

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

TO THE BOARD OF DIRECTORS

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of AEON Thana Sinsap (Thailand) Public Company Limited and its subsidiaries and the separate statement of financial position of AEON Thana Sinsap (Thailand) Public Company Limited as at November 30, 2020, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income for the three-month and nine-month periods ended November 30, 2020, the related consolidated and separate statements of changes in shareholders' equity and cash flows for the nine-month period ended November 30, 2020, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

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

Emphasis of Matter

We draw attention to the Note 3 to the interim financial statements, AEON Thana Sinsap (Thailand) Public Company Limited and its subsidiaries have adopted the new accounting policies regarding the financial instruments which is in accordance with group of Financial Instruments Standards and Thai Financial Reporting Standard No. 16 “Leases”, and recognized the cumulative effect of initially applying such Standards as an adjustment to the beginning balance of retained earnings and other component of shareholders’ equity as at March 1, 2020, which are presented in the aforementioned note to the interim financial statements, to be in accordance with the new accounting policies. Our conclusion is not modified in respect of this matter.

BANGKOK
January 6, 2021

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

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT NOVEMBER 30, 2020

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		November 30,	February 29,	November 30,	February 29,
		2020	2020	2020	2020
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	4,341,579	4,993,557	2,344,278	3,462,432
Trade and other current receivables					
Trade receivables	5	71,802,117	81,307,074	69,819,157	78,306,046
Other receivables		788,745	942,044	645,471	833,052
Seller loan in Special Purpose Vehicle for securitization	9	-	-	234,425	235,074
Receivables per currency swap contracts	13	-	151,056	-	151,056
Other current assets		119,048	75,641	45,363	39,028
Total Current Assets		<u>77,051,489</u>	<u>87,469,372</u>	<u>73,088,694</u>	<u>83,026,688</u>
NON-CURRENT ASSETS					
Trade receivables	5	4,888,047	4,962,730	1,776,957	2,085,728
Fixed deposits at banks under obligations		40,869	39,283	-	-
Long-term loan to a subsidiary	6	-	-	120,436	125,858
Investment in an associate	7.1 and 7.2	-	25,431	16,819	16,819
Investments in subsidiaries	7.2	-	-	1,206,645	1,206,645
Investment in equity securities designated at fair value through profit or loss	8.1	5,062	-	5,062	-
Other long-term investments					
Related companies	8.2	-	19,072	-	19,072
Subordinated lendings	10.1	-	-	84,074	84,074
Leasehold improvement and equipment		791,945	885,495	630,020	725,045
Right-of-use assets		677,645	-	541,416	-
Intangible assets other than goodwill		695,485	646,481	519,767	511,377
Receivables per currency swap contracts	13	-	210,072	-	210,072
Deferred tax assets	11	3,149,660	926,002	3,094,036	896,851
Other non-current assets		192,793	211,673	173,473	181,773
Total Non-current Assets		<u>10,441,506</u>	<u>7,926,239</u>	<u>8,168,705</u>	<u>6,063,314</u>
TOTAL ASSETS		<u><u>87,492,995</u></u>	<u><u>95,395,611</u></u>	<u><u>81,257,399</u></u>	<u><u>89,090,002</u></u>

See condensed notes to the financial statements

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT NOVEMBER 30, 2020

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		November 30,	February 29,	November 30,	February 29,
		2020	2020	2020	2020
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	12	9,416,357	7,211,233	6,700,000	3,400,056
Trade and other current payables					
Trade payables		377,308	522,088	254,153	371,514
Other payables		1,472,412	1,690,368	1,323,587	1,568,907
Current portion of long-term liabilities					
Long-term borrowings	13	5,780,770	11,445,597	5,780,770	10,960,296
Long-term debentures	15	3,255,406	7,298,784	3,255,406	7,298,784
Derivative liabilities	16	1,167,274	-	1,167,274	-
Lease liabilities		443,519	-	376,349	-
Current income tax payable		385,892	655,977	329,246	587,564
Payables per currency swap contracts	13 and 15	-	526,253	-	526,253
Other current liabilities		350,934	256,469	354,734	301,981
Total Current Liabilities		22,649,872	29,606,769	19,541,519	25,015,355
NON-CURRENT LIABILITIES					
Long-term borrowings	13	37,858,427	33,814,014	35,566,970	33,116,395
Long-term borrowings under securitization project	14	-	-	1,539,672	1,662,552
Long-term debentures	15	8,179,041	9,489,182	6,705,959	8,016,100
Derivative liabilities	16	2,087,601	-	2,087,601	-
Lease liabilities		244,237	-	173,241	-
Payables per currency swap contracts	13 and 15	-	867,341	-	867,341
Subordinated borrowings	10.2	84,074	84,074	-	-
Provisions for employee benefit	17	432,078	393,419	386,643	352,594
Other non-current liabilities		28,086	15,665	166	291
Total Non-current Liabilities		48,913,544	44,663,695	46,460,252	44,015,273
TOTAL LIABILITIES		71,563,416	74,270,464	66,001,771	69,030,628

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT NOVEMBER 30, 2020

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		November 30,	February 29,	November 30,	February 29,
		2020	2020	2020	2020
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY	18				
SHARE CAPITAL					
Authorized share capital					
250,000,000 ordinary shares of Baht 1 each		250,000	250,000	250,000	250,000
Issued and paid-up share capital					
250,000,000 ordinary shares of Baht 1 each, fully paid		250,000	250,000	250,000	250,000
SHARE PREMIUM ON ORDINARY SHARES		478,000	478,000	478,000	478,000
RETAINED EARNINGS					
Appropriated					
Legal reserve		25,000	25,000	25,000	25,000
Reserve for business expansion		4,850,000	4,850,000	4,850,000	4,850,000
Unappropriated		11,309,829	15,302,773	10,843,658	14,456,374
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY					
Exchange differences on translating					
financial statements of foreign operations		(65,251)	(177,795)	-	-
Cumulative loss on cash flow hedges		(1,191,030)	-	(1,191,030)	-
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		15,656,548	20,727,978	15,255,628	20,059,374
NON-CONTROLLING INTERESTS		273,031	397,169	-	-
TOTAL SHAREHOLDERS' EQUITY		15,929,579	21,125,147	15,255,628	20,059,374
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		87,492,995	95,395,611	81,257,399	89,090,002

See condensed notes to the financial statements

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

STATEMENT OF PROFIT OR LOSS

FOR THE THREE-MONTH PERIOD ENDED NOVEMBER 30, 2020

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the three-month		For the three-month	
		periods ended		periods ended	
		November 30,	November 30,	November 30,	November 30,
		2020	2019	2020	2019
REVENUES					
Credit card income		1,528,618	1,897,170	1,590,154	1,969,854
Loan income	19	2,615,557	3,048,161	2,502,636	2,919,657
Hire-purchase income		249,149	192,262	82,344	44,707
Other income					
Bad debt recovery		313,915	264,471	313,915	264,471
Gain on sales of written-off receivables	25.3 and 25.4	249,699	247,940	249,699	247,940
Collection service income		61,156	69,309	187	261
Commission income		122,460	129,441	-	-
Dividend income		-	-	104,000	178,000
Others		116,363	130,015	29,338	33,981
Total Other income		863,593	841,176	697,139	724,653
Total Revenues		5,256,917	5,978,769	4,872,273	5,658,871
EXPENSES					
Operating and administrative expenses		2,023,582	2,311,538	1,781,504	2,053,754
Directors and managements' remuneration	20	32,456	41,058	21,165	25,509
Loss on sale and write-off of leasehold improvement and equipment		435	452	305	406
Total Expenses		2,056,473	2,353,048	1,802,974	2,079,669
Finance costs		515,243	548,940	506,161	581,539
Expected credit loss		1,344,950	-	1,055,132	-
Bad debts and doubtful accounts		-	1,786,091	-	1,709,575
Share of loss from an associate		7,326	7,016	-	-
PROFIT BEFORE INCOME TAX		1,332,925	1,283,674	1,508,006	1,288,088
INCOME TAX EXPENSE	21	297,411	256,567	277,188	216,596
PROFIT FOR THE PERIOD		1,035,514	1,027,107	1,230,818	1,071,492
PROFIT ATTRIBUTABLE TO :					
Owners of the parent		1,009,454	990,769	1,230,818	1,071,492
Non-controlling interests		26,060	36,338	-	-
		1,035,514	1,027,107	1,230,818	1,071,492
BASIC EARNINGS PER SHARE	BAHT	4.04	3.96	4.92	4.29
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	SHARES	250,000,000	250,000,000	250,000,000	250,000,000

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED NOVEMBER 30, 2020
“UNAUDITED”

UNIT : THOUSAND BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the three-month		For the three-month	
	periods ended		periods ended	
	November 30,	November 30,	November 30,	November 30,
	2020	2019	2020	2019
Profit for the period	1,035,514	1,027,107	1,230,818	1,071,492
Other comprehensive income (loss), net of tax				
Components of other comprehensive income (loss) that will be reclassified to profit or loss				
Exchange differences on translating financial statements of foreign operations				
- Owners of the parent	66,316	170,436	-	-
- Non-controlling interests	12,478	(15,219)	-	-
Loss on cash flow hedges	(62,404)	-	(62,404)	-
Other comprehensive income (loss) for the period, net of tax	16,390	155,217	(62,404)	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,051,904	1,182,324	1,168,414	1,071,492
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :				
Owners of the parent	1,013,366	1,161,205	1,168,414	1,071,492
Non-controlling interests	38,538	21,119	-	-
	1,051,904	1,182,324	1,168,414	1,071,492

See condensed notes to the financial statements

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

STATEMENT OF PROFIT OR LOSS

FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2020

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		For the nine-month periods ended		For the nine-month periods ended	
		November 30, 2020	November 30, 2019	November 30, 2020	November 30, 2019
REVENUES					
Credit card income		4,887,669	5,650,849	5,064,306	5,874,704
Loan income	19	8,595,980	8,988,327	8,194,460	8,642,199
Hire-purchase income		738,023	513,157	215,652	100,363
Other income					
Bad debt recovery		889,438	757,297	889,438	757,297
Gain on sales of written-off receivables	25.3 and 25.4	249,699	247,940	249,699	247,940
Collection service income		181,800	202,205	615	883
Commission income		385,436	395,993	-	-
Dividend income		-	-	218,800	264,180
Others		369,056	380,274	92,031	92,213
Total Other income		2,075,429	1,983,709	1,450,583	1,362,513
Total Revenues		16,297,101	17,136,042	14,925,001	15,979,779
EXPENSES					
Operating and administrative expenses		6,045,551	6,799,704	5,261,092	6,034,106
Directors and managements' remuneration	20	96,952	125,982	51,837	74,646
Loss on sale of investment		-	539	-	539
Loss on revaluation of investment		14,009	-	14,009	-
Loss on sale and write-off of leasehold improvement and equipment		5,212	2,456	5,242	2,128
Total Expenses		6,161,724	6,928,681	5,332,180	6,111,419
Finance costs		1,627,697	1,649,278	1,633,439	1,766,532
Expected credit loss	5.4	5,326,578	-	4,478,724	-
Bad debts and doubtful accounts		-	4,774,027	-	4,562,803
Share of loss from an associate		25,431	9,569	-	-
PROFIT BEFORE INCOME TAX		3,155,671	3,774,487	3,480,658	3,539,025
INCOME TAX EXPENSE	21	735,970	752,688	639,566	636,916
PROFIT FOR THE PERIOD		2,419,701	3,021,799	2,841,092	2,902,109
PROFIT (LOSS) ATTRIBUTABLE TO :					
Owners of the parent		2,506,034	2,919,643	2,841,092	2,902,109
Non-controlling interests		(86,333)	102,156	-	-
		2,419,701	3,021,799	2,841,092	2,902,109
BASIC EARNINGS PER SHARE	BAHT	10.02	11.68	11.36	11.61
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	SHARES	250,000,000	250,000,000	250,000,000	250,000,000

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2020
“UNAUDITED”

UNIT : THOUSAND BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month		For the nine-month	
	periods ended		periods ended	
	November 30,	November 30,	November 30,	November 30,
	2020	2019	2020	2019
Profit for the period	2,419,701	3,021,799	2,841,092	2,902,109
Other comprehensive income (loss), net of tax				
Components of other comprehensive income (loss) that will be reclassified to profit or loss				
Exchange differences on translating financial statements of foreign operations				
- Owners of the parent	112,544	129,785	-	-
- Non-controlling interests	24,527	(29,416)	-	-
Gain on cash flow hedges	155,818	-	155,818	-
Other comprehensive income for the period, net of tax	292,889	100,369	155,818	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	2,712,590	3,122,168	2,996,910	2,902,109
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :				
Owners of the parent	2,774,396	3,049,428	2,996,910	2,902,109
Non-controlling interests	(61,806)	72,740	-	-
	2,712,590	3,122,168	2,996,910	2,902,109

See condensed notes to the financial statements

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2020

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS									
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of shareholders' equity		Total owners of the parent	Non-controlling interests	Total shareholders' equity	
				Appropriated	Unappropriated	Exchange differences on translating financial statements of foreign operations	Cumulative loss on cash flow hedges				
			Legal reserve	Reserve for business expansion							
Beginning balance as at March 1, 2019		250,000	478,000	25,000	4,850,000	12,574,005	(123,078)	-	18,053,927	334,436	18,388,363
Changes during the period											
Dividend paid	18.1	-	-	-	-	(587,497)	-	-	(587,497)	(34,004)	(621,501)
Interim dividend paid	18.2	-	-	-	-	(612,498)	-	-	(612,498)	-	(612,498)
Profit for the period		-	-	-	-	2,919,643	-	-	2,919,643	102,156	3,021,799
Other comprehensive income (loss)		-	-	-	-	-	129,785	-	129,785	(29,416)	100,369
Ending balance as at November 30, 2019		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>14,293,653</u>	<u>6,707</u>	<u>-</u>	<u>19,903,360</u>	<u>373,172</u>	<u>20,276,532</u>
Beginning balance as at March 1, 2020 as previously reported		250,000	478,000	25,000	4,850,000	15,302,773	(177,795)	-	20,727,978	397,169	21,125,147
Impacts from the adoption of TFRS 9 and TFRS 16	2.7	-	-	-	-	(5,398,985)	-	(1,346,848)	(6,745,833)	(42,668)	(6,788,501)
Beginning balance as at March 1, 2020 after adjustment		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>9,903,788</u>	<u>(177,795)</u>	<u>(1,346,848)</u>	<u>13,982,145</u>	<u>354,501</u>	<u>14,336,646</u>
Changes during the period											
Dividend paid	18.3	-	-	-	-	(637,495)	-	-	(637,495)	(19,664)	(657,159)
Interim dividend paid	18.4	-	-	-	-	(462,498)	-	-	(462,498)	-	(462,498)
Profit (loss) for the period		-	-	-	-	2,506,034	-	-	2,506,034	(86,333)	2,419,701
Other comprehensive income		-	-	-	-	-	112,544	155,818	268,362	24,527	292,889
Ending balance as at November 30, 2020		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>11,309,829</u>	<u>(65,251)</u>	<u>(1,191,030)</u>	<u>15,656,548</u>	<u>273,031</u>	<u>15,929,579</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 NINE-MONTH PERIOD ENDED NOVEMBER 30, 2020

