

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

**TO THE BOARD OF DIRECTORS**

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

We have reviewed the consolidated statement of financial position of AEON Thana Sinsap (Thailand) Public Company Limited and its subsidiaries and the separate statement of financial position of AEON Thana Sinsap (Thailand) Public Company Limited as at August 31, 2021, and the related consolidated and separate statements of profit or loss and profit or loss and other comprehensive income for the three-month and six-month periods ended August 31, 2021, the related consolidated and separate statements of changes in shareholders' equity and cash flows for the six-month period ended August 31, 2021, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

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

## **Conclusion**

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

**BANGKOK**  
October 4, 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 AUGUST 31, 2021

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		August 31,	February 28,	August 31,	February 28,
		2021	2021	2021	2021
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	4.1	5,036,198	5,105,168	3,195,075	3,157,192
Trade and other current receivables					
Trade receivables	5	72,877,749	73,525,984	69,913,145	69,057,533
Other receivables		635,621	826,607	518,872	672,233
Seller loan in Special Purpose Vehicle					
for securitization	10	-	-	241,024	219,626
Current portion of derivative assets	17	28,722	-	28,722	
Other current assets		118,263	103,068	43,671	45,098
Total Current Assets		<u>78,696,553</u>	<u>79,560,827</u>	<u>73,940,509</u>	<u>73,151,682</u>
<b>NON-CURRENT ASSETS</b>					
Trade receivables	5	3,269,253	2,313,359	1,538,764	1,776,888
Fixed deposits at banks under obligations		41,170	38,968	-	-
Long-term loan to a subsidiary	6	-	-	128,876	119,494
Investments in an associate	7.1 and 7.2	-	-	-	-
Investments in subsidiaries	7.2	-	-	1,206,645	1,206,645
Investment in equity securities measured at fair value					
through profit or loss	8	5,062	5,062	5,062	5,062
Investment in equity securities designated at fair value					
through other comprehensive income	9	144,000	-	144,000	-
Subordinated lendings	11.1	-	-	84,074	84,074
Leasehold improvement and equipment		692,345	793,455	559,224	643,783
Right-of-use assets		594,176	665,748	483,080	536,182
Intangible assets other than goodwill		801,104	696,556	648,499	530,380
Derivative assets	17	166,045	-	166,045	-
Deferred tax assets	12	2,828,282	3,122,541	2,730,625	3,023,235
Other non-current assets		187,800	191,986	172,139	173,279
Total Non-current Assets		<u>8,729,237</u>	<u>7,827,675</u>	<u>7,867,033</u>	<u>8,099,022</u>
<b>TOTAL ASSETS</b>		<u><u>87,425,790</u></u>	<u><u>87,388,502</u></u>	<u><u>81,807,542</u></u>	<u><u>81,250,704</u></u>

See condensed notes to the financial statements

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT AUGUST 31, 2021

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		August 31,	February 28,	August 31,	February 28,
		2021	2021	2021	2021
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Bank overdrafts and short-term borrowings					
from financial institutions	13	10,691,247	10,379,071	8,590,880	7,860,000
Trade and other current payables					
Trade payables		187,899	556,154	127,735	413,004
Other payables		1,465,122	1,384,259	1,349,291	1,266,934
Current portion of long-term liabilities					
Long-term borrowings	14	4,772,147	3,839,423	4,353,262	3,839,423
Long-term debentures	16	2,775,442	3,156,040	2,775,442	3,156,040
Derivative liabilities	17	928,775	1,287,130	928,775	1,287,130
Lease liabilities		390,924	453,755	328,797	384,411
Current income tax payable		213,815	629,183	193,262	558,537
Other current liabilities		354,356	332,850	376,608	359,400
Total Current Liabilities		<u>21,779,727</u>	<u>22,017,865</u>	<u>19,024,052</u>	<u>19,124,879</u>
<b>NON-CURRENT LIABILITIES</b>					
Long-term borrowings	14	39,519,866	38,982,198	37,296,555	36,807,309
Long-term borrowings under securitization project	15	-	-	1,433,643	1,489,622
Long-term debentures	16	6,270,283	6,269,361	4,797,201	4,796,279
Derivative liabilities	17	479,142	1,858,375	479,142	1,858,375
Lease liabilities		226,155	235,874	176,740	174,184
Subordinated borrowings	11.2	84,074	84,074	-	-
Provisions for employee benefit	18	525,266	478,346	474,938	431,606
Other non-current liabilities		87,491	82,745	65,857	70,039
Total Non-current Liabilities		<u>47,192,277</u>	<u>47,990,973</u>	<u>44,724,076</u>	<u>45,627,414</u>
<b>TOTAL LIABILITIES</b>		<u>68,972,004</u>	<u>70,008,838</u>	<u>63,748,128</u>	<u>64,752,293</u>

