 2023

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		February 28,	February 28,	February 28,	February 28,
		2023	2022	2023	2022
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	4.1	3,816,356	4,235,603	2,159,810	2,639,136
Trade and other current receivables					
Trade receivables	5	80,667,069	76,839,427	77,833,587	73,982,280
Other receivables	6	518,404	518,100	414,708	412,773
Fixed deposits at banks under obligations	7	-	3,000	-	-
Current portion of long-term loan to a subsidiary	8	-	-	27,990	-
Current portion of loans from purchase of accounts receivable	9	490	-	-	-
Seller loan in Special Purpose Vehicle for securitization	13	-	-	287,621	275,773
Current portion of derivative assets	26	1,047,431	82,380	1,047,431	82,380
Current tax assets		-	7,805	-	-
Other current assets		102,645	101,352	42,955	43,071
Total Current Assets		<u>86,152,395</u>	<u>81,787,667</u>	<u>81,814,102</u>	<u>77,435,413</u>
<b>NON-CURRENT ASSETS</b>					
Trade and other non-current receivables					
Trade receivables	5	3,144,652	3,236,973	1,496,409	1,512,440
Other receivables	6	74,041	-	74,041	-
Fixed deposits at banks under obligations	7	144,216	41,333	-	-
Long-term loan to a subsidiary	8	-	-	83,970	130,244
Loans from purchase of accounts receivable	9	12,133	-	-	-
Investments in subsidiaries	10	-	-	1,235,409	1,210,909
Investment in equity securities designated at fair value through profit or loss	11	5,062	5,062	5,062	5,062
Investment in equity securities designated at fair value through other comprehensive income	12	144,000	144,000	144,000	144,000
Subordinated lendings	14.1	-	-	84,074	84,074
Leasehold improvement and equipment	15	523,145	622,934	447,217	528,845
Right-of-use assets	16	892,559	611,069	776,685	538,356
Intangible assets other than goodwill	17	923,406	920,386	783,252	777,857
Derivative assets	26	684,654	293,795	684,654	293,795
Deferred tax assets	18	2,340,922	2,624,482	2,268,848	2,524,973
Other non-current assets	19	165,501	181,687	146,184	167,847
Total Non-current Assets		<u>9,054,291</u>	<u>8,681,721</u>	<u>8,229,805</u>	<u>7,918,402</u>
<b>TOTAL ASSETS</b>		<u><u>95,206,686</u></u>	<u><u>90,469,388</u></u>	<u><u>90,043,907</u></u>	<u><u>85,353,815</u></u>

Notes to the financial statements form an integral part of these statements

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT FEBRUARY 28, 2023

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	20	4,485,424	9,171,904	3,440,000	7,941,240
Trade and other current payables					
Trade payables		220,728	269,599	200,448	248,207
Other payables	21	1,629,459	1,628,020	1,532,329	1,550,316
Current portion of long-term liabilities					
Long-term borrowings	23	12,836,551	17,090,217	11,273,543	16,317,580
Long-term debentures	25	-	3,798,878	-	3,798,878
Derivative liabilities	26	562,743	654,801	562,743	654,801
Lease liabilities	22	444,127	356,328	389,924	312,304
Current income tax payable		643,416	379,519	608,272	348,000
Other current liabilities		341,614	387,092	345,103	394,973
Total Current Liabilities		<u>21,164,062</u>	<u>33,736,358</u>	<u>18,352,362</u>	<u>31,566,299</u>
NON-CURRENT LIABILITIES					
Long-term borrowings	23	39,152,934	30,896,445	37,867,795	28,578,535
Long-term borrowings under securitization project	24	-	-	1,260,991	1,401,709
Long-term debentures	25	9,580,142	4,460,676	8,107,060	2,987,594
Derivative liabilities	26	876,160	212,925	876,160	212,925
Lease liabilities	22	473,541	268,650	412,280	240,121
Subordinated borrowings	14.2	84,074	84,074	-	-
Provisions for employee benefit	27	444,377	463,335	405,630	419,132
Other non-current liabilities		83,316	82,962	71,186	68,102
Total Non-current Liabilities		<u>50,694,544</u>	<u>36,469,067</u>	<u>49,001,102</u>	<u>33,908,118</u>
TOTAL LIABILITIES		<u>71,858,606</u>	<u>70,205,425</u>	<u>67,353,464</u>	<u>65,474,417</u>



AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF FINANCIAL POSITION (CONTINUED)  
AS AT FEBRUARY 28, 2023

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)</b>					
SHAREHOLDERS' EQUITY	29				
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
SURPLUS ON SHARE-BASED PAYMENT TRANSACTION	28	9,265	-	9,265	-
RETAINED EARNINGS					
Appropriated					
Legal reserve	30	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		17,382,220	14,808,860	17,167,729	14,703,739
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY	32				
Exchange differences on translating financial statements of foreign operations		(83,454)	(95,808)	-	-
Cumulative loss on cash flow hedges		(89,551)	(427,341)	(89,551)	(427,341)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		22,821,480	19,888,711	22,690,443	19,879,398
NON-CONTROLLING INTERESTS		526,600	375,252	-	-
TOTAL SHAREHOLDERS' EQUITY		23,348,080	20,263,963	22,690,443	19,879,398
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>95,206,686</b>	<b>90,469,388</b>	<b>90,043,907</b>	<b>85,353,815</b>

Notes to the financial statements form an integral part of these statements

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

STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED FEBRUARY 28, 2023

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
<b>REVENUES</b>					
Credit card income		7,641,755	6,462,205	7,488,114	6,370,437
Loan income	33	10,384,552	10,367,574	10,273,844	10,208,931
Hire-purchase income		1,028,530	1,073,176	246,053	308,562
Other income					
Bad debt recovery		1,696,186	1,423,426	1,638,278	1,423,426
Gain on sale of written-off receivables	43	404,572	319,764	404,572	319,764
Collection service income		225,753	209,682	-	29
Insurance broker business income		688,884	682,021	688,884	627,331
Dividend income		-	-	203,000	334,400
Others		261,433	253,574	173,363	123,759
Total Other income		3,276,828	2,888,467	3,108,097	2,828,709
Total Revenues		22,331,665	20,791,422	21,116,108	19,716,639
<b>EXPENSES</b>					
Operating and administrative expenses		7,962,449	7,671,368	7,282,911	6,924,615
Directors and managements' remuneration	34	154,560	161,119	104,425	104,064
Loss on impairment of assets	17	95,497	-	95,497	-
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill		2,627	11,099	1,041	9,710
Total Expenses	36	8,215,133	7,843,586	7,483,874	7,038,389
Finance costs		1,903,841	1,744,665	1,970,310	1,826,482
Expected credit loss		7,262,728	6,629,397	7,070,470	5,771,184
PROFIT BEFORE INCOME TAX		4,949,963	4,573,774	4,591,454	5,080,584
INCOME TAX EXPENSES	37	995,818	999,880	880,727	947,393
<b>PROFIT FOR THE YEAR</b>		<b>3,954,145</b>	<b>3,573,894</b>	<b>3,710,727</b>	<b>4,133,191</b>
<b>PROFIT ATTRIBUTABLE TO :</b>					
Owners of the parent		3,815,145	3,553,041	3,710,727	4,133,191
Non-controlling interests		139,000	20,853	-	-
		3,954,145	3,573,894	3,710,727	4,133,191
<b>BASIC EARNINGS PER SHARE</b>	<b>BAHT</b>	15.26	14.21	14.84	16.53
<b>WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES</b>	<b>SHARES</b>	250,000,000	250,000,000	250,000,000	250,000,000

Notes to the financial statements form an integral part of these statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED FEBRUARY 28, 2023

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
Profit for the year		3,954,145	3,573,894	3,710,727	4,133,191
Other comprehensive income, 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	32	12,354	25,417	-	-
- Non-controlling interests		14,844	49,914	-	-
Gain on cash flow hedges	32	337,790	468,234	337,790	468,234
Components of other comprehensive income that will not be reclassified to profit or loss					
Gain on remeasurements of defined benefit plans		58,208	71,722	53,256	67,046
Other comprehensive income for the year, net of tax		423,196	615,287	391,046	535,280
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>4,377,341</b>	<b>4,189,181</b>	<b>4,101,773</b>	<b>4,668,471</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :</b>					
Owners of the parent		4,223,497	4,118,414	4,101,773	4,668,471
Non-controlling interests		153,844	70,767	-	-
		<b>4,377,341</b>	<b>4,189,181</b>	<b>4,101,773</b>	<b>4,668,471</b>

Notes to the financial statements form an integral part of these statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE YEAR ENDED FEBRUARY 28, 2023

UNIT : THOUSAND BAHT

Notes	CONSOLIDATED FINANCIAL STATEMENTS								Non-controlling interests	Total shareholders' equity	
	Issued and paid-up share capital	Share premium on ordinary shares	Surplus on share-based payment transaction	Owners of the parent Retained earnings		Other components of shareholders' equity		Total owners of the parent			
				Appropriated Legal reserve	Unappropriated Reserve for business expansion	Exchange differences on translating financial statements of foreign operations	Cumulative loss on cash flow hedges				
<b>Beginning balance as at March 1, 2021</b>	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 year											
Dividend paid	29.1	-	-	-	-	(662,488)	-	-	(662,488)	(17,398)	(679,886)
Interim dividend paid	29.2	-	-	-	-	(624,996)	-	-	(624,996)	-	(624,996)
Profit for the year		-	-	-	-	3,553,041	-	-	3,553,041	20,853	3,573,894
Other comprehensive income		-	-	-	-	71,722	25,417	468,234	565,373	49,914	615,287
<b>Ending balance as at February 28, 2022</b>	<u>250,000</u>	<u>478,000</u>	<u>-</u>	<u>25,000</u>	<u>4,850,000</u>	<u>14,808,860</u>	<u>(95,808)</u>	<u>(427,341)</u>	<u>19,888,711</u>	<u>375,252</u>	<u>20,263,963</u>
<b>Beginning balance as at March 1, 2022</b>	250,000	478,000	-	25,000	4,850,000	14,808,860	(95,808)	(427,341)	19,888,711	375,252	20,263,963
Changes during the year											
Increase in non-controlling interests arising from new investment in a subsidiary		-	-	-	-	-	-	-	-	250	250
Surplus on share-based payment transaction	28	-	-	9,265	-	-	-	-	9,265	-	9,265
Dividend paid	29.3	-	-	-	-	(662,496)	-	-	(662,496)	(2,746)	(665,242)
Interim dividend paid	29.4	-	-	-	-	(637,497)	-	-	(637,497)	-	(637,497)
Profit for the year		-	-	-	-	3,815,145	-	-	3,815,145	139,000	3,954,145
Other comprehensive income		-	-	-	-	58,208	12,354	337,790	408,352	14,844	423,196
<b>Ending balance as at February 28, 2023</b>	<u>250,000</u>	<u>478,000</u>	<u>9,265</u>	<u>25,000</u>	<u>4,850,000</u>	<u>17,382,220</u>	<u>(83,454)</u>	<u>(89,551)</u>	<u>22,821,480</u>	<u>526,600</u>	<u>23,348,080</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 YEAR ENDED FEBRUARY 28, 2023

UNIT : THOUSAND BAHT

	Notes	SEPARATE FINANCIAL STATEMENTS							
		Issued and paid-up share capital	Share premium on ordinary shares	Surplus on share-based payment transaction	Retained earnings Appropriated Legal reserve	Retained earnings Reserve for business expansion	Unappropriated	Other components of shareholders' equity Cumulative loss on cash flow hedges	Total shareholders' equity
<b>Beginning balance as at March 1, 2021</b>		250,000	478,000	-	25,000	4,850,000	11,790,986	(895,575)	16,498,411
Changes during the year									
Dividend paid	29.1	-	-	-	-	-	(662,488)	-	(662,488)
Interim dividend paid	29.2	-	-	-	-	-	(624,996)	-	(624,996)
Profit for the year		-	-	-	-	-	4,133,191	-	4,133,191
Other comprehensive income		-	-	-	-	-	67,046	468,234	535,280
<b>Ending balance as at February 28, 2022</b>		<u>250,000</u>	<u>478,000</u>	<u>-</u>	<u>25,000</u>	<u>4,850,000</u>	<u>14,703,739</u>	<u>(427,341)</u>	<u>19,879,398</u>
<b>Beginning balance as at March 1, 2022</b>		250,000	478,000	-	25,000	4,850,000	14,703,739	(427,341)	19,879,398
Changes during the year									
Surplus on share-based payment transaction	28	-	-	9,265	-	-	-	-	9,265
Dividend paid	29.3	-	-	-	-	-	(662,496)	-	(662,496)
Interim dividend paid	29.4	-	-	-	-	-	(637,497)	-	(637,497)
Profit for the year		-	-	-	-	-	3,710,727	-	3,710,727
Other comprehensive income		-	-	-	-	-	53,256	337,790	391,046
<b>Ending balance as at February 28, 2023</b>		<u>250,000</u>	<u>478,000</u>	<u>9,265</u>	<u>25,000</u>	<u>4,850,000</u>	<u>17,167,729</u>	<u>(89,551)</u>	<u>22,690,443</u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED FEBRUARY 28, 2023

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit for the year		3,954,145	3,573,894	3,710,727	4,133,191
Adjustments for:					
Income tax expense		995,818	999,880	880,727	947,393
Expected credit loss		7,262,728	6,629,397	7,070,470	5,771,184
Loss on impairment of assets		95,497	-	95,497	-
Depreciation of leasehold improvement and equipment and right-of-use assets		810,097	896,111	697,005	755,706
Amortization of intangible assets other than goodwill		241,503	202,899	197,074	160,671
(Gain) loss on sale of leasehold improvement and equipment and intangible assets other than goodwill		(768)	7,594	(51)	8,269
Loss on write-off of leasehold improvement and equipment		3,395	3,505	1,092	1,441
Employee benefit expense		76,515	111,832	70,337	98,239
Employee joint investment program expense		14,426	-	14,426	-
Gain on sales of written-off receivables		(404,572)	(319,764)	(404,572)	(319,764)
Unrealized gain on exchange rate		-	-	(5,837)	(10,750)
Gain on discount received from lease agreements		-	(11,833)	-	(11,833)
Gain on cancellation of lease agreements		(334)	(1,399)	(330)	(724)
Interest income		(13,841,603)	(13,286,167)	(12,493,503)	(11,802,682)
Dividend income		-	-	(203,000)	(334,400)
Finance costs		1,903,841	1,744,665	1,970,310	1,826,482
		<u>1,110,688</u>	<u>550,614</u>	<u>1,600,372</u>	<u>1,222,423</u>
Operating assets (increase) decrease					
Trade and other current receivables		(10,962,742)	(9,988,237)	(11,012,202)	(10,086,966)
Loans from purchase of accounts receivable		(12,623)	-	-	-
Other current assets		(2,037)	2,206	118	2,027
Other non-current assets		15,867	10,736	21,665	5,432
Operating liabilities increase (decrease)					
Trade and other current payables		(86,085)	(202,520)	(112,919)	(29,646)
Other current liabilities		(39,872)	58,566	(49,870)	35,573
Other non-current liabilities		647	639	3,671	(678)
Cash paid for operations		(9,976,157)	(9,567,996)	(9,549,165)	(8,851,835)
Proceeds from interest income		13,928,127	12,962,299	12,544,148	11,476,511
Dividend received		-	-	203,000	334,400
Finance costs paid		(1,906,754)	(1,719,684)	(1,980,343)	(1,816,105)
Income tax paid		(544,660)	(881,461)	(462,091)	(793,737)
Employee benefits paid	27	(22,713)	(37,256)	(13,916)	(28,578)
Cash received (paid) from transfer of employees within the Group	27	-	-	(3,353)	1,673
Cash paid for employee joint investment program	28	(5,161)	-	(5,161)	-
Net cash flows provided by operating activities		<u>1,472,682</u>	<u>755,902</u>	<u>733,119</u>	<u>322,329</u>

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE YEAR ENDED FEBRUARY 28, 2023**

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Cash received from fixed deposits at banks under obligations		3,050	-	-	-
Cash paid for fixed deposits at banks under obligations		(105,200)	(2,325)	-	-
Cash paid for purchase of leasehold improvement and equipment	4.2	(211,777)	(198,248)	(173,463)	(163,775)
Cash received from sale of leasehold improvements and equipment		2,169	18,211	1,457	1,689
Cash paid for purchase of intangible assets other than goodwill	4.2	(442,328)	(291,549)	(397,442)	(275,782)
Cash received from sale of intangible assets other than goodwill		-	1,642	-	-
Cash paid for investment in a subsidiary	10	-	-	(24,500)	(4,264)
Cash paid for investment in equity securities designated at fair value through other comprehensive income	12	-	(144,000)	-	(144,000)
Cash received from repayment of long-term loan to a subsidiary		-	-	24,121	-
Net cash flows used in investing activities		<u>(754,086)</u>	<u>(616,269)</u>	<u>(569,827)</u>	<u>(586,132)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Cash received from bank overdrafts and short-term borrowings from financial institutions	4.4	116,228,272	92,796,090	113,233,224	87,359,879
Cash repayments for bank overdrafts and short-term borrowings from financial institutions	4.4	(120,792,355)	(93,968,202)	(117,734,464)	(87,278,639)
Cash received from long-term borrowings	4.4	22,210,298	7,194,654	20,351,762	6,554,661
Cash repayments for long-term borrowings	4.4	(18,590,828)	(4,191,220)	(16,381,625)	(4,191,220)
Cash received from long-term borrowings under securitization project	4.4	-	-	564,624	491,631
Cash repayments for long-term borrowings under securitization project	4.4	-	-	(564,624)	(491,631)
Cash received from long-term debentures	4.4	5,245,000	2,063,600	5,245,000	2,063,600
Cash repayments for long-term debentures	4.4	(3,800,000)	(3,403,200)	(3,800,000)	(3,403,200)
Cash paid for lease liabilities	4.4	(558,097)	(564,337)	(488,331)	(488,719)
Cash received from sales of written-off receivables		231,809	416,869	231,809	416,869
Proceeds from increase in non-controlling interest arising from investment in a subsidiary		250	-	-	-
Cash paid for dividend		(666,592)	(681,842)	(662,496)	(662,488)
Cash paid for interim dividend		(637,497)	(624,996)	(637,497)	(624,996)
Net cash flows used in financing activities		<u>(1,129,740)</u>	<u>(962,584)</u>	<u>(642,618)</u>	<u>(254,253)</u>
Net decrease in cash and cash equivalents before effect of exchange rate		(411,144)	(822,951)	(479,326)	(518,056)
Effect of exchange rate changes on cash and cash equivalents		(8,103)	(46,614)	-	-
Cash and cash equivalents at the beginning of the year		4,235,603	5,105,168	2,639,136	3,157,192
<b>Cash and cash equivalents at the ending of the year</b>	4.1	<u>3,816,356</u>	<u>4,235,603</u>	<u>2,159,810</u>	<u>2,639,136</u>

Notes to the financial statements form an integral part of these statements

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED FEBRUARY 28, 2023**

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**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED FEBRUARY 28, 2023**

**1. OPERATIONS OF THE COMPANY**

The Company was registered as a limited company under the Civil and Commercial Code on September 18, 1992 and registered to be Public Company Limited 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, 27<sup>th</sup> Floor, Exchange Tower, Sukhumvit Road, Klongtoey, Bangkok. The Company's main objective is to do the retail finance services which consist of credit card, hire-purchase and personal loans, and others. Subsequently, on October 6, 2020, the Company has registered another objective which is to conduct life and non-life insurance brokerage business.

As at February 28, 2023 and 2022, the Company has head office and branches totaling 104 locations and 101 locations, respectively.

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 2.4 and Note 10.

**Coronavirus Disease 2019 Pandemic**

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

In order to mitigate the impacts, the Company provides supports to customers as the relief measurement for loan to affected customer from the impact of COVID-19, following to the Bank of Thailand's the relief measurement to help debtors from the Thai economic situation, by providing debt restructuring program and 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 FINANCIAL STATEMENTS

- 2.1 The Group and the Company maintain its accounting records in Thai Baht and prepare their statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.

The English version of the consolidated and separate financial statements have been prepared from the Thai version of the consolidated and separate financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version consolidated and separate financial statements in accordance with the Thai law is superseded.

- 2.2 The Group's and the Company's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 "Presentation of Financial Statements" the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statement (No. 3) B.E. 2562" dated December 26, 2019.

- 2.3 The consolidated financial statements for the years ended February 28, 2023 and 2022 included the accounts of the Company and its subsidiaries. Significant transactions and balances between the Company and its subsidiaries have been eliminated.

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Loss in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

If the Company losses control in a subsidiary, it will derecognize the assets and liabilities, any non-controlling interests and the other components of shareholders' equity related to the subsidiary. Any surplus or deficit arising from the loss of control is recognized in profit or loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an investment in equity securities depending on the level of influence retained.

2.4 For the years ended February 28, 2023 and 2022, the subsidiaries included in the consolidated financial statements are as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%)	
				2023	2022
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. <sup>(4)</sup>	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 <sup>(1)</sup>	Retail finance business	Laos	January 11, 2013	100.00	100.00
ATS Rabbit Special Purpose Vehicle Company Limited <sup>(3)</sup>	Special purpose juristic person in securitization projects	Thailand	March 20, 2015	48.75	48.75
AEON Asset Management (Thailand) Co., Ltd. <sup>(2)</sup>	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% shareholding.
- (2) The Company indirectly holds shares of AEON Asset Management (Thailand) Co., Ltd through ACS Servicing (Thailand) Co., Ltd. with 1.00% shareholding.
- (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 significant accounting policies used for the financial statements of the subsidiaries are adjusted to be the same as those of the Company.

2.5 The financial statements of the subsidiaries 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 using the most recent financial statements of the subsidiaries 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 are as follows:

Subsidiaries	The date of the end of the reporting period in preparation of the consolidated financial statements For the years ended	
	February 28, 2023	February 28, 2022
ACS Servicing (Thailand) Company Limited	December 31, 2022	December 31, 2021
ACSI (Thailand) Co., Ltd.,	December 31, 2022	December 31, 2021
AEON Specialized Bank (Cambodia) Plc.	December 31, 2022	December 31, 2021
AEON Microfinance (Myanmar) Company Limited	December 31, 2022	December 31, 2021
AEON Leasing Service (Lao) Company Limited	December 31, 2022	December 31, 2021
AEON Asset Management (Thailand) Co., Ltd.	December 31, 2022	-

2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current year financial statements

During the year, 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 year ended February 28, 2023, 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.

2.7 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 revised 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. Standards relevant to the Group and the Company are as follows:

Thai Accounting Standard No.37 “Provisions, Contingent Liabilities and Contingent Assets”

The amendments specify that the “cost of fulfilling a contract” comprises the “costs that relate directly to the contract”. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate.

Thai Financial Reporting Standard No.9 “Financial Instruments”

The amendment clarifies that in applying the “10 per cent” test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other’s behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

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 financial statements have been prepared on the historical cost basis except as disclosed in the following:

#### **3.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hands, all deposits at financial institutions with the original maturities of three months or less and highly liquid short-term investments, excluding cash at banks used as collateral.