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	SEPARATE FINANCIAL STATEMENTS					Other components of shareholders' equity Cumulative loss on cash flow hedges	Total shareholders' equity
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings Appropriated Legal reserve	Retained earnings Unappropriated Reserve for business expansion			
Beginning balance as at March 1, 2019		250,000	478,000	25,000	4,850,000	11,855,276	-	17,458,276
Changes during the period								
Dividend paid	18.1	-	-	-	-	(587,497)	-	(587,497)
Interim dividend paid	18.2	-	-	-	-	(612,498)	-	(612,498)
Profit for the period		-	-	-	-	2,902,109	-	2,902,109
Ending balance as at November 30, 2019		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>13,557,390</u>	<u>-</u>	<u>19,160,390</u>
Beginning balance as at March 1, 2020 as previously reported		250,000	478,000	25,000	4,850,000	14,456,374	-	20,059,374
Impacts from the adoption of TFRS 9 and TFRS 16	2.7	-	-	-	-	(5,353,815)	(1,346,848)	(6,700,663)
Beginning balance as at March 1, 2020 after adjustment		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>9,102,559</u>	<u>(1,346,848)</u>	<u>13,358,711</u>
Changes during the period								
Dividend paid	18.3	-	-	-	-	(637,495)	-	(637,495)
Interim dividend paid	18.4	-	-	-	-	(462,498)	-	(462,498)
Profit for the period		-	-	-	-	2,841,092	-	2,841,092
Other comprehensive income		-	-	-	-	-	155,818	155,818
Ending balance as at November 30, 2020		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>10,843,658</u>	<u>(1,191,030)</u>	<u>15,255,628</u>

See condensed notes to the financial statements

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

STATEMENT OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2020

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the nine-month		For the nine-month	
		periods ended		periods ended	
		November 30,	November 30,	November 30,	November 30,
		2020	2019	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before income tax		3,155,671	3,774,487	3,480,658	3,539,025
Adjustments for:					
Share of loss from an associate		25,431	9,569	-	-
Expected credit loss		5,326,578	-	4,478,724	-
Bad debts and doubtful accounts		-	4,774,027	-	4,562,803
Loss on sale of investment		-	539	-	539
Loss on revaluation of investment		14,009	-	14,009	-
Depreciation of leasehold improvement and equipment and right-of-use assets		663,254	287,668	554,924	234,850
Amortization of intangible assets other than goodwill		133,330	130,804	104,457	109,610
Loss on sale of leasehold improvement and equipment		4,933	2,056	5,242	2,128
Loss on write-off of leasehold improvement and equipment		279	400	-	-
Employee benefit expense		94,599	48,195	79,193	42,677
Gain on sales of written-off receivables		(249,699)	(247,940)	(249,699)	(247,940)
Unrealized loss on exchange rate		-	-	5,422	-
Interest income		(9,872,202)	(10,046,539)	(8,484,007)	(8,803,842)
Gain on discount received from lease agreement		(1,184)	-	(1,184)	-
Dividend income		-	-	(218,800)	(264,180)
Finance costs		1,627,697	1,649,278	1,633,439	1,766,532
		<u>922,696</u>	<u>382,544</u>	<u>1,402,378</u>	<u>942,202</u>
Operating assets (increase) decrease					
Trade and other current receivables		(2,249,333)	(11,821,679)	(2,614,926)	(10,003,639)
Other current assets		(43,330)	14,026	(6,335)	(656)
Other non-current assets		19,422	(6,242)	8,300	(3,013)
Operating liabilities increase (decrease)					
Trade and other current payables		(48,204)	434,236	(22,861)	459,907
Other current liabilities		88,745	26,478	52,753	12,191
Other non-current liabilities		11,815	3,177	(125)	(125)
Cash received (paid) for operations		(1,298,189)	(10,967,460)	(1,180,816)	(8,593,133)
Proceeds from interest income		9,905,332	10,325,013	8,506,684	9,117,625
Dividend received		-	-	218,800	264,180
Finance costs paid		(1,763,257)	(1,722,029)	(1,792,029)	(1,842,128)
Income tax paid		(1,289,101)	(1,090,295)	(1,177,064)	(993,384)
Employee benefit paid		(55,940)	(1,863)	(45,144)	(1,734)
Net cash provided by (used in) operating activities		<u>5,498,845</u>	<u>(3,456,634)</u>	<u>4,530,431</u>	<u>(2,048,574)</u>

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2020
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the nine-month		For the nine-month	
		periods ended		periods ended	
		November 30,	November 30,	November 30,	November 30,
		2020	2019	2020	2019
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash paid for fixed deposits at banks under obligations		(14)	(8)	-	-
Cash paid for investment in a subsidiary		-	-	-	(178,634)
Proceeds from sale of investment in a related company		-	460	-	460
Cash paid for purchase of leasehold improvement and equipment	4.2	(212,337)	(267,004)	(158,905)	(200,794)
Proceeds from sale of leasehold improvement and equipment		1,183	512	472	415
Cash paid for purchase of intangible assets other than goodwill	4.2	(167,194)	(287,036)	(106,901)	(249,657)
Proceeds from sale of intangible assets other than goodwill		412	-	-	-
Net cash used in investing activities		<u>(377,950)</u>	<u>(553,076)</u>	<u>(265,334)</u>	<u>(628,210)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from bank overdrafts and short-term borrowings from financial institutions	4.4	47,117,924	84,710,090	38,290,000	71,672,969
Cash repayments for bank overdrafts and short-term borrowings from financial institutions	4.4	(45,236,852)	(82,746,338)	(34,990,056)	(70,871,338)
Cash paid for finance lease agreements	4.4		(888)	-	-
Proceeds from long-term borrowings	4.4	8,748,565	8,238,029	7,204,388	7,831,125
Cash repayments for long-term borrowings	4.4	(9,573,571)	(6,485,131)	(9,069,350)	(6,391,230)
Proceeds from long-term borrowings under securitization project	4.4	-	-	399,214	743,549
Cash repayments for long-term borrowings under securitization project	4.4	-	-	(399,214)	(608,549)
Proceeds from long-term debentures issuance	4.4	-	3,800,000	-	3,800,000
Cash repayments for long-term debentures	4.4	(5,627,700)	(1,971,860)	(5,627,700)	(1,971,860)
Cash paid for lease liabilities	4.4	(416,541)	-	(349,419)	-
Proceeds from sales of written-off receivables		258,879	247,940	258,879	307,053
Cash paid for dividend		(656,371)	(621,501)	(637,495)	(587,497)
Cash paid for interim dividend		(462,498)	(612,498)	(462,498)	(612,498)
Net cash provided by (used in) financing activities		<u>(5,848,165)</u>	<u>4,557,843</u>	<u>(5,383,251)</u>	<u>3,311,724</u>
Net increase (decrease) in cash and cash equivalents		<u>(727,270)</u>	<u>548,133</u>	<u>(1,118,154)</u>	<u>634,940</u>
Foreign exchange rate differences		75,292	166,887	-	-
Cash and cash equivalents at the beginning of the period		4,993,557	4,068,052	3,462,432	2,792,584
Cash and cash equivalents at the end of the period	4.1	<u><u>4,341,579</u></u>	<u><u>4,783,072</u></u>	<u><u>2,344,278</u></u>	<u><u>3,427,524</u></u>

See condensed notes to the financial statements

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED NOVEMBER 30, 2020
“UNAUDITED”**

1. OPERATIONS OF THE COMPANY

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

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

The Company has subsidiaries which are under its control in finance and operations and an associate which the Company has significant influence, but no control or joint control, over the financial and operating policies as mentioned in Note 2.5, Note 7.1 and Note 7.2.

Coronavirus Disease 2019 Pandemic

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

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

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

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

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

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

2.2 The interim consolidated and separate financial statements for the three-month and nine-month periods ended November 30, 2020 and 2019 are prepared by the management of the Company and are unaudited. However, in the opinion of the Company, all adjustments necessary for a fair presentation have been reflected therein.

The consolidated and separate statements of financial position as at February 29, 2020, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.

2.3 The unaudited results of operations presented in the three-month and nine-month periods ended November 30, 2020 are not necessarily an indication nor anticipation of the operating results for the full year.

2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRSs, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and nine-month periods ended November 30, 2020 should be read in conjunction with the audited financial statements for the year ended February 29, 2020.

2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the three-month and nine-month periods ended November 30, 2020 have included the subsidiaries’ interim financial statements which were reviewed.

For the three-month and nine-month periods ended November 30, 2020 and 2019, the subsidiaries included in the consolidated financial statements are as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%) for the three-month and nine-month periods ended November 30,	
				2020	2019
ACS Servicing (Thailand) Company Limited	Collection servicer	Thailand	March 13, 2007	100.00	100.00
AEON Insurance Service (Thailand) Company Limited	Non-life insurance broker and life insurance broker	Thailand	July 1, 2013	100.00	100.00
AEON Specialized Bank (Cambodia) Plc. ⁽⁵⁾	Retail finance business	Cambodia	October 5, 2011	50.00	50.00
AEON Microfinance (Myanmar) Company Limited	Retail finance business	Myanmar	November 2, 2012	100.00	100.00
AEON Leasing Service (Lao) Company Limited ⁽¹⁾	Retail finance business	Laos	January 11, 2013	100.00	100.00
ATS Rabbit Special Purpose Vehicle Company Limited ⁽²⁾	Special purpose juristic person in securitization projects	Thailand	March 20, 2015	48.75	48.75

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

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

⁽³⁾ The Company has the power to control over AEON Specialized Bank (Cambodia) Plc. in accordance with the requirement of TFRS No. 10 "Consolidated Financial Statements".

The interim consolidated financial statements for the three-month and nine-month periods ended November 30, 2020 and 2019 include equity interest in an associate as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%) for the three-month and nine-month periods ended November 30,	
				2020	2019
ACS Trading Vietnam Company Limited	Retail finance business	Vietnam	May 26, 2008	20.00	20.00

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

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

	The date of the end of the reporting period in preparation of the consolidated financial statements for the three-month and nine-month periods ended	
	November 30, 2020	November 30, 2019
Subsidiaries		
ACS Servicing (Thailand) Company Limited	September 30, 2020	September 30, 2019
AEON Insurance Service (Thailand) Company Limited	September 30, 2020	September 30, 2019
AEON Specialized Bank (Cambodia) Plc.	September 30, 2020	September 30, 2019
AEON Microfinance (Myanmar) Company Limited	September 30, 2020	September 30, 2019
AEON Leasing Service (Lao) Company Limited	September 30, 2020	September 30, 2019
An associate		
ACS Trading Vietnam Company Limited	September 30, 2020	September 30, 2019

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

During the period, the Group has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group's and the Company's financial statements, except the following financial reporting standards:

Group of Financial Instruments Standards

Thai Accounting Standards (“TAS”)

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards (“TFRS”)

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These group of Standards make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.

In the current year, the Group and the Company have initially applied Group of Financial Instruments Standards. The Group and the Company have elected to recognize the cumulative effect of initially adopting these group of Financial Instruments Standards as an adjustment to the opening balance of retained earnings and other component of shareholders' equity of the reporting period.

Accounting policies resulting from application of such group of Financial Instruments Standards are disclosed in Note 3.1.

The tables below show information relating to financial assets and financial liabilities that have been reclassified, re-measurement and change in provision for impairment of financial assets, as a result of the transition to Thai Financial Reporting Standards No. 9 "Financial instruments" ("TFRS 9").

CONSOLIDATED FINANCIAL STATEMENTS							
	Previous classification and measurement	Book value as at February 29, 2020 Baht '000	Reclassification Baht '000	Loss from ECL Baht '000	Re-measurement Baht '000	Book value as at March 1, 2020 Baht '000	New classification and measurement
ASSETS							
Cash and cash equivalents	Cost method	4,993,557	-	-	-	4,993,557	Amortized cost
Trade receivables	Cost method	86,269,804	-	(7,065,429)	-	79,204,375	Amortized cost
Other receivables	Cost method	942,044	-	-	-	942,044	Amortized cost
Receivables per currency swap contracts	Fair value	361,128	(361,128)	-	-	-	-
Derivative assets	-	-	361,128	-	(223,074)	138,054	FVTPL
Fixed deposits at banks under obligations	Cost method	39,283	-	-	-	39,283	Amortized cost
Other long-term investments	Cost method	19,072	(19,072)	-	-	-	-
Investments in equity securities designated at fair value through profit or loss	-	-	19,072	-	-	19,072	FVTPL
Other non-current assets	Cost method	211,673	-	-	-	211,673	Amortized cost
LIABILITIES							
Bank overdrafts and short-term borrowings	Cost method	7,211,233	-	-	-	7,211,233	Amortized cost
Trade payables	Cost method	522,088	-	-	-	522,088	Amortized cost
Other payables	Cost method	1,206,694	-	-	-	1,206,694	Amortized cost
Interest payable	Cost method	501,135	(94,711)	-	-	406,424	Amortized cost
Long-term borrowings	Cost method	45,259,611	-	-	-	45,259,611	Amortized cost
Long-term debentures	Cost method	16,787,966	-	-	-	16,787,966	Amortized cost
Subordinated borrowings	Cost method	84,074	-	-	-	84,074	Amortized cost
Payables per currency swap contracts	Fair value	1,393,594	(1,393,594)	-	-	-	-
Derivative liabilities	-	-	1,488,305	-	1,460,485	2,948,790	FVTPL

SEPARATE FINANCIAL STATEMENTS							
	Previous classification and measurement	Book value as at February 29, 2020 Baht '000	Reclassification Baht '000	Loss from ECL Baht '000	Re-measurement Baht '000	Book value as at March 1, 2020 Baht '000	New classification and measurement
ASSETS							
Cash and cash equivalents	Cost method	3,462,432	-	-	-	3,462,432	Amortized cost
Trade receivables	Cost method	80,391,774	-	(6,965,076)	-	73,426,698	Amortized cost
Other receivables	Cost method	833,052	-	-	-	833,052	Amortized cost
Seller loan in SPV	Cost method	235,074	-	-	-	235,074	Amortized cost
Receivables per currency swap contracts	Fair value	361,128	(361,128)	-	-	-	-
Long-term loan to a subsidiary	Cost method	125,858	-	-	-	125,858	Amortized cost
Derivative assets	-	-	361,128	-	(223,074)	138,054	FVTPL
Subordinated lendings	Cost method	84,074	-	-	-	84,074	Amortized cost
Other long-term investments	Cost method	19,072	(19,072)	-	-	-	-
Investments in equity securities designated at fair value through profit or loss	-	-	19,072	-	-	19,072	FVTPL
Other non-current assets	Cost method	181,773	-	-	-	181,773	Amortized cost
LIABILITIES							
Bank overdraft and short-term borrowings	Cost method	3,400,056	-	-	-	3,400,056	Amortized cost
Trade payables	Cost method	371,514	-	-	-	371,514	Amortized cost
Other payables	Cost method	1,090,504	-	-	-	1,090,504	Amortized cost
Interest payable	Cost method	495,559	(94,711)	-	-	400,848	Amortized cost
Long-term borrowings	Cost method	44,076,691	-	-	-	44,076,691	Amortized cost
Long-term borrowings under securitization project	Cost method	1,662,552	-	-	-	1,662,552	Amortized cost
Long-term debentures	Cost method	15,314,884	-	-	-	15,314,884	Amortized cost
Payables per currency swap contracts	Fair value	1,393,594	(1,393,594)	-	-	-	-
Derivative liabilities	-	-	1,488,305	-	1,460,485	2,948,790	FVTPL

Thai Financial Reporting Standard No. 16 “Leases” (“TFRS 16”)

The Group’s and the Company’s management have applied TFRS 16 using the cumulative catch-up approach which:

- Requires the Group and the Company to recognize the cumulative effect of initially applying TFRS 16 as an adjustment to the opening balance of retained earnings at the date of initial application.
- Does not restate the comparative information and continue to present comparative information under TAS 17 and TFRIC 4.