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT AUGUST 31, 2021

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		August 31,	February 28,	August 31,	February 28,
		2021	2021	2021	2021
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)</b>					
SHAREHOLDERS' EQUITY	19				
SHARE CAPITAL					
Authorized share capital					
250,000,000 ordinary shares of Baht 1 each		250,000	250,000	250,000	250,000
Issued and paid-up share capital					
250,000,000 ordinary shares of Baht 1 each, fully paid		250,000	250,000	250,000	250,000
SHARE PREMIUM ON ORDINARY SHARES		478,000	478,000	478,000	478,000
RETAINED EARNINGS					
Appropriated					
Legal reserve		25,000	25,000	25,000	25,000
Reserve for business expansion		4,850,000	4,850,000	4,850,000	4,850,000
Unappropriated		13,636,634	12,471,581	13,450,893	11,790,986
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY					
Exchange differences on translating financial statements of foreign operations					
		(107,235)	(121,225)	-	-
Cumulative loss on cash flow hedges					
		(994,479)	(895,575)	(994,479)	(895,575)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		18,137,920	17,057,781	18,059,414	16,498,411
NON-CONTROLLING INTERESTS		315,866	321,883	-	-
TOTAL SHAREHOLDERS' EQUITY		18,453,786	17,379,664	18,059,414	16,498,411
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>87,425,790</b>	<b>87,388,502</b>	<b>81,807,542</b>	<b>81,250,704</b>

See condensed notes to the financial statements

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

STATEMENT OF PROFIT OR LOSS

FOR THE THREE-MONTH PERIOD ENDED AUGUST 31, 2021

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the three-month		For the three-month	
		periods ended		periods ended	
		August 31,	August 31,	August 31,	August 31,
		2021	2020	2021	2020
<b>REVENUES</b>					
Credit card income		1,594,207	1,621,422	1,566,775	1,682,323
Loan income	20	2,586,425	2,904,705	2,551,912	2,784,128
Hire-purchase income		257,892	239,731	80,669	67,273
Other income					
Bad debt recovery		310,059	325,483	310,059	325,483
Gain on sale of written-off receivables	26.4	319,764	-	319,764	-
Collection service income		48,885	48,184	-	203
Insurance broker business income		174,472	130,381	162,917	-
Others		52,696	114,581	32,105	30,867
Total Other income		905,876	618,629	824,845	356,553
Total Revenues		5,344,400	5,384,487	5,024,201	4,890,277
<b>EXPENSES</b>					
Operating and administrative expenses		1,934,391	1,983,421	1,728,115	1,716,452
Directors and managements' remuneration	21	39,440	19,901	28,924	4,791
Loss on revaluation of investment		-	14,009	-	14,009
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill		5,725	1,885	5,259	1,735
Total Expenses		1,979,556	2,019,216	1,762,298	1,736,987
Finance costs		448,318	554,296	467,061	554,991
Expected credit loss		2,005,119	1,589,822	1,745,778	1,269,706
Share of loss from an associate using equity method		-	5,584	-	-
PROFIT BEFORE INCOME TAX		911,407	1,215,569	1,049,064	1,328,593
INCOME TAX EXPENSE	22	194,092	286,293	206,502	261,236
<b>PROFIT FOR THE PERIOD</b>		<b>717,315</b>	<b>929,276</b>	<b>842,562</b>	<b>1,067,357</b>
<b>PROFIT (LOSS) ATTRIBUTABLE TO :</b>					
Owners of the parent		678,111	966,485	842,562	1,067,357
Non-controlling interests		39,204	(37,209)	-	-
		717,315	929,276	842,562	1,067,357
<b>BASIC EARNINGS PER SHARE</b>	<b>BAHT</b>	2.71	3.87	3.37	4.27
<b>WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES</b>	<b>SHARES</b>	250,000,000	250,000,000	250,000,000	250,000,000