#### **3.2 Financial instruments**

Financial assets and financial liabilities are recognized in the Group’s consolidated statement of financial position and the Company’s separate statement of financial position when the Group and the Company become a party to the contractual provisions of the instrument.

### 3.2.1 Classification and Measurement

#### 3.2.1.1 Classification

##### *Financial Assets*

The Group and Company classify financial assets, depending on the business model of the Group and Company on financial assets and type of contractual cash flow of financial assets. The Group and Company classify financial assets as subsequently measured by amortized cost and fair value through profit or loss.

##### *Financial Liabilities*

The Group and Company classify all financial liabilities as subsequently measured by amortized cost.

#### 3.2.1.2 Initial measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

#### 3.2.1.3 Subsequent measurement

##### *Financial Assets*

The Group and Company are subsequently measure financial assets as below;

##### (1) Subsequent measurement by Amortized cost

Financial assets are measured subsequently at amortized cost. The Group and Company using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash inflow (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or (where appropriate) a shorter period, to the amortized cost of a financial asset.

(2) Subsequent measurement by Fair value through profit or loss (“FVTPL”)

Financial assets that do not meet the criteria for being measured at amortized cost are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship (see Note 3.2.3 Hedge accounting). The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset.

*Financial Liabilities*

All financial liabilities are measured subsequently at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

3.2.1.4 Derecognition of Financial instruments

*Financial Assets*

The Group and the Company derecognize a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group and the Company neither transfer nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and the Company recognize its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and the Company retain substantially all the risks and rewards of ownership of a transferred financial asset, the Group and the Company continue to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

### *Financial liabilities*

The Group and the Company derecognize financial liabilities when, and only when, the obligation of the Group and the Company are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

#### 3.2.2 Impairment of financial assets

The Group and the Company recognize allowance for expected credit loss on trade receivables using ECL model. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group and the Company recognize lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit loss that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

##### (i) Significant increase in credit risk

The Group and the Company compare the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognized. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group and the Company consider both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

Despite the foregoing, the Group and the Company assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if;

- The financial instrument has a low risk of default;
- The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.



The Group and the Company regularly monitor the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

(ii) Definition of default

The Group and the Company consider constituting an event of default for internal credit risk management policies and historical experience indicates that financial assets are defaulted by considering information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, in full.

Irrespective of the above analysis, the Group and the Company consider that default has occurred when the past due is more than 90 days unless the Group and the Company have supportable information to demonstrate that a more lagging default criterion is reasonable.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes the consideration of following events;

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event;
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; and
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

(iv) Write-off policy

The Group and the Company write off trade receivables when there is information indicating that the debtor is in financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of loans to customers, when the days past due are over the period that the Management determined, whichever occurs sooner. Loans to customers written off may still be subject to enforcement activities under the Group's and the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(v) Measurement and recognition of expected credit loss

The measurement of expected credit loss is a function of the probability of default, loss given default and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above.

For financial assets, exposure at default is represented by the asset's gross carrying amount at the reporting date.

For loan commitments, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's and the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

If the Group and the Company have measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group and the Company measure the loss allowance at an amount equal to 12-month ECL at the current reporting date.

### 3.2.3 Hedge accounting

The Group and the Company designate certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges.

At the inception of the hedge relationship, the Group and the Company document the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group and the Company document whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements;

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationships; and
- The hedged ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group and the Company actually hedge and the quantity of the hedging instrument that the Group and the Company actually use to hedge that quantity of hedged item.

#### *Cash flow hedges*

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss, and is included in the "Finance costs" line item.

Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognized hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognized in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

This transfer does not affect other comprehensive income. Furthermore, if the Group and the Company expect that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

### 3.3 Investment in subsidiaries

Investments in subsidiaries in the separate financial statements are accounted for using the cost method, less allowances for impairment (if any).

In case impairment in value of investment has occurred, the loss result of investment is recognized in the statement of profit or loss.

Cost of securities sold is determined by the weighted-average method.

### 3.4 Leasehold improvement and equipment

Leasehold improvement and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation of leasehold improvement and equipment is calculated by the straight-line method, based on the estimated useful life of the assets of 3 years and 5 years.

### 3.5 Intangible assets

Intangible assets are stated at cost less accumulated amortization and allowance for impairment (if any).

Intangible assets are computer software which are amortized by the straight-line method over the estimated useful lives of 5 years and 10 years.

### 3.6 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.

### 3.7 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 favorable 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.

### 3.8 Leases

The Group and the Company as lessee

The Group and the Company assess whether a contract is or contains a lease, at inception of the contract. The Group and the Company recognize a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated and separate statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group and the Company remeasure the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group and the Company expect to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated and separate statements of financial position.

The Group and the Company apply TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Leasehold improvement and equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Operating and Administrative expenses” in profit or loss.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group and the Company have used this practical expedient.

### 3.9 Assets and liabilities in foreign currencies

#### 3.9.1 Functional currency and presentation currency

The consolidated and the separate financial statements are presented in Baht as the presentation currency.

Items in the financial statements of foreign operations are recorded at their functional currency.

#### 3.9.2 Translation of foreign currency transaction

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized as profit or loss in statement of profit or loss and other comprehensive income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities for which settlement is neither planned nor likely to occur in a foreseeable future is treated as part of net investment in the foreign operation of the Group. Exchange differences arising on a monetary item that forms part of a reporting entity's net investment in a foreign operation shall be recognized in profit or loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g. consolidated financial statements when the foreign operation is a subsidiary), such exchange differences shall be recognized initially in other comprehensive income and reclassified from equity to profit or loss on a disposal of the net investment.

### 3.9.3 Translation of financial statements of foreign operations

The assets and liabilities of foreign entities are translated to Thai Baht at the foreign exchange rates ruling at the reporting date.

The revenues and expenses of foreign entities are translated to Thai Baht at rates approximating the foreign exchange rates ruling at the dates of the transactions.

Foreign exchange differences arising on translation are recognized as other comprehensive income in the statement of other comprehensive income and presented as the foreign currency translation reserve in equity until a disposal of the investment.

### 3.10 Share-based payment

Equity-settled share-based payments to management and employees are measured at the fair value of the equity instruments at the grant date, and is recognized as employee expense in the statement of profit or loss along with the recognition of the shareholders' equity throughout the period that employee is able to access the rights without restriction. The expense recognized is to be adjusted to reflect the value of shares under the term of service that is not the term of equity market.

### 3.11 Recognition of revenues and expenses

Interest income and fee income from purposed loan, hire-purchase receivable, credit card receivable and personal loan are recognized on an accrual basis using the effective interest method.

Commission income is recognized on the issue date of the policy.

Collection service income is recognized on an accrual basis when service has been provided or upon satisfaction of performance obligations.

Bad debt recovery is recorded as income in the statement of profit or loss when received.

Dividend income is recognized on the date the Company's rights to receive payments is established.

Other income and expenses are recognized on an accrual basis.

### 3.12 Provisions for employee benefits

#### 3.12.1 Provident Fund

The contribution for employee provident fund is recorded as an expense when incurred.

#### 3.12.2 Post-employment benefits

The Group and the Company operate post-employment benefits plans under the Labor Protection Act. Such employee benefits are calculated by an independent actuary at the end of reporting period using the Projected Unit Credit Method, which is estimated based on the present value of expected cash flows of benefits to be paid in the future taken into account the actuarial assumptions including salaries, turnover rate, mortality rate, years of service and other factors. Discount rate used in the calculation of provision is referenced to the yield curve of Thai government bond.

Gain or loss on remeasurements of defined benefit plans are recognized in the statement of profit or loss and other comprehensive income.

### 3.13 Deferred revenue from customer loyalty programs

Customer loyalty programs are to grant the points whereby customers are awarded credits (Points) entitling customers to the rights to redeem within a determined period under the condition of customer loyalty programs. Obligations from granting the points to purchase products or get free service in the future are recognized and measured at the fair value of consideration received or receivable which is derived from points expected to redeemed , multiplied by the estimated fair value per point, referring to the fair value of the rewards. Such obligations are allocated from consideration received or receivable and recorded through “Deferred revenue from customer loyalty programs” in the statement of financial position under “Other payables” and recognized in the statement of profit or loss as “Credit card income” when the points are redeemed by customers.

### 3.14 Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax.

#### 3.14.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and further excludes items that are never taxable or deductible. The Company’s current tax is calculated using tax rates that have been enacted or substantively enacted at the financial statement date.



### 3.14.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (tax base). Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed by the end of each reporting period. Deferred tax assets shall be reduced to the extent that utilized taxable profits decrease. Such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available to allow total or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax assets and liabilities, and deferred tax assets and liabilities, are offset when there is a legally enforceable right to set off the recognized amounts and the Company intends to settle on a net basis or to realize the asset and settle the liability simultaneously and when they relate to income taxes levied by the same taxation authority.

Income tax expense or income related to profit or loss are presented in the statement of profit or loss and net presented with items recognized directly in shareholders' equity in the statement of profit or loss and other comprehensive income.

### 3.15 Basic earnings per share

Basic earnings per share are calculated by dividing the net income for the year by the number of weighted average ordinary shares outstanding during the year. In the case of a capital increase, the number of shares is weighted according to time of registration of the paid-up share capital increase. The Company did not have any common share equivalents outstanding which would have dilutive effects on earnings per share.

### 3.16 Fair value measurements

In estimating the fair value of an asset or a liability, the Group and the Company take into account the characteristics of the asset or liability if a producer or supplier of marketable goods would take those characteristics into the consideration the price that would be received to sell an asset or paid to transfer a liability at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. Fair values for disclosure in the financial statements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are on as follows:

Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 Inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.

Level 3 Inputs are unobservable inputs for the asset or liability.

### 3.17 Critical accounting judgments and key sources of estimation uncertainty

#### 3.17.1 Use of management's judgments in applying accounting policies

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) requires the Group and the Company's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Critical judgments in applying the Group's and the Company's accounting policies are as follows:

##### (1) Allowance for expected credit loss

Management is required to use judgment in estimation in determining the allowance for expected credit loss of loans to customers and accrued interest receivables, together with loan commitments. The calculation of allowance for expected credit loss of the Group and the Company are based on the criteria of assessing if there has been an increase in credit risk, the development of complex expected credit loss model with a series of underlying assumptions, including the choice of inputs the forecasted macroeconomic variables in the model. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

##### (2) Deferred revenue from customer loyalty programs

The deferred revenue from customer loyalty programs granted to the Company's customers is calculated based on the estimates of redemption rate of the reward points earned by the customers and fair value of reward prices, and is presented in the statement of financial position under "Other payables".

##### (3) Provisions for employee benefits

The present value of the provisions for employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of such provisions.

The Group and the Company determine the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the provisions for employee benefits. In determining the appropriate discount rate, the Group and the Company consider the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related provisions. Additional information is disclosed in Note 27.

Past service cost related to plan amendment is recognized as an expense in the statement of profit or loss when the plan amendment is occurred. The management of the Group and the Company judgmentally consider that an obligation arises only when the legislation is virtually certain to be enacted.

(4) Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test (please see financial assets sections of Note 3.2). The Group and the Company determine the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgment reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated.

The Group and the Company monitor financial assets measured at amortized cost or fair value through other comprehensive income that are derecognized prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Group's and the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. However, no such changes were required during the periods presented.

(5) Significant increase in credit risk

As explained in Note 3.2.2, expected credit losses are measured as an allowance equal to 12-month ECL for Stage 1 assets, or equal to lifetime ECL for Stage 2 or Stage 3 assets. An asset moves to Stage 2 when its credit risk has increased significantly since initial recognition. TFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Group and the Company take into account qualitative and quantitative reasonable and supportable forward-looking information.

### 3.17.2 Key sources of estimation uncertainty

The Group and the Company have estimates with the assumptions concerning the future. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

#### Fair value measurements and valuation processes

In estimating the fair value of an asset or liability, the Group and the Company use market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group and Company engage third-party qualified valuers to perform the valuation.

Information about valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 40.6.

## 4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

4.1 Cash and cash equivalents as at February 28, 2023 and 2022, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	As at	As at	As at	As at
	February 28,	February 28,	February 28,	February 28,
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Cash	452,796	666,891	422,844	627,565
Deposits at bank - call deposits	3,363,560	3,568,712	1,736,966	2,011,571
<b>Total cash and cash equivalents</b>	<b>3,816,356</b>	<b>4,235,603</b>	<b>2,159,810</b>	<b>2,639,136</b>

- 4.2 Cash paid for purchase of leasehold improvement and equipment and intangible assets other than goodwill for the years ended February 28, 2023 and 2022, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Leasehold improvement and equipment				
Liabilities recorded - brought forward	34,470	25,839	34,218	23,896
Purchase of leasehold improvement and equipment	185,962	206,879	147,703	174,097
	220,432	232,718	181,921	197,993
<u>Less</u> Cash paid for purchase of leasehold improvement and equipment	(211,777)	(198,248)	(173,463)	(163,775)
Liabilities recorded - carried forward	8,655	34,470	8,458	34,218
Intangible assets other than goodwill				
Liabilities recorded - brought forward	146,101	13,521	145,886	13,520
Purchase of intangible assets other than goodwill	342,888	424,129	297,966	408,148
	488,989	437,650	443,852	421,668
<u>Less</u> Cash paid for purchase of intangible assets other than goodwill	(442,328)	(291,549)	(397,442)	(275,782)
Liabilities recorded - carried forward	46,661	146,101	46,410	145,886

- 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 years ended February 28, 2023 and 2022 such sale was settled by increasing the Seller loan Account of Baht 11.85 million and Baht 56.15 million, respectively, instead of cash receipt.
- 4.4 Changes in liabilities arising from financing activities for the years ended February 28, 2023 and 2022 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					Ending balance as at February 28, 2023 Baht '000
	Beginning balance as at March 1, 2022 Baht '000	Financing cash flows		Non-cash changes		
		Cash received	Cash paid	Differences on translating foreign currencies	Others	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Bank overdrafts and short-term borrowings from financial institutions	9,171,904	116,228,272	(120,792,355)	(122,397)	-	4,485,424
Long-term borrowings	47,986,662	22,210,298	(18,590,828)	408,801	(25,448)	51,989,485
Long-term debentures	8,259,554	5,245,000	(3,800,000)	(108,319)	(16,093)	9,580,142
Lease liabilities	624,978	-	(558,097)	1,675	849,112*	917,668

CONSOLIDATED FINANCIAL STATEMENTS						
	Beginning balance as at March 1, 2021 Baht '000	Financing cash flows		Non-cash changes		Ending balance as at February 28, 2022 Baht '000
		Cash received	Cash paid	Differences on translating foreign currencies	Others	
Bank overdrafts and short-term borrowings from financial institutions	10,379,071	92,796,090	(93,968,202)	(35,055)	-	9,171,904
Long-term borrowings	42,821,621	7,194,654	(4,191,220)	2,152,012	9,595	47,986,662
Long-term debentures	9,425,401	2,063,600	(3,403,200)	189,811	(16,058)	8,259,554
Lease liabilities	689,629	-	(564,337)	6,705	492,981*	624,978

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

SEPARATE FINANCIAL STATEMENTS						
	Beginning balance as at March 1, 2022 Baht '000	Financing cash flows		Non-cash changes		Ending balance as at February 28, 2023 Baht '000
		Cash received	Cash paid	Differences on translating foreign currencies	Others	
Bank overdrafts and short-term borrowings from financial institutions	7,941,240	113,233,224	(117,734,464)	-	-	3,440,000
Long-term borrowings	44,896,115	20,351,762	(16,381,625)	300,533	(25,447)	49,141,338
Long-term borrowings under securitization project	1,401,709	564,624	(564,624)	-	(140,718)	1,260,991
Long-term debentures	6,786,472	5,245,000	(3,800,000)	(108,319)	(16,093)	8,107,060
Lease liabilities	552,425	-	(488,331)	-	738,110*	802,204

SEPARATE FINANCIAL STATEMENTS						
	Beginning balance as at March 1, 2021 Baht '000	Financing cash flows		Non-cash changes		Ending balance as at February 28, 2022 Baht '000
		Cash received	Cash paid	Differences on translating foreign currencies	Others	
Bank overdrafts and short-term borrowings from financial institutions	7,860,000	87,359,879	(87,278,639)	-	-	7,941,240
Long-term borrowings	40,646,732	6,554,661	(4,191,220)	1,876,347	9,595	44,896,115
Long-term borrowings under securitization project	1,489,622	491,631	(491,631)	-	(87,913)	1,401,709
Long-term debentures	7,952,319	2,063,600	(3,403,200)	189,811	(16,058)	6,786,472
Lease liabilities	558,595	-	(488,719)	-	482,549*	552,425

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

## 5. TRADE RECEIVABLES

5.1 Trade receivables as at February 28, 2023 and 2022, consist of the following:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	February 28,	February 28,	February 28,	February 28,
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Trade receivables	92,675,988	89,626,146	87,599,547	84,065,981
Trade receivables under securitization project				
- ATS Rabbit Special Purpose Vehicle				
Company Limited	1,260,991	1,401,709	1,260,991	1,401,709
Total	93,936,979	91,027,855	88,860,538	85,467,690
Less Allowance for expected credit loss	(10,125,258)	(10,951,455)	(9,530,542)	(9,972,970)
<b>Total trade receivables</b>	<b>83,811,721</b>	<b>80,076,400</b>	<b>79,329,996</b>	<b>75,494,720</b>

As the securitization transaction under the Receivables Sale and Purchase Agreement for transferred rights on loans receivable with ATS Rabbit Special Purpose Vehicle Company Limited does not qualify for derecognition of financial assets according to TFRS 9, 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 February 28, 2023 and 2022, details of trade receivables are as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
As at February 28, 2023			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
<b>Hire-purchase receivable</b>						
Hire-purchase and accrued interest receivable	2,483,958	3,625,375	6,109,333	2,562,979	3,972,671	6,535,650
<u>Less</u> Unearned financing income	<u>(251,126)</u>	<u>(347,096)</u>	<u>(598,222)</u>	<u>(277,545)</u>	<u>(366,710)</u>	<u>(644,255)</u>
	2,232,832	3,278,279	5,511,111	2,285,434	3,605,961	5,891,395
<u>Less</u> Allowance for expected credit loss	<u>(185,051)</u>	<u>(314,840)</u>	<u>(499,891)</u>	<u>(283,862)</u>	<u>(508,248)</u>	<u>(792,110)</u>
Hire-purchase and accrued interest receivable - net	<u>2,047,781</u>	<u>2,963,439</u>	<u>5,011,220</u>	<u>2,001,572</u>	<u>3,097,713</u>	<u>5,099,285</u>
<b>Loans receivable</b>						
Loans and accrued interest receivable	44,669,914	208,350	44,878,264	45,513,782	181,622	45,695,404
<u>Less</u> Allowance for expected credit loss	<u>(5,973,197)</u>	<u>(27,137)</u>	<u>(6,000,334)</u>	<u>(6,236,426)</u>	<u>(42,362)</u>	<u>(6,278,788)</u>
Loans and accrued interest receivable - net	<u>38,696,717</u>	<u>181,213</u>	<u>38,877,930</u>	<u>39,277,356</u>	<u>139,260</u>	<u>39,416,616</u>
<b>Credit card receivable</b>						
Credit card and accrued interest receivable	43,474,347	-	43,474,347	39,323,715	-	39,323,715
<u>Less</u> Allowance for expected credit loss	<u>(3,624,750)</u>	<u>-</u>	<u>(3,624,750)</u>	<u>(3,880,166)</u>	<u>-</u>	<u>(3,880,166)</u>
Credit card and accrued interest receivable - net	<u>39,849,597</u>	<u>-</u>	<u>39,849,597</u>	<u>35,443,549</u>	<u>-</u>	<u>35,443,549</u>
<b>Receivable from rendering the collection service</b>						
Receivable from rendering the collection service	4,634	-	4,634	15,593	-	15,593
<u>Less</u> Allowance for expected credit loss	<u>(283)</u>	<u>-</u>	<u>(283)</u>	<u>(391)</u>	<u>-</u>	<u>(391)</u>
Receivable from rendering the collection service - net	<u>4,351</u>	<u>-</u>	<u>4,351</u>	<u>15,202</u>	<u>-</u>	<u>15,202</u>
<b>Receivable from insurance broker business</b>						
	<u>68,623</u>	<u>-</u>	<u>68,623</u>	<u>101,748</u>	<u>-</u>	<u>101,748</u>
<b>Total trade receivables</b>	<u><u>80,667,069</u></u>	<u><u>3,144,652</u></u>	<u><u>83,811,721</u></u>	<u><u>76,839,427</u></u>	<u><u>3,236,973</u></u>	<u><u>80,076,400</u></u>



SEPARATE FINANCIAL STATEMENTS

	As at February 28, 2023			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
<b>Hire-purchase receivable</b>						
Hire-purchase and accrued						
interest receivable	904,756	2,033,501	2,938,257	914,643	2,192,369	3,107,012
<u>Less</u> Unearned financing income	(251,126)	(347,096)	(598,222)	(277,545)	(366,709)	(644,254)
	653,630	1,686,405	2,340,035	637,098	1,825,660	2,462,758
<u>Less</u> Allowance for expected						
credit loss	(73,640)	(189,996)	(263,636)	(109,304)	(313,220)	(422,524)
Hire-purchase and accrued						
interest receivable - net	579,990	1,496,409	2,076,399	527,794	1,512,440	2,040,234
<b>Loans receivable</b>						
Loans and accrued interest						
receivable	43,882,307	-	43,882,307	44,363,688	-	44,363,688
<u>Less</u> Allowance for expected						
credit loss	(5,697,631)	-	(5,697,631)	(5,733,592)	-	(5,733,592)
Loans and accrued interest						
receivable - net	38,184,676	-	38,184,676	38,630,096	-	38,630,096
<b>Credit card receivable</b>						
Credit card and accrued						
interest receivable	42,569,573	-	42,569,573	38,539,555	-	38,539,555
<u>Less</u> Allowance for expected						
credit loss	(3,569,275)	-	(3,569,275)	(3,816,854)	-	(3,816,854)
Credit card and accrued						
interest receivable - net	39,000,298	-	39,000,298	34,722,701	-	34,722,701
<b>Receivable from insurance</b>						
<b>broker business</b>	68,623	-	68,623	101,689	-	101,689
<b>Total trade receivables</b>	<u>77,833,587</u>	<u>1,496,409</u>	<u>79,329,996</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 February 28, 2023 and 2022 are as follows:

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>			
<b>As at February 28, 2023</b>			
<b>Trade receivables</b>	<b>Allowance for expected credit loss</b>	<b>Total trade receivables</b>	
<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	
Low credit risk receivables (Stage 1)	85,031,652	(4,397,716)	80,633,936
Significant increase in credit risk receivables (Stage 2)	3,564,992	(1,658,080)	1,906,912
Default receivables in credit risk (Stage 3)	5,340,335	(4,069,462)	1,270,873
<b>Total</b>	<u>93,936,979</u>	<u>(10,125,258)</u>	<u>83,811,721</u>

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>			
<b>As at February 28, 2022</b>			
<b>Trade receivables</b>	<b>Allowance for expected credit loss</b>	<b>Total trade receivables</b>	
<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	
Low credit risk receivables (Stage 1)	82,898,746	(5,563,984)	77,334,762
Significant increase in credit risk receivables (Stage 2)	3,701,623	(1,917,326)	1,784,297
Default receivables in credit risk (Stage 3)	4,427,486	(3,470,145)	957,341
<b>Total</b>	<u>91,027,855</u>	<u>(10,951,455)</u>	<u>80,076,400</u>

<b>SEPARATE FINANCIAL STATEMENTS</b>			
<b>As at February 28, 2023</b>			
<b>Trade receivables</b>	<b>Allowance for expected credit loss</b>	<b>Total trade receivables</b>	
<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	
Low credit risk receivables (Stage 1)	80,649,277	(4,291,875)	76,357,402
Significant increase in credit risk receivables (Stage 2)	3,379,367	(1,590,702)	1,788,665
Default receivables in credit risk (Stage 3)	4,831,894	(3,647,965)	1,183,929
<b>Total</b>	<u>88,860,538</u>	<u>(9,530,542)</u>	<u>79,329,996</u>

<b>SEPARATE FINANCIAL STATEMENTS</b>			
<b>As at February 28, 2022</b>			
<b>Trade receivables</b>	<b>Allowance for expected credit loss</b>	<b>Total trade receivables</b>	
<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	
Low credit risk receivables (Stage 1)	78,540,851	(5,440,033)	73,100,818
Significant increase in credit risk receivables (Stage 2)	3,348,067	(1,768,513)	1,579,554
Default receivables in credit risk (Stage 3)	3,578,772	(2,764,424)	814,348
<b>Total</b>	<u>85,467,690</u>	<u>(9,972,970)</u>	<u>75,494,720</u>

Trade receivables as at February 28, 2023 and 2022 classified by aging are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000
Less than 3 months	88,798,527	86,925,982
3 months up	5,138,452	4,101,873
Total	93,936,979	91,027,855
<u>Less</u> Allowance for expected credit loss	(10,125,258)	(10,951,455)
<b>Total trade receivables</b>	<b>83,811,721</b>	<b>80,076,400</b>

	SEPARATE FINANCIAL STATEMENTS	
	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000
Less than 3 months	84,230,528	82,214,531
3 months up	4,630,010	3,253,159
Total	88,860,538	85,467,690
<u>Less</u> Allowance for expected credit loss	(9,530,542)	(9,972,970)
<b>Total trade receivables</b>	<b>79,329,996</b>	<b>75,494,720</b>

### 5.3 Troubled debt restructuring

For the years ended February 28, 2023 and 2022, the Company had recognized interest income on restructured debts totaling Baht 68.59 million and Baht 120.74 million, respectively.