Accounting policies resulting from application of TFRS 16 are disclosed in Note 3.2.

The Group and the Company recognized lease liabilities in relation to leases, which had previously been classified as operating leases under the principles of TAS 17 and TFRIC 4. The right-of-use assets were measured at their carrying amount as if the Standard had been applied since the commencement date, but discounted using the lessee’s incremental borrowing rate at the date of initial application. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group’s and the Company’s incremental borrowing rates. The weight average lessees incremental borrowing rate applied to lease liabilities recognized in the consolidated and separate statement of financial position on March 1, 2020 are 2.31% per annum and 1.88% per annum, respectively.

The following table shows the operating lease commitments disclosed applying TAS 17 at February 29, 2020, discounted using incremental borrowing rate at the date of initial application and the lease liabilities recognized in the statement of financial position at the date of initial application.

	CONSOLIDATED FINANCIAL STATEMENTS Baht '000	SEPARATE FINANCIAL STATEMENTS Baht '000
Operating lease commitments as at February 29, 2020	1,013,754	766,947
Effect of discounting the above amounts	(76,022)	(5,386)
Lease liabilities recognized as at March 1, 2020	<u>937,732</u>	<u>761,561</u>

Total impacts of initial application of TFRS 9 and TFRS 16 on the statement of financial position

The tables below show the amount of adjustment for each financial statement line item affected by the application of TFRS 9 and TFRS 16 for the current year.

Impacts to assets, liabilities and shareholders' equity as at March 1, 2020

CONSOLIDATED FINANCIAL STATEMENTS				
	Before adjustments	TFRS 9 adjustments	TFRS 16 adjustments	After adjustments
	Baht '000	Baht '000	Baht '000	Baht '000
Trade receivables	86,269,804	(7,065,429)	-	79,204,375
Receivables per currency swap contracts	361,128	(361,128)	-	-
Other long-term investments	19,072	(19,072)	-	-
Investments in equity securities designated at fair value through profit or loss	-	19,072	-	19,072
Right-of-use assets	-	-	921,398	921,398
Derivative assets	-	138,054	-	138,054
Deferred tax assets	926,002	1,974,055	2,766	2,902,823
Interest payable	(501,135)	94,711	-	(406,424)
Payables per currency swap contracts	(1,393,594)	1,393,594	-	-
Derivative liabilities	-	(2,948,790)	-	(2,948,790)
Lease liabilities	-	-	(937,732)	(937,732)
Total impact on net assets		<u>(6,774,933)</u>	<u>(13,568)</u>	
Retained earnings	(15,302,773)	5,387,355	11,630	(9,903,788)
Other components of shareholders' equity	-	1,346,848	-	1,346,848
Non-controlling interests	(397,169)	40,730	1,938	(354,501)
Total impact on shareholders' equity		<u>6,774,933</u>	<u>13,568</u>	

	SEPARATE FINANCIAL STATEMENTS			
	Before	TFRS 9	TFRS 16	After
	adjustments	adjustments	adjustments	adjustments
	Baht '000	Baht '000	Baht '000	Baht '000
Trade receivables	80,391,774	(6,965,076)	-	73,426,698
Receivables per currency swap contracts	361,128	(361,128)	-	-
Other long-term investments	19,072	(19,072)	-	-
Investments in equity securities designated at fair value through profit or loss	-	19,072	-	19,072
Right-of-use assets	-	-	752,573	752,573
Derivative assets	-	138,054	-	138,054
Deferred tax assets	896,851	1,955,162	1,798	2,853,811
Interest payable	(495,559)	94,711	-	(400,848)
Payables per currency swap contracts	(1,393,594)	1,393,594	-	-
Derivative liabilities	-	(2,948,790)	-	(2,948,790)
Lease liabilities	-	-	(761,561)	(761,561)
Total impact on net assets		<u>(6,693,473)</u>	<u>(7,190)</u>	
Retained earnings	(14,456,374)	5,346,625	7,190	(9,102,559)
Other components of shareholders' equity	-	<u>1,346,848</u>	<u>-</u>	1,346,848
Total impact on shareholders' equity		<u>6,693,473</u>	<u>7,190</u>	

In addition, the Federation of Accounting Professions has announced two Accounting Treatment Guidances, which have been announced in the Royal Gazette on April 22, 2020, detail as follows:

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

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

The Group and the Company have not adopted such accounting treatment guidance in the preparation of the interim financial statements for the three-month and nine-month periods ended November 30, 2020.

Accounting Treatment Guidance on “The temporary relief measures for additional accounting alternatives to alleviate the impacts from COVID-19 outbreak”

This accounting treatment guidance is the option for all entities applying Financial Reporting Standards for Publicly Accountable Entities. Since the preparation of financial statements during the period, which COVID-19 situation still be highly uncertainty as at the end of reporting period may cause the entities’ management to use the critical judgment in the estimation or the measurement and recognition of accounting transactions. Objective of this accounting treatment guidance is to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation. The entities can apply this accounting treatment guidance for the preparation of financial statements with the reporting period ending within the period from January 1, 2020 to December 31, 2020.

The Group and Company have elected to apply the following temporary relief measures:

- Not to account for any reduction in lease payments by lessors as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognized in each period reversed in proportion to the reduction, with any differences then recognized in profit or loss.

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

The Federation of Accounting Professions has issued the Notification regarding Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretation and Thai Financial Reporting Standard Interpretation, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2021 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, except for the revisions of definitions and accounting requirements as follows:

Definition of Business

The revised Thai Financial Reporting Standard No. 3 “Business Combinations” clearly clarifies the definition of business and introduces an optional concentration test. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. This revised financial reporting standard requires prospective method for such amendment. Earlier application is permitted.

Definition of Materiality

The revised definition of materiality resulted in the amendment of Thai Accounting Standards No. 1 “Presentation of Financial Statements” and Thai Accounting Standards No. 8 “Accounting Policies, Changes in Accounting Estimates and Errors”, including other financial reporting standards which refer to materiality. This amendment is intended to make the definition of material to comply with the Conceptual Framework which requires prospective method for such amendment. Earlier application is permitted.

The Interest Rate Reform

Due to the interest rate reform, there are the amendments of specific hedge accounting requirements in Thai Financial Reporting Standard No. 9 “Financial Instruments” and Thai Financial Reporting Standard No. 7 “Financial Instruments: Disclosures”.

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.

Conceptual Framework for Financial Reporting

The revised Conceptual Framework for Financial Reporting consisted of the revised definitions and recognition criteria of asset and liability as well as new guidance on measurement, derecognition of asset and liability, presentation and disclosure. In addition, this Conceptual Framework for Financial Reporting clearly clarifies management’s stewardship of the entity’s economic resources, prudence, and measurement uncertainty of financial information.

3 SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended February 29, 2020, except the adoption of new and revised Thai Financial Reporting Standards as described in Note 2. Accounting policies which significantly changed are as follows:

3.1 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.

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.

Financial assets

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate).

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

Interest income is recognized using the effective interest method for financial assets measured subsequently at amortized cost.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI, are measured at FVTPL. Specifically, investments in equity instruments are classified as at FVTPL, unless the Group and the Company designate an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.

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 hedge accounting policy). The net gain or loss recognized in profit or loss includes any dividend or interest earned on the financial asset.

Impairment of financial assets

The Group and the Company recognize a loss allowance for expected credit losses on trade receivables. 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 losses 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, based on the Group's and the Company's historical experience and expert credit assessment including forward-looking information.

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;

- (1) The financial instrument has a low risk of default,
- (2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term, and
- (3) 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;
- 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 loans to customers 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 losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a 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 measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method.

Financial liabilities measured subsequently at amortized cost

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 through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Derecognition of financial instruments

The Group and the Company derecognize a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which the risks and rewards of ownership are transferred.

A financial liability is derecognized from the statement of financial position when the Group and the Company have discharged its obligation or the contract is cancelled or expires.

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 hedges and the quantity of the hedging instrument that the Group and the Company actually uses 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.

3.2 Leases

The Group and the Company have applied TFRS 16 using the cumulative catch-up approach and therefore comparative information has not been restated and is presented under TAS 17. The details of accounting policies under both TAS 17 and TFRS 16 are as follows.

The Group and the Company as lessee

a) Policies applicable from March 1, 2020

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 Company Group expects 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.

b) Policies applicable prior to March 1, 2020

Lease agreements

Finance lease agreements

Leases, which substantially all the risks and rewards of ownership are transferred to the Company, are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the balance outstanding. The outstanding rental obligations, net of finance charges, are included in long-term liabilities. The interest element of the finance cost is charged to the statement of profit or loss over the lease period. The assets under finance leases are depreciated over the shorter of the useful life of the asset or the lease term.

Operating lease agreements

Leases, which a significant portion of the risks and rewards of ownership are retained with the lessor, are classified as operating leases. Payments made under operating leases are charged to the statement of profit or loss over the lease term.

When an operating lease is terminated before the lease period has expired, any fine paid to the lessor, if any, is recognized as an expense in the period in which the termination takes place.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

4.1 Cash and cash equivalents as at November 30, 2020 and February 29, 2020 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	November 30,	February 29,	November 30,	February 29,
	2020	2020	2020	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Cash	840,846	1,313,506	806,273	1,273,999
Deposits at banks - call deposits	3,500,733	3,680,051	1,538,005	2,188,433
Cash and cash equivalents	4,341,579	4,993,557	2,344,278	3,462,432

- 4.2 Cash paid for purchase of leasehold improvement and equipment and intangible assets other than goodwill for the nine-month periods ended November 30, 2020 and 2019 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
Leasehold improvement and equipment				
Liabilities recorded - brought forward	43,432	28,930	40,514	28,673
Purchase of leasehold improvement and equipment	175,176	249,825	124,500	182,945
	218,608	278,755	165,014	211,618
<u>Less</u> Cash paid for purchase of				
leasehold improvement and equipment	(212,337)	(267,004)	(158,905)	(200,794)
Liabilities recorded - carried forward	6,271	11,751	6,109	10,824
Intangible assets other than goodwill				
Liabilities recorded - brought forward	1,572	28,891	1,571	28,891
Purchase of intangible assets other than goodwill	173,138	265,867	112,846	228,488
	174,710	294,758	114,417	257,379
<u>Less</u> Cash paid for purchase of				
intangible assets other than goodwill	(167,194)	(287,036)	(106,901)	(249,657)
Liabilities recorded - carried forward	7,516	7,722	7,516	7,722

- 4.3 The Company had non-cash items relating to sale of the rights on loans receivable to ATS Rabbit Special Purpose Vehicle Company Limited, a subsidiary, which the Company had sold loans receivable to. During the nine-month period ended November 30, 2020, such sale was settled by decreasing the Seller loan Account of Baht 0.65 million, and during the nine-month period ended November 30, 2019 by increasing the Seller loan Account of Baht 35.50 million, instead of cash receipt.

- 4.4 Changes in liabilities arising from financing activities for the nine-month periods ended November 30, 2020 and 2019 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					"Unaudited" Ending balance as at November 30, 2020 Baht '000
	Beginning balance as at March 1, 2020 Baht '000	Financing cash flows		Non-cash changes		
		Cash received Baht '000	Cash paid Baht '000	Differences on translating foreign currencies Baht '000	Others Baht '000	
Bank overdrafts and short-term borrowings from financial institutions	7,211,233	47,117,924	(45,236,852)	324,052	-	9,416,357
Long-term borrowings	45,259,611	8,748,565	(9,573,571)	(782,294)	(13,114)	43,639,197
Long-term debentures	16,787,966	-	(5,627,700)	266,588	7,593	11,434,447
Subordinated borrowings	84,074	-	-	-	-	84,074
Lease liabilities	937,732	-	(416,541)	4,226	162,339	687,756

CONSOLIDATED FINANCIAL STATEMENTS

	Beginning balance as at March 1, 2019 Baht '000	Financing cash flows		Non-cash changes		“Unaudited” Ending balance as at November 30, 2019 Baht '000
		Cash received Baht '000	Cash paid Baht '000	Differences on translating foreign currencies Baht '000	Others Baht '000	
Bank overdrafts and short-term borrowings from financial institutions	7,100,203	84,710,090	(82,746,338)	(154,013)	-	8,909,942
Liabilities under finance lease agreements	911	-	(888)	-	-	23
Long-term borrowings	40,618,864	8,238,029	(6,485,131)	(517,213)	13,913	41,868,462
Long-term debentures	15,938,620	3,800,000	(1,971,860)	(170,641)	8,715	17,604,834
Subordinated borrowings	84,074	-	-	-	-	84,074

SEPARATE FINANCIAL STATEMENTS

	Beginning balance as at March 1, 2020 Baht '000	Financing cash flows	Non-cash change	Ending		“Unaudited” balance as at November 30, 2020 Baht '000
		Cash received Baht '000	Cash paid Baht '000	Differences on translating foreign currencies Baht '000	Others Baht '000	
Bank overdrafts and short-term borrowings from financial institutions	3,400,056	38,290,000	(34,990,056)	-	-	6,700,000
Long-term borrowings	44,076,691	7,204,388	(9,069,350)	(850,875)	(13,114)	41,347,740
Long-term borrowings under securitization project	1,662,552	399,214	(399,214)	-	(122,880)	1,539,672
Long-term debentures	15,314,884	-	(5,627,700)	266,588	7,593	9,961,365
Lease liabilities	761,561	-	(349,419)	-	137,448	549,590

SEPARATE FINANCIAL STATEMENTS

	Beginning balance as at March 1, 2019 Baht '000	Financing cash flows		Non-cash changes		“Unaudited” Ending balance as at November 30, 2019 Baht '000
		Cash received Baht '000	Cash paid Baht '000	Differences on translating foreign currencies Baht '000	Others Baht '000	
Bank overdrafts and short-term borrowings from financial institutions	4,690,163	71,672,969	(70,871,338)	-	-	5,491,794
Long-term borrowings	39,999,182	7,831,125	(6,391,230)	(476,744)	13,913	40,976,246
Long-term borrowings under securitization project	1,652,515	743,549	(608,549)	-	(78,881)	1,708,634
Long-term debentures	14,465,538	3,800,000	(1,971,860)	(170,641)	8,715	16,131,752

5. TRADE RECEIVABLES

5.1 Trade receivables as at November 30, 2020 and February 29, 2020 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2020 Baht '000	As at February 29, 2020 Baht '000	As at November 30, 2020 Baht '000	As at February 29, 2020 Baht '000
Trade receivables	86,966,404	88,568,952	80,995,575	82,553,942
Trade receivables under securitization project				
- ATS Rabbit Special Purpose Vehicle Company Limited	1,539,672	1,662,552	1,539,672	1,662,552
Total	88,506,076	90,231,504	82,535,247	84,216,494
<u>Less</u> Allowance for expected credit loss	(11,815,912)	-	(10,939,133)	-
Allowance for doubtful accounts	-	(3,961,700)	-	(3,824,720)
Total trade receivables	76,690,164	86,269,804	71,596,114	80,391,774

As the securitization transaction under the Receivables Sale and Purchase Agreement for transferred rights on loans receivable with ATS Rabbit Special Purpose Vehicle Company Limited does not qualify for derecognition of financial assets, the Company continues to recognize the full carrying amount of these receivables and use them as collateral for long-term borrowings under the securitization project (see Note 5.5).

As at November 30, 2020 and February 29, 2020, trade receivables are as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
“Unaudited”						
	As at November 30, 2020			As at February 29, 2020		
	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	1,497,511	5,136,001	6,633,512	1,527,316	4,546,011	6,073,327
<u>Less</u> Unearned financing income	(343,323)	(544,106)	(887,429)	(315,130)	(572,138)	(887,268)
	<u>1,154,188</u>	<u>4,591,895</u>	<u>5,746,083</u>	<u>1,212,186</u>	<u>3,973,873</u>	<u>5,186,059</u>
<u>Less</u> Allowance for expected credit loss	(217,583)	(632,716)	(850,299)	-	-	-
Allowance for doubtful accounts	-	-	-	(196,086)	-	(196,086)
Hire-purchase and accrued interest receivable - net	<u>936,605</u>	<u>3,959,179</u>	<u>4,895,784</u>	<u>1,016,100</u>	<u>3,973,873</u>	<u>4,989,973</u>
Loans receivable						
Loans and accrued interest receivable	44,991,674	1,142,658	46,134,332	46,998,764	988,857	47,987,621
<u>Less</u> Allowance for expected credit loss	(6,780,026)	(213,790)	(6,993,816)	-	-	-
Allowance for doubtful accounts	-	-	-	(2,343,755)	-	(2,343,755)
Loans and accrued interest receivable - net	<u>38,211,648</u>	<u>928,868</u>	<u>39,140,516</u>	<u>44,655,009</u>	<u>988,857</u>	<u>45,643,866</u>
Credit card receivable						
Credit card and accrued interest receivable	36,462,471	-	36,462,471	36,892,388	-	36,892,388
<u>Less</u> Allowance for expected credit loss	(3,971,689)	-	(3,971,689)	-	-	-
Allowance for doubtful accounts	-	-	-	(1,421,531)	-	(1,421,531)
Credit card and accrued interest receivable - net	<u>32,490,782</u>	<u>-</u>	<u>32,490,782</u>	<u>35,470,857</u>	<u>-</u>	<u>35,470,857</u>
Receivable from rendering the collection service						
Receivable from rendering the collection service	13,306	-	13,306	11,786	-	11,786
<u>Less</u> Allowance for expected credit loss	(108)	-	(108)	-	-	-
Allowance for doubtful accounts	-	-	-	(328)	-	(328)
Receivable from rendering the collection service - net	<u>13,198</u>	<u>-</u>	<u>13,198</u>	<u>11,458</u>	<u>-</u>	<u>11,458</u>
Receivable from insurance broker business						
	149,884	-	149,884	153,650	-	153,650
Total trade receivables	<u>71,802,117</u>	<u>4,888,047</u>	<u>76,690,164</u>	<u>81,307,074</u>	<u>4,962,730</u>	<u>86,269,804</u>

SEPARATE FINANCIAL STATEMENTS

“Unaudited”

	As at November 30, 2020			As at February 29, 2020		
	Due within 1 year	Due after 1 year	Total	Due within 1 year	Due after 1 year	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	963,610	2,761,309	3,724,919	822,445	2,657,434	3,479,879
<u>Less</u> Unearned financing income	(343,322)	(544,106)	(887,428)	(315,130)	(572,138)	(887,268)
	620,288	2,217,203	2,837,491	507,315	2,085,296	2,592,611
<u>Less</u> Allowance for expected credit loss	(148,608)	(440,259)	(588,867)	-	-	-
Allowance for doubtful accounts	-	-	-	(127,587)	-	(127,587)
Hire-purchase and accrued interest receivable - net	471,680	1,776,944	2,248,624	379,728	2,085,296	2,465,024
Loans receivable						
Loans and accrued interest receivable	43,880,211	14	43,880,225	45,289,937	432	45,290,369
<u>Less</u> Allowance for expected credit loss	(6,440,638)	(1)	(6,440,639)	-	-	-
Allowance for doubtful accounts	-	-	-	(2,289,386)	-	(2,289,386)
Loans and accrued interest receivable - net	37,439,573	13	37,439,586	43,000,551	432	43,000,983
Credit card receivable						
Credit card and accrued interest receivable	35,817,531	-	35,817,531	36,333,514	-	36,333,514
<u>Less</u> Allowance for expected credit loss	(3,909,627)	-	(3,909,627)	-	-	-
Allowance for doubtful accounts	-	-	-	(1,407,747)	-	(1,407,747)
Credit card and accrued interest receivable - net	31,907,904	-	31,907,904	34,925,767	-	34,925,767
Total trade receivables	<u>69,819,157</u>	<u>1,776,957</u>	<u>71,596,114</u>	<u>78,306,046</u>	<u>2,085,728</u>	<u>80,391,774</u>

5.2 Quality of assets

Staging analysis for trade receivables as at November 30, 2020 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS			
“Unaudited”			
As at November 30, 2020			
Trade receivables	Allowance for	Total trade	
Baht '000	expected credit loss	receivables	
	Baht '000	Baht '000	
Low credit risk receivables (Stage 1)	81,146,872	(6,525,707)	74,621,165
Significant increase in credit risk receivables (Stage 2)	3,367,170	(1,931,199)	1,435,971
Default receivables in credit risk (Stage 3)	3,992,034	(3,359,006)	633,028
Total	<u>88,506,076</u>	<u>(11,815,912)</u>	<u>76,690,164</u>

SEPARATE FINANCIAL STATEMENTS			
“Unaudited”			
As at November 30, 2020			
Trade receivables	Allowance for	Total trade	
Baht '000	expected credit loss	receivables	
	Baht '000	Baht '000	
Low credit risk receivables (Stage 1)	75,997,203	(6,374,758)	69,622,445
Significant increase in credit risk receivables (Stage 2)	3,008,420	(1,796,457)	1,211,963
Default receivables in credit risk (Stage 3)	3,529,624	(2,767,918)	761,706
Total	<u>82,535,247</u>	<u>(10,939,133)</u>	<u>71,596,114</u>

Trade receivables as at February 29, 2020 classified by aging are as follows:

	CONSOLIDATED	SEPARATE
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	As at	As at
	February 29,	February 29,
	2020	2020
	Baht '000	Baht '000
Less than 3 months	86,915,769	81,017,602
3 months up	3,315,735	3,198,892
Total	<u>90,231,504</u>	<u>84,216,494</u>
<u>Less</u> Allowance for doubtful accounts	<u>(3,961,700)</u>	<u>(3,824,720)</u>
Total trade receivables	<u>86,269,804</u>	<u>80,391,774</u>

5.3 Troubled debt restructuring

For the three-month periods ended November 30, 2020 and 2019, the Company recognized interest income on restructured debts totaling Baht 35.45 million and Baht 36.46 million, respectively.

For the nine-month periods ended November 30, 2020 and 2019, the Company recognized interest income on restructured debts totaling Baht 101.96 million and Baht 114.87 million, respectively.

The Company had outstanding balances of credit card receivable, hire-purchase receivable and loans receivable as at November 30, 2020 and February 29, 2020, as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
	As at November 30, 2020		As at February 29, 2020	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	31,607	1,249,260	35,896	1,432,794
Non-restructured trade receivables	3,808,238	87,093,626	3,292,108	88,633,274
Total	<u>3,839,845</u>	<u>88,342,886</u>	<u>3,328,004</u>	<u>90,066,068</u>

SEPARATE FINANCIAL STATEMENTS				
“Unaudited”				
	As at November 30, 2020		As at February 29, 2020	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	31,590	1,247,601	35,873	1,429,317
Non-restructured trade receivables	2,756,137	81,287,646	2,885,335	82,787,177
Total	<u>2,787,727</u>	<u>82,535,247</u>	<u>2,921,208</u>	<u>84,216,494</u>

As at November 30, 2020 and February 29, 2020, 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 doubtful accounts

Allowance for expected credit loss / Allowance for doubtful accounts as at November 30, 2020 and February 29, 2020 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
November 30,	February 29,	November 30,	February 29,	
2020	2020	2020	2020	
Baht '000	Baht '000	Baht '000	Baht '000	
Beginning balance	3,961,700	2,879,968	3,824,720	2,806,641
Impacts from the adoption of TFRS 9	7,065,429	-	6,965,076	-
Expected credit loss	5,326,578	-	4,478,724	-
Bad debts and doubtful accounts	-	6,646,262	-	6,352,815
Gain on devaluation of long-term borrowings under securitization project	-	-	122,231	160,116
Written-off bad debts	(4,537,795)	(5,564,530)	(4,451,618)	(5,494,852)
Ending balance	<u>11,815,912</u>	<u>3,961,700</u>	<u>10,939,133</u>	<u>3,824,720</u>

5.5 Transfers of financial assets

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

Details of aforementioned sales of receivables are summarized as follows:

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

* ATS Rabbit Special Purpose Vehicle Company Limited (Subsidiary)

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

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

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

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

For the three-month and nine-month periods ended November 30, 2020 and 2019, transactions relating to the transfers of financial assets under the securitization project are summarized as follows:

	For the three-month periods ended November 30,		For the nine-month periods ended November 30,	
	2020 Million Baht	2019 Million Baht	2020 Million Baht	2019 Million Baht
Transfers of future and additional receivables (at book value)				
- Loans receivable (ATS Rabbit)	138	223	399	779
	<u>138</u>	<u>223</u>	<u>399</u>	<u>779</u>
Cash collection on behalf of a Special Purpose Vehicle				
- Loans receivable (ATS Rabbit)	220	302	717	958
	<u>220</u>	<u>302</u>	<u>717</u>	<u>958</u>
Servicing income on cash collection from a Special Purpose Vehicle				
- Loans receivable (ATS Rabbit)	21	24	65	70
	<u>21</u>	<u>24</u>	<u>65</u>	<u>70</u>

6. LONG-TERM LOAN TO A SUBSIDIARY

As at November 30, 2020, the Company has long-term loan to a subsidiary amounting to USD 4 million or equivalent to Baht 120.44 million which will be due in 2026. The loan is unsecured and has interest rate at 8.5% per annum (see Note 22.2.1) (As at February 29, 2020 : USD 4 million or equivalent to Baht 125.86 million).

7. INVESTMENTS IN AN ASSOCIATE AND SUBSIDIARIES

Investments in an associate and subsidiaries consist of:

7.1 Investment in an associate in the consolidated financial statements

As at November 30, 2020 and February 29, 2020, the Company had investment in an entity, which is an associate and is accounted for using the equity method in the consolidated financial statements as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
“Unaudited”						
			As at November 30, 2020		As at February 29, 2020	
	Paid-up capital	Ownership %	Cost method Baht '000	Equity method Baht '000	Cost method Baht '000	Equity method Baht '000
Investment in an associate						
ACS Trading Vietnam Company Limited	VND 50,000 million	20.00	16,819.3	-	16,819.3	25,430.9
Total investment in an associate			16,819.3	-	16,819.3	25,430.9

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

As at November 30, 2020 and February 29, 2020, the Company had investments in an associate and subsidiaries which are accounted for using the cost method in the separate financial statements as follows:

SEPARATE FINANCIAL STATEMENTS					
“Unaudited”					
		As at November 30, 2020		As at February 29, 2020	
		Ownership %	Cost Baht '000	Ownership %	Cost Baht '000
Investments in an associate and subsidiaries					
Investment in an associate (see Note 22.1)					
ACS Trading Vietnam Company Limited		20.00	16,819.3	20.00	16,819.3
Total investment in an associate			16,819.3		16,819.3
Investments in subsidiaries (see Note 22.1)					
ACS Servicing (Thailand) Company Limited		100.00	175,349.1	100.00	175,349.1
AEON Insurance Service (Thailand) Company Limited		100.00	149,224.3	100.00	149,224.3
AEON Specialized Bank (Cambodia) Plc.		50.00	323,580.0	50.00	323,580.0
AEON Microfinance (Myanmar) Company Limited		100.00	455,403.3	100.00	455,403.3
AEON Leasing Service (Lao) Company Limited		92.58	103,069.1	92.58	103,069.1
ATS Rabbit Special Purpose Vehicle Company Limited		48.75	19.5	48.75	19.5
Total investments in subsidiaries			1,206,645.3		1,206,645.3
Total investments in an associate and subsidiaries			1,223,464.6		1,223,464.6

8. INVESTMENTS IN EQUITY SECURITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS AND LONG-TERM INVESTMENTS IN RELATED COMPANIES

8.1 Investments in equity securities designated at fair value through profit or loss as at November 30, 2020, consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS "Unaudited" As at November 30, 2020	
	Ownership %	Fair Value Baht '000
AEON (Thailand) Co., Ltd. ⁽¹⁾	3.82	-
PT. AEON Credit Service Indonesia ⁽²⁾	2.59	5,062
Total		<u>5,062</u>

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

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

8.2 Long-term investments in related companies as at February 29, 2020 consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS As at February 29, 2020	
	Ownership %	Cost Baht '000
AEON (Thailand) Co., Ltd. ⁽¹⁾	3.82	8,500
PT. AEON Credit Service Indonesia ⁽²⁾	2.59	19,072
		<u>27,572</u>
<u>Less</u> Allowance for impairment of investment		<u>(8,500)</u>
Total		<u>19,072</u>

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

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

9. SELLER LOAN IN SPECIAL PURPOSE VEHICLE FOR SECURITIZATION

Seller loan in Special Purpose Vehicle for securitization as at November 30, 2020 and February 29, 2020 are as follows:

	SEPARATE FINANCIAL STATEMENTS "Unaudited"	
	As at November 30, 2020 Baht '000	As at February 29, 2020 Baht '000
Seller loan in Special Purpose Vehicle for securitization (see Note 22.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	<u>234,425</u>	<u>235,074</u>
Total Seller loan in Special Purpose Vehicle for securitization	<u>234,425</u>	<u>235,074</u>

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

10. SUBORDINATED LENDINGS AND SUBORDINATED BORROWINGS

10.1 Subordinated lendings to Special Purpose Vehicle as at November 30, 2020 and February 29, 2020 are as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2020 Baht '000	As at February 29, 2020 Baht '000
Subordinated lendings (see Note 22.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	84,074	84,074
Total subordinated lendings	84,074	84,074

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

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

10.2 Subordinated borrowings of Special Purpose Vehicle as at November 30, 2020 and February 29, 2020 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2020 Baht '000	As at February 29, 2020 Baht '000
Subordinated borrowings		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	84,074	84,074
Total subordinated borrowings	84,074	84,074