The Group and the Company had outstanding balances of credit card receivable, hire-purchase receivable and loans receivable as at February 28, 2023 and 2022, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at February 28, 2023		As at February 28, 2022	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	14,696	557,681	21,160	801,805
Non-restructured trade receivables	3,631,664	93,306,041	3,697,818	90,108,709
Total	3,646,360	93,863,722	3,718,978	90,910,514

	SEPARATE FINANCIAL STATEMENTS			
	As at February 28, 2023		As at February 28, 2022	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	14,629	556,753	21,142	801,309
Non-restructured trade receivables	2,549,101	88,235,162	2,622,002	84,564,692
Total	2,563,730	88,791,915	2,643,144	85,366,001

As at February 28, 2023 and 2022, the Company had no commitment to provide additional loans to its restructured debtors after debt restructuring.

#### 5.4 Allowance for expected credit loss

Allowance for expected credit loss as at February 28, 2023 and 2022, are as follows:

	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>			<b>Total</b>
	<b>Allowance for expected credit loss</b>			
	<b>Low credit risk receivables (Stage 1)</b>	<b>Significant increase in credit risk receivables (Stage 2)</b>	<b>Default receivables in credit risk (Stage 3)</b>	
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	
Balance as at March 1, 2022	5,563,984	1,917,326	3,470,145	10,951,455
Changes in staging*	2,175,679	(6,674,830)	4,499,151	-
Changes in risk parameters	(3,496,897)	6,555,176	4,464,121	7,522,400
New financial assets originated or purchased	340,102	8,452	401,377	749,931
Financial assets derecognized	(159,470)	(149,973)	(201,418)	(510,861)
Written-off bad debts	-	-	(8,582,931)	(8,582,931)
Foreign exchange rate differences	(25,682)	1,929	19,017	(4,736)
Balance as at February 28, 2023	<u>4,397,716</u>	<u>1,658,080</u>	<u>4,069,462</u>	<u>10,125,258</u>

	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>			<b>Total</b>
	<b>Allowance for expected credit loss</b>			
	<b>Low credit risk receivables (Stage 1)</b>	<b>Significant increase in credit risk receivables (Stage 2)</b>	<b>Default receivables in credit risk (Stage 3)</b>	
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	
Balance as at March 1, 2021	5,969,416	1,578,830	4,044,973	11,593,219
Changes in staging*	1,864,836	(4,848,856)	2,984,020	-
Changes in risk parameters	(2,415,347)	5,150,009	3,312,959	6,047,621
New financial assets originated or purchased	395,135	35,497	517,737	948,369
Financial assets derecognized	(255,682)	(4,575)	257,097	(3,160)
Written-off bad debts	-	-	(7,648,916)	(7,648,916)
Foreign exchange rate differences	5,626	6,421	2,275	14,322
Balance as at February 28, 2022	<u>5,563,984</u>	<u>1,917,326</u>	<u>3,470,145</u>	<u>10,951,455</u>

\* The Group and the Company have adhered to the Accounting Treatment Guidance on “Guidelines for supporting debtors affected by COVID-19” in staging (see Note 2.6).

	SEPARATE FINANCIAL STATEMENTS			Total
	Allowance for expected credit loss			
	Low credit risk receivables (Stage 1)	Significant increase in credit risk receivables (Stage 2)	Default receivables in credit risk (Stage 3)	
	Baht '000	Baht '000	Baht '000	
Balance as at March 1, 2022	5,440,033	1,768,513	2,764,424	9,972,970
Changes in staging*	2,167,632	(6,628,316)	4,460,684	-
Changes in risk parameters	(3,496,896)	6,555,176	4,464,121	7,522,401
New financial assets originated or purchased	346,273	-	275,297	621,570
Financial assets derecognized	(165,167)	(104,671)	(143,601)	(413,439)
Written-off bad debts	-	-	(8,172,960)	(8,172,960)
Balance as at February 28, 2023	<u>4,291,875</u>	<u>1,590,702</u>	<u>3,647,965</u>	<u>9,530,542</u>

	SEPARATE FINANCIAL STATEMENTS			Total
	Allowance for expected credit loss			
	Low credit risk receivables (Stage 1)	Significant increase in credit risk receivables (Stage 2)	Default receivables in credit risk (Stage 3)	
	Baht '000	Baht '000	Baht '000	
Balance as at March 1, 2021	5,813,007	1,489,812	3,588,984	10,891,803
Changes in staging*	1,870,437	(4,791,585)	2,921,148	-
Changes in risk parameters	(2,354,321)	5,126,038	3,118,297	5,890,014
New financial assets originated or purchased	359,716	-	326,194	685,910
Financial assets derecognized	(248,806)	(55,752)	56,848	(247,710)
Written-off bad debts	-	-	(7,247,047)	(7,247,047)
Balance as at February 28, 2022	<u>5,440,033</u>	<u>1,768,513</u>	<u>2,764,424</u>	<u>9,972,970</u>

\* The Group and the Company have adhered to the Accounting Treatment Guidance on “Guidelines for supporting debtors affected by COVID-19” in staging (see Note 2.6).

## 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 Securities and Exchange Commission (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:

		<b>ATS Rabbit*</b>
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)
<b>Initial sale of receivables</b>		
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 on 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 projects 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 projects, 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.

The key financial information of Special Purpose Vehicle Company is as follows:

	<b>ATS Rabbit*</b>	
	<b>As at</b>	<b>As at</b>
	<b>February 28,</b>	<b>February 28,</b>
	<b>2023</b>	<b>2022</b>
	<b>Baht '000</b>	<b>Baht '000</b>
<b>Statements of financial position</b>		
Total assets	2,020,410	2,011,344
Total liabilities	2,020,366	2,011,300
Total shareholders' equity	44	44
	<b>For the years ended</b>	
	<b>February 28,</b>	<b>February 28,</b>
	<b>2023</b>	<b>2022</b>
	<b>Baht '000</b>	<b>Baht '000</b>
<b>Statements of profit or loss</b>		
Total revenues	348,025	368,573
Bad debts and doubtful accounts	152,567	144,060
Other operating expenses	92,634	98,949
Interest expenses	95,959	82,040
Income tax expense	1,373	8,729
Net profit	5,492	34,795

\* ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit) is the Company's subsidiary (see Note 2.4 and Note 10).

For the years ended February 28, 2023 and 2022, transactions relating to the transfers of financial assets under the securitization projects are summarized as follows:

	<b>For the years ended</b>	
	<b>February 28,</b>	<b>February 28,</b>
	<b>2023</b>	<b>2022</b>
	<b>Million</b>	<b>Million</b>
	<b>Baht</b>	<b>Baht</b>
Transfers of future receivables and additional receivables (at book value)		
- Loans receivable (ATS Rabbit)	576	548
	<u>576</u>	<u>548</u>
Cash collection on behalf of Special Purpose Vehicles		
- Loans receivable (ATS Rabbit)	923	857
	<u>923</u>	<u>857</u>
Servicing income on cash collection from Special Purpose Vehicles		
- Loans receivable (ATS Rabbit)	73	78
	<u>73</u>	<u>78</u>

## 6. OTHER RECEIVABLES

Other receivables as at February 28, 2023 and 2022 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS					
	As at February 28, 2023			As at February 28, 2022		
	Due within the year	More than 1 year	Total	Due within the year	More than 1 year	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Other receivables - related companies (see Note 38.2.1)	4,367	-	4,367	6,022	-	6,022
Other receivables - other companies	262,544	74,041	336,585	174,869	-	174,869
Prepaid expenses	167,446	-	167,446	252,290	-	252,290
Advance payment	49,074	-	49,074	47,923	-	47,923
Accrued income	19,228	-	19,228	21,251	-	21,251
Refundable corporate income tax	15,745	-	15,745	15,745	-	15,745
<b>Total</b>	<b>518,404</b>	<b>74,041</b>	<b>592,445</b>	<b>518,100</b>	<b>-</b>	<b>518,100</b>

	SEPERATE FINANCIAL STATEMENTS					
	As at February 28, 2023			As at February 28, 2022		
	Due within the year	More than 1 year	Total	Due within the year	More than 1 year	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Other receivables - related companies (see Note 38.2.1)	72,766	-	72,766	59,236	-	59,236
Other receivables - other companies	204,022	74,041	278,063	145,767	-	145,767
Prepaid expenses	137,240	-	137,240	207,357	-	207,357
Advance payment	680	-	680	413	-	413
Accrued income	-	-	-	-	-	-
Refundable corporate income tax	-	-	-	-	-	-
<b>Total</b>	<b>414,708</b>	<b>74,041</b>	<b>488,749</b>	<b>412,773</b>	<b>-</b>	<b>412,773</b>

## 7. FIXED DEPOSITS AT BANKS UNDER OBLIGATIONS

As at February 28, 2023 and 2022, 3 subsidiaries have fixed deposits at banks under obligations as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at February 28, 2023	As at February 28, 2022
	Baht '000	Baht '000
<b>Due within 1 year</b>		
Reserve in accordance with insurance regulations	-	3,000
<b>Due after 1 year</b>		
Pledge as collateral for bank's letters of guarantee issued for debt collection service	3,875	3,925
Legal reserve of the foreign subsidiaries	140,341	37,408
Total fixed deposits at banks under obligations	<u>144,216</u>	<u>41,333</u>



## 8. LONG-TERM LOAN TO A SUBSIDIARY

As at February 28, 2023 and 2022, the Company has long-term loan to a subsidiary (see Note 38.2.1) in the separate financial statements as follows:

	Due within the year	Interest rate p.a. (%)	Foreign currency Million	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
				As at February 28, 2023 Baht equivalent Baht '000	As at February 28, 2022 Baht equivalent Baht '000
Loans in USD currency	2022 - 2026	8.50	3.20	111,960	130,244
<u>Less</u> Long-term loan to a subsidiary due within 1 year				(27,990)	-
Total long-term loan to a subsidiary				<u>83,970</u>	<u>130,244</u>

Such long-term loan to a subsidiary is unsecured.

## 9. LOANS FROM PURCHASE OF ACCOUNTS RECEIVABLE

As at February 28, 2023, loans from purchase of accounts are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS As at February 28, 2023 Baht '000
Hire-purchase receivables	11,293
<u>Add</u> Accrued Interest	<u>1,330</u>
	12,623
<u>Less</u> Loans receivable due within 1 year from purchase of accounts receivable	<u>(490)</u>
<b>Loans receivable from purchase of accounts receivable - net of current portion</b>	<b><u>12,133</u></b>

On May 24, 2022, ACS Servicing (Thailand) Co., Ltd. (“the Subsidiary”) bought written-off receivables under hire-purchase 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 hire-purchase agreements.

## 10. INVESTMENTS IN SUBSIDIARIES

As at February 28, 2023 and 2022, the Company had investments in subsidiaries (see Note 38.1) which are accounted for using the cost method in the separate financial statements as follows:

	SEPARATE FINANCIAL STATEMENTS			
	As at February 28, 2023		As at February 28, 2022	
	Ownership %	Cost Baht '000	Ownership %	Cost Baht '000
ACS Servicing (Thailand) Co., Ltd.	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	-	-
<b>Total</b>		<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 February 28, 2023, 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.

## 11. 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 February 28, 2023 and 2022 consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at February 28, 2023		As at February 28, 2022	
	Ownership %	Fair Value Baht '000	Ownership %	Fair Value Baht '000
AEON (Thailand) Co., Ltd. <sup>(1)</sup>	3.82	-	3.82	-
PT. AEON Credit Service Indonesia <sup>(2)</sup>	2.59	5,062	2.59	5,062
ACS Trading Vietnam Company Limited	1.59	-	3.03	-
<b>Total</b>		<u>5,062</u>		<u>5,062</u>

<sup>(1)</sup> 340,000 shares of Baht 100 each, Baht 25 called up

<sup>(2)</sup> 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.

On December 27, 2022, the Board of Directors' Meeting of ACS Trading Vietnam Co., Ltd. ("ACS Trading Vietnam") had a resolution to approve the increase of authorized share capital from VND 330,000 million to VND 630,000 million. ACS Trading Vietnam registered its increased share capital on March 3, 2023. However, the Company waived the rights to purchase the increased share capital. As a result, the Company's proportion of shareholding in ACS Trading Vietnam decreased from 3.03% to 1.59%.

**12. 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 February 28, 2023 and 2022 consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at February 28, 2023		As at February 28, 2022	
	Ownership %	Fair Value Baht '000	Ownership %	Fair Value Baht '000
Rabbit Cash Co., Ltd. <sup>(1)</sup>	18.00	144,000	18.00	144,000
<b>Total</b>		<u>144,000</u>		<u>144,000</u>

<sup>(1)</sup> 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.

**13. SELLER LOAN IN SPECIAL PURPOSE VEHICLE FOR SECURITIZATION**

Seller loan in Special Purpose Vehicle for securitization as at February 28, 2023 and 2022, are as follows:

	SEPARATE FINANCIAL STATEMENTS	
	As at February 28, 2023	As at February 28, 2022
	Baht '000	Baht '000
Seller loan in Special Purpose Vehicle for securitization (see Note 38.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	287,621	275,773
<b>Total Seller loan in Special Purpose Vehicle for securitization</b>	<u>287,621</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 determined level or the duration after the closing date reaches or exceed the determined level, or every 3-month period after the payment date as agreed in the agreement, whichever is earlier.

#### 14. SUBORDINATED LENDINGS AND SUBORDINATED BORROWINGS

14.1 Subordinated lendings to Special Purpose Vehicle as at February 28, 2023 and 2022, are as follows:

	SEPARATE FINANCIAL STATEMENTS	
	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000
Subordinated lendings (see Note 38.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATC Rabbit)	84,074	84,074
<b>Total subordinated lendings</b>	<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 for the sales of rights in loans receivables.

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.

14.2 Subordinated borrowings of Special Purpose Vehicle as at February 28, 2023 and 2022, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000
Subordinated borrowings		
ATS Rabbit Special Purpose Vehicle Company Limited (ATC Rabbit)	84,074	84,074
<b>Total subordinated borrowings</b>	<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.

## 15. LEASEHOLD IMPROVEMENT AND EQUIPMENT

Leasehold improvement and equipment as at February 28, 2023 and 2022 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000
Cost	3,851,583	3,969,403	3,146,352	3,253,824
Less Accumulated depreciation	(3,328,438)	(3,346,469)	(2,699,135)	(2,724,979)
<b>Total leasehold improvement and equipment</b>	<b>523,145</b>	<b>622,934</b>	<b>447,217</b>	<b>528,845</b>

The movements of leasehold improvement and equipment during the years are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2022 Baht '000	Additions Baht '000	Disposals/ Write-off Baht '000	Transfer in (out) Baht '000	Exchange differences on translating financial statements Baht '000	Ending balance as at February 28, 2023 Baht '000
<b>Cost</b>						
Leasehold improvement	1,109,546	14,815	(113,318)	59,948	(1,131)	1,069,860
Furniture and office equipment	2,845,680	59,995	(102,007)	(55,880)	(5,832)	2,741,956
Vehicle	-	65	-	-	(14)	51
Assets under installation	14,177	111,087	-	(85,469)	(79)	39,716
Total	3,969,403	185,962	(215,325)	(81,401)	(7,056)	3,851,583
<b>Accumulated depreciation</b>						
Leasehold improvement	(962,868)	(71,491)	110,725	(4,971)	(236)	(928,841)
Furniture and office equipment	(2,383,601)	(204,621)	100,972	83,483	4,173	(2,399,594)
Vehicle	-	(4)	-	-	1	(3)
Total	(3,346,469)	(276,116)	211,697	78,512	3,938	(3,328,438)
<b>Total leasehold improvement and equipment</b>	<b>622,934</b>					<b>523,145</b>

	CONSOLIDATED FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2021 Baht '000	Additions Baht '000	Disposals/ Write-off Baht '000	Transfer in (out) Baht '000	Exchange differences on translating financial statements Baht '000	Ending balance as at February 28, 2022 Baht '000
<b>Cost</b>						
Leasehold improvement	1,209,098	39,914	(157,007)	14,781	2,760	1,109,546
Furniture and office equipment	2,718,689	127,885	(83,571)	78,426	4,251	2,845,680
Assets under installation	68,183	39,362	(161)	(93,207)	-	14,177
Total	3,995,970	207,161	(240,739)	-	7,011	3,969,403
<b>Accumulated depreciation</b>						
Leasehold improvement	(977,254)	(118,659)	134,996	-	(1,951)	(962,868)
Furniture and office equipment	(2,225,261)	(229,057)	74,249	-	(3,532)	(2,383,601)
Total	(3,202,515)	(347,716)	209,245	-	(5,483)	(3,346,469)
<b>Total leasehold improvement and equipment</b>	<b>793,455</b>					<b>622,934</b>

	SEPARATE FINANCIAL STATEMENTS				
	Beginning balance as at March 1, 2022	Additions	Disposals/ Write-off	Transfer in (out)	Ending balance as at February 28, 2023
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Cost</b>					
Leasehold improvement	913,875	1,505	(90,345)	59,686	884,721
Furniture and office equipment	2,325,772	36,411	(87,258)	(52,042)	2,222,883
Assets under installation	14,177	109,788	-	(85,217)	38,748
Total	<u>3,253,824</u>	<u>147,704</u>	<u>(177,603)</u>	<u>(77,573)</u>	<u>3,146,352</u>
<b>Accumulated depreciation</b>					
Leasehold improvement	(795,374)	(58,861)	88,598	(4,959)	(770,596)
Furniture and office equipment	(1,929,605)	(167,972)	86,506	82,532	(1,928,539)
Total	<u>(2,724,979)</u>	<u>(226,833)</u>	<u>175,104</u>	<u>77,573</u>	<u>(2,699,135)</u>
<b>Total leasehold improvement and equipment</b>	<u>528,845</u>				<u>447,217</u>

	SEPARATE FINANCIAL STATEMENTS				
	Beginning balance as at March 1, 2021	Additions	Disposals/ Write-off	Transfer in (out)	Ending balance as at February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Cost</b>					
Leasehold improvement	989,237	30,925	(120,984)	14,697	913,875
Furniture and office equipment	2,170,300	103,892	(26,846)	78,426	2,325,772
Assets under installation	68,182	39,279	(161)	(93,123)	14,177
Total	<u>3,227,719</u>	<u>174,096</u>	<u>(147,991)</u>	<u>-</u>	<u>3,253,824</u>
<b>Accumulated depreciation</b>					
Leasehold improvement	(812,476)	(94,110)	111,212	-	(795,374)
Furniture and office equipment	(1,771,460)	(183,526)	25,381	-	(1,929,605)
Total	<u>(2,583,936)</u>	<u>(277,636)</u>	<u>136,593</u>	<u>-</u>	<u>(2,724,979)</u>
<b>Total leasehold improvement and equipment</b>	<u>643,783</u>				<u>528,845</u>

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended February 28, 2023		For the years ended February 28, 2022	
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Depreciation</b>	<u>276,116</u>	<u>347,716</u>	<u>226,833</u>	<u>277,636</u>

As at February 28, 2023 and 2022, costs of fully depreciated leasehold improvement and equipment still in use are as follows:

	As at February 28, 2023	As at February 28, 2022
	Baht '000	Baht '000
Consolidated financial statements	<u>2,365,274</u>	<u>2,331,598</u>
Separate financial statements	<u>2,159,858</u>	<u>2,125,054</u>

## 16. RIGHT-OF-USE ASSETS

Right-of-use assets as at February 28, 2023 and 2022 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000
Cost	1,511,379	1,370,284	1,233,224	1,123,434
Less Accumulated depreciation	(618,820)	(759,215)	(456,539)	(585,078)
<b>Total right-of-use assets</b>	<b>892,559</b>	<b>611,069</b>	<b>776,685</b>	<b>538,356</b>

The movements of right-of-use assets during the years are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS				
	Beginning balance as at March 1, 2022 Baht '000	Additions Baht '000	Disposal Baht '000	Exchange difference on translating financial statements Baht '000	Ending balance as at February 28, 2023 Baht '000
<b>Cost</b>					
Buildings	1,175,105	761,663	(642,671)	4,403	1,298,500
Office equipment	116,422	70,394	(44,423)	-	142,393
Vehicles	78,757	5,702	(13,973)	-	70,486
Total	1,370,284	837,759	(701,067)	4,403	1,511,379
<b>Accumulated depreciation</b>					
Buildings	(671,120)	(450,268)	620,611	(2,803)	(503,580)
Office equipment	(57,236)	(57,754)	42,595	-	(72,395)
Vehicles	(30,859)	(25,959)	13,973	-	(42,845)
Total	(759,215)	(533,981)	677,179	(2,803)	(618,820)
<b>Total right-of-use assets</b>	<b>611,069</b>				<b>892,559</b>

	CONSOLIDATED FINANCIAL STATEMENTS				
	Beginning balance as at March 1, 2021 Baht '000	Additions Baht '000	Disposal Baht '000	Exchange difference on translating financial statements Baht '000	Ending balance as at February 28, 2022 Baht '000
<b>Cost</b>					
Buildings	1,322,808	439,698	(602,879)	15,478	1,175,105
Office equipment	166,657	49,199	(99,434)	-	116,422
Vehicles	61,735	49,994	(32,972)	-	78,757
Total	1,551,200	538,891	(735,285)	15,478	1,370,284
<b>Accumulated depreciation</b>					
Buildings	(749,818)	(467,526)	554,573	(8,349)	(671,120)
Office equipment	(102,027)	(53,391)	98,182	-	(57,236)
Vehicles	(33,607)	(28,448)	31,196	-	(30,859)
Total	(885,452)	(549,365)	683,951	(8,349)	(759,215)
<b>Total right-of-use assets</b>	<b>665,748</b>				<b>611,069</b>

	SEPARATE FINANCIAL STATEMENTS			
	Beginning balance as at March 1, 2022	Additions	Disposal	Ending balance as at February 28, 2023
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Cost</b>				
Buildings	940,455	657,579	(567,787)	1,030,247
Office equipment	107,628	68,786	(41,911)	134,503
Vehicles	75,351	5,702	(12,579)	68,474
Total	<u>1,123,434</u>	<u>732,067</u>	<u>(622,277)</u>	<u>1,233,224</u>
<b>Accumulated depreciation</b>				
Buildings	(502,495)	(390,453)	545,728	(347,220)
Office equipment	(54,064)	(54,455)	40,404	(68,115)
Vehicles	(28,519)	(25,264)	12,579	(41,204)
Total	<u>(585,078)</u>	<u>(470,172)</u>	<u>598,711</u>	<u>(456,539)</u>
<b>Total right-of-use assets</b>	<u>538,356</u>			<u>776,685</u>

	SEPARATE FINANCIAL STATEMENTS			
	Beginning balance as at March 1, 2021	Additions	Disposal	Ending balance as at February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Cost</b>				
Buildings	1,055,161	422,174	(536,880)	940,455
Office equipment	156,506	42,911	(91,789)	107,628
Vehicles	53,081	49,952	(27,682)	75,351
Total	<u>1,264,748</u>	<u>515,037</u>	<u>(656,351)</u>	<u>1,123,434</u>
<b>Accumulated depreciation</b>				
Buildings	(603,712)	(403,859)	505,076	(502,495)
Office equipment	(95,544)	(49,679)	91,159	(54,064)
Vehicles	(29,310)	(26,432)	27,223	(28,519)
Total	<u>(728,566)</u>	<u>(479,970)</u>	<u>623,458</u>	<u>(585,078)</u>
<b>Total right-of-use assets</b>	<u>536,182</u>			<u>538,356</u>

For consolidated and separate financial statements, the Group and the Company entered into several lease agreements, including buildings, office equipment and vehicles, for periods from less than one year to five years.