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

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

11. DEFERRED TAX ASSETS

Deferred tax assets as at November 30, 2020 and February 29, 2020 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2020 Baht '000	As at February 29, 2020 Baht '000	As at November 30, 2020 Baht '000	As at February 29, 2020 Baht '000
Deferred tax assets				
Allowance for expected credit loss	2,222,854	775,917	2,187,827	764,944
Non-accrual of interest income	69,046	73,406	67,322	71,755
Cumulative loss on investments in equity securities	4,502	-	4,502	-
Allowance for impairment of investment and assets	5,600	6,900	5,600	6,900
Provisions for employee benefit	86,416	78,683	77,329	70,518
Deferred revenue from customer loyalty programs	82,933	59,373	82,933	59,373
Lease agreements	2,212	-	1,635	-
Derivatives	650,975	-	650,975	-
Others	26,281	24,878	15,913	16,516
	<u>3,150,819</u>	<u>1,019,157</u>	<u>3,094,036</u>	<u>990,006</u>
Deferred tax liabilities				
Unrealized loss on exchange rate of currency swap contracts	-	93,155	-	93,155
Lease agreement	1,159	-	-	-
Deferred tax assets	<u>3,149,660</u>	<u>926,002</u>	<u>3,094,036</u>	<u>896,851</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”				
	Beginning balance as at March 1, 2020 Baht '000	Impacts from the adoption of TFRS 9 and TFRS 16 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at November 30, 2020 Baht '000
Deferred tax assets					
Allowance for expected credit loss	775,917	1,411,908	35,029	-	2,222,854
Non-accrual of interest income	73,406	-	(4,360)	-	69,046
Cumulative loss on investments in equity securities	-	1,700	2,802	-	4,502
Allowance for impairment of investment and assets	6,900	(1,700)	400	-	5,600
Provisions for employee benefit	78,683	-	7,733	-	86,416
Deferred revenue from customer loyalty programs	59,373	-	23,560	-	82,933
Lease agreements	-	1,798	414	-	2,212
Derivatives	-	562,147	127,783	(38,955)	650,975
Others	24,878	-	1,403	-	26,281
	<u>1,019,157</u>	<u>1,975,853</u>	<u>194,764</u>	<u>(38,955)</u>	<u>3,150,819</u>
Deferred tax liabilities					
Unrealized loss on exchange rate of currency swap contracts	93,155	-	(93,155)	-	-
Lease agreement	-	(968)	2,127	-	1,159
Deferred tax assets	<u>926,002</u>	<u>1,976,821</u>	<u>285,792</u>	<u>(38,955)</u>	<u>3,149,660</u>

CONSOLIDATED FINANCIAL STATEMENTS				
	Beginning balance as at March 1, 2019 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 29, 2020 Baht '000
Deferred tax assets				
Allowance for doubtful accounts	567,388	208,529	-	775,917
Non-accrual of interest income	47,205	26,201	-	73,406
Allowance for impairment of investment and assets	19,012	(12,112)	-	6,900
Provisions for employee benefit	54,264	12,771	11,648	78,683
Deferred revenue from customer loyalty programs	48,870	10,503	-	59,373
Others	9,672	15,206	-	24,878
	<u>746,411</u>	<u>261,098</u>	<u>11,648</u>	<u>1,019,157</u>
Deferred tax liabilities				
Unrealized loss on exchange rate of currency swap contracts	124,552	(31,397)	-	93,155
Others	209	(209)	-	-
	<u>124,761</u>	<u>(31,606)</u>	<u>-</u>	<u>93,155</u>
Deferred tax assets	<u>621,650</u>	<u>292,704</u>	<u>11,648</u>	<u>926,002</u>

SEPARATE FINANCIAL STATEMENTS					
“Unaudited”					
	Beginning balance as at March 1, 2020 Baht '000	Impacts from the adoption of TFRS 9 and TFRS 16 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at November 30, 2020 Baht '000
Deferred tax assets					
Allowance for expected credit loss	764,944	1,393,015	29,868	-	2,187,827
Non-accrual of interest income	71,755	-	(4,433)	-	67,322
Cumulative loss on investments in equity securities	-	1,700	2,802	-	4,502
Allowance for impairment of investment and assets	6,900	(1,700)	400	-	5,600
Provisions for employee benefit	70,518	-	6,811	-	77,329
Deferred revenue from customer loyalty programs	59,373	-	23,560	-	82,933
Lease agreements	-	1,798	(163)	-	1,635
Derivatives	-	562,147	127,783	(38,955)	650,975
Others	16,516	-	(603)	-	15,913
	<u>990,006</u>	<u>1,956,960</u>	<u>186,025</u>	<u>(38,955)</u>	<u>3,094,036</u>
Deferred tax liabilities					
Unrealized loss on exchange rate of currency swap contracts	93,155	-	(93,155)	-	-
Deferred tax assets	<u>896,851</u>	<u>1,956,960</u>	<u>279,180</u>	<u>(38,955)</u>	<u>3,094,036</u>

	SEPARATE 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 29,	
2019		income	2020	
Baht '000	Baht '000	Baht '000	Baht '000	
Deferred tax assets				
Allowance for doubtful accounts	561,328	203,616	-	764,944
Non-accrual of interest income	45,960	25,795	-	71,755
Allowance for impairment of investment and assets	19,012	(12,112)	-	6,900
Provisions for employee benefit	48,507	11,098	10,913	70,518
Deferred revenue from customer loyalty programs	44,351	15,022	-	59,373
Others	5,446	11,070	-	16,516
	<u>724,604</u>	<u>254,489</u>	<u>10,913</u>	<u>990,006</u>
Deferred tax liabilities				
Unrealized loss on exchange rate of currency swap contracts	124,552	(31,397)	-	93,155
Deferred tax assets	<u>600,052</u>	<u>285,886</u>	<u>10,913</u>	<u>896,851</u>

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

Bank overdrafts and short-term borrowings from financial institutions as at November 30, 2020 and February 29, 2020 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS			
	“Unaudited”			
	As at November 30, 2020		As at February 29, 2020	
	Interest rate		Interest rate	
	p.a. (%)	Baht '000	p.a. (%)	Baht '000
Overdrafts in THB currency	-	-	1.45	56
Short-term borrowings in THB currency	0.69 - 2.53	6,700,000	1.17 - 2.40	3,400,000
Short-term borrowings in USD currency	0.96 - 5.85	1,269,461	2.52 - 6.05	2,229,481
Short-term borrowings in LAK currency	6.50 - 6.60	278,576	6.50 - 6.70	280,013
Short-term borrowings in MMK currency	10.00 - 13.00	1,168,320	11.70 - 12.50	1,301,683
Total		<u>9,416,357</u>		<u>7,211,233</u>

	SEPARATE FINANCIAL STATEMENTS			
	“Unaudited”			
	As at November 30, 2020		As at February 29, 2020	
	Interest rate		Interest rate	
	p.a. (%)	Baht '000	p.a. (%)	Baht '000
Overdrafts in THB currency	-	-	1.45	56
Short-term borrowings in THB currency	0.69 - 2.53	<u>6,700,000</u>	1.17 - 2.40	<u>3,400,000</u>
Total		<u>6,700,000</u>		<u>3,400,056</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.

13. LONG-TERM BORROWINGS

As at November 30, 2020 and February 29, 2020, the Company entered into various long-term borrowings agreements in THB and foreign currencies as follows:

CONSOLIDATED FINANCIAL STATEMENTS "Unaudited"				
As at November 30, 2020				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2020 - 2025	2.06 - 5.26	23,642.05	6,985,090
Borrowings in USD currency	2021 - 2027	1.85 - 8.50	699.29	21,393,707
Borrowings in THB currency	2021 - 2024	2.00 - 3.29	15,300.00	15,300,000
<u>Less</u> Borrowings issuance cost				(39,600)
				43,639,197
<u>Less</u> Current portion of long-term borrowings				(5,780,770)
Total long-term borrowings				<u>37,858,427</u>

CONSOLIDATED FINANCIAL STATEMENTS As at February 29, 2020				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2020 - 2023	2.96 - 5.26	29,742.05	8,729,499
Borrowings in USD currency	2020 - 2025	2.03 - 3.69	667.49	21,156,598
Borrowings in THB currency	2020 - 2024	2.41 - 3.41	15,400.00	15,400,000
<u>Less</u> Borrowings issuance cost				(26,486)
				45,259,611
<u>Less</u> Current portion of long-term borrowings				(11,445,597)
Total long-term borrowings				<u>33,814,014</u>

SEPARATE FINANCIAL STATEMENTS "Unaudited"				
As at November 30, 2020				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2020 - 2025	2.06 - 5.26	23,642.05	6,985,090
Borrowings in USD currency	2021 - 2025	1.85 - 3.38	627.29	19,102,250
Borrowings in THB currency	2021 - 2024	2.00 - 3.29	15,300.00	15,300,000
<u>Less</u> Borrowings issuance cost				(39,600)
				41,347,740
<u>Less</u> Current portion of long-term borrowings				(5,780,770)
Total long-term borrowings				<u>35,566,970</u>

SEPARATE FINANCIAL STATEMENTS As at February 29, 2020				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2020 - 2023	2.96 - 5.26	29,742.05	8,729,499
Borrowings in USD currency	2020 - 2025	2.03 - 3.38	628.49	19,973,678
Borrowings in THB currency	2020 - 2024	2.41 - 3.41	15,400.00	15,400,000
<u>Less</u> Borrowings issuance cost				(26,486)
				44,076,691
<u>Less</u> Current portion of long-term borrowings				(10,960,296)
Total long-term borrowings				<u>33,116,395</u>

In the consolidated and separate financial statements as at November 30, 2020, the Company has long-term borrowings in JPY currency from a related company which is a bank in Japan amounting to JPY 2,500 million or equivalent to Baht 738.24 million with interest rate at 4.84% per annum which are unsecured and will be due in the year 2021 (see Note 22.2.1) (As at February 29, 2020 : JPY 2,500 million or equivalent to Baht 732.93 million).

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

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS				
As at February 29, 2020				
	Notional amount Baht '000	Carrying amount		Total Baht '000
		Within 1 year Baht '000	Over 1 - 5 years Baht '000	
Receivables per currency swap contracts				
Cross Currency Swap Contracts				
JPY currency	5,197,000	151,056	64,814	215,870
USD currency	4,876,045	-	145,258	145,258
	<u>10,073,045</u>	<u>151,056</u>	<u>210,072</u>	<u>361,128</u>
Payables per currency swap contracts				
Cross Currency Swap Contracts				
JPY currency	3,535,000	(64,479)	(153,892)	(218,371)
USD currency	15,628,150	(135,408)	(540,367)	(675,775)
	<u>19,163,150</u>	<u>(199,887)</u>	<u>(694,259)</u>	<u>(894,146)</u>

14. LONG-TERM BORROWINGS UNDER SECURITIZATION PROJECT

As at November 30, 2020 and February 29, 2020, the Company recognized the cash received and the settlement by the Seller Loan Account of ATS Rabbit for the transferred rights in loans receivable under securitization project (see Note 5.5) as long-term borrowings under securitization project in the separate financial statements in the amount of Baht 1,539.67 million and Baht 1,662.55 million, respectively.

15. LONG-TERM DEBENTURES

Long-term debentures represent unsubordinated and unsecured debentures as at November 30, 2020 and February 29, 2020, as follows:

Issue date	Maturity date	No of units	Currency	Par value per unit	Amount	Interest rate p.a. (%)	Term of interest payment	"Unaudited"	
								As at November 30, 2020 Baht '000	As at February 29, 2020 Baht '000
Company									
25/03/2016	25/03/2020	70	USD	1,000,000	70,000,000	USD-LIBOR 6M + 0.65	Semi-annual	-	2,224,628
28/03/2016	27/03/2020	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.50	Semi-annual	-	476,706
22/08/2016	20/08/2021	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.85	Semi-annual	456,780	476,706
21/12/2016	21/12/2021	1,000,000	THB	1,000	1,000,000,000	3.48	Quarterly	1,000,000	1,000,000
30/12/2016	30/12/2021	30	USD	1,000,000	30,000,000	USD-LIBOR 6M + 0.65	Semi-annual	913,560	953,412
18/08/2017	18/08/2020	200,000	THB	1,000	200,000,000	2.50	Quarterly	-	200,000
14/09/2017	14/09/2020	300,000	THB	1,000	300,000,000	2.50	Semi-annual	-	300,000
21/09/2017	21/09/2020	100,000	THB	1,000	100,000,000	2.50	Semi-annual	-	100,000
15/12/2017	15/12/2020	2,000,000	THB	1,000	2,000,000,000	2.37	Semi-annual	2,000,000	2,000,000
15/12/2017	15/12/2022	1,000,000	THB	1,000	1,000,000,000	2.93	Semi-annual	1,000,000	1,000,000
15/11/2018	15/11/2020	2,000,000	THB	1,000	2,000,000,000	2.96	Semi-annual	-	2,000,000
15/11/2018	15/11/2021	800,000	THB	1,000	800,000,000	3.26	Semi-annual	800,000	800,000
15/11/2019	15/11/2022	2,800,000	THB	1,000	2,800,000,000	2.27	Semi-annual	2,800,000	2,800,000
15/11/2019	15/11/2024	1,000,000	THB	1,000	1,000,000,000	2.57	Semi-annual	1,000,000	1,000,000
								9,970,340	15,331,452
<u>Less</u> Debentures issuance cost								(8,975)	(16,568)
								9,961,365	15,314,884
<u>Less</u> Current portion of long-term debentures								(3,255,406)	(7,298,784)
Total long-term debentures in separate financial statements								6,705,959	8,016,100
ATS Rabbit Special Purpose Vehicle Company Limited									
29/09/2018	28/10/2025	1,473,082	THB	1,000	1,473,082,000	2.84	Monthly	1,473,082	1,473,082
Total long-term debentures in consolidated financial statements								8,179,041	9,489,182

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

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at February 29, 2020			
	Notional Amount Baht '000	Within 1 year Baht '000	Carrying amount Over 1 - 5 years Baht '000	Total Baht '000
Payables per currency swap contracts				
Cross Currency Swap Contracts				
USD currency	4,630,900	(326,366)	(173,082)	(499,448)
	<u>4,630,900</u>	<u>(326,366)</u>	<u>(173,082)</u>	<u>(499,448)</u>

16. DERIVATIVE FINANCIAL INSTRUMENTS

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

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
“Unaudited”			
As at November 30, 2020			
	Fair value		Notional amount
	Assets Baht '000	Liabilities Baht '000	Baht '000
Derivatives designated as cash flow hedges			
Cross currency swaps	-	2,836,745	27,457,679
Interest rate swaps	-	418,130	9,000,000
Total derivative assets / liabilities	<u>-</u>	<u>3,254,875</u>	<u>36,457,679</u>

17. PROVISIONS FOR EMPLOYEE BENEFIT

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

For the three-month and nine-month periods ended November 30, 2020 and 2019, amounts recognized in the statements of profit or loss in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month periods ended		For the nine-month periods ended	
	November 30, 2020	November 30, 2019	November 30, 2020	November 30, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Current service cost	17,348	14,005	53,385	42,047
Interest cost	1,583	2,083	4,872	6,148
Loss on settlement	-	-	36,342	-
Total	<u>18,931</u>	<u>16,088</u>	<u>94,599</u>	<u>48,195</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month periods ended		For the nine-month periods ended	
	November 30, 2020	November 30, 2019	November 30, 2020	November 30, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Current service cost	15,369	12,641	47,231	37,146
Interest cost	1,417	1,881	4,358	5,531
Loss on settlement	-	-	27,604	-
Total	<u>16,786</u>	<u>14,522</u>	<u>79,193</u>	<u>42,677</u>

Movements in the present value of the provisions for post-employment benefit for the nine-month periods ended November 30, 2020 and 2019, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	393,419	271,321	352,594	242,534
Current service cost	53,385	42,047	47,231	37,146
Interest cost	4,872	6,148	4,358	5,531
Loss on settlement	36,342	-	27,604	-
Benefits paid	(55,940)	(1,863)	(45,144)	(1,734)
Ending balance	<u>432,078</u>	<u>317,653</u>	<u>386,643</u>	<u>283,477</u>

The significant actuarial assumptions used to calculate the provisions under the defined benefit plans as at November 30, 2020 and February 29, 2020 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	“Unaudited”	
	As at November 30, 2020	As at February 29, 2020
	% per annum	% per annum
Financial assumptions		
Discount rate	1.47 - 1.80	1.47 - 1.80
Expected rate of salary increase	5.0	5.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 30.0	0.0 - 30.0
	Subject to range of age of employees	Subject to range of age of employees
Daily staff	0.0 - 52.0	0.0 - 52.0
	Subject to range of age of employees	Subject to range of age of employees
Temporary staff	0.0 - 42.0	0.0 - 42.0
	Subject to range of age of employees	Subject to range of age of employees
SEPARATE FINANCIAL STATEMENTS		
“Unaudited”		
	As at November 30, 2020	As at February 29, 2020
	% per annum	% per annum
Financial assumptions		
Discount rate	1.69	1.69
Expected rate of salary increase	5.0	5.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 18.0	0.0 - 18.0
	Subject to range of age of employees	Subject to range of age of employees
Daily staff	0.0 - 52.0	0.0 - 52.0
	Subject to range of age of employees	Subject to range of age of employees

18. SHAREHOLDERS' EQUITY

- 18.1 On June 21, 2019, the Annual General Meeting of shareholders had the resolutions to approve the declaration of final dividends for the year ended February 28, 2019 at the rate of Baht 2.35 per share, totaling Baht 587.50 million. The aforementioned shareholders included 1,200 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 587.50 million on July 18, 2019 in addition to the interim dividends which had been paid to all shareholders at Baht 2.35 per share, totaling Baht 587.50 million on November 1, 2018.
- 18.2 On October 7, 2019, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the year ended February 29, 2020 at the rate of Baht 2.45 per share to shareholders, totaling Baht 612.50 million. The aforementioned shareholders included 1,000 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 612.50 million on November 4, 2019.
- 18.3 On June 24, 2020, the Annual General Meeting of Shareholders had the resolutions to approve the declaration of final dividends for the year ended February 29, 2020 at the rate of Baht 2.55 per share, totaling Baht 637.50 million. The aforementioned shareholders included 1,800 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 July 20, 2020 in addition to the interim dividends which had been paid to all shareholders at Baht 2.45 per share, totaling Baht 612.50 million on November 4, 2019.
- 18.4 On October 6, 2020, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the year ending February 28, 2021 at the rate of Baht 1.85 per share to shareholders, totaling Baht 462.50 million. The aforementioned shareholders included 1,100 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 462.50 million on November 5, 2020.
- 18.5 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.

19. REVENUES RELATING TO SECURITIZATION TRANSACTION

For the three-month and nine-month periods ended November 30, 2020 and 2019, revenues relating to securitization transaction incurred from sales of rights in loans receivable to ATS Rabbit Special Purpose Vehicle Company Limited are included in the presentation of Loan income as follows:

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
Loan income (see Note 22.2.2)				
Interest income from subordinated lendings	2,515	2,515	7,601	7,601
Revenue from seller loan in Special Purpose Vehicle	6,487	6,324	19,316	17,024
Dividend from investment in Special Purpose Vehicle	3,372	9,995	19,664	34,004
Servicing income	21,034	23,303	65,201	69,684
Total	<u>33,408</u>	<u>42,137</u>	<u>111,782</u>	<u>128,313</u>

20. DIRECTORS AND MANAGERMENTS' REMUNERATION

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

For the three-month and nine-month periods ended November 30, 2020 and 2019, directors and managements' remuneration are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefit				
Directors' remuneration	3,722	11,450	3,994	27,562
Managements' remuneration	27,604	28,090	89,421	93,867
Post-employment benefit	1,130	1,518	3,537	4,553
Total	<u>32,456</u>	<u>41,058</u>	<u>96,952</u>	<u>125,982</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefit				
Directors' remuneration	3,772	7,250	(1,531)	16,994
Managements' remuneration	16,555	17,329	50,711	54,861
Post-employment benefit	838	930	2,657	2,791
Total	<u>21,165</u>	<u>25,509</u>	<u>51,837</u>	<u>74,646</u>

For the three-month and nine-month periods ended November 30, 2020 and 2019, 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, 2020 and June 21, 2019, respectively.

21. CORPORATE INCOME TAX

The Company and its local subsidiaries used tax rate of 20% for corporate income tax and deferred tax calculations for the three-month and nine-month periods ended November 30, 2020 and 2019. The foreign subsidiaries used 20% - 25% for corporate income tax and deferred tax calculations for the three-month and nine-month periods ended November 30, 2020 and 2019.

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

For the three-month and nine-month periods ended November 30, 2020 and 2019, income tax expense consists of:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense for the period	354,591	370,282	1,021,762	1,003,704
Deferred income tax revenue	(57,180)	(113,715)	(285,792)	(251,016)
Income tax expense per statements of profit or loss	<u>297,411</u>	<u>256,567</u>	<u>735,970</u>	<u>752,688</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense for the period	333,320	329,913	918,746	884,168
Deferred income tax revenue	(56,132)	(113,317)	(279,180)	(247,252)
Income tax expense per statements of profit or loss	<u>277,188</u>	<u>216,596</u>	<u>639,566</u>	<u>636,916</u>

Reconciliations of effective tax rates for the three-month and nine-month periods ended November 30, 2020 and 2019 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	1,332,925	1,283,674	3,155,671	3,774,487
Permanent differences	(2,970)	(13,806)	118,341	(51,798)
Temporary differences	277,679	569,085	1,397,730	1,256,551
Taxable profit	<u>1,607,634</u>	<u>1,838,953</u>	<u>4,671,742</u>	<u>4,979,240</u>
Normal income tax rate (%)	20.00 - 25.00	20.00 - 25.00	20.00 - 25.00	20.00 - 25.00
Income tax for the period currently payable	354,591	370,282	1,021,762	1,003,704
Deferred tax from temporary differences	(57,180)	(113,715)	(285,792)	(251,016)
Income tax expense per statements of profit or loss	<u>297,411</u>	<u>256,567</u>	<u>735,970</u>	<u>752,688</u>
Effective tax rate (%)	22.31	19.99	23.32	19.94

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the nine-month	
	periods ended November 30,		periods ended November 30,	
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	1,508,006	1,288,088	3,480,658	3,539,025
Permanent differences	(14,694)	(17,108)	(44,365)	(56,260)
Temporary differences	280,658	566,582	1,395,898	1,236,261
Income that is exempt from taxable	(107,372)	(187,995)	(238,464)	(298,184)
Taxable profit	<u>1,666,598</u>	<u>1,649,567</u>	<u>4,593,727</u>	<u>4,420,842</u>
Normal income tax rate (%)	20.00	20.00	20.00	20.00
Income tax for the period currently payable	333,320	329,913	918,746	884,168
Deferred tax from temporary differences	(56,132)	(113,317)	(279,180)	(247,252)
Income tax expense per statements of profit or loss	<u>277,188</u>	<u>216,596</u>	<u>639,566</u>	<u>636,916</u>
Effective tax rate (%)	18.38	16.82	18.37	18.00

22. TRANSACTIONS WITH RELATED PARTIES

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

22.1 Investments in an associate and subsidiaries (see Note 7.2) as at November 30, 2020 and February 29, 2020 are as follows:

Related parties	Relationship	SEPARATE FINANCIAL STATEMENTS					
		"Unaudited"					
		As at November 30, 2020			As at February 29, 2020		
		Ownership	Paid-up	Cost	Ownership	Paid-up	Cost
%	capital		%	capital			
		Baht '000	Baht '000		Baht '000	Baht '000	
Investments in an associate and subsidiaries							
Investment in an associate							
ACS Trading Vietnam Company Limited	Associate	20.00	84,096.3	16,819.3	20.00	84,096.3	16,819.3
Total investment in an associate				<u>16,819.3</u>			<u>16,819.3</u>
Investments in subsidiaries							
ACS Servicing (Thailand) Company Limited	Subsidiary	100.00	175,349.1	175,349.1	100.00	175,349.1	175,349.1
AEON Insurance Service (Thailand) Company Limited	Subsidiary	100.00	149,224.3	149,224.3	100.00	149,224.3	149,224.3
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	50.00	643,720.4	323,580.0	50.00	643,720.4	323,580.0
AEON Microfinance (Myanmar) Company Limited	Subsidiary	100.00	455,403.3	455,403.3	100.00	455,403.3	455,403.3
AEON Leasing Service (Lao) Company Limited	Subsidiary	92.58	111,402.9	103,069.1	92.58	111,402.9	103,069.1
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	48.75	40.0	19.5	48.75	40.0	19.5
Total investments in subsidiaries				<u>1,206,645.3</u>			<u>1,206,645.3</u>
Total investments in an associate and subsidiaries				<u>1,223,464.6</u>			<u>1,223,464.6</u>

22.2 Business transactions with related parties

22.2.1 Balances with related parties as at November 30, 2020 and February 29, 2020 are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
		As at November 30, 2020 Baht '000	As at February 29, 2020 Baht '000	As at November 30, 2020 Baht '000	As at February 29, 2020 Baht '000
Other receivables					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	31,746	31,673
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	1,614	1,089
AEON Financial Service Co., Ltd.	Major shareholder	1,428	1,065	280	215
AEON Credit Service Company Limited	Common ultimate holding company	32	60	-	-
ACS Capital Corporation Limited	Shareholder and one common director	4,629	1,024	80	1
AEON Leasing Service (Lao) Company Limited	Subsidiary	-	-	-	464
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	48,776	48,381
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	4,398	1,800
AEON Bank Ltd.	Common ultimate holding company	234	82	-	-
AEON (Cambodia) Co., Ltd.	Common ultimate holding company	259	-	-	-
		<u>6,582</u>	<u>2,231</u>	<u>86,894</u>	<u>83,623</u>
Long-term loan (see Note 6)					
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	120,436	125,858
Seller loan in Special Purpose Vehicle for securitization (see Note 9)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	234,425	235,074
Subordinated lendings (see Note 10.1)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	84,074	84,074
Long-term borrowings (see Note 13)					
AEON Bank Ltd.	Common ultimate holding company	738,237	732,928	738,237	732,928
Trade payables					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	158	80
Other payables					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	2,353	9,085
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	52,847	145,924
AEON (Thailand) Company Limited	Shareholder and two common directors	1,001	11,346	959	11,346
AEON Financial Service Co., Ltd.	Major shareholder	36,997	45,438	26,741	40,355
AEON Credit Service Company Limited	Common ultimate holding company	3,297	12,346	1,386	8,996
AEON Credit Service Systems (Philippines) Inc.	Holding shares	3,990	1,619	-	-
AEON Bank Ltd.	Common ultimate holding company	3,241	1,847	3,241	1,847
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	54,527	59,878
AEON Insurance Service Company Limited (JP)	Common ultimate holding company	668	1,371	-	-
AEON Credit Service (Malaysia) BHD.	Common ultimate holding company	401	-	-	-
AEON Credit Service (Asia) Company Limited	Common ultimate holding company	83	-	-	-
		<u>49,678</u>	<u>73,967</u>	<u>142,054</u>	<u>277,431</u>
Long-term borrowings under securitization project (see Note 14)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	1,539,672	1,662,552
Deposit received					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	4,163	4,163
Deferred revenue					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	79,741	82,872

22.2.2 Transactions with related parties for the three-month and nine-month periods ended November 30, 2020 and 2019 are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS			
		For the three-month		For the nine-month	
		periods ended November 30, 2020	2019	periods ended November 30, 2020	2019
		Baht '000	Baht '000	Baht '000	Baht '000
Collection service income					
ACS Capital Corporation Limited	Shareholder and one common director	153	744	728	2,224
Other income					
ACS Capital Corporation Limited	Shareholder and one common director	1,577	3,053	13,021	5,742
Operating and administrative expenses					
Others					
AEON Financial Service Co., Ltd.	Major shareholder	44,354	24,276	98,595	75,630
AEON Credit Service Company Limited	Common ultimate holding company	4,098	8,406	20,892	33,229
AEON (Thailand) Company Limited	Holding shares and two common directors	4,021	2,687	13,530	11,151
AEON Credit Service Systems (Philippines) Inc.	Common ultimate holding company	3,366	1,293	9,473	4,797
AEON Credit Service (Asia) Company Limited	Common ultimate holding company	-	236	-	1,700
AEON Bank Ltd.	Common ultimate holding company	940	4,836	8,270	6,050
		<u>56,779</u>	<u>41,734</u>	<u>150,760</u>	<u>132,557</u>
Finance costs					
AEON Financial Service Co., Ltd.	Major shareholder	748	637	2,279	1,780
AEON Bank Ltd.	Common ultimate holding company	1,603	1,607	5,016	6,776
		<u>2,351</u>	<u>2,244</u>	<u>7,295</u>	<u>8,556</u>
Dividend paid					
ACS Capital Corporation Limited	Shareholder and one common director	88,800	117,600	211,200	230,400
AEON Financial Service Co., Ltd.	Major shareholder	162,430	215,110	386,320	421,440
AEON Holding (Thailand) Limited	Common ultimate holding company	40,700	53,900	96,800	105,600
		<u>291,930</u>	<u>386,610</u>	<u>694,320</u>	<u>757,440</u>

Related parties	Relationship	SEPARATE FINANCIAL STATEMENTS			
		For the three-month periods ended November 30,		For the nine-month periods ended November 30,	
		2020	2019	2020	2019
		Baht '000	Baht '000	Baht '000	Baht '000
Sale promotion income					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	465	893	1,204	2,008
Credit card income					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	86,777	91,692	252,053	275,274
Revenues relating to securitization transaction (included in loan income) (see Note 19)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	33,408	42,137	111,782	128,313
Dividend income					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	30,000	30,000	130,000	92,500
ACS Servicing (Thailand) Company Limited	Subsidiary	74,000	148,000	88,800	171,680
		<u>104,000</u>	<u>178,000</u>	<u>218,800</u>	<u>264,180</u>
Other income					
ACS Capital Corporation Limited	Shareholder and one common director	965	990	3,045	2,271
AEON Insurance Service (Thailand) Company Limited	Subsidiary	15,201	13,638	46,138	37,758
ACS Servicing (Thailand) Company Limited	Subsidiary	3,250	2,631	9,743	4,562
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	2,654	-	8,163	-
		<u>22,070</u>	<u>17,259</u>	<u>67,089</u>	<u>44,591</u>
Operating and administrative expenses					
Collection service fee					
ACS Servicing (Thailand) Company Limited	Subsidiary	112,258	86,676	343,987	325,475
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	1,682	-	5,047	-
		<u>113,940</u>	<u>86,676</u>	<u>349,034</u>	<u>325,475</u>
Others					
AEON Financial Service Co., Ltd.	Major shareholder	35,442	23,281	81,978	69,510
AEON Credit Service Company Limited	Common ultimate holding company	2,064	5,270	7,652	14,038
AEON (Thailand) Company Limited	Holding shares and two common directors	4,021	2,687	13,530	11,151
AEON Credit Service Systems (Philippines) Inc.	Common ultimate holding company	-	729	679	3,078
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	6,502	6,117	16,638	19,308
AEON Bank Ltd.	Common ultimate holding company	133	798	3,546	2,012
AEON Leasing Service (Lao) Co., Ltd.	Subsidiary	-	-	1,457	-
		<u>48,162</u>	<u>38,882</u>	<u>125,480</u>	<u>119,097</u>
Finance costs					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	87,106	109,855	292,543	331,749
AEON Bank Ltd.	Common ultimate holding company	1,603	1,607	5,016	6,776
		<u>88,709</u>	<u>111,462</u>	<u>297,559</u>	<u>338,525</u>
Dividend paid					
ACS Capital Corporation Limited	Shareholder and one common director	88,800	117,600	211,200	230,400
AEON Financial Service Co., Ltd.	Major shareholder	162,430	215,110	386,320	421,440
AEON Holding (Thailand) Limited	Common ultimate holding company	40,700	53,900	96,800	105,600
		<u>291,930</u>	<u>386,610</u>	<u>694,320</u>	<u>757,440</u>