The maturity analysis of lease liabilities is presented in Note 22.

	CONSOLIDATED FINANCIAL STATEMENTS For the year ended		SEPARATE FINANCIAL STATEMENTS For the year ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Amounts recognized in profit or loss</b>				
Depreciation on right-of-use assets	533,981	548,395	470,172	478,070
Interest expense on lease liabilities	35,576	20,484	29,940	14,861
Gain on discount received from lease agreements	-	(11,833)	-	(11,833)
Gain on cancellation of lease agreements	(334)	(1,399)	(330)	(724)

For the year ended February 28, 2023, the total cash outflow for leases amount to Baht 558.10 million and Baht 488.33 million in consolidated and separate financial statements, respectively.

For the year ended February 28, 2022, the total cash outflow for leases amount to Baht 564.34 million and Baht 488.72 million in consolidated and separate financial statements, respectively.

## 17. INTANGIBLE ASSETS OTHER THAN GOODWILL

Intangible assets other than goodwill as at February 28, 2023 and 2022 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 28, 2023	As at February 28, 2022	As at February 28, 2023	As at February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Cost	5,171,889	4,759,712	4,612,451	4,236,912
<u>Less</u> Accumulated amortization	(4,152,986)	(3,839,326)	(3,733,702)	(3,459,055)
<u>Less</u> Allowance for impairment	(95,497)	-	(95,497)	-
<b>Total intangible assets other than goodwill</b>	<b>923,406</b>	<b>920,386</b>	<b>783,252</b>	<b>777,857</b>

The movements of intangible assets other than goodwill during the years are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2022	Additions	Disposals/ Write-off	Transfer in (out)	Exchange differences on translating financial statements	Ending balance as at February 28, 2023
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Cost</b>						
Computer software	4,509,982	118,431	(3,738)	188,685	(8,315)	4,805,045
Computer software under installation	249,730	224,457	-	(107,284)	(59)	366,844
Total	4,759,712	342,888	(3,738)	81,401	(8,374)	5,171,889
<b>Accumulated amortization</b>						
Computer software	(3,839,326)	(241,503)	2,570	(78,512)	3,785	(4,152,986)
<b>Allowance for impairment</b>						
Computer software under installation	-	(95,497)	-	-	-	(95,497)
<b>Total intangible assets other than goodwill</b>	<u>920,386</u>					<u>923,406</u>

	CONSOLIDATED FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2021	Additions	Disposals/ Write-off	Transfer in (out)	Exchange differences on translating financial statements	Ending balance as at February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Cost</b>						
Computer software	4,276,039	164,358	(38,630)	96,548	11,667	4,509,982
Computer software under installation	86,506	259,772	-	(96,548)	-	249,730
Total	4,362,545	424,130	(38,630)	-	11,667	4,759,712
<b>Accumulated amortization</b>						
Computer software	(3,665,989)	(202,899)	37,371	-	(7,809)	(3,839,326)
<b>Total intangible assets other than goodwill</b>	<u>696,556</u>					<u>920,386</u>

	SEPARATE FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2022	Additions	Disposals/ Write-off	Transfer in (out)	Ending balance as at February 28, 2023	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
<b>Cost</b>						
Computer software	3,988,202	79,505	-	178,455	4,246,162	
Computer software under installation	248,710	218,461	-	(100,882)	366,289	
Total	4,236,912	297,966	-	77,573	4,612,451	
<b>Accumulated amortization</b>						
Computer software	(3,459,055)	(197,074)	-	(77,573)	(3,733,702)	
<b>Allowance for impairment</b>						
Computer software under installation	-	(95,497)	-	-	(95,497)	
<b>Total intangible assets other than goodwill</b>	<u>777,857</u>				<u>783,252</u>	

	SEPARATE FINANCIAL STATEMENTS				
	Beginning balance as at March 1, 2021	Additions	Disposals/ Write-off	Transfer in (out)	Ending balance as at February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Cost</b>					
Computer software	3,741,837	151,833	-	94,532	3,988,202
Computer software under installation	86,927	256,315	-	(94,532)	248,710
Total	3,828,764	408,148	-	-	4,236,912
<b>Accumulated amortization</b>					
Computer software	(3,298,384)	(160,671)	-	-	(3,459,055)
<b>Total intangible assets other than goodwill</b>	<u>530,380</u>				<u>777,857</u>

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Amortization</b>	<u>241,503</u>	<u>202,899</u>	<u>197,074</u>	<u>160,671</u>

As at February 28, 2023 and 2022, costs of fully amortized computer software still in use are as follows:

	As at February 28, 2023	As at February 28, 2022
	Baht '000	Baht '000
Consolidated financial statements	<u>3,436,444</u>	<u>3,246,967</u>
Separate financial statements	<u>3,224,395</u>	<u>3,038,464</u>

## 18. DEFERRED TAX ASSETS

Deferred tax assets as at February 28, 2023 and 2022 consist of the following:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	February 28,	February 28,	February 28,	February 28,
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Deferred tax assets</b>				
Allowance for expected credit loss	1,956,008	2,076,888	1,906,108	1,994,594
Cumulative loss from fair value measurement				
investments in equity securities	4,502	4,502	7,866	7,866
Allowance for impairment of investment and assets	21,300	8,579	19,099	6,800
Provisions for employee benefit	88,052	90,248	81,866	83,826
Deferred revenue from customer loyalty programs	72,678	97,898	72,678	97,898
Lease agreements	18,016	15,255	16,482	13,880
Derivatives	147,856	304,803	147,856	304,803
Others	42,075	26,619	16,893	15,306
	<u>2,350,487</u>	<u>2,624,792</u>	<u>2,268,848</u>	<u>2,524,973</u>
<b>Deferred tax liabilities</b>				
Lease agreements	518	310	-	-
Others	9,047	-	-	-
	<u>9,565</u>	<u>310</u>	<u>-</u>	<u>-</u>
<b>Deferred tax assets</b>	<u>2,340,922</u>	<u>2,624,482</u>	<u>2,268,848</u>	<u>2,524,973</u>

The movements of deferred tax assets and liabilities during the years are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	Beginning	Items as	Items as	Ending
	balance	recognized in	recognized	balance
	as at	profit or loss	in other	as at
	March 1,		comprehensive	February 28,
	2022		income	2023
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Deferred tax assets</b>				
Allowance for expected credit loss	2,076,888	(120,880)	-	1,956,008
Cumulative loss from fair value measurement of				
investments in equity securities	4,502	-	-	4,502
Allowance for impairment of investment and assets	8,579	12,721	-	21,300
Provisions for employee benefit	90,248	12,357	(14,553)	88,052
Deferred revenue from customer loyalty programs	97,898	(25,220)	-	72,678
Lease agreements	15,255	2,761	-	18,016
Derivatives	304,803	(72,500)	(84,447)	147,856
Others	23,199	18,876	-	42,075
	<u>2,621,372</u>	<u>(171,885)</u>	<u>(99,000)</u>	<u>2,350,487</u>
<b>Deferred tax liabilities</b>				
Lease agreements	310	208	-	518
Others	(3,420)	12,467	-	9,047
	<u>(3,110)</u>	<u>12,675</u>	<u>-</u>	<u>9,565</u>
<b>Deferred tax assets</b>	<u>2,624,482</u>	<u>(184,560)</u>	<u>(99,000)</u>	<u>2,340,922</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
<b>Deferred tax assets</b>				
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>
<b>Deferred tax liabilities</b>				
Lease agreements	154	156	-	310
	<u>154</u>	<u>156</u>	<u>-</u>	<u>310</u>
<b>Deferred tax assets</b>	<u>3,122,541</u>	<u>(569,630)</u>	<u>71,571</u>	<u>2,624,482</u>

SEPARATE FINANCIAL STATEMENTS				
	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 February 28, 2023 Baht '000
<b>Deferred tax assets</b>				
Allowance for expected credit loss	1,994,594	(88,486)	-	1,906,108
Cumulative loss from fair value measurement of investments in equity securities	7,866	-	-	7,866
Allowance for impairment of investment and assets	6,800	12,299	-	19,099
Provisions for employee benefit	83,826	11,354	(13,314)	81,866
Deferred revenue from customer loyalty programs	97,898	(25,220)	-	72,678
Lease agreements	13,880	2,602	-	16,482
Derivatives	304,803	(72,500)	(84,447)	147,856
Others	15,306	1,587	-	16,893
	<u>2,524,973</u>	<u>(158,364)</u>	<u>(97,761)</u>	<u>2,268,848</u>
<b>Deferred tax assets</b>	<u>2,524,973</u>	<u>(158,364)</u>	<u>(97,761)</u>	<u>2,268,848</u>

	SEPARATE FINANCIAL STATEMENTS			
	Beginning balance as at March 1, 2021	Items as recognized in profit or loss	Items as recognized in other comprehensive income	Ending balance as at February 28, 2022
<b>Deferred tax assets</b>				
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>
<b>Deferred tax assets</b>	<u>3,023,235</u>	<u>(570,935)</u>	<u>72,673</u>	<u>2,524,973</u>

## 19. OTHER NON-CURRENT ASSETS

Other non-current assets as at February 28, 2023 and 2022 consist of the following:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	As at	As at	As at	As at
	February 28,	February 28,	February 28,	February 28,
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Deposits	165,501	181,687	146,184	167,847
Total	<u>165,501</u>	<u>181,687</u>	<u>146,184</u>	<u>167,847</u>

## 20. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term borrowings from financial institutions as at February 28, 2023 and 2022, consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at February 28, 2023		As at February 28, 2022	
	Interest rate	Baht '000	Interest rate	Baht '000
	p.a. (%)		p.a. (%)	
Overdrafts in THB currency	1.85	-	0.75	1,240
Short-term borrowings in THB currency	1.69 - 1.76	3,440,000	0.69 - 1.05	7,940,000
Short-term borrowings in USD currency	5.49 - 6.70	627,261	0.88 - 6.50	652,016
Short-term borrowings in LAK currency	6.62	282,076	6.13 - 6.60	302,751
Short-term borrowings in MMK currency	10.00 - 13.00	136,087	10.00 - 13.00	275,897
Total		<u>4,485,424</u>		<u>9,171,904</u>

	SEPARATE FINANCIAL STATEMENTS			
	As at February 28, 2023		As at February 28, 2022	
	Interest rate p.a. (%)	Baht '000	Interest rate p.a. (%)	Baht '000
Overdrafts in THB currency	1.85	-	0.75	1,240
Short-term borrowings in THB currency	1.69 - 1.76	3,440,000	0.69 - 1.05	7,940,000
Total		<u>3,440,000</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.

## 21. OTHER PAYABLES

Other payables as at February 28, 2023 and 2022 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 28, 2023	As at February 28, 2022	As at February 28, 2023	As at February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Other payable - related companies (see Note 38.2.1)	65,253	63,118	160,714	158,247
Other payable - other companies	482,305	430,304	330,396	284,424
Deferred revenue from customer loyalty programs	369,164	494,702	363,388	489,490
Interest payable	382,622	209,175	366,602	194,197
Accrued expenses	330,115	430,721	311,229	423,958
Total	<u>1,629,459</u>	<u>1,628,020</u>	<u>1,532,329</u>	<u>1,550,316</u>

## 22. LEASE LIABILITIES

Lease liabilities as at February 28, 2023 and 2022 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 28, 2023	As at February 28, 2022	As at February 28, 2023	As at February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Maturity analysis:</b>				
Year 1	475,687	369,421	416,696	322,587
Year 2	310,471	268,831	264,685	245,106
Year 3	121,807	4,954	109,252	-
Year 4	64,534	1,035	59,553	-
Year 5	1,419	-	-	-
	<u>973,918</u>	<u>644,241</u>	<u>850,186</u>	<u>567,693</u>
Less Deferred interest	(56,250)	(19,263)	(47,982)	(15,268)
<b>Total</b>	<u>917,668</u>	<u>624,978</u>	<u>802,204</u>	<u>552,425</u>
<b>Classification analysis:</b>				
Current	444,127	356,328	389,924	312,304
Non-current	473,541	268,650	412,280	240,121
<b>Total</b>	<u>917,668</u>	<u>624,978</u>	<u>802,204</u>	<u>552,425</u>

## 23. LONG-TERM BORROWINGS

As at February 28, 2023 and 2022, the Company entered into various long-term borrowings agreements in THB and foreign currencies as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
As at February 28, 2023				
	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	6,053,822
Borrowings in USD currency	2023 - 2027	1.85 - 8.50	723.10	25,488,914
Borrowings in THB currency	2023 - 2026	2.01 - 3.69	20,500.00	20,500,000
<u>Less</u> Borrowings issuance cost				(53,251)
				51,989,485
<u>Less</u> Current portion of long-term borrowings				(12,836,551)
Total long-term borrowings				<u>39,152,934</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				
As at February 28, 2023				
	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	6,053,822
Borrowings in USD currency	2023 - 2027	1.85 - 3.49	641.10	22,640,767
Borrowings in THB currency	2023 - 2026	2.01 - 3.69	20,500.00	20,500,000
<u>Less</u> Borrowings issuance cost				(53,251)
				49,141,338
<u>Less</u> Current portion of long-term borrowings				(11,273,543)
Total long-term borrowings				<u>37,867,795</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 February 28, 2023 and 2022, the Company can maintain financial ratios and other requirements according to the conditions as specified in the agreement.



## 24. LONG-TERM BORROWINGS UNDER SECURITIZATION PROJECT

As at February 28, 2023 and 2022, the Company recognized the cash received and the settlement by the Seller Loan Account of ATS Rabbit Special Purpose Vehicle Company Limited for the transferred rights in loans receivable under securitization (see Note 5.5) as long-term borrowings under securitization project in the separate financial statements in the amount of Baht 1,260.99 million and Baht 1,401.71 million, respectively.

## 25. LONG-TERM DEBENTURES

Long-term debentures, representing unsubordinated and unsecured debentures, as at February 28, 2023 and 2022, are as follows:

Issue date	Maturity date	No. of units	Currency	Par value per unit	Amount	Interest rate p.a. (%)	Term of interest payment	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000
<b>Company</b>									
15/12/2017	15/12/2022	1,000,000	THB	1,000	1,000,000,000	2.93	Semi-annual	-	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
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	1,830,906	2,009,805
29/11/2022	28/11/2025	100	JPY	100,000,000	10,000,000,000	0.69	Semi-annual	2,615,580	-
24/02/2023	24/02/2025	1,000,000	THB	1,000	1,000,000,000	2.99	Semi-annual	1,000,000	-
24/02/2023	24/02/2026	1,700,000	THB	1,000	1,700,000,000	3.18	Semi-annual	1,700,000	-
								8,146,486	6,809,805
								(39,426)	(23,333)
								8,107,060	6,786,472
								-	(3,798,878)
								8,107,060	2,987,594
<b>ATS Rabbit Special Purpose Vehicle Company Limited</b>									
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
								9,580,142	4,460,676

(1) On June 17, 2016, the Company's Annual General Meeting of shareholders of 2016 had the resolution for the issuance and offering of debentures. An issuing amount of the debentures is not to exceed Baht 8,000 million. The currency, tenor, interest rate and other conditions will be considered and approved by the Board of Directors' Meeting later when the Company is ready for the issuance and offering of debentures.

On August 22, 2016, the Company issued and offered debentures amounting to USD 15 million to a bank in Japan with interest rate of USD - LIBOR 6 months plus 0.85% per annum, payable on a semi-annual basis, and were due on August 20, 2021. Such debentures are guaranteed by the same bank.

On August 24, 2016, the Company issued and offered debentures amounting to Baht 400 million to a non-financial market mutual fund institution investors in Thailand with interest rate of 2.50% per annum, payable on a quarterly basis, and were due on July 30, 2019.

On December 21, 2016, the Company issued and offered debentures amounting to Baht 1,000 million to a financial institution and high net worth investors in Thailand with interest rate of 2.73% per annum, payable on a quarterly basis, and were due on December 21, 2019.

On December 21, 2016, the Company issued and offered debentures amounting to Baht 1,000 million to public investors in Thailand with interest rate of 3.48% per annum, payable on a quarterly basis, and were due on December 21, 2021.

On December 30, 2016, the Company issued and offered debentures amounting to USD 30 million to a bank in Japan with interest rate of USD - LIBOR 6 months plus 0.65% per annum, payable on a semi-annual basis, and were due on December 30, 2021. Such debentures are guaranteed by the same bank.

On August 18, 2017, the Company issued and offered debentures amounting to Baht 200 million to a mutual fund and a pension fund in Thailand with interest rate of 2.50% per annum, payable on a quarterly basis, and were due on August 18, 2020.

On September 14, 2017, the Company issued and offered debentures amounting to Baht 300 million to a mutual fund and a pension fund in Thailand with interest rate of 2.50% per annum, payable on a semi-annual basis, and were due on September 14, 2020.

On September 21, 2017, the Company issued and offered debentures amounting to Baht 100 million to a mutual fund in Thailand with interest rate of 2.50% per annum, payable on a semi-annual basis, and were due on September 21, 2020.

On December 15, 2017, the Company issued and offered debentures amounting to Baht 2,000 million to institutional and high net worth investors in Thailand with interest rate of 2.37% per annum, payable on a semi-annual basis, and were due on December 15, 2020.

On December 15, 2017, the Company issued and offered debentures amounting to Baht 1,000 million to institutional and high net worth investors in Thailand with interest rate of 2.93% per annum, payable on a semi-annual basis, and will be due on December 15, 2022.

- (2) On June 22, 2018, the Company's Annual General Meeting of shareholders of 2018 had the resolution for the issuance and offering of debentures. An issuing amount of the debentures is not to exceed Baht 10,000 million. The currency, tenor, interest rate and other conditions will be considered and approved by the Board of Directors' Meeting later when the Company is ready for the issuance and offering of debentures.

On November 15, 2018, the Company issued and offered debentures amounting to Baht 2,000 million to institutional and high net worth investors in Thailand with interest rate of 2.96% per annum, payable on a semi-annual basis, and were due on November 15, 2020.

On November 15, 2018, the Company issued and offered debentures amounting to Baht 800 million to institutional in Thailand with interest rate of 3.26% per annum, payable on a semi-annual basis, and were due on November 15, 2021.

On November 15, 2019, the Company issued and offered debentures amounting to Baht 2,800 million to institutional in Thailand with interest rate of 2.27% per annum, payable on a semi-annual basis, and were due on November 15, 2022.

On November 15, 2019, the Company issued and offered debentures amounting to Baht 1,000 million to institutional in Thailand with interest rate of 2.57% per annum, payable on a semi-annual basis, and will be due on November 15, 2024.

On December 29, 2021, the Company issued and offered debentures amounting to JPY 7,000 million to a bank in Japan with interest rate of 0.65% per annum, payable on a semi-annual basis, and will be due on December 29, 2026. Such debentures are guaranteed by same bank.

- (3) On June 24, 2022, the Company's Annual General Meeting of shareholders of 2022 had the resolution for the issuance and offering of debentures. An issuing amount of the debentures is not to exceed Baht 10,000 million. The currency, tenor, interest rate and other conditions will be considered and approved by the Board of Directors' Meeting later when the Company is ready for the issuance and offering of debentures.

On November 29, 2022, the Company issued and offered debentures amounting to JPY 10,000 million to a bank in Japan with interest rate of 0.69% per annum, payable on a semi-annual basis, and will be due on November 28, 2025. Such debentures are guaranteed by the same bank.

On February 24, 2023, the Company issued and offered debentures amounting to Baht 1,000 million to institutional and high net worth investors in Thailand with interest rate of 2.99% per annum, payable on a semi-annual basis, and will be due on February 24, 2025.

On February 24, 2023, the Company issued and offered debentures amounting to Baht 1,700 million to institutional and high net worth investors in Thailand with interest rate of 3.18% per annum, payable on a semi-annual basis, and will be due on February 24, 2026.