- Other income for the three-month and nine-month periods ended November 30, 2020 and 2019 include the computer fee charged to ACS Capital Corporation Limited at the rate of Baht 130,000 per month from September 2019 onwards, and charged to AEON Insurance Service (Thailand) Company Limited and ACS Servicing (Thailand) Company Limited at the rate of Baht 550,000 per month and Baht 770,000 per month, respectively, and from March 2020 onwards, Finance and Accounting operation services fee charged to ACS Capital Corporation Limited, AEON Insurance Service (Thailand) Company Limited and ACS Servicing (Thailand) Company Limited at the rate of Baht 97,000 per month, Baht 580,000 per month and Baht 760,000 per month, respectively. The service fees are determined on a cost plus basis.
- Revenues relating to securitization transaction are determined by the Company and its subsidiary in accordance with securitization projects (see Note 5.5).
- Collection service fee paid to ACS Servicing (Thailand) Company Limited is based on general market price and in the normal course of business.
- Management assistant fee is paid to AEON Financial Service Co., Ltd. as stated in the agreement.
- Pricing policy for other operating and administrative expenses is determined by the Company and related parties based on the cost plus basis.
- Purchase price of computer programs paid to AEON Credit Service Systems (Philippines) Inc. is as specified in the agreement.

23. SEGMENT INFORMATION

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

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

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

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

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

23.1 Operating results, classified by business for the three-month and nine-month periods ended November 30, 2020 and 2019, are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
For the three-month period ended November 30, 2020					
	Retail finance services		Other businesses	Elimination	Total
	Domestic Baht '000	Foreign Baht '000	Domestic Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	4,626,526	372,558	257,833	-	5,256,917
Inter - segment revenues	212,338	(3,260)	114,561	(323,639)	-
	<u>4,838,864</u>	<u>369,298</u>	<u>372,394</u>	<u>(323,639)</u>	<u>5,256,917</u>
Expenses					
Operating and administrative expenses	1,778,699	181,673	283,465	(220,255)	2,023,582
Directors and managements' remuneration	21,165	1,197	10,094	-	32,456
Loss on sale and write-off of leasehold improvement and equipment	305	83	47	-	435
Total expenses	<u>1,800,169</u>	<u>182,953</u>	<u>293,606</u>	<u>(220,255)</u>	<u>2,056,473</u>
Finance costs	430,032	86,717	1,140	(2,646)	515,243
Expected credit loss	1,095,600	249,244	106	-	1,344,950
Share of loss from an associate	-	-	-	7,326	7,326
Profit (loss) before income tax	1,513,063	(149,616)	77,542	(108,064)	1,332,925
Income tax expense	278,874	4,854	13,683	-	297,411
Profit (loss) for the period	<u>1,234,189</u>	<u>(154,470)</u>	<u>63,859</u>	<u>(108,064)</u>	<u>1,035,514</u>

CONSOLIDATED FINANCIAL STATEMENTS					
For the three-month period ended November 30, 2019					
	Retail finance services		Other businesses	Elimination	Total
	Domestic Baht '000	Foreign Baht '000	Domestic Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	5,329,878	368,072	280,819	-	5,978,769
Inter - segment revenues	286,854	-	108,614	(395,468)	-
	<u>5,616,732</u>	<u>368,072</u>	<u>389,433</u>	<u>(395,468)</u>	<u>5,978,769</u>
Expenses					
Operating and administrative expenses	2,053,848	169,860	305,299	(217,469)	2,311,538
Directors and managements' remuneration	25,509	5,266	10,283	-	41,058
Loss (gain) on sale and write-off of leasehold improvement and equipment	406	100	(54)	-	452
Total expenses	<u>2,079,763</u>	<u>175,226</u>	<u>315,528</u>	<u>(217,469)</u>	<u>2,353,048</u>
Finance costs	484,560	64,378	2	-	548,940
Bad debts and doubtful accounts (reversal)	1,749,330	36,849	(88)	-	1,786,091
Share of loss from an associate	-	-	-	7,016	7,016
Profit before income tax	1,303,079	91,619	73,991	(185,015)	1,283,674
Income tax expense	221,594	19,855	15,118	-	256,567
Profit for the period	<u>1,081,485</u>	<u>71,764</u>	<u>58,873</u>	<u>(185,015)</u>	<u>1,027,107</u>

CONSOLIDATED FINANCIAL STATEMENTS
For the nine-month period ended November 30, 2020

	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	14,277,126	1,207,976	811,999	-	16,297,101
Inter - segment revenues	536,093	(5,422)	357,567	(888,238)	-
	<u>14,813,219</u>	<u>1,202,554</u>	<u>1,169,566</u>	<u>(888,238)</u>	<u>16,297,101</u>
Expenses					
Operating and administrative expenses	5,256,724	568,818	886,715	(666,706)	6,045,551
Directors and managements' remuneration	51,837	20,961	24,154	-	96,952
Loss on revaluation of investments	14,009	-	-	-	14,009
Loss (gain) on sale and write-off of leasehold improvement and equipment	5,242	359	(389)	-	5,212
Total expenses	<u>5,327,812</u>	<u>590,138</u>	<u>910,480</u>	<u>(666,706)</u>	<u>6,161,724</u>
Finance costs	1,374,299	257,650	3,903	(8,155)	1,627,697
Expected credit loss (reversal)	4,600,955	725,843	(220)	-	5,326,578
Share of loss from an associate	-	-	-	25,431	25,431
Profit (loss) before income tax	3,510,153	(371,077)	255,403	(238,808)	3,155,671
Income tax expense	649,398	40,566	46,006	-	735,970
Profit (loss) for the period	<u>2,860,755</u>	<u>(411,643)</u>	<u>209,397</u>	<u>(238,808)</u>	<u>2,419,701</u>

CONSOLIDATED FINANCIAL STATEMENTS
For the nine-month period ended November 30, 2019

	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	15,267,972	1,019,648	848,422	-	17,136,042
Inter - segment revenues	583,782	-	323,478	(907,260)	-
	<u>15,851,754</u>	<u>1,019,648</u>	<u>1,171,900</u>	<u>(907,260)</u>	<u>17,136,042</u>
Expenses					
Operating and administrative expenses	6,033,411	477,932	915,694	(627,333)	6,799,704
Directors and managements' remuneration	74,646	28,818	22,518	-	125,982
Loss on sale of investment	539	-	-	-	539
Loss (gain) on sale and write-off of leasehold improvement and equipment	2,128	384	(56)	-	2,456
Total expenses	<u>6,110,724</u>	<u>507,134</u>	<u>938,156</u>	<u>(627,333)</u>	<u>6,928,681</u>
Finance costs	1,473,816	175,448	14	-	1,649,278
Bad debts and doubtful accounts (reversal)	4,677,183	96,950	(106)	-	4,774,027
Share of loss from an associate	-	-	-	9,569	9,569
Profit before income tax	3,590,031	240,116	233,836	(289,496)	3,774,487
Income tax expense	653,918	51,861	46,909	-	752,688
Profit for the period	<u>2,936,113</u>	<u>188,255</u>	<u>186,927</u>	<u>(289,496)</u>	<u>3,021,799</u>

23.2 Financial positions classified by business are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
“Unaudited”					
As at November 30, 2020					
	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Trade and other receivables	72,192,809	5,030,191	456,394	(200,485)	77,478,909
Leasehold improvement and equipment and intangible assets other than goodwill	1,149,786	199,169	145,416	(6,941)	1,487,430
Other assets	7,923,204	1,173,561	758,897	(1,329,006)	8,526,656
Total assets	<u>81,265,799</u>	<u>6,402,921</u>	<u>1,360,707</u>	<u>(1,536,432)</u>	<u>87,492,995</u>
Total liabilities	<u>66,010,148</u>	<u>5,523,015</u>	<u>327,942</u>	<u>(297,689)</u>	<u>71,563,416</u>

CONSOLIDATED FINANCIAL STATEMENTS					
As at February 29, 2020					
	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Trade and other receivables	81,232,942	5,797,829	421,700	(240,623)	87,211,848
Leasehold improvement and equipment and intangible assets other than goodwill	1,236,422	203,540	98,956	(6,942)	1,531,976
Other assets	6,561,997	625,348	807,177	(1,342,735)	6,651,787
Total assets	<u>89,031,361</u>	<u>6,626,717</u>	<u>1,327,833</u>	<u>(1,590,300)</u>	<u>95,395,611</u>
Total liabilities	<u>68,915,446</u>	<u>5,386,901</u>	<u>283,164</u>	<u>(315,047)</u>	<u>74,270,464</u>

24. CREDIT FACILITIES AND LETTER OF GUARANTEE

- 24.1 As at November 30, 2020 and February 29, 2020, the Company has unused committed and unsecured revolving credit facility agreements with various financial institutions totaling Baht 3,000 million.
- 24.2 As at November 30, 2020 and February 29, 2020, the Company has unused and unsecured overdraft facilities with various banks totaling Baht 3,090 million.
- 24.3 As at November 30, 2020 and February 29, 2020, 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.
- 24.4 As at November 30, 2020 and February 29, 2020, two subsidiaries have letters of guarantee issued by banks in the amounts of Baht 5.78 million and Baht 5.38 million, respectively.

25. SALE OF WRITTEN-OFF RECEIVABLES

25.1 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 0.49 million and Baht 1.55 million as bad debt recovery in the consolidated and separate statements of profit or loss for the three-month and nine-month periods ended November 30, 2020, respectively, (for the three-month and nine-month periods ended November 30, 2019 : Baht 0.57 million) and Baht 2.05 million, respectively) and recorded outstanding deferred revenue of Baht 23.20 million as other current liabilities in the separate statements of financial position as at November 30, 2020 (as at February 29, 2020 : 24.75 million).

Under the Asset Sale and Purchase Agreement, if the buyer wished to sell or transfer loan to a third part, the buyer shall get written approval from the Company. In addition, a third party shall comply all terms and conditions of the agreement, by entering into the Accession Agreement in form determined by the Company.

25.2 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 0.38 million and Baht 1.37 million as bad debt recovery in the consolidated and separate statements of profit or loss for the three-month and nine-month periods ended November 30, 2020, respectively, (for the three-month and nine-month periods ended November 30, 2019 : Baht 0.45 million) and recorded outstanding deferred revenue of Baht 56.37 million as other current liabilities in the separate statements of financial position as at November 30, 2020 (as at February 29, 2020 : 57.83 million).

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.

- 25.3 On October 28, 2019, 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 247.94 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company’s rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On October 28, 2019, 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 247.94 million in the consolidated and separate statements of profit or loss for the three-month and nine-month periods ended November 30, 2019.

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.

- 25.4 On October 30, 2020, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the “buyer”) with the purchase price of Baht 249.70 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company’s rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On October 30, 2020, which is the closing date as specified in the agreement and November 30, 2020 the Company received the initial payment of Baht 74.90 million and Baht 19.42 million, respectively. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 155.37 million in eight installments of Baht 19.42 million per each and last installment will be on July 30, 2021. The Company has already recognized gain on sale of written-off receivables totaling Baht 249.70 million in the consolidated and separate statements of profit or loss for the three-month and nine-month periods ended November 30, 2020, and recorded outstanding receivables of Baht 155.37 million as other receivables in the consolidated and separate statements of financial position as at November 30, 2020.

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. The claim was to be settled with the final payment which the Company would receive from the buyer. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the three-month and nine-month periods ended November 30, 2020.

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.

26. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were approved for issue by the Company's authorized director and the Audit Committee on January 6, 2021.

(Translation)

No. 01/2021

January 12, 2021

President

The Stock Exchange of Thailand

Re: Notification of the Resolution of the Board of Directors' Meeting No. 01/2021

We, AEON Thana Sinsap (Thailand) Public Company Limited ("Company"), hereby reported the resolutions passed at the meeting of the Board of Directors No. 01/2021 held on January 12, 2021, from 13:00 p.m. as follows:

1. Acknowledged the Company's performance for the third quarter ended November 30, 2020;
2. Unanimously approved the reviewed financial statements of the Company for the third quarter and nine-month period ended November 30, 2020;

Please be informed accordingly

Yours sincerely,

Tsutomu Omodera

Managing Director

Management Discussion and Analysis for the 3rd Quarter 2020

Ended November 30, 2020

AEON Thana Sinsap (Thailand) Public Company Limited (“the Company”) has already submitted the consolidated reviewed the 3rd quarter financial statements as of November 30, 2020 which were reviewed by Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. The operating performance is summarized as follows.

Overview

According to the Bank of Thailand and Office of the National Economic and Social Development Board data, the Thai economy in the 3rd quarter of 2020 dropped by 6.4% improved from the previous quarter which contracted at 12.1%, because of the government expenditure and public investment expanded, while private consumption, private investment, and export of goods declined at a slower pace compared with the previous quarter. The improvement was due to the easing of lockdown measure and domestic travel restriction, coupling with the implementation of government policies, which resulted in the recovery of economic activity and domestic consumption. In order that, the unemployment rate at 1.9% in the 3rd quarter of 2020 slightly decreased from the previous quarter and a higher level of household debt.

As of November 30, 2020, the Company's total cards reached 9.11 million cards, including 2.91 million credit cards, and 6.20 million-member cards. The Company has active customers more than 2 million IDs, mainly from Bangkok 31%, and in up-country 69%. Covering networks nationwide, the Company has 101 branches, 411 ATMs, and 6,483 member dealers to provide quality financial services to AEON cardholders. For overseas business in Cambodia, Myanmar and Laos, they have active customers more than 224,735 with representing 8% of total company customers.

The Company and subsidiaries are managing liquidity risk of operating cash flow under the COVID 19 situation. In addition, the Company has received soft loan facility of 5,000 million THB from Government Saving Bank in Thailand and 68 billion MMK from Myanmar Economic bank in Myanmar that potentially decreases our funding costs with more stable financial conditions.