- (4) A subsidiary has offered the debentures to no more than 10 specific investors during any 4-month period which such offering was approved by the SEC on October 2, 2015.

During the years ended February 28, 2023 and 2022, the subsidiary issued and offered the long-term refinanced debentures which are unsubordinated and unsecured of Baht 1,473.08 million for partial settlement of the transfer of rights in future receivables and additional receivables in accordance with conditions in the agreements.

Such debentures are assets-backed debentures under the Securitization Law with fixed interest rate at 4% per annum for the 3 years period after the first issuance date, and thereafter with a fixed interest rate equal to the corporate bond yield per annum as prescribed in the conditions.

Cash flows from a pool of loans receivable will be used to make payments for the debentures. Interest on the debentures will be payable monthly throughout their lives commencing on December 18, 2015.

Such debentures will be initially redeemed in 2023 and matured on October 28, 2025 with conditions to redeem before the maturity. As at February 28, 2023, the subsidiary is in the process of considering the redemption plan of debentures. Therefore, the Group has classified such debentures as non-current liabilities.

As at February 28, 2023 and 2022, the Company can maintain financial ratios and other requirements according to the conditions as specified in the agreement.

## 26. DERIVATIVE FINANCIAL INSTRUMENTS

The fair values and notional amounts of derivative instruments as at February 28, 2023 and 2022 are as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	As at February 28, 2023			As at February 28, 2022		
	Fair value		Notional amount	Fair value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Derivatives designated as cash flow hedges						
Cross currency swaps	1,701,619	1,380,412	33,141,075	376,175	685,049	27,933,724
Interest rate swaps	30,466	58,491	5,000,000	-	182,677	9,000,000
	<u>1,732,085</u>	<u>1,438,903</u>	<u>38,141,075</u>	<u>376,175</u>	<u>867,726</u>	<u>36,933,724</u>
Less Current portion of derivative assets / liabilities	(1,047,431)	(562,743)	(10,473,815)	(82,380)	(654,801)	(10,819,198)
<b>Total derivative assets / liabilities</b>	<u>684,654</u>	<u>876,160</u>	<u>27,667,260</u>	<u>293,795</u>	<u>212,925</u>	<u>26,114,526</u>

## 27. PROVISIONS FOR EMPLOYEE BENEFITS

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

For the years ended February 28, 2023 and 2022, amounts recognized in the statements of profit or loss in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Past service cost (reversal)				
- For employees transferred within the Group	(13,343)	4,810	(5,113)	4,810
Current service cost	62,878	78,392	55,491	71,737
Interest cost	11,579	7,849	10,801	7,216
Loss on settlement	15,401	20,781	9,158	14,476
<b>Total</b>	<u>76,515</u>	<u>111,832</u>	<u>70,337</u>	<u>98,239</u>

For the years ended February 28, 2023 and 2022, amounts recognized in other comprehensive income in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
(Gain) loss on remeasurements of defined benefit plans				
- From financial assumptions changes	(18,373)	(66,744)	(14,426)	(62,355)
- From demographic assumptions changes	(27,410)	7,287	(27,823)	4,147
- From experience adjustments	(26,977)	(30,130)	(24,321)	(25,600)
Total	<u>(72,760)</u>	<u>(89,587)</u>	<u>(66,570)</u>	<u>(83,808)</u>

Movements in the present value of the provisions for post-employment benefits for the years ended February 28, 2023 and 2022 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	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 within the Group	(13,343)	4,810	(5,113)	4,810
Current service cost	62,878	78,392	55,491	71,737
Interest cost	11,579	7,849	10,801	7,216
Loss on settlement	15,401	20,781	9,158	14,476
Gain on remeasurements of defined benefit plans	(72,760)	(89,587)	(66,570)	(83,808)
Benefits paid	(22,713)	(37,256)	(13,916)	(28,578)
Increase (decrease) of liabilities from transfer of employees within the Group	-	-	(3,353)	1,673
Ending balance	<u>444,377</u>	<u>463,335</u>	<u>405,630</u>	<u>419,132</u>

The significant actuarial assumptions used to calculate the provisions for post-employment benefits as at February 28, 2023 and 2022, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at February 28, 2023	As at February 28, 2022
	% per annum	% per annum
Financial assumptions		
Discount rate	0.84 - 3.15	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
Daily & Temporary staff	0.0 - 54.0	0.0 - 51.0
	Subject to range of age of employees	Subject to range of age of employees
	Subject to range of age of employees	Subject to range of age of employees

	<b>SEPARATE FINANCIAL STATEMENTS</b>	
	<b>As at February 28, 2023</b>	<b>As at February 28, 2022</b>
	<b>% per annum</b>	<b>% per annum</b>
<b>Financial assumptions</b>		
Discount rate	2.85	2.60
Expected rate of salary increase	5.0	5.0
<b>Demographic assumptions</b>		
<b>Turnover rate</b>		
Monthly staff	0.0 - 21.0	0.0 - 17.0
	Subject to range of age of employees	Subject to range of age of employees
<b>Daily staff</b>		
	0.0 - 54.0	0.0 - 51.0
	Subject to range of age of employees	Subject to range of age of employees

Sensitivity analysis on significant actuarial assumptions represents impact of change in the significant actuarial assumptions on present value of the provisions for post-employment benefits without discounting to present value as at February 28, 2023 and 2022, as follows:

	<b>CONSOLIDATED</b>		<b>SEPARATE</b>	
	<b>FINANCIAL STATEMENTS</b>		<b>FINANCIAL STATEMENTS</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>February 28,</b>	<b>February 28,</b>	<b>February 28,</b>	<b>February 28,</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
<b>Financial assumptions</b>				
<b>Discount rate</b>				
- 1% increase	(56,381)	(61,892)	(51,755)	(56,479)
- 1% decrease	67,338	74,442	61,796	67,988
<b>Expected rate of salary increase</b>				
- 1% increase	60,611	68,367	55,718	62,586
- 1% decrease	(51,729)	(57,821)	(47,567)	(52,903)
<b>Demographic assumptions</b>				
<b>Turnover rate</b>				
- 1% increase	(60,107)	(65,605)	(55,082)	(59,784)
- 1% decrease	29,504	35,836	25,981	31,721

## 28. EMPLOYEE JOINT INVESTMENT PROGRAM

On August 9, 2022, the Company's Board of Directors' meeting had the resolution to approve the Employee Joint Investment Program ("EJIP"), which has started on September 1, 2022. The details of the program are as follows:

EJIP Period	Program period: 5 years (September 1, 2022 to August 31, 2027) Program contribution period: 3 years (September 1, 2022 to August 31, 2025)
Eligible employees under EJIP	Permanent employees of the Company at Assistant Manager level or higher and Executive Director level or higher with at least 3 years of service, on a voluntary basis
EJIP Arrangement	Money paid by employees to participate in the project: 3 - 5 percent of salary Money paid by executives to participate in the project: 3 - 9 percent of salary Contributions made by the Company to join the program: Equivalent amount paid by employees or executives into the program, with 3% additional contribution of the base salary for Talent Employee according to the terms and conditions set by the Company
EJIP Buying Schedule	Monthly
Conditions for holding the securities	Sell of shares during year 1 - 3 is not allowed. All accumulated shares in the first year of the Program are allowed to be sold after the end of the third year of the Program All accumulated shares in the second year of the Program are allowed to be sold after the end of the fourth year of the Program All accumulated shares in the third year of the Program are allowed to be sold after the end of the fifth year of the Program
EJIP Manager	Phillip Securities (Thailand) Public Company Limited

Movement of the employee joint investment program for the year ended February 28, 2023 is as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS As at February 28, 2023 Baht '000
Balance as at March 1, 2022	-
Change during the year	
- Employee joint investment program expense	14,426
- Cash paid for employee joint investment program	(5,161)
Balance as at February 28, 2023	<u>9,265</u>

For the year ended February 28, 2023, amounts recognized in the statement of profit or loss in respect of the employee joint investment program are as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS For the years ended February 28, 2023 Baht '000
Operating and administrative expenses	9,703
Directors and managements' remuneration	4,723
	<u>14,426</u>

## 29. SHAREHOLDERS' EQUITY

- 29.1 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.
- 29.2 On October 4, 2021, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the year ended February 28, 2022 at the rate of Baht 2.50 per share to shareholders, totaling Baht 625.00 million. The aforementioned shareholders included 1,700 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 625.00 million on November 2, 2021.
- 29.3 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.
- 29.4 On October 4, 2022, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the year ended February 28, 2023 at the rate of Baht 2.55 per share to shareholders, totaling Baht 637.50 million. The aforementioned shareholders included 1,400 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 637.50 million on November 2, 2022.
- 29.5 Under the Securitization project, the subsidiary has to pay dividend to its shareholders from all remaining amounts after deducting the required accumulated reserves and payment of all fees and expenses. The subsidiary appropriates interim dividends after the approval of Board of Directors' meeting on a monthly basis at each Monthly Purchase Date as an appropriation of net profit after income tax of each month.

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



### 30. LEGAL RESERVE

Pursuant to the Public Limited Companies Act. B.E. 2535 (1992), the Company must allocate to a reserve fund from the annual net profit, not less than 5% of the annual net profit deducted by the total accumulated loss brought forward (if any), until the reserve fund reaches an amount of not less than 10% of the registered capital.

As at February 28, 2023 and 2022, the Company's legal reserve equals to 10% of the registered share capital.

### 31. CAPITAL MANAGEMENT

The Company's objective in managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

Monitoring the capital level of the Company is conducted in accordance with the covenant on financial ratio stipulated in loan agreements.

The Company has been granted the license to operate as a non-financial institution that provides personal loans from the Minister of Finance, of which the Company must have authorized share capital of at least Baht 50 million.

The Company has the policy to pay dividend of at least 30% of net profit. The dividend payment is subject to the resolution of the shareholders' meeting after the Board of Directors' approval.

### 32. OTHER COMPONENTS OF SHAREHOLDERS' EQUITY

Other components of shareholders' equity as at February 28, 2023 and 2022 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	As at	As at	As at	As at
	February 28,	February 28,	February 28,	February 28,
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	(523,149)	(1,016,800)	(427,341)	(895,575)
Exchange differences on translating financial statements of foreign operations	12,354	25,417	-	-
Gain on cash flow hedges	337,790	468,234	337,790	468,234
Ending balance	<u>(173,005)</u>	<u>(523,149)</u>	<u>(89,551)</u>	<u>(427,341)</u>

Differences on exchange rates relating to translation of the financial statements of foreign operations to be presented in THB currency are recognized directly in other comprehensive income and accumulated amount is separately presented under shareholders' equity as other components of equity.

Cumulative loss on cash flow hedges in shareholders' equity consists of the effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges against foreign exchange risk.

### 33. REVENUES RELATING TO SECURITIZATION TRANSACTION

For the years ended February 28, 2023 and 2022, the details of revenues from securitization transaction incurred from sales of rights in loans receivable to ATS Rabbit Special Purpose Vehicle Company Limited are included in Loan income for presentation as follows:

	SEPARATE FINANCIAL STATEMENTS	
	For the years ended	
	February 28, 2023	February 28, 2022
	Baht '000	Baht '000
Loan income (see Note 38.2.2)		
Interest income from subordinated lendings	10,089	10,089
Revenue from seller loan in Special Purpose Vehicle	35,337	28,646
Dividend from investment in Special Purpose Vehicle	2,746	17,398
Collection servicing income	73,410	78,278
Total	<u>121,582</u>	<u>134,411</u>

### 34. 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 cash remuneration as salaries and bonus paid to the Company's management.

For the years ended February 28, 2023 and 2022, directors and managements' remuneration are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Directors' remuneration	14,863	28,979	5,507	21,985
Managements' remuneration	134,070	127,305	94,762	78,483
Post-employment benefits	5,627	4,835	4,156	3,596
Total	<u>154,560</u>	<u>161,119</u>	<u>104,425</u>	<u>104,064</u>

For the years ended February 28, 2023 and 2022, 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.

### 35. PROVIDENT FUND

The Company has set up a contributory provident fund. The contribution from employees is deducted from the monthly salaries, with the Company matching the individual's contribution. The Company registered its provident fund in accordance with the Provident Fund Act. B.E. 2530 (1987) on June 1, 1999. This provident fund is managed by an authorized fund manager.

For the years ended February 28, 2023 and 2022, the Company contributed to the provident fund and recorded as expenses, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Contributory provident fund	65,415	65,384	57,608	56,293

### 36. EXPENSES BY NATURE

Total expenses for the years ended February 28, 2023 and 2022 comprised of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Staff costs	2,602,515	2,589,464	1,909,180	1,927,830
Marketing expenses	1,459,289	1,321,721	1,448,566	1,254,582
Equipment expenses	694,015	619,911	554,275	494,489
Depreciation and amortization	1,051,601	1,099,011	894,079	916,377
Communication expenses	211,248	243,283	177,794	205,932
Premises' expenses	186,851	203,542	156,039	166,619
Outsource collection expenses	634,979	474,344	1,130,187	957,164
Special business tax and duty stamp	563,317	519,329	548,380	504,034
Printing material expenses	115,772	147,429	106,572	137,065
Transportation expenses	112,401	103,267	67,212	64,333
Fees and commissions	188,804	236,804	148,432	208,056
Directors and managements' remuneration	154,560	161,119	104,425	104,064
Loss on impairment of assets	95,497	-	95,497	-
Loss on sale and write-off of leasehold improvement and equipment, and intangible assets other than goodwill	2,627	11,099	1,041	9,710
Other expenses	141,657	113,263	142,195	88,134
Total Expenses	<u>8,215,133</u>	<u>7,843,586</u>	<u>7,483,874</u>	<u>7,038,389</u>

### 37. CORPORATE INCOME TAX

The Company and its local subsidiaries used tax rate of 20% for corporate income tax and deferred tax calculations for the years ended February 28, 2023 and 2022.

The foreign subsidiaries used tax rate of 20% - 25% for corporate income tax and deferred tax calculations for the years ended February 28, 2022. For the years ended February 28, 2023, the foreign subsidiaries used tax rate of 20% - 22% for corporate income tax and deferred tax calculations.

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

For the years ended February 28, 2023 and 2022, income tax expenses consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense for the years	811,258	430,250	722,363	376,458
Deferred income tax expense	184,560	569,630	158,364	570,935
Income tax expenses per statements of profit or loss	995,818	999,880	880,727	947,393

Reconciliations of effective tax rates for the years ended February 28, 2023 and 2022 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	4,949,963	4,573,774	4,591,454	5,080,584
Permanent differences	(195,081)	64,225	17,926	8,178
Temporary differences	(1,054,405)	(2,683,485)	(791,817)	(2,854,673)
Income exempt from tax	-	-	(205,746)	(351,798)
Taxable profit	3,700,477	1,954,514	3,611,817	1,882,291
Normal income tax rate (%)	20.00 - 22.00	20.00 - 25.00	20.00	20.00
Income tax for the year currently payable	811,258	430,250	722,363	376,458
Deferred tax from temporary differences	184,560	569,630	158,364	570,935
Income tax expenses per statements of profit or loss	995,818	999,880	880,727	947,393
Effective tax rate (%)	20.12	21.86	19.18	18.65

### 38. TRANSACTIONS WITH RELATED PARTIES

The consolidated and separate financial statements include certain transactions with the subsidiaries 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 and the related parties which are as follows:

38.1 Investments in subsidiaries (see Note 10) as at February 28, 2023 and 2022 are as follows:

Related parties	Relationship	SEPARATE FINANCIAL STATEMENTS					
		As at February 28, 2023			As at February 28, 2022		
		Ownership	Paid-up capital	Cost method	Ownership	Paid-up capital	Cost method
		%	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	-	-	-
<b>Total</b>				<u>1,235,409.0</u>			<u>1,210,909.3</u>

## 38.2 Business transactions with related parties

### 38.2.1 Balances with related parties as at February 28, 2023 and 2022, are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000
<b>Other receivables</b> (see Note 6)					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	28	110
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	4,412	3,069
AEON Asset Management (Thailand) Company Limited	Subsidiary	-	-	805	-
AEON Financial Service Co., Ltd.	Major shareholder	3,072	128	2,971	128
AEON Credit Service Company Limited	Common ultimate holding company	540	646	-	-
ACS Capital Corporation Limited	Shareholder and one common director	421	596	156	450
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	51,621	49,049
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	1,812	1,835
AEON (Cambodia) Company Limited	Common ultimate holding company	-	57	-	-
AEON Leasing Service (Lao) Co., Ltd.	Subsidiary	-	-	2,820	-
AEON Microfinance Myanmar Company Limited	Subsidiary	-	-	7,807	-
ACS Trading Vietnam Co., Ltd.	Common ultimate holding company	334	-	334	-
AEON (Thailand) Co., Ltd.	Common ultimate holding company	-	4,595	-	4,595
		<u>4,367</u>	<u>6,022</u>	<u>72,766</u>	<u>59,236</u>
<b>Long-term loan to a subsidiary</b> (see Note 8)					
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	111,960	130,244
<b>Seller loan in Special Purpose Vehicle for securitization</b> (see Note 13)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	287,621	275,773
<b>Subordinated lendings</b> (see Note 14.1)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	84,074	84,074
<b>Other payables</b> (see Note 21)					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	-	56
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	75,134	55,814
AEON (Thailand) Co., Ltd.	Common ultimate holding company	960	1,076	960	1,076
AEON Financial Service Co., Ltd.	Major shareholder	60,797	57,387	48,871	51,597
AEON Credit Service Company Limited	Common ultimate holding company	2,560	3,561	866	2,415
AEON Bank Ltd.	Common ultimate holding company	936	1,094	884	1,094
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	33,999	46,195
		<u>65,253</u>	<u>63,118</u>	<u>160,714</u>	<u>158,247</u>
<b>Long-term borrowing under securitization project</b> (see Note 24)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	1,260,991	1,401,709
<b>Deposit received</b>					
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	-	4,163
<b>Deferred revenue</b>					
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	81,131	77,928
ACS Capital Corporation Limited	Shareholder and one common director	5,197	-	5,197	-
		<u>5,197</u>	<u>-</u>	<u>86,328</u>	<u>77,928</u>

38.2.2 Transactions with related parties for the years ended February 28, 2023 and 2022, are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		For the years ended February 28, 2023 Baht '000	February 28, 2022 Baht '000	For the years ended February 28, 2023 Baht '000	February 28, 2022 Baht '000
<b>Sale promotion income</b>					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	-	731
<b>Credit card income</b>					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	-	28,332
<b>Revenues relating to securitization transaction</b>					
(included in loan income) (see Note 33)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	121,582	134,411
<b>Collection income</b>					
ACS Capital Corporation Limited	Shareholder and one common director	280	71	-	-
<b>Dividend income</b>					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	55,000	290,000
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	148,000	44,400
		<u>-</u>	<u>-</u>	<u>203,000</u>	<u>334,400</u>
<b>Other income</b>					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	520	11,620
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	27,230	21,092
ACS Capital Corporation Limited	Shareholder and one common director	5,843	12,606	2,787	3,621
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	19,836	11,247
AEON Asset Management (Thailand) Company Limited	Subsidiary	-	-	811	-
AEON Leasing Service (Lao) Co., Ltd.	Subsidiary	-	-	5,637	-
AEON Microfinance Myanmar Company Limited	Subsidiary	-	-	7,807	-
ACS Trading Vietnam Co., Ltd.	Common ultimate holding company	9,151	-	9,151	-
		<u>14,994</u>	<u>12,606</u>	<u>73,779</u>	<u>47,580</u>
<b>Operating and administrative expenses</b>					
<b>Collection service fee</b>					
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	540,557	495,993
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	3,510	4,502
		<u>-</u>	<u>-</u>	<u>544,067</u>	<u>500,495</u>

Related parties	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 28, 2023	February 28, 2022	February 28, 2023	February 28, 2022
		Baht '000	Baht '000	Baht '000	Baht '000
<b>Others</b>					
AEON Financial Service Co., Ltd.	Major shareholder	166,871	187,857	113,132	114,398
AEON Credit Service Company Limited	Common ultimate holding company	23,802	11,522	5,613	4,420
AEON Bank Ltd.	Common ultimate holding company	9,604	16,428	7,343	6,367
AEON (Thailand) Company Limited	Common ultimate holding company	12,592	16,460	12,592	16,460
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	42,954	32,837
AEON Leasing Service (Lao) Company Limited	Subsidiary	-	-	-	-
ACS Capital Corporation Limited	Shareholder and one common director	-	60	-	-
AEON Insurance Service Company Limited (JP)	Common ultimate holding company	-	1,321	-	-
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	1,375	100
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	-	75
AEON Credit Service (Malaysia) BHD.	Common ultimate holding company	461	-	439	-
ACS Credit Management Co., Ltd.	Common ultimate holding company	860	-	-	-
		<u>214,190</u>	<u>233,648</u>	<u>183,448</u>	<u>174,657</u>
<b>Finance costs</b>					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	299,947	330,997
AEON Bank Ltd.	Common ultimate holding company	7,646	7,290	-	2,575
AEON Financial Service Co., Ltd.	Major shareholder	12,525	16,101	-	-
		<u>20,171</u>	<u>23,391</u>	<u>299,947</u>	<u>333,572</u>
<b>Dividend paid</b>					
ACS Capital Corporation Limited	Shareholder and one common director	249,600	247,200	249,600	247,200
AEON Financial Service Co., Ltd.	Major shareholder	456,560	452,170	456,560	452,170
AEON Holding (Thailand) Limited	Common ultimate holding company	114,400	113,300	114,400	113,300
		<u>820,560</u>	<u>812,670</u>	<u>820,560</u>	<u>812,670</u>

- Other income for the years ended February 28, 2023 and 2022 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) Co., Ltd. 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.

From August 2022 onwards, the computer fee is charged to AEON Asset Management (Thailand) Company Limited at the rate of Baht 40,000 per month.

The service fees are determined on general market price and in the normal course of business.

(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) Co., Ltd. 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) Co., Ltd. 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) Co., Ltd. at the rate of Baht 731,000 per month.

From August 2022 onwards, Finance and Accounting operation services fee is charged to AEON Asset Management (Thailand) Company Limited at the rate of Baht 20,000 per month.

From July 2022 onwards, implementation cost of Finance and Accounting system is charged to ACS Capital Corporation Limited and ACS Servicing (Thailand) Co., Ltd. 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) Co., Ltd. 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.

### 39. 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. Transactions between segments are eliminated on consolidation.

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

#### 39.1 Operating result classified by business for the years ended February 28, 2023 and 2022 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
For the year ended February 28, 2023					
	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	19,918,684	1,318,034	1,094,947	-	22,331,665
Inter - segment revenues	388,571	11,967	389,349	(789,887)	-
	<u>20,307,255</u>	<u>1,330,001</u>	<u>1,484,296</u>	<u>(789,887)</u>	<u>22,331,665</u>
Expenses					
Operating and administrative expenses	7,255,670	696,119	582,668	(572,008)	7,962,449
Directors and managements' remuneration	104,424	25,967	24,169	-	154,560
Loss on impairment of asset	95,497	-	-	-	95,497
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill	1,041	1,135	451	-	2,627
Total expenses	<u>7,456,632</u>	<u>723,221</u>	<u>607,288</u>	<u>(572,008)</u>	<u>8,215,133</u>
Finance costs	1,720,897	190,251	1,734	(9,041)	1,903,841
Expected credit loss	7,223,037	39,798	(107)	-	7,262,728
Profit before income tax	3,906,689	376,731	875,381	(208,838)	4,949,963
Income tax expenses	882,100	71,751	41,967	-	995,818
Profit for the year	<u>3,024,589</u>	<u>304,980</u>	<u>833,414</u>	<u>(208,838)</u>	<u>3,954,145</u>

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>					
<b>For the year ended February 28, 2022</b>					
	<b>Retail finance services</b>		<b>Other business</b>	<b>Elimination</b>	<b>Total</b>
	<b>Domestic</b>	<b>Foreign</b>	<b>Domestic</b>		
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
<b>Revenues</b>					
Revenue from external customers	19,084,390	1,263,720	443,312	-	20,791,422
Inter - segment revenues	498,077	16,879	498,129	(1,013,085)	-
	<u>19,582,467</u>	<u>1,280,599</u>	<u>941,441</u>	<u>(1,013,085)</u>	<u>20,791,422</u>
<b>Expenses</b>					
Operating and administrative expenses	6,907,947	648,362	772,900	(657,841)	7,671,368
Directors and managements' remuneration	104,064	30,986	26,069	-	161,119
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill	9,710	1,000	389	-	11,099
Total expenses	<u>7,021,721</u>	<u>680,348</u>	<u>799,358</u>	<u>(657,841)</u>	<u>7,843,586</u>
Finance costs	1,538,790	214,243	1,726	(10,094)	1,744,665
Expected credit loss	5,915,244	713,855	298	-	6,629,397
Profit (loss) before income tax	5,106,712	(327,847)	140,059	(345,150)	4,573,774
Income tax expenses	956,122	8,904	34,854	-	999,880
Profit (loss) for the year	<u>4,150,590</u>	<u>(336,751)</u>	<u>105,205</u>	<u>(345,150)</u>	<u>3,573,894</u>

39.2 Financial position classified by business as at February 28, 2023 and 2022 are as follows:

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>					
<b>As at February 28, 2023</b>					
	<b>Retail finance services</b>		<b>Other business</b>	<b>Elimination</b>	<b>Total</b>
	<b>Domestic</b>	<b>Foreign</b>	<b>Domestic</b>		
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
Trade and other receivables	79,698,518	4,577,732	299,428	(171,512)	84,404,166
Leasehold improvement and equipment and intangible assets other than goodwill	1,230,470	153,603	69,420	(6,942)	1,446,551
Other assets	9,348,397	694,129	664,385	(1,350,942)	9,355,969
Total assets	<u>90,277,385</u>	<u>5,425,464</u>	<u>1,033,233</u>	<u>(1,529,396)</u>	<u>95,206,686</u>
Total liabilities	<u>67,655,525</u>	<u>4,313,027</u>	<u>153,765</u>	<u>(263,711)</u>	<u>71,858,606</u>

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>					
<b>As at February 28, 2022</b>					
	<b>Retail finance services</b>		<b>Other business</b>	<b>Elimination</b>	<b>Total</b>
	<b>Domestic</b>	<b>Foreign</b>	<b>Domestic</b>		
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
Trade and other receivables	75,858,446	4,660,254	233,465	(149,860)	80,602,305
Leasehold improvement and equipment and intangible assets other than goodwill	1,306,702	144,856	98,705	(6,943)	1,543,320
Other assets	8,343,195	687,801	635,593	(1,342,826)	8,323,763
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>

#### **40. DISCLOSURE OF INFORMATION RELATING TO FINANCIAL INSTRUMENTS**

##### **40.1 Financial risk management objectives**

The Group's and the Company's Treasury function provides services to the Group and the Company in coordinating access to domestic and international financial markets, monitoring and managing the financial risks relating to the operations of the Group and the Company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk.

The Group and the Company seek to minimize the effects of these risks by using derivative financial instruments to hedge these risk exposures. The use of financial derivatives is governed by the Group's and the Company's policies approved by the Board of Directors of the Group and the Company, which provide written principles on foreign currency risk, interest rate risk, credit risk and the use of financial derivatives and non-derivative financial instruments. Compliance with policies and exposure limits is reviewed by the internal auditors on a continuous basis. The Group and the Company do not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Group's and the Company's Treasury function reports quarterly to the Group's and the Company's risk management committee, an independent body that monitors risks and policies implemented to mitigate risk exposures.

##### **40.2 Market risk**

The Group's and the Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates (see below). The Group and the Company enter into a variety of derivative financial instruments to manage its exposure to foreign currency and interest rate risk, including:

- Cross currency swap to hedge the fluctuation exchange rate arising on translation of the Group's and the Company's borrowings and debentures; and
- Interest rate swaps to mitigate the risk of rising interest rates.

###### **40.2.1 Foreign currency risk management**

The Group and the Company have liabilities in foreign currencies, which are different from their functional currencies. Foreign exchange rate exposures are managed within approved policy utilizing cross currency swap contracts.

###### **Foreign currency sensitivity analysis**

The Group and the Company enter into cross currency swap contracts for all borrowings and debentures denominated in different currencies from functional currencies. Consequently, the Group and the Company do not expose risks from the sensitivity of foreign currency.

#### Cross currency swap contracts

It is the policy of the Group and the Company to enter into cross currency swap contracts to manage the foreign exchange rate risk associated with borrowings and debentures.

In the current year, the Group and the Company have designated all cross currency swap contracts as a hedge of their foreign currency borrowings and debentures. Regarding the review on the Group's and the Company's policy and due to the increased volatility in foreign exchange rate, it was decided that 100% of foreign currency borrowings and debentures be hedged.

The information of cross currency swap contracts outstanding at the end of the reporting period, as well as information regarding their related hedged items, are presented together with the information of interest rate swap contracts (see Note 40.2.2). Cross currency swap contracts assets and liabilities are presented in "Derivative assets" and "Derivative liabilities" within the statement of financial position (see Note 26 for further details).

#### 40.2.2 Interest rate risk management

The Group and the Company are exposed to interest rate risk because borrowings and debentures carry floating interest rates. The Group and the Company, therefore, manage interest rate risk by the use of interest rate swap contracts to ensure that the Group and the Company do not expose risks from the fluctuation of interest rate.

The Group's and the Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this Note to the financial statements.

#### Interest rate sensitivity analysis

The Group and the Company enter into interest rate swap contracts for all borrowings and debentures carrying floating interest rate, hence, the Group and the Company do not expose to risks from the sensitivity of interest rate.

#### Interest rate swap contracts

Under interest rate swap contracts, the Group and the Company agree to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group and the Company to mitigate the risk of changing interest rates. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows at the reporting date and the credit risk inherent in the contract.

The following tables are the information regarding cross currency and interest rate swap contracts and interest rate swap contracts as at February 28, 2023 and 2022, and their related hedged items.

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
As at February 28, 2023					
Hedge instruments	Contract interest rate	Notional principal value		Change in fair value used for calculating hedge ineffectiveness	Carrying amount of the hedging instrument assets/(liabilities)
	% per annum	Foreign currency Million	Functional currency Baht '000	Baht '000	Baht '000
<b>Cash flow hedges</b>					
Cross currency and interest rate swap contracts					
JPY currency					
Less than 1 year	0.40	11,242.05	2,940,447	-	(350,209)
1 to 5 years	0.40 - 0.85	28,903.19	7,559,861	-	(514,373)
			<u>10,500,308</u>	<u>-</u>	<u>(864,582)</u>
USD currency					
Less than 1 year	4.74 - 6.32	185.00	6,533,367	-	488,797
1 to 5 years	5.39 - 6.15	456.10	16,107,400	-	696,991
			<u>22,640,767</u>	<u>-</u>	<u>1,185,788</u>
Interest rate swap contracts					
THB currency					
Less than 1 year	2.17 - 2.23	-	1,000,000	-	(11,288)
1 to 5 years	1.73 - 2.56	-	4,000,000	-	(16,737)
			<u>5,000,000</u>	<u>-</u>	<u>(28,025)</u>
			<u>38,141,075</u>	<u>-</u>	<u>293,181</u>

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
As at February 28, 2022					
Hedge instruments	Contract interest rate	Notional principal value		Change in fair value used for calculating hedge ineffectiveness	Carrying amount of the hedging instrument assets
	% per annum	Foreign currency Million	Functional currency Baht '000	Baht '000	Baht '000
<b>Cash flow hedges</b>					
Cross currency and interest rate swap contracts					
JPY currency					
Less than 1 year	0.40	2,500.00	717,788	-	(65,651)
1 to 5 years	0.37 - 0.85	30,145.24	8,655,150	-	(248,790)
			<u>9,372,938</u>	<u>-</u>	<u>(314,441)</u>
USD currency					
Less than 1 year	0.96 - 1.68	185.50	6,101,410	-	(90,481)
1 to 5 years	0.85 - 1.83	378.80	12,459,376	-	96,047
			<u>18,560,786</u>	<u>-</u>	<u>5,566</u>
Interest rate swap contracts					
THB currency					
Less than 1 year	0.92 - 1.22	-	4,000,000	-	(49,506)
1 to 5 years	0.83 - 1.24	-	5,000,000	-	(133,170)
			<u>9,000,000</u>	<u>-</u>	<u>(182,676)</u>
			<u>36,933,724</u>	<u>-</u>	<u>(491,551)</u>

The following table details the effectiveness of the hedging relationships and the amounts reclassified from hedging reserve to profit or loss:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS						
For the year ended February 28, 2023						
	Change in the fair value of hedging instrument recognized in OCI	Hedge ineffectiveness recognized in profit or loss	Line item in profit or loss in which hedge ineffectiveness is included	Amount reclassified from cash flow hedge reserve due to hedged item affecting profit or loss	Amount reclassified from cost of hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
	Baht '000	Baht '000		Baht '000	Baht '000	
<b>Cash flow hedges</b>						
Cross currency and interest rate swap contracts						
JPY currency	(550,141)	-	-	11,107 642,629	13,409 -	Finance costs Other income
USD currency	1,180,222	-	-	(137,071) (834,844)	(6,847) -	Finance costs Other income
Interest rate swap contracts						
THB currency	154,653	-	-	(38,594)	-	Finance costs
Total	<u>784,734</u>	<u>-</u>		<u>(356,773)</u>	<u>6,562</u>	

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended February 28, 2022

	Change in the fair value of hedging instrument recognized in OCI	Hedge ineffectiveness recognized in profit or loss	Line item in profit or loss in which hedge ineffectiveness is included	Amount reclassified from cash flow hedge reserve due to hedged item affecting profit or loss	Amount reclassified from cost of hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
	Baht '000	Baht '000		Baht '000	Baht '000	
<b>Cash flow hedges</b>						
Cross currency and interest rate swap contracts						
JPY currency	184,707	-	-	7,387 (97,998)	10,212 -	Finance costs Other income
USD currency	2,287,195	-	-	(5,393) (1,968,160)	2,075 -	Finance costs Other income
Interest rate swap contracts						
THB currency	182,052	-	-	874	-	Finance costs
Total	2,653,954	-	-	(2,063,290)	12,287	



### 40.3 Credit risk management

Note 5.4 and Note 3.2.2 detail the Group's and the Company's maximum exposure to credit risk and the measurement bases used to determine expected credit loss, respectively.

Before accepting any new customer, dedicated teams of the Group and the Company responsible for the determination of credit limits use an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed and approved twice a year by the risk management committee.

Credit approvals and other monitoring procedures are also in place to ensure that follow-up action is taken to recover overdue debts. Furthermore, the Group and the Company review the recoverable amount of each trade receivables on an individual basis at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts. In this regard, the directors of the Group and the Company consider that the Group's and the Company's credit risk are significantly reduced. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of trade receivables.

#### 40.3.1 Overview of the Group's and the Company's exposure to credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. As at February 28, 2023 and 2022, the Group's and the Company's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group and the Company due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group and the Company arise from the carrying amount of the respective recognized financial assets as stated in the consolidated and separate statement of financial position.

The Group's and the Company's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognizing expected credit losses
Low credit risk receivables (Stage 1)	The counterparty has a low risk of default and does not have any past-due amounts	12-month ECL
Significant increase in credit risk receivables (Stage 2)	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Default receivables in credit risk (Stage 3)	Amount is > 90 days past due or there is evidence indicating the asset is credit-impaired	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written-off

The tables below detail the credit quality of the Group's and the Company's financial assets, as well as the Group's and the Company's maximum exposure to credit risk by credit risk rating grades:

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>						
<b>As at February 28, 2023</b>						
<b>Notes</b>	<b>External credit rating</b>	<b>12-month or lifetime ECL</b>	<b>Gross carrying amount Baht '000</b>	<b>Allowance for ECL Baht '000</b>	<b>Net carrying amount Baht '000</b>	
Trade receivables	5	N/A	12-month ECL	85,031,652	(4,397,716)	80,633,936
			Lifetime ECL	8,905,327	(5,727,542)	3,177,785
Fixed deposits at banks under obligations	7	N/A	12-month ECL	144,216	-	144,216
				<u>94,081,195</u>	<u>(10,125,258)</u>	<u>83,955,937</u>
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>						
<b>As at February 28, 2022</b>						
<b>Notes</b>	<b>External credit rating</b>	<b>12-month or lifetime ECL</b>	<b>Gross carrying amount Baht '000</b>	<b>Allowance for ECL Baht '000</b>	<b>Net carrying amount Baht '000</b>	
Trade receivables	5	N/A	12-month ECL	82,898,746	(5,563,984)	77,334,762
			Lifetime ECL	8,129,109	(5,387,471)	2,741,638
Fixed deposits at banks under obligations	7	N/A	12-month ECL	44,333	-	44,333
				<u>91,072,188</u>	<u>(10,951,455)</u>	<u>80,120,733</u>

SEPARATE FINANCIAL STATEMENTS

As at February 28, 2023

Notes	External credit rating	12-month or lifetime ECL	Gross carrying amount Baht '000	Allowance for ECL Baht '000	Net carrying amount Baht '000
Trade receivables	N/A	12-month ECL	80,649,277	(4,291,875)	76,357,402
		Lifetime ECL	8,211,261	(5,238,667)	2,972,594
Long-term loan to a subsidiary	N/A	12-month ECL	111,960	-	111,960
			<u>88,972,498</u>	<u>(9,530,542)</u>	<u>79,441,956</u>

SEPARATE FINANCIAL STATEMENTS

As at February 28, 2022

Notes	External credit rating	12-month or lifetime ECL	Gross carrying amount Baht '000	Allowance for ECL Baht '000	Net carrying amount Baht '000
Trade receivables	N/A	12-month ECL	78,540,851	(5,440,033)	73,100,818
		Lifetime ECL	6,926,839	(4,532,937)	2,393,902
Long-term loan to a subsidiary	N/A	12-month ECL	130,244	-	130,244
			<u>85,597,934</u>	<u>(9,972,970)</u>	<u>75,624,964</u>

#### 40.4 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Board of Directors of the Group and the Company, which have established an appropriate liquidity risk management framework for management of the short, medium and long-term funding and liquidity management requirements. The Group and the Company manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Details of undrawn facilities that the Group and the Company have to further reduce liquidity risk are disclosed in Note 41.

##### 40.4.1 Liquidity and interest risk tables

The following tables detail the Group's and the Company's remaining contractual maturity for their non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The table includes both interest and principal cash flows. To the extent that interest cash flows are floating rate, the undiscounted amount is derived from interest rate curves at the reporting date.

The contractual maturity is based on the earliest date on which the Group and the Company may be required to pay.

As at February 28, 2023 and 2022, financial assets and liabilities of the Group and the Company are classified based on contractual maturities as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					
	As at February 28, 2023					
	At call	Less than 1 year	1 - 5 years	More than 5 years	No maturity	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Financial assets</b>						
Cash and cash equivalents	3,816,356	-	-	-	-	3,816,356
Trade receivables	-	80,667,069	3,144,652	-	-	83,811,721
Other receivables	-	518,404	74,041	-	-	592,445
Fixed deposits at banks under obligations	-	-	144,216	-	-	144,216
Loans from purchase of accounts receivable	-	490	12,133	-	-	12,623
Derivative assets	-	1,047,431	684,654	-	-	1,732,085
Investment in equity securities designated at fair value through profit or loss	-	-	-	-	5,062	5,062
Investment in equity securities designated at fair value through other comprehensive income	-	-	-	-	144,000	144,000
<b>Total financial assets</b>	<b>3,816,356</b>	<b>82,233,394</b>	<b>4,059,696</b>	<b>-</b>	<b>149,062</b>	<b>90,258,508</b>

CONSOLIDATED FINANCIAL STATEMENTS

As at February 28, 2023

	At call	Less than 1 year	1 - 5 years	More than 5 years	No maturiy	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Financial liabilities</b>						
Bank overdrafts and short-term borrowings from financial institutions	-	4,485,424	-	-	-	4,485,424
Trade payables	-	220,728	-	-	-	220,728
Other payables	-	1,246,837	-	-	-	1,246,837
Interest payable	-	382,622	-	-	-	382,622
Long-term borrowings	-	12,836,551	39,152,934	-	-	51,989,485
Long-term debentures	-	-	9,580,142	-	-	9,580,142
Derivative liabilities	-	562,743	876,160	-	-	1,438,903
Lease liabilities	-	444,127	473,541	-	-	917,668
Subordinated borrowings	-	-	84,074	-	-	84,074
Total financial liabilities	-	20,179,032	50,166,851	-	-	70,345,883

CONSOLIDATED FINANCIAL STATEMENTS

As at February 28, 2022

	At call	Less than 1 year	1 - 5 years	More than 5 years	No maturiy	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Financial assets</b>						
Cash and cash equivalents	4,235,603	-	-	-	-	4,235,603
Trade receivables	-	76,839,427	3,236,973	-	-	80,076,400
Other receivables	-	525,905	-	-	-	525,905
Fixed deposits at banks under obligations	-	3,000	41,333	-	-	44,333
Investment in equity securities designated at fair value through profit or loss	-	-	-	-	5,062	5,062
Investment in equity securities designated at fair value through other comprehensive income	-	-	-	-	144,000	144,000
Total financial assets	4,235,603	77,368,332	3,278,306	-	149,062	85,031,303

**Financial liabilities**

Bank overdrafts and short-term borrowings from financial institutions	-	9,171,904	-	-	-	9,171,904
Trade payables	-	269,599	-	-	-	269,599
Other payables	-	1,418,845	-	-	-	1,418,845
Interest payable	-	209,175	-	-	-	209,175
Long-term borrowings	-	17,090,217	30,762,073	134,372	-	47,986,662
Long-term debentures	-	3,798,878	4,460,676	-	-	8,259,554
Derivative liabilities	-	654,801	212,925	-	-	867,726
Lease liabilities	-	356,328	268,650	-	-	624,978
Subordinated borrowings	-	-	84,074	-	-	84,074
Total financial liabilities	-	32,969,747	35,788,398	134,372	-	68,892,517

SEPARATE FINANCIAL STATEMENTS

As at February 28, 2023

	At call	Less than 1 year	1 - 5 years	More than 5 years	No maturiy	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Financial assets</b>						
Cash and cash equivalents	2,159,810	-	-	-	-	2,159,810
Trade receivables	-	77,833,587	1,496,409	-	-	79,329,996
Other receivables	-	414,708	74,041	-	-	488,749
Long-term loan to a subsidiary	-	27,990	83,970	-	-	111,960
Seller loan in Special Purpose						
Vehicle for securitization	-	287,621	-	-	-	287,621
Derivative Assets	-	1,047,431	684,654	-	-	1,732,085
Investment in equity securities designated at fair value through profit or loss	-	-	-	-	5,062	5,062
Investment in equity securities designated at fair value through other comprehensive income	-	-	-	-	144,000	144,000
Subordinated lendings	-	-	84,074	-	-	84,074
<b>Total financial assets</b>	<b>2,159,810</b>	<b>79,611,337</b>	<b>2,423,148</b>	<b>-</b>	<b>149,062</b>	<b>84,343,357</b>
<b>Financial liabilities</b>						
Bank overdrafts and short-term borrowings from financial institutions	-	3,440,000	-	-	-	3,440,000
Trade payables	-	200,448	-	-	-	200,448
Other payables	-	1,165,727	-	-	-	1,165,727
Interest payable	-	366,602	-	-	-	366,602
Long-term borrowings	-	11,273,543	37,867,795	-	-	49,141,338
Long-term borrowings under securitization project	-	-	1,260,991	-	-	1,260,991
Long-term debentures	-	-	8,107,060	-	-	8,107,060
Derivative liabilities	-	562,743	876,160	-	-	1,438,903
Lease liabilities	-	389,924	412,280	-	-	802,204
<b>Total financial liabilities</b>	<b>-</b>	<b>17,398,987</b>	<b>48,524,286</b>	<b>-</b>	<b>-</b>	<b>65,923,273</b>

SEPARATE FINANCIAL STATEMENTS						
As at February 28, 2022						
	At call	Less than 1 year	1 - 5 years	More than 5 years	No maturity	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Financial assets</b>						
Cash and cash equivalents	2,639,136	-	-	-	-	2,639,136
Trade receivables	-	73,982,280	1,512,440	-	-	75,494,720
Other receivables	-	412,773	-	-	-	412,773
Long-term loan to a subsidiary	-	-	130,244	-	-	130,244
Seller loan in Special Purpose Vehicle for securitization	-	275,773	-	-	-	275,773
Derivative Assets	-	82,380	293,795	-	-	376,175
Investment in equity securities designated at fair value through profit or loss	-	-	-	-	5,062	5,062
Investment in equity securities designated at fair value through other comprehensive income	-	-	-	-	144,000	144,000
Subordinated lendings	-	-	84,074	-	-	84,074
Total financial assets	<u>2,639,136</u>	<u>74,753,206</u>	<u>2,020,553</u>	<u>-</u>	<u>149,062</u>	<u>79,561,957</u>
<b>Financial liabilities</b>						
Bank overdrafts and short-term borrowings from financial institutions	-	7,941,240	-	-	-	7,941,240
Trade payables	-	248,207	-	-	-	248,207
Other payables	-	1,356,119	-	-	-	1,356,119
Interest payable	-	194,197	-	-	-	194,197
Long-term borrowings	-	16,317,580	28,578,535	-	-	44,896,115
Long-term borrowings under securitization project	-	-	1,401,709	-	-	1,401,709
Long-term debentures	-	3,798,878	2,987,593	-	-	6,786,471
Derivative liabilities	-	654,801	212,925	-	-	867,726
Lease liabilities	-	312,304	240,121	-	-	552,425
Total financial liabilities	<u>-</u>	<u>30,823,326</u>	<u>33,420,883</u>	<u>-</u>	<u>-</u>	<u>64,244,209</u>

#### 40.5 Capital risk management

The Group and the Company manage their capital to ensure that the Group and the Company will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group and the Company consists of short-term and long-term borrowings in Note 20, Note 23 and Note 24, long-term debentures in Note 25, lease liabilities in Note 22 and shareholders' equity of the Group and the Company consist of issued share capital, reserves, unappropriated retained earnings and non-controlling interests disclosed in Note 29.