Summary of Consolidated Financial Results

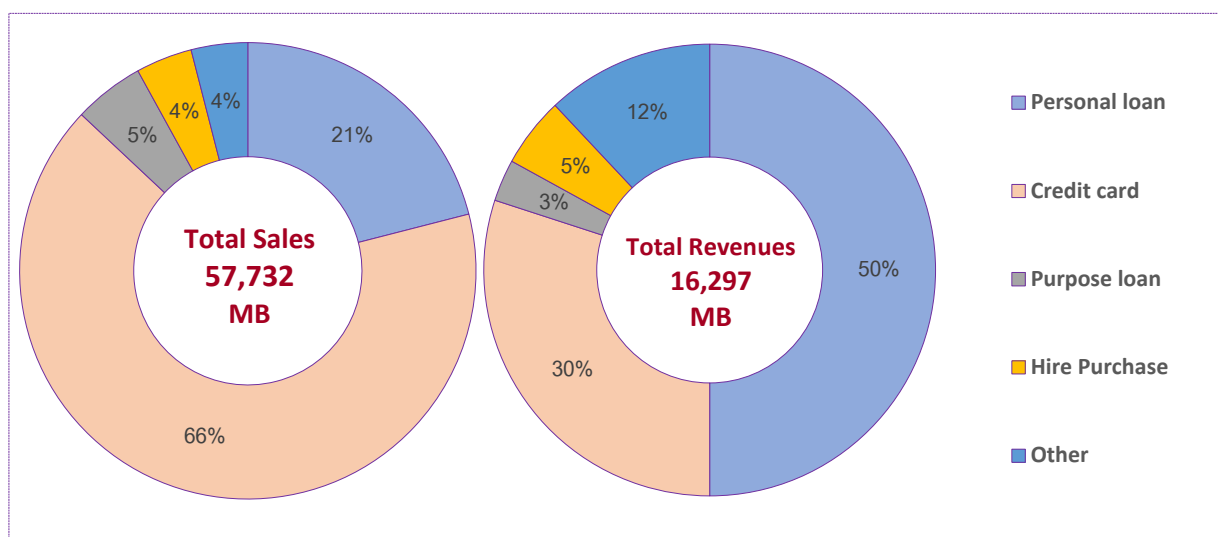
1. Operating Results

Profit and Loss Statement (Consolidated) Unit : Million Baht	3Q/19	2Q/20	3Q/20	%QoQ	%YoY	9M19	9M20	%YoY
Credit card income	1,897	1,621	1,529	-6%	-19%	5,651	4,888	-14%
Loan income	3,048	2,905	2,616	-10%	-14%	8,988	8,596	-4%
Hire-purchase income	192	240	249	4%	30%	513	738	44%
Other income	841	619	864	40%	3%	1,984	2,075	5%
Total Revenues	5,979	5,384	5,257	-2%	-12%	17,136	16,297	-5%
Operating and administrative expenses	2,353	2,003	2,056	3%	-13%	6,926	6,143	-11%
Expected credit loss	1,786	1,590	1,345	-15%	-25%	4,774	5,327	12%
Finance costs	549	554	515	-7%	-6%	1,649	1,628	-1%
Other expenses	7	21	8	-62%	14%	13	45	246%
Total Expenses	4,695	4,163	3,924	-6%	-16%	13,362	13,141	-2%
Profit before tax income	1,284	1,216	1,333	10%	4%	3,774	3,156	-16%
Income tax expenses	257	286	297	4%	16%	753	736	-2%
Net profit for the period	991	966	1,009	4%	2%	2,920	2,506	-14%
Earning Per Share (Baht per share)	3.96	3.87	4.04	4%	2%	11.68	10.02	-14%

Revenues

For the first nine-months of 2020, the total consolidated revenues were 16,297 million baht, decreasing of 839 million baht or 5% y-y. In the 3rd quarter of 2020, the Company's revenues were 5,257 million baht, decreasing of 128 million baht or 2% q-q and 12% y-y. This is the result of the COVID-19 pandemic situation and economic slowdown has made consumers more cautious on spending, especially in cash loan products such as credit card cash advance and YourCash while credit card shopping showed recovery at 3% q-q supported by domestic consumption in supermarket, online shopping and traveling. In addition, the Bank of Thailand cut the ceiling rates of interest rates on credit card from 18% to 16% per annum and personal loan from 28% to 25% per annum, effective from August 1, 2020 onwards. On the other hand, our revenue from bad debt recovery continued growing by 19% y-y and the revenue from overseas subsidiaries grew by 18% y-y. Details of each business can be described as follows:

Sales and Revenues Structure for the first nine-months of 2020.



- Credit Card

For the first nine-months of 2020, credit card sales accounted for 66% of total turnovers with revenue of 4,888 million baht, a decrease of 763 million baht or 14% y-y. In the third quarter of 2020, credit card revenue was 1,529 million baht, a decrease of 368 million baht or 19% y-y, mainly resulted from a dropped in credit card spending and cutting in ceiling interest rate for credit card by 2%, which effective in August 2020. For credit card expansion, in this quarter, the Company cooperated with Bangkok Smartcard System Company Limited (Rabbit Card) to launch AEON Rabbit Platinum Card, which offering many privileges such as cash back on Top-up money service on Rabbit Line Pay as well as cash back on spending at online shopping stores at least 1,000 Baht per sales slip. Also, the Company launched Digital YourCash-A enables you to enjoy cashless cashing and installment loan (Happy pay), which was installment repayment up to 48 months. In addition, our cardholders can get a discount for any beverage weekly at Cafe Amazon by redeeming your right via AEON Thai Mobile Application. For overseas business, AEON Specialized Bank (Cambodia) Plc had credit card revenue in the third quarter of 2020 of 27 million baht, grew by 42% y-y.

- Loans

For the first nine-months of 2020, loans shared 26% of total turnovers with the revenue of 8,596 million baht, a decrease of 392 million baht or 4% y-y. In the 3rd quarter of 2020, loans revenue was 2,616 million baht, a decrease of 433 million baht or 14% y-y, mainly from a reduction in interest rate ceiling for personal loan by 3% and new lending decreased by 35% y-y but rose by 13% q-q. Moreover, loan income from AEON Specialized Bank (Cambodia) PLC of 75 million baht, grew by 9% y-y and AEON Microfinance (Myanmar) Company Limited of 70 million baht, decreasing by 32% y-y due to COVID-19 lockdown prevention measures in Yangon and Mandalay. However, the Company has been expanding more online service channels to customers and reduced the Company's operation cost. As a result, the Cardless transactions currently accounted for 31% of total personal loan sales.

- Hire Purchase

For the first nine-months of 2020, motorcycle and used car hire purchase in Thailand and electrical appliances, mobile phones in overseas business, with the revenues of 738 million baht, increasing by 225 million baht or 44% y-y mainly from continued growth of hire purchase both in domestic and overseas business. In the 3rd quarter of 2020, the Company had hire purchase revenue of 249 million baht, increasing by 57 million baht or 30% y-y. In addition, in the 3rd quarter of 2020, the Company had hire purchase income increased from domestic by 84% y-y and from AEON Specialized Bank (Cambodia) Plc of 139 million baht, increasing by 16% y-y and AEON Leasing Service (Lao) Company Limited of 29 million baht, which was at the same level as last year.

- Others

For the first nine-months of 2020, other incomes were 2,075 million baht or 13% of total revenues, showing an increase of 92 million baht or 5% y-y, mainly consist of bad debt recovery was 889 million baht or 5% of total revenues, gain on sales of written-off receivables were 250 million baht or 2% of total revenues, collection service income was 182 million baht or 1% of total revenues, decreasing 10% y-y. Commission income was 385 million baht or 2% of total revenues, decreasing by 3% y-y and others of 369 million baht or 2% of total revenues. The increasing of other revenues was mainly from the continued growth of bad debt recovery that increased by 17% y-y caused by the increased of expedite the legal process.

In the 3rd quarter of 2020, other incomes were 864 million baht, increased by 3% y-y, due to bad debt recovery that increased by 19% y-y. In addition, in the 3rd quarter of 2020, The Company had other incomes from bad debt selling at the amount of 250 million baht.

Expenses

The Company's expenses mainly consist of operating and administrative expenses, expected credit loss and finance cost. In the first nine-months of 2020, the Company had total consolidated expenses of 13,141 million baht, a decrease of 221 million baht or 2% y-y. For the 3rd quarter of 2020, the consolidated expenses were 3,924 million baht, a decrease of 771 million baht or 16% y-y. Details of expenses are shown as follows:

- Operating and Administrative Expenses

In the first nine-months of 2020, the consolidated operating and administrative expense were 6,162 million baht, decreasing by 11% y-y. The decrease in operating and administrative expense was mainly from personal expense, transportation expense, and decelerated of marketing activities as well as a decrease in rental and property expenses. For the 3rd quarter of 2020, the consolidated operating and administrative expenses were 2,056 million baht, decreasing by 13% y-y. However, the Company still maintained effective operating cost control with cost to income ratio at 39% of total revenues. Considering

the Company's separate financial statement, the operating and administrative expenses as a percentage of revenues represented 37% in the 3rd quarter and 36% in the first nine-months of 2020.

- Expected Credit Loss

The consolidated expected credit loss in the first nine-months of 2020 amounted to 5,327 million baht, increasing by 12% y-y. For the 3rd quarter of 2020, the Company recorded expected credit loss of 1,345 million baht, decreasing by 25% y-y and 15% q-q. Net credit cost was at 6.6% declined from 7.6% in the second quarter of 2020 as we implemented more conservative credit policy. Moreover, in the first quarter of 2020, the Company has an additional provision in accordance with the new Financial Reporting Standards (TFRS 9) coupled with provision for future impact of ongoing economic slowdown and management overlay.

- Finance Cost

The Company recorded consolidated finance cost in the first nine-months of 2020 of 1,628 million baht, increasing by 1% y-y. For the 3rd quarter of 2020, the finance cost was 515 million baht, decreasing by 6% y-y and 7% q-q, which the portion of finance cost in the 3rd quarter was 10% of total revenues. The average funding cost in the third quarter of 2020 was at 2.76% decreased from 2.92% last year.

Net Profit

For the first nine-months of 2020, consolidated operating income was reported at 3,156 million baht, a decrease of 619 million baht or 16% y-y. The Company recorded net profit of 2,506 million baht, a decrease of 414 million baht or 14% y-y, and earning per share was 10.02 baht, which was resulted from higher provision in the first quarter of 2020 with probable forward looking risk factors due to COVID-19 situation. For the 3rd quarter of 2020, the Company had consolidated operating income of 1,333 million baht, an increase of 49 million baht or 4% y-y. The Company reported net profit attributed to owners of the parent of 1,009 million baht, an increase of 19 million baht or 2% y-y and 4% q-q, and earning per share was 4.04 baht, mainly contributed by continued growth of bad debt recovery and efficiently control the operation cost as well as the relaxation of lockdown measures both in Thailand and abroad, supporting economic activities to resume operations.

2. Financial Status

Statement of Financial Position	February 29, 2020	November 30, 2020	Change
Unit : Million Baht		(IFRS 9)	%YoY
Accounts Receivable	90,232	88,506	-2%
Total Assets	95,396	87,493	-8%
Total Borrowing	69,437	64,574	-7%
Total Liabilities	74,271	71,563	-4%
Total Equities	21,125	15,930	-25%
ROE	20.5%	18.4%	-10%
ROA	4.4%	3.7%	-17%
D/E Ratio	3.6	4.6	27%

Total Assets

As of November 30, 2020, consolidated total assets were 87,493 million baht, a decrease of 7,903 million baht or 8% from 95,396 million baht as of February 29, 2020. The main assets were attributed to the portfolio of net account receivables which shared 87% of total assets.

- Accounts Receivable

The Company has gross accounts receivable of 88,506 million baht as of November 30, 2020, decreased by 2% from as of February 29, 2020. The decrease was attributed mainly from the reducing of trading volume caused by the COVID-19 pandemic. This can be categorized by business type as follows: credit card receivable of 36,462 million baht, decreasing by 1% y-y, but increasing by 1.5% q-q; loans receivable of 46,134 million baht, decreased by 4% from as of February 29, 2020; hire purchase receivable of 5,746 million baht, increasing by 11% y-y and 2% q-q and others receivable of 163 million baht decreased by 1% from as of February 29, 2020 accordingly.

- Allowance for expected credit loss

As of November 30, 2020, the Company provided allowance for doubtful accounts of 11,816 million baht or 13.3% of total accounts receivable, comparing to that of 3,962 million baht or 4.39% of total accounts receivable at the end of previous fiscal year, which was resulted from the adoption of accounting standard IFRS 9 by calculating the expected credit loss (ECL Model) together with probable forward looking macroeconomic factors and also set additional management overlay in the previous quarter. The consolidated non-performing loan ratio was 4.51% and the Company's non-performing loan ratio was 4.28% of total accounts receivable increased from the previous quarter due to some of the customers who joined the grace period in April 2020 and continually outstanding more than 3 months in the 3rd quarter of 2020 as well as higher provision of overseas business caused by IFRS 9 adoption. In the 3rd quarter of 2020,

the consolidated coverage ratio of allowance for expected credit loss to NPL (NPL Coverage ratio) was at 296% and the Company's NPL coverage ratio was at 310%.

Liabilities

The consolidated liabilities of the Company as of November 30, 2020 totaling 71,563 million baht, a decrease of 2,707 million baht or 4% from 74,270 million baht at the end of fiscal year 2019. There were both short-term and long-term borrowings totally 64,574 million baht, decreasing by 7% from the end of last year. The portion of long-term borrowings was 46,122 million baht or represented 71% of total borrowings. To manage risk that might occur from the fluctuation in currency and interest rate of long-term a debenture in foreign currencies, the Company has entered cross currency interest rate swap contracts to hedge its debt. However, the Company has unused unsecured revolving credit facilities as of November 30, 2020 totaling 3 billion baht and unused uncommitted facilities with foreign banks totaling 5.8 billion baht, which is enough to drive the Company's operation. The Company also has the debentures totaling 3.3 billion baht that will mature in the next 12 months, which the Company can issue the replacement debentures or use a working capital to repay those debentures.

Shareholders' Equity

As of November 30, 2020, total shareholders' equity amounted to 15,930 million baht, a decrease of 5,196 million baht or 25% from the end of fiscal year 2019, reflected the adoption of ECL model, hedge accounting and leases standard (TFRS 16). Consequently, Book value as of November 30, 2020 was 62.6 baht per share, decreased from that of 82.9 baht per share as of February 29, 2020.

Debt to Equity ratio as of November 30, 2020 was at 4.6 times increased from 3.6 times at the end of 2019 while the Company considers it is within the appropriate range to appreciate leverage and maintaining acceptable credit rating. Return on Equity (ROE) and Return on Asset (ROA) for nine-months period of 2020 are 18.4% and 3.7%, respectively.

Key Financial Ratio	3Q19	3Q20	9M19	9M20
Net Profit Margin (%)	17%	19%	17%	15%
Interest Coverage ratio (Times)	3.4	3.6	3.3	3.0
Allowance for Expected Credit Loss/ Total Receivables (%)	4.2%	13.4%	4.2%	13.4%
NPL Coverage Ratio (%)	121%	296%	121%	296%
Cost to Income (%)	39.3%	39.1%	40.4%	37.7%
Book Value per Share (Baht)	79.6	62.6	79.6	62.6
EPS (Baht)	3.96	4.04	11.68	10.02