The Group's and the Company's risk management committee review the capital structure on a quarterly basis. As part of this review, the committee of the Group and the Company consider the cost of capital and the risks associated with each class of capital. The Group and the Company are not subject to any externally imposed capital requirements.

## Gearing ratio

The gearing ratio as at February 28, 2023 and 2022 is as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000	As at February 28, 2023 Baht '000	As at February 28, 2022 Baht '000
Debt	71,858,606	70,205,425	67,353,464	65,474,417
Cash and cash equivalents	(3,816,356)	(4,235,603)	(2,159,810)	(2,639,136)
<b>Net debt</b>	<u>68,042,250</u>	<u>65,969,822</u>	<u>65,193,654</u>	<u>62,835,281</u>
<b>Equity</b>	<u>22,821,480</u>	<u>19,888,711</u>	<u>22,690,443</u>	<u>19,879,398</u>
Net debt to equity ratio	2.98	3.32	2.87	3.16

Debt consists of short-term and long-term borrowings in Note 20, Note 23 and Note 24, long-term debentures in Note 25 and lease liabilities in Note 22.

Equity includes all capital and reserves of the Group and the Company that are managed as capital.

### 40.6 Fair value measurements

The Group's and the Company's accounting policies and disclosures require the determination of fair value, for both financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset and liability.

Valuation techniques and key inputs used in fair value measurements

- Trade receivables: fair value is subjected to discounted cash flows net of allowance for expected credit loss.
- Long-term loan to a subsidiary: fair value is estimated based on the discounted cash flows using market interest rate.
- Investment in equity securities designated at fair value through profit or loss: fair value is calculated based on the discounted cash flows using weighted average cost of capital.
- Investment in equity securities designated at fair value through other comprehensive income: fair value is calculated based on the discounted cash flows using weighted average cost of capital.
- Long-term borrowings and debentures: fair value are estimated based on the discounted cash flows using average current interest rate over the remaining period to maturity.

#### 1) Fair value

The following tables present the analysis of financial assets and financial liabilities which are measured at fair value and their fair value hierarchy level classification as at February 28, 2023 and 2022:



CONSOLIDATED FINANCIAL STATEMENTS

As at February 28, 2023

	Carrying amount				Fair value	
	FVTPL - derivatives designated in hedge relationships	FVTOCI	FVTPL - designated	Amortized cost	Fair value	Fair value hierarchy
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	3,816,356	3,816,356	Level 2
Trade receivables	-	-	-	83,811,721	83,811,721	Level 3
Other receivables	-	-	-	592,445	592,445	Level 3
Fixed deposits at banks under obligations	-	-	-	144,216	144,216	Level 3
Loans from purchase of accounts receivable	-	-	-	12,623	12,623	Level 3
Derivative assets	1,732,085	-	-	-	1,732,085	Level 2
Investment in equity securities designated at fair value through profit or loss	-	-	5,062	-	5,062	Level 3
Investment in equity securities designated at fair value through other comprehensive income	-	144,000	-	-	144,000	Level 3
<b>Total financial assets</b>	<b>1,732,085</b>	<b>144,000</b>	<b>5,062</b>	<b>88,377,361</b>	<b>90,258,508</b>	
<b>Financial liabilities</b>						
Bank overdrafts and short-term borrowings from financial institutions	-	-	-	4,485,424	4,485,424	Level 2
Trade payables	-	-	-	220,728	220,728	Level 3
Other payables	-	-	-	1,246,837	1,246,837	Level 3
Interest payable	-	-	-	382,622	382,622	Level 3
Long-term borrowings	-	-	-	51,989,485	51,838,176	Level 2
Long-term debentures	-	-	-	9,580,142	9,570,608	Level 2
Derivative liabilities	1,438,903	-	-	-	1,438,903	Level 2
Lease liabilities	-	-	-	917,668	917,668	Level 3
Subordinated borrowings	-	-	-	84,074	84,074	Level 3
<b>Total financial liabilities</b>	<b>1,438,903</b>	<b>-</b>	<b>-</b>	<b>68,906,980</b>	<b>70,185,040</b>	

CONSOLIDATED FINANCIAL STATEMENTS

As at February 28, 2022

	Carrying amount				Fair value	
	FVTPL - derivatives designated in hedge relationships	FVTOCI	FVTPL - designated	Amortized cost		Fair value hierarchy
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	4,235,603	4,235,603	Level 2
Trade receivables	-	-	-	80,076,400	80,076,400	Level 3
Other receivables	-	-	-	525,905	525,905	Level 3
Fixed deposits at banks under obligations	-	-	-	44,333	44,333	Level 3
Derivative assets	376,175	-	-	-	376,175	Level 2
Investment in equity securities designated at fair value through profit or loss	-	-	5,062	-	5,062	Level 3
Investment in equity securities designated at fair value through other comprehensive income	-	144,000	-	-	144,000	Level 3
<b>Total financial assets</b>	<b>376,175</b>	<b>144,000</b>	<b>5,062</b>	<b>84,882,241</b>	<b>85,407,478</b>	
<b>Financial liabilities</b>						
Bank overdrafts and short-term borrowings from financial institutions	-	-	-	9,171,904	9,171,904	Level 2
Trade payables	-	-	-	269,599	269,599	Level 3
Other payables	-	-	-	1,628,020	1,628,020	Level 3
Interest payable	-	-	-	209,175	209,175	Level 3
Long-term borrowings	-	-	-	47,986,662	47,974,780	Level 2
Long-term debentures	-	-	-	8,259,554	8,301,937	Level 2
Derivative liabilities	867,726	-	-	-	867,726	Level 2
Lease liabilities	-	-	-	624,978	624,978	Level 3
Subordinated borrowings	-	-	-	84,074	84,074	Level 3
<b>Total financial liabilities</b>	<b>867,726</b>	<b>-</b>	<b>-</b>	<b>68,233,966</b>	<b>69,132,193</b>	

SEPARATE FINANCIAL STATEMENTS

As at February 28, 2023

	Carrying amount				Fair value	
	FVTPL - derivatives designated in hedge relationships	FVTOCI	FVTPL - designated	Amortized cost	Baht '000	Fair value hierarchy
	Baht '000	Baht '000	Baht '000	Baht '000		
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	2,159,810	2,159,810	Level 2
Trade receivables	-	-	-	79,329,996	79,329,996	Level 3
Other receivables	-	-	-	488,749	488,749	Level 3
Seller loan in Special Purpose Vehicle for securitization	-	-	-	287,621	287,621	Level 3
Long-term loan to a subsidiary	-	-	-	111,960	110,357	Level 2
Derivative assets	1,732,085	-	-	-	1,732,085	Level 2
Investment in equity securities designated at fair value through profit or loss	-	-	5,062	-	5,062	Level 3
Investment in equity securities designated at fair value through other comprehensive income	-	144,000	-	-	144,000	Level 3
Subordinated lendings	-	-	-	84,074	84,074	Level 3
Total financial assets	<u>1,732,085</u>	<u>144,000</u>	<u>5,062</u>	<u>82,462,210</u>	<u>84,341,754</u>	
<b>Financial liabilities</b>						
Bank overdrafts and short-term borrowings from financial institutions	-	-	-	3,440,000	3,440,000	Level 2
Trade payables	-	-	-	200,448	200,448	Level 3
Other payables	-	-	-	1,165,727	1,165,727	Level 3
Interest payable	-	-	-	366,602	366,602	Level 3
Long-term borrowings	-	-	-	49,141,338	48,990,029	Level 2
Long-term borrowings under securitization project	-	-	-	1,260,991	1,260,991	Level 3
Long-term debentures	-	-	-	8,107,060	8,097,526	Level 2
Derivative liabilities	1,438,903	-	-	-	1,438,903	Level 2
Lease liabilities	-	-	-	802,204	802,204	Level 3
Total financial liabilities	<u>1,438,903</u>	<u>-</u>	<u>-</u>	<u>64,484,370</u>	<u>65,762,430</u>	

SEPARATE FINANCIAL STATEMENTS

As at February 28, 2022

	Carrying amount				Fair value	
	FVTPL - derivatives designated in hedge relationships	FVTOCI	FVTPL - designated	Amortized cost	Baht '000	Fair value hierarchy
	Baht '000	Baht '000	Baht '000	Baht '000		
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	2,639,136	2,639,136	Level 2
Trade receivables	-	-	-	75,494,720	75,494,720	Level 3
Other receivables	-	-	-	412,773	412,773	Level 3
Seller loan in Special Purpose Vehicle for securitization	-	-	-	275,773	275,773	Level 3
Long-term loan to a subsidiary	-	-	-	130,244	128,020	Level 2
Derivative assets	376,175	-	-	-	376,175	Level 2
Investment in equity securities designated at fair value through profit or loss	-	-	5,062	-	5,062	Level 3
Investment in equity securities designated at fair value through other comprehensive income	-	144,000	-	-	144,000	Level 3
Subordinated lendings	-	-	-	84,074	84,074	Level 3
Total financial assets	<u>376,175</u>	<u>144,000</u>	<u>5,062</u>	<u>79,036,720</u>	<u>79,559,733</u>	
<b>Financial liabilities</b>						
Bank overdrafts and short-term borrowings from financial institutions	-	-	-	7,941,240	7,941,240	Level 2
Trade payables	-	-	-	248,207	248,207	Level 3
Other payables	-	-	-	1,356,119	1,356,119	Level 3
Interest payable	-	-	-	194,197	194,197	Level 3
Long-term borrowings	-	-	-	44,896,115	44,884,233	Level 2
Long-term borrowings under securitization project	-	-	-	1,401,709	1,401,709	Level 3
Long-term debentures	-	-	-	6,786,471	6,828,855	Level 2
Derivative liabilities	867,726	-	-	-	867,726	Level 2
Lease liabilities	-	-	-	552,425	552,425	Level 3
Total financial liabilities	<u>867,726</u>	<u>-</u>	<u>-</u>	<u>63,376,483</u>	<u>64,274,711</u>	

#### **41. CREDIT FACILITIES AND LETTERS OF GUARANTEE**

- 41.1 As at February 28, 2023 and 2022, the Company has unused committed and unsecured revolving credit facility agreements with various financial institutions totaling Baht 3,000 million.
- 41.2 As at February 28, 2023 and 2022, the Company has unused overdraft facilities with various banks totaling Baht 3,090 million and Baht 3,089 million, respectively. Such overdraft facilities are unsecured.
- 41.3 As at February 28, 2023 and 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.
- 41.4 As at February 28, 2022, a foreign subsidiary has unused overdraft facilities with a local bank in the amount of Baht 30.03 million. Such overdraft facilities are unsecured. (As at February 28, 2023 : None.)
- 41.5 As at February 28, 2023 and 2022, a subsidiary has letters of guarantee issued by banks in the amounts of Baht 1.78 million and Baht 1.63 million, respectively.

#### **42. SIGNIFICANT AGREEMENTS RELATING TO SECURITIZATION TRANSACTION**

- 42.1 On February 2, 2015, the Company entered into a memorandum of understanding regarding the cooperation between the Company and BTS Group Holdings Public Company Limited ("BTSG") and Bangkok Smartcard System Company Limited ("BSS") (a subsidiary of BTSG), for the joint issue of member card under the Co-Branded Rabbit Program and setting up a special purpose vehicle for the securitization project, the purpose of securitization through the establishment of a special purpose vehicle in a form of cooperation framework between the Company and BSS Holdings Company Limited ("BSS Holdings") (a subsidiary of BTSG), in accordance with the resolution passed at the meeting of the Board of Directors No. 10/2014, held on December 24, 2014.
- 42.2 The Company entered into the Receivables Sale and Purchase Agreement with ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit) (the subsidiary), on October 22, 2015. Such agreement set out the procedures and terms in respect of the sale and purchase of the Initial Receivables on the Closing Date, for Future Receivables on each Purchase Date and for Additional Receivables on each Monthly Purchase Date including the rights, obligations and responsibilities of both parties. Moreover, the Receivables Sale and Purchase Agreement also set out the terms and conditions in respect of the resale and repurchase of the Ineligible Receivables and Defaulted Receivables.
- 42.3 The Company entered into the Servicing Agreement with ATS Rabbit (the subsidiary) on October 22, 2015. Based on such agreement, the subsidiary appointed the Company (as a transferor and servicer) to provide certain administration services (including record keeping and producing written reports relating to the Collections), to act as the collection agent and other services for loans receivable in relation to the Purchased Receivables. In addition, the Servicing Agreement also set out other relevant terms, such as the scope of the services, the payment of service fees, the termination of the appointment of the Servicer and the Back-up Servicer appointment of the substitute servicer.

#### 43. SALE OF WRITTEN-OFF RECEIVABLES

43.1 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 0.44 million and Baht 0.97 million as bad debt recovery in the consolidated and separate statements of profit or loss for the years ended February 28, 2023 and 2022, respectively, and recorded outstanding deferred revenue of Baht 21.32 million and Baht 21.76 million as other current liabilities in the separate statement of financial position as at February 28, 2023 and 2022, respectively.

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.

43.2 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 0.89 million and Baht 1.18 million as bad debt recovery in the consolidated and separate statements of profit or loss for the year ended February 28, 2023 and 2022, respectively, and recorded outstanding deferred revenue of Baht 53.88 million and Baht 54.77 million as other current liabilities in the separate statements of financial position as at February 28, 2023 and 2022, respectively.

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.

- 43.3 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 year ended February 28, 2022.
- 43.4 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 years ended February 28, 2023.

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 years ended February 28, 2023.

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.

- 43.5 On October 31, 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 110.39 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 November 29, 2022, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 11.04 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 99.36 million in 8 installments of Baht 12.42 million per each and last installment will be on November 29, 2024. The Company has already recognized gain on sale of written-off receivables totaling Baht 110.40 million in the consolidated and separate statements of profit or loss for the years ended February 28, 2023, and recorded outstanding receivables of Baht 86.93 million as other receivables in the consolidated and separate statements of financial positions as at February 28, 2023.

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 years ended February 28, 2023.

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.

- 43.6 On October 31, 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 57.23 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 November 29, 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 57.23 million in the consolidated and separate statements of profit or loss for the years ended February 28, 2023.



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 years ended February 28, 2023.

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.

- 43.7 On November 29, 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 108.98 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 November 29, 2022, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 10.90 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 98.08 million in 8 installments of Baht 12.26 million per each and last installment will be on November 29, 2024. The Company has already recognized gain on sale of written-off receivables totaling Baht 108.98 million in the consolidated and separate statements of profit or loss for the years ended February 28, 2023, and recorded outstanding receivables of Baht 85.83 million as other receivables in the consolidated and separate statements of financial positions as at February 28, 2023.

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 years ended February 28, 2023.

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.

43.8 On November 29, 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 22.98 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 November 29, 2022, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 6.90 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 16.08 million in 2 installments of Baht 8.04 million per each and last installment will be on January 31, 2023. The Company has already recognized gain on sale of written-off receivables totaling Baht 22.98 million in the consolidated and separate statements of profit or loss for the years ended February 28, 2023, and as at February 28, 2023, the Company has received the full amount of payment under the agreement.

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 years ended February 28, 2023.

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.

#### **44. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved for issue by the Company’s Board of Directors on April 11, 2023.

(Translation)

No.09/2023

April 11, 2023

President

The Stock Exchange of Thailand

Re: Notification of the Resolution of the Board of Directors' Meeting No. 4/2023:

We, AEON Thana Sinsap (Thailand) Public Company Limited ("Company"), hereby report the resolutions passed at the meeting of the Board of Directors No. 4/2023, held on April 11, 2023 from 9.00 a.m. as follows:

1. Unanimously approved of the audited financial statements of the Company for the fiscal year ended February 28, 2023.
2. Unanimously approved and declaration of final dividend payment for the fiscal year ended February 28, 2023. The final dividend will be paid at 2.95 baht per share to the shareholders on July 17, 2023. The right to receive dividend has to be approved at shareholders meeting on June 20, 2023.  
  
This dividend is paid in addition to the interim dividend already paid at the rate of 2.55 baht per share on November 2, 2022. The total dividends paid for the fiscal year ended February 28, 2023, is 5.50 baht per share or 36.0% payout ratio. The Company has set the record date on April 26, 2023 to determine the shareholders entitled to receive dividends (XM&XD will be posted on April 25, 2023).
3. Approved the appointment of directors for the replacement of the directors who vacated office by rotation at the Annual General Meeting of the Shareholders 2023, there will be 4 directors who are due to retire upon completion of their term of office, namely:
  1. Ms. Suporn Wattanavekin
  2. Mr. Chatchaval Jiaravanon
  3. Mr. Junichi Iwakami
  4. Ms. Suriporn Thammawatid

Approved the re-appointment of Ms. Suporn Wattanavekin, Mr. Chatchaval Jiaravanon, Mr. Junichi Iwakami and Ms. Suriporn Thammawatid, whose term will be due on the date of the Annual General Meeting of Shareholders 2023 to be the Company's Directors for another term.

The meeting also approved the directors' remuneration of the fiscal year ended February 29, 2024 the same as previous year to be not more than 35,000,000 baht.

4. Unanimously approved the appointment of audit committee for the year 2023. The audit committee members of the Company will be as follows:
1. Dr. Sucharit Koontanakulvong Independent Director and Chairman of Audit committee
  2. Dr. Mongkon Laoworapong Independent Director and Audit committee
  3. Mr. Ittinant Suwanjutha Independent Director and Audit committee
5. Unanimously approved the appointment of three auditors of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited to be the Company's auditors for the fiscal year ended February 29, 2024 and the determination of the auditing fee within the amount of 6,170,000 baht and the miscellaneous expenses of not more than 500,000 baht. The Company's auditors are as follows:
- (1) Mrs. Nisakorn Songmanee CPA (Thailand) No. 5035
  - (2) Mr. Chavala Tienpasertkij CPA (Thailand) No. 4301
  - (3) Mr. Yongyuth Lertsurapibul CPA (Thailand) No. 6770
6. Approved the amendment to Clause 3, 25, 31, 32, 33 and 41 of the Articles of Association of the Company, details as follows:

<b>CHAPTER I</b>	
<b>General Provisions</b>	
<b>Current</b>	<b>After Amendment</b>
<b>Article 3</b> Unless provided in these Articles of Association, the provisions of the Public Limited Companies Act and the Securities and Exchange Act shall apply.	Unless provided in these Articles of Association, the provisions of the Public Limited Companies Act and the Securities and Exchange Act shall apply.  <u>In case the Company or the board of directors has duty to send letters or documents required under the Public Limited Companies Act or these Articles of Association to directors, shareholders or creditors of the Company, if those persons have declared their intention or consent for electronic submission, the Company or the board of directors is allowed to send the letters or documents via electronic means under the criteria stipulated by law.</u>

CHAPTER V

Board of Directors and Audit Committee

**Article 25** In calling a meeting of the board of directors, the chairman of the board or the person assigned by the chairman of the board shall serve written notice calling for such meeting to the directors not less than seven (7) days prior to the date of the meeting. Where it is necessary or urgent to preserve the rights or benefits of the Company, the meeting may be called by other methods and an earlier meeting date may be chosen.

In case the chairman of the board determines that any meeting of the board of directors be conducted via electronic media, the calling for the meeting whether by the chairman or any person so designated can be made by serving written notice by electronic mail.

In calling a meeting of the board of directors, the chairman of the board or the person assigned by the chairman of the board shall serve written notice calling for such meeting to the directors not less than **three (3)** days prior to the date of the meeting. Where it is necessary or urgent to preserve the rights or benefits of the Company, the meeting may be called by electronic means under the criteria stipulated by law or other means and an earlier meeting date may be chosen.

CHAPTER VI

Shareholders' Meetings

**Article 31** The board of directors shall call a shareholders' meeting which is an annual general meeting of shareholders within four (4) months of the last day of the fiscal year of the Company.

Shareholders' meetings other than the one referred to above shall be called extraordinary general meetings of shareholders. The board of directors may call an extraordinary general meeting of shareholders any time the board of directors considers it expedient to do so.

The board of directors shall call a shareholders' meeting which is an annual general meeting of shareholders within four (4) months of the last day of the fiscal year of the Company.

Shareholders' meetings other than the one referred to above shall be called extraordinary general meetings of shareholders. The board of directors may call an extraordinary general meeting of shareholders any time the board of directors considers it expedient to do so.

<p>One or more shareholders holding shares not less than ten (10) percent of the total issued shares may submit a written request to the board of directors to call an extraordinary general meeting of shareholders at any time provided that the issues and reasons supporting the calling shall be clearly stated in the request. In this regard, the board of directors shall hold a shareholders' meeting within forty-five (45) days from the date receiving the request.</p> <p>In case the board of directors fails to hold a shareholders' meeting within the period prescribed in paragraph three, the shareholders who have subscribed their names or other shareholders holding the required aggregate number of shares may themselves call a shareholders' meeting within forty-five (45) days from the date the period under paragraph three is expired. In such case, the meeting is deemed to be a shareholders' meeting called by the board of directors and the Company shall be responsible for necessary expenses as may be incurred in the course of holding the meeting and shall facilitate the meeting as appropriate.</p> <p>If, at any shareholders' meeting called by the shareholders under paragraph four, the number of shareholders presented does not</p>	<p><u>An annual general meeting of shareholders and an extraordinary general meeting of shareholders may be conducted via electronic media under the law governing electronic meetings.</u></p> <p>One or more shareholders holding shares not less than ten (10) percent of the total issued shares may submit a written request to the board of directors to call an extraordinary general meeting of shareholders at any time provided that the issues and reasons supporting the calling shall be clearly stated in the request. In this regard, the board of directors shall hold a shareholders' meeting within forty-five (45) days from the date receiving the request.</p> <p>In case the board of directors fails to hold a shareholders' meeting within the period prescribed in paragraph <u>four</u>, the shareholders who have subscribed their names or other shareholders holding the required aggregate number of shares may themselves call a shareholders' meeting <u>and the notice calling the meeting may be sent by electronic means under the criteria stipulated by law</u> within forty-five (45) days from the date the period under paragraph <u>four</u> is expired. In such case, the meeting is deemed to be a shareholders' meeting called by the board of directors and the Company shall be responsible for necessary expenses as may be incurred in the course of holding the meeting and shall facilitate the meeting as appropriate.</p> <p>If, at any shareholders' meeting called by the shareholders under paragraph <u>five</u>, the number of shareholders presented does not constitute</p>
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<p>constitute quorum as prescribed in Article 33, the shareholders under paragraph four shall jointly compensate the Company for the expenses incurred from holding the meeting.</p>	<p>quorum as prescribed in Article 33, the shareholders under paragraph <del>four</del> <b>five</b> shall jointly compensate the Company for the expenses incurred from holding the meeting.</p>
<p><b>Article 32</b> In calling a shareholders' meeting, the board of directors shall prepare a written notice calling the meeting that states the place, date, time, agenda of the meeting and the matters to be proposed to the meeting with reasonable detail by indicating clearly whether it is the matter proposed for information, for approval or for consideration, including the opinions of the board of directors in the said matters, and the said notice shall be delivered to the shareholders and the registrar for their information at least seven (7) days prior to the date of the meeting. The notice calling for the meeting shall also be published in a newspaper at least three (3) days prior to the date of the meeting for a period of three (3) consecutive days.</p> <p>The place of the meeting may be in the province in which the head office of the Company is located or such other venue as determined by the board of directors.</p>	<p>In calling a shareholders' meeting, the board of directors shall prepare a written notice calling the meeting that states the place, date, time, agenda of the meeting and the matters to be proposed to the meeting with reasonable detail by indicating clearly whether it is the matter proposed for information, for approval or for consideration, including the opinions of the board of directors in the said matters, and the said notice shall be delivered to the shareholders and the registrar for their information at least seven (7) days prior to the date of the meeting <u>and shall also be published in a newspaper or via electronic media under the criteria stipulated by law</u> at least three (3) days prior to the date of the meeting for a period of three (3) consecutive days.</p> <p>The place of the meeting may be in the province in which the head office of the Company is located or such other venue as determined by the board of directors.</p>
<p><b>Article 33</b> In order to constitute a quorum, there shall be shareholders and proxies (if any) attending at a shareholders' meeting amounting to not less than twenty-five (25) persons or not less than one half of the total number of shareholders and in either case such shareholders shall hold shares amounting to not less than one-third (1/3) of the total number of shares sold of the Company.</p>	<p>In order to constitute a quorum, there shall be shareholders and proxies (if any) attending at a shareholders' meeting amounting to not less than twenty-five (25) persons or not less than one half of the total number of shareholders and in either case such shareholders shall hold shares amounting to not less than one-third (1/3) of the total number of shares sold of the Company.</p>

<p>At any shareholders' meeting, if one (1) hour has passed since the time specified for the meeting and the number of shareholders attending the meeting is still inadequate for a quorum, and if such shareholders' meeting was called as a result of a request by the shareholders, such meeting shall be cancelled. If such meeting was not called as a result of a request by the shareholders, the meeting shall be called once again and the notice calling such meeting shall be delivered to shareholders not less than seven (7) days before the date of the meeting. In the subsequent meeting a quorum is not required.</p>	<p><u>Appointment of proxies in paragraph one may be carried out via secure electronic means that can be believed that the appointment is made by the shareholder under the criteria stipulated by law.</u></p> <p>At any shareholders' meeting, if one (1) hour has passed since the time specified for the meeting and the number of shareholders attending the meeting is still inadequate for a quorum, and if such shareholders' meeting was called as a result of a request by the shareholders, such meeting shall be cancelled. If such meeting was not called as a result of a request by the shareholders, the meeting shall be called once again and the notice calling such meeting shall be delivered to shareholders not less than seven (7) days before the date of the meeting. In the subsequent meeting a quorum is not required.</p>
<p><b>CHAPTER VII</b> <b><u>Accounts, Finances and Audits</u></b></p>	
<p><b>Article 41</b> Dividends shall not be paid other than out of profits. If the Company still has an accumulated loss, no dividends shall be distributed.</p> <p>Dividends shall be distributed according to the number of shares, with each share receiving an equal amount.</p> <p>The board of directors may pay interim dividends to the shareholders from time to time if the board of directors believes that the profits of the Company justify such payment. After the dividends have been paid, such dividend payment shall be reported to the shareholders at the next shareholders' meeting.</p> <p>Payment of dividends shall be made within one (1) month of the date of the resolution of the</p>	<p>Dividends shall not be paid other than out of profits. If the Company still has an accumulated loss, no dividends shall be distributed.</p> <p>Dividends shall be distributed according to the number of shares, with each share receiving an equal amount.</p> <p>The board of directors may pay interim dividends to the shareholders from time to time if the board of directors believes that the profits of the Company justify such payment. After the dividends have been paid, such dividend payment shall be reported to the shareholders at the next shareholders' meeting.</p> <p>Payment of dividends shall be made within one (1) month of the date of the resolution of the shareholders' meeting or the board of directors'</p>



<p>shareholders' meeting or the board of directors' meeting, as the case may be. The shareholders shall be notified in writing of such dividend payment, and the notice shall also be published in a newspaper for a period of not less than three (3) consecutive days.</p>	<p>meeting, as the case may be. The shareholders shall be notified in writing of such dividend payment, and the notice shall also be published in a newspaper <u>or via electronic media under the criteria stipulated by law</u> for a period of not less than three (3) consecutive days.</p>
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And proposed the matter to the general meeting of shareholders of the Company for consideration and approval.

7. Unanimously approved the schedule of the Annual General Meeting of Shareholders for the year 2023 to be held on June 20, 2023 at 10.00 am. by electronic meeting (E-AGM) in accordance with criteria specified in the laws on electronic meeting. The meeting agenda are as follows:
  1. Acknowledgement of the Company's operating results in the fiscal year ended February 28, 2023;
  2. Approval of the audited financial statements for the fiscal year ended February 28, 2023;
  3. Acknowledgement of the payment of interim dividend and approval of declaration of final dividend payment for the fiscal year ended February 28, 2023;
  4. Appointment of directors to replace those retiring by rotation;
  5. Approval of remuneration of directors for the fiscal year ended February 29, 2024;
  6. Appointment of auditors and determination of audit fee for the fiscal year ended February 29, 2024;
  7. Approval of amendment of Articles 3, 25, 31, 32, 33 and 41 of the Articles of Association of the Company;
  8. Other business (if any)

The Board of Director meeting also approved the record date on April 26, 2023 (XM and XD will be posted on April 25, 2023) to determine the shareholders who have the right to attend the Annual General Meeting. The authorized directors of the Company will consider the details of the AGM and the Company will then inform the shareholders accordingly.

Please be informed accordingly

Yours sincerely,

Tsutomu Omodera  
Managing Director

**Form to Report on Names of Members and Scope of Work of the Audit Committee**

The Board of Directors meeting of AEON Thana Sinsap (Thailand) Public Company Limited No. 4/2023 held on April 11, 2023 resolved the meeting's resolutions in the following manners:

- Appointment of the audit committee:
  - Chairman of the audit committee     Member of the audit committee

As follows:

- Renewal for the term of audit committee:
  - Chairman of the audit committee     Member of the audit committee

- (1) Dr. Sucharit Koontanakulvong
- (2) Dr. Mongkon Laoworapong
- (3) Mr. Ittinant Suwanjutha

The ~~appointment~~/renewal of which shall take an effect as of April 11, 2023

Determination/Change in the scope of duties and responsibilities of the audit committee with the following details:

.....  
.....  
.....

, the determination/change of which shall take an effect as of .....

The audit committee is consisted of:

- 1. Member of the audit committee Dr. Sucharit Koontanakulvong.....remaining term in office 1 year
- 2. Member of the audit committee Dr. Mongkon Laoworapong.....remaining term in office 1 year
- 3. Member of the audit committee Mr. Ittinant Suwanjutha.....remaining term in office 1 year

Secretary of the audit committee Ms. Kajohnporn Kittisobhone

The audit committee number(s) 1-3 have adequate expertise and experience to review creditability of the financial reports.

The audit committee of the company has the scope of duties and responsibilities to the Board of Director on the following matters:

- 1. Review the Company's financial reporting process to ensure accuracy and adequacy.
- 2. Ensure the Company has suitable and efficient internal control system and internal audit. The Committee shall consider the independence of the Internal Audit Office.

3. Review the performance of the Company to ensure compliance with the securities and exchange law, regulations of the Stock Exchange of Thailand or laws relating to business of the Company.
4. Consider, select and nominate the Company's external auditor and recommend its remuneration. The Committee shall meet privately with the external auditor once a year, without the management team being present.
5. Review the disclosure of the Company in case where there is any connected transaction that may lead to conflict of interest so as to ensure the reasonable transaction and benefit to the Company.
6. Prepare a report on monitoring activities of the Committee to be disclosed in the annual report of the Company, which shall be signed by the Chairman of the Committee and contained at least the following information:
  - 6.1 an opinion on the accuracy, completeness and creditability of the Company's financial report,
  - 6.2 an opinion on the adequacy of the Company's internal control system,
  - 6.3 an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,
  - 6.4 an opinion on the suitability of an auditor,
  - 6.5 an opinion on the transactions that may lead to conflicts of interests,
  - 6.6 the number of the audit committee meetings, and the attendance of such meetings by each committee member,
  - 6.7 an opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter, and
  - 6.8 other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and
7. Perform anything else which was assigned by the Board of Directors of the Company together with an approval and under the scope of duties and responsibilities of the Committee.

The company hereby certifies that

1. The qualifications of the aforementioned members meet all the requirements of the Stock Exchange of Thailand; and
2. The scope of duties and responsibilities of the audit committee as stated above meet all the requirements of the Stock Exchange of Thailand

(Seal)

Signed ..... Managing Director

(Mr. Tsutomu Omodera)

Management Discussion and Analysis  
Fiscal year ended February 28, 2023

AEON Thana Sinsap (Thailand) Public Company Limited (“the Company”) has already submitted the audited financial statements for the year ended February 28, 2023 which were audited by Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. The operating performance is summarized are 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 4Q/2022 expanded by 1.4% y-y, slower than the expansion of 4.6% y-y in the previous quarter from the contraction of the industrial sector that reduced the production of industrial products due to higher production costs, a lower domestic demand and lower demands from trading partners in relevant to their economic slowdown, despite the acceleration in agricultural production and service and tourism industries, resulting in GDP in 2022 being 2.6%, lower than expectation. However, the economic expansion is still subjected to the rising cost of living, in which the inflation rate in 4Q/2022 reached 5.8%, the household debt ratio is considered high amid the increasing trend of interest burden but having a tendency to decline as the GDP is expanding. Moreover, the number of unemployed in the 4Q/2022 amounted 4.62 hundred thousand people, or an unemployment rate of 1.2%, remained stable from the previous quarter. Although the numbers indicated a better direction comparing to the previous year, but the current unemployment rate has not yet returned to the pre-Covid-19 level.

The company performance of the fiscal year of 2022, the Company has total sales (turnover) increase by 23.4% y-y, with the focus on credit card business, as a result of new product launching in accordance to the Digitalization roadmap and marketing strategies such as AEON 30th Years Anniversary campaign, AEON ROP World Mastercard campaign and acquisition of new customers, driving the loan portfolio to reach 93,937 million baht, 3.2% growth y-y.

As of February 28, 2023, the Company had total cards and distribution networks as below;

Number of AEONTS Cards and Networks	February 28, 2022	February 28, 2023
Number of Credit Cards (million cards)	3.07	2.96
Number of Member Cards (million cards)	6.34	6.51
Branches	101 branches	104 branches
Bangkok	30%	30%
Province	70%	70%
ATMs (machine)	389	146
Affiliated Dealers	6,328	5,846

## Summary of Consolidated Financial Results

### 1. Operating Results

Profit and Loss Statement Unit : Million Baht	Consolidated					Separated		
	4Q/22	%QoQ	FY21	FY22	%YoY	FY21	FY22	%YoY
Credit card income	1,994	1.7%	6,462	7,642	18.2%	6,370	7,488	17.6%
Loan income	2,538	-1.9%	10,368	10,385	0.2%	10,209	10,274	0.6%
Hire-purchase income	255	0.4%	1,073	1,029	-4.1%	309	246	-20.4%
Other income	766	-24.6%	2,888	3,277	13.5%	2,829	3,108	9.9%
<b>Total Revenues</b>	<b>5,553</b>	<b>-4.6%</b>	<b>20,791</b>	<b>22,332</b>	<b>7.4%</b>	<b>19,717</b>	<b>21,116</b>	<b>7.1%</b>
Operating and administrative expenses	2,060	1.0%	7,832	8,117	3.6%	7,029	7,387	5.1%
Expected credit loss	1,965	4.3%	6,629	7,263	9.6%	5,771	7,070	22.5%
Finance costs	523	10.0%	1,745	1,904	9.1%	1,826	1,970	7.9%
Other expenses	96	3,086%	11	98	784%	10	96	860%
<b>Total Expenses</b>	<b>4,644</b>	<b>5.6%</b>	<b>16,218</b>	<b>17,382</b>	<b>7.2%</b>	<b>14,636</b>	<b>16,524</b>	<b>12.9%</b>
Profit before tax income	909	5.8%	4,573	4,950	8.2%	5,081	4,591	-9.6%
Income tax expenses	180	-36.0%	1,000	996	-0.4%	947	881	-7.0%
Net profit for the period	692	-37.1%	3,553	3,815	7.4%	4,133	3,711	-10.2%
Earnings Per Share (Baht per share)	2.77	-37.3%	14.21	15.26	7.4%	16.53	14.84	-10.2%

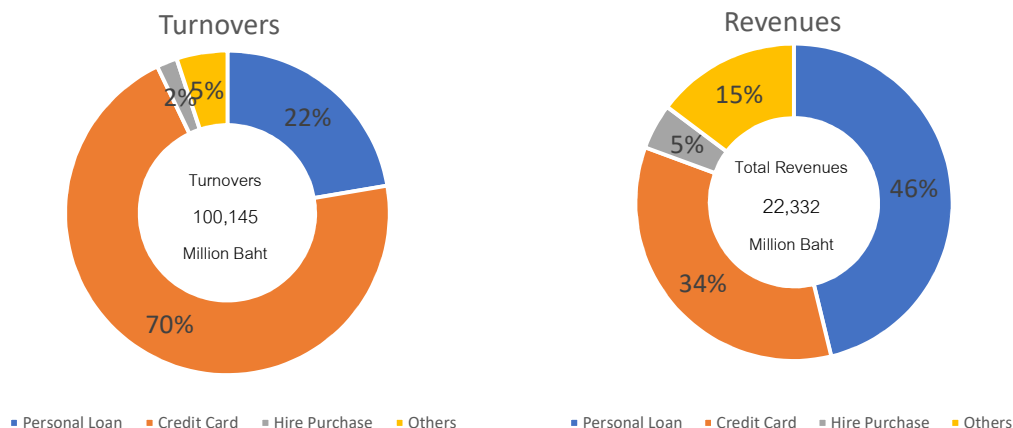
#### Revenues

In the fiscal year ended February 28, 2023, the total consolidated revenues were 22,332 million baht, increasing of 1,541 million baht or 7.4% y-y. In 4Q/2022, the Company's revenues were 5,553 million baht, decreasing of 266 million baht or decreasing 4.6% q-q. The increased in revenues was a result of growth in revenue of the Company's core businesses, especially the credit card income which having 18.2% growth y-y. Hence, the growth of revenue, especially credit cards, was mainly derived from marketing activities to stimulate credit card spending and acquisition of new credit card customers.

In addition, our consolidated revenue from Personal Loan were 10,385 million baht, stable from previous year and consolidated hire-purchase income were 1,029 million baht, reduced by 44 million baht or decreasing 4.1% y-y due to selective approach in credit judgement amid remaining high risky economic factors in this year.

However, the Company has other income for fiscal year 2022 amounted 3,277 million baht, 13.5% growth y-y. Details of each business can be described as follows:

Sales and Revenues Structure for the fiscal year 2022



- Credit Card

For the fiscal year 2022, credit card sales accounted for 70% of total turnovers with revenue of 7,642 million baht, an increase of 1,180 million baht or 18.2% y-y. Although, for the fourth quarter of 2022, credit card revenue was 1,994 million baht, an increase of 21.4% y-y and 1.73% q-q. For overseas business, AEON Specialized Bank (Cambodia) Plc had credit card revenue in the fiscal year of 2022 of 154 million baht, grew by 27.9% y-y.

- Loans

For the fiscal year 2022, loans shared 22% of total turnovers with the revenue of 10,385 million baht, accounting of 46% of total revenues, stable from previous year. In the fourth quarter of 2022, loans revenue was 2,538 million baht, stable from the same quarter of last year and decreasing 1.9% q-q. Moreover, loan income from AEON Specialized Bank (Cambodia) PLC of 217 million baht, dropped by 17.2% y-y.

- Hire Purchase

For the fiscal year of 2022, motorcycle and used car hire purchase in Thailand and electrical appliances, mobile phones in overseas business, with the revenues of 1,029 million baht, decreasing by 44 million baht or 4.1% y-y. In addition, hire purchase income from AEON Specialized Bank (Cambodia) Plc was 681 million baht, increasing by 4.4% y-y and AEON Leasing Service (Lao) Company Limited of 102 million baht, decreased 9.6% y-y.

- Other Incomes

For the fiscal year of 2022, other incomes were 3,277 million baht, accounting of 14.7% of total revenue, showing an increase of 389 million baht or 13.5% y-y. Other revenues consist of bad debt recovery, which was 1,696 million baht, 19.2% growth y-y, gain on sales of written-off receivables was 405 million baht, 26.5% growth y-y, collection service income was 226 million baht, 7.7% growth y-y, insurance brokerage commission income was 689 million baht, stable from the previous year, and others of 262 million baht respectively. The growth of

other incomes revenue was contributed mainly from the continued growth of bad debt recovery and gain on sale of written-off receivables.

For the fourth quarter 2022, other income revenues were 766 million baht, and it did not have income from bad debt recovery.

#### Expenses

The Company's expenses mainly consist of operating and administrative expenses, expected credit loss and finance cost. For the fiscal year of 2022, the Company had total consolidated expenses of 17,382 million baht, an increase of 1,164 million baht or 7.2% y-y. For the fourth quarter of 2022, the consolidated expenses were 4,644 million baht, increasing 5.6% q-q. Details of expenses are shown as follows:

##### - Operating and Administrative Expenses and other expenses

For the fiscal year of 2022, the consolidated operating and administrative expense and other expenses were 8,117 million baht, increasing by 285 million baht or 3.6% y-y. The increase in operating and administrative expense was mainly from the increasing of marketing expense compared with the last year. For the fourth quarter of 2022, the consolidated operating and administrative expenses were 2,060 million baht, an increase of 1.0% q-q. However, the Company still maintained effective operating cost control with cost to income ratio at 36.4% of total revenues, reduced from 37.7% of previous year significantly. Considering the Company's separate financial statement, the operating and administrative expenses as a percentage of revenues was 35.0% in the fiscal year of 2022.

##### - Expected Credit

The consolidated expected credit loss in the fiscal year of 2022 amounted to 7,263 million baht, increasing by 9.6% y-y.

##### - Finance Cost

In 2022, the results of the Monetary Policy Committee (MPC) meeting resolved to raise the policy interest rate by 0.25% per, total 4 times in roll, resulting in the increment of policy rate of 1.00%, to 1.50% per year. As at the end of fiscal year 2022, despite the gradual increase in the policy interest rate to cope with the pressure from the high inflation rate in the country, the Company was still able to effectively manage its financial costs. The Company recorded consolidated finance cost in the fiscal year of 2022 of 1,904 million baht, increasing by 9.1% y-y, the average funding cost is 2.64%. For the fourth quarter of 2022, the finance cost was 523 million baht, increasing by 10.0% q-q.

#### Net Profit

For the fiscal year of 2022, consolidated operating income was reported at 3,815 million baht, an increase 262 million baht or 7.4% y-y or earning per share of 15.26 baht due to the growth of loan portfolio specially the credit card business. Moreover, the operating cost has been managed with higher efficiency.

## 2. Financial Status

Statement of Financial Position	28 February 2021	28 February 2022	%YoY
Unit : Million Baht			
Accounts Receivable	91,028	93,937	3.2
Total Assets	90,469	95,207	5.2
Total Borrowing	65,418	66,055	1.0
Total Liabilities	70,205	71,859	2.4
Equity Attributed to Owners of the Parent	19,889	22,821	14.7
ROE	19.2%	17.9%	-
ROA	4.0%	4.1%	-
D/E Ratio	3.5	3.1	-

Remark: ROE = Profit (Loss) Attributable to Owners of the Parent/Equity Attributed to Owners of the Parent

### Total Assets

As of February 28, 2023, consolidated total assets were 95,207 million baht, an increase of 4,738 million baht or 5.2% from last year. The majority of assets is loan portfolio account receivable, which accounting of 88.0% of total assets.

#### - Account Receivable

As of 28 February, 2023, the Company has accounts receivable of 93,937 million baht, increased by 3.2% from last year, in which consisting of domestic loan book amounted 88,861 million baht, 4.0% growth y-y, which can be classified by loan types as; number of credit cards receivable 43,474 million baht, 10.6% y-y; loans receivable of 44,878 million baht, decreased by 1.8% y-y; hire purchase receivable of 5,511 million baht, decreasing by 6.5% y-y and others receivable of 73 million baht decreased by 37.6% from last year respectively.

#### - Allowance for expected credit loss

As of February 28, 2023, the Company provided allowance for doubtful accounts of 10,125 million baht or 10.8% of total accounts receivable, decreasing from 10,951 million baht or 12.0% of total accounts receivable at the end of previous fiscal year due to the business is returning to normal situation. The consolidated delinquent account receivables for 3 months and up was 5.5%. For default receivables in credit risk (NPL Stage 3) was 5.7%. The separated delinquent account receivables for 3 months and up was 5.2% and the default receivables in credit risk (NPL Stage 3) was 5.4%. As at 28 February, 2023, the consolidated coverage ratio of allowance for expected credit loss to NPL (NPL Coverage ratio) was at 190%.

### Liabilities

The consolidated liabilities of the Company as of February 28, 2023 totaling 71,859 million baht, an increase of 1,654 million baht or 2.4% y-y from 70,205 million baht at the end of previous fiscal year. There were both short-term and long-term borrowings totally 66,055 million baht, increasing by 1.0% from the end of last year. The portion of long-term borrowings was 48,733 million baht or represented 74% of total borrowings, increased/decreased from



the previous year to manage risk that might occur from the fluctuation in interest rate. However, for the risk of 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 12,370 million baht and 3,000 million baht unused committed facilities with various financial institutions which is sufficient to support the Company's operation and business expansion. The Company also does not have the debentures that will mature within 12 months. The company's credit rating by Fitch Rating remains at A-(tha)/Stable Outlook.

#### Shareholders' Equity

As of February 28, 2023, total shareholders' equity attributed to owners of the parent amounted to 22,821 million baht, an increase of 2,932 million baht or 14.7% y-y, Book value as of February 28, 2023 was 91.3 baht per share, increased from 79.6 baht per share as of February 28, 2022.

Debt to Equity ratio as of February 28, 2023 was at 3.1 times, continued decreasing from 3.5 times of previous year. Return on Equity (ROE) and Return on Asset (ROA) for the fiscal year of 2022 are 17.9% and 4.1%, respectively.

Key Financial Ratio	4Q/2021	4Q/2022	FY2021	FY2022
Net Profit Margin (%)	17.5%	12.5%	17.1%	17.1%
Interest Coverage Ratio (Times)	3.8	3.1	3.5	3.1
Cost to Income (%)	38.3%	37.1%	37.7%	36.4%
EPS (Baht)	3.64	1.72	14.21	15.26

Key Financial Ratio	As of 28 February 2022	As of 28 February 2023
Allowance for Expected Credit Loss/Total Receivables (%)	12.0%	10.8%
NPL Coverage Ratio (%)	247%	190%
Book Value per Share (Baht)	79.6	91.3