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIOD ENDED AUGUST 31, 2021  
“UNAUDITED”

UNIT : THOUSAND BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the three-month		For the three-month	
	periods ended		periods ended	
	August 31,	August 31,	August 31,	August 31,
	2021	2020	2021	2020
Profit for the period	717,315	929,276	842,562	1,067,357
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	2,644	(56,365)	-	-
- Non-controlling interests	12,805	(27,624)	-	-
Gain (loss) on cash flow hedges	(33,796)	291,362	(33,796)	291,362
Other comprehensive income (loss) for the period, net of tax	(18,347)	207,373	(33,796)	291,362
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>698,968</b>	<b>1,136,649</b>	<b>808,766</b>	<b>1,358,719</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :</b>				
Owners of the parent	646,959	1,201,482	808,766	1,358,719
Non-controlling interests	52,009	(64,833)	-	-
	<b>698,968</b>	<b>1,136,649</b>	<b>808,766</b>	<b>1,358,719</b>

See condensed notes to the financial statements

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

STATEMENT OF PROFIT OR LOSS

FOR THE SIX-MONTH PERIOD ENDED AUGUST 31, 2021

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the six-month		For the six-month	
		periods ended		periods ended	
		August 31,	August 31,	August 31,	August 31,
		2021	2020	2021	2020
<b>REVENUES</b>					
Credit card income		3,143,898	3,359,051	3,116,051	3,474,152
Loan income	20	5,198,321	5,980,423	5,102,412	5,691,824
Hire-purchase income		530,565	488,874	164,390	133,308
Other income					
Bad debt recovery		638,405	575,523	638,405	575,523
Gain on sale of written-off receivables	26.4	319,764	-	319,764	-
Collection service income		106,578	120,644	29	428
Insurance broker business income		325,067	262,976	273,321	-
Dividend income		-	-	222,200	114,800
Others		123,015	252,693	61,196	62,693
Total Other income		1,512,829	1,211,836	1,514,915	753,444
Total Revenues		10,385,613	11,040,184	9,897,768	10,052,728
<b>EXPENSES</b>					
Operating and administrative expenses		3,822,812	4,021,969	3,444,904	3,479,588
Directors and managements' remuneration	21	71,908	64,496	43,856	30,672
Loss on revaluation of investment		-	14,009	-	14,009
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill		7,749	4,777	6,465	4,937
Total Expenses		3,902,469	4,105,251	3,495,225	3,529,206
Finance costs		901,485	1,112,454	938,540	1,127,278
Expected credit loss		3,231,080	3,981,628	2,617,779	3,423,592
Share of loss from an associate using equity method		-	18,105	-	-
PROFIT BEFORE INCOME TAX		2,350,579	1,822,746	2,846,224	1,972,652
INCOME TAX EXPENSE	22	549,570	438,559	523,829	362,378
<b>PROFIT FOR THE PERIOD</b>		<b>1,801,009</b>	<b>1,384,187</b>	<b>2,322,395</b>	<b>1,610,274</b>
<b>PROFIT (LOSS) ATTRIBUTABLE TO :</b>					
Owners of the parent		1,827,541	1,496,580	2,322,395	1,610,274
Non-controlling interests		(26,532)	(112,393)	-	-
		1,801,009	1,384,187	2,322,395	1,610,274
<b>BASIC EARNINGS PER SHARE</b>	<b>BAHT</b>	7.31	5.99	9.29	6.44
<b>WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES</b>	<b>SHARES</b>	250,000,000	250,000,000	250,000,000	250,000,000

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE SIX-MONTH PERIOD ENDED AUGUST 31, 2021  
“UNAUDITED”

UNIT : THOUSAND BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the six-month		For the six-month	
	periods ended		periods ended	
	August 31,	August 31,	August 31,	August 31,
	2021	2020	2021	2020
Profit for the period	1,801,009	1,384,187	2,322,395	1,610,274
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	13,990	46,228	-	-
- Non-controlling interests	27,553	12,049	-	-
Gain (loss) on cash flow hedges	(98,904)	218,222	(98,904)	218,222
Other comprehensive income (loss) for the period, net of tax	(57,361)	276,499	(98,904)	218,222
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>1,743,648</b>	<b>1,660,686</b>	<b>2,223,491</b>	<b>1,828,496</b>
<b>TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :</b>				
Owners of the parent	1,742,627	1,761,030	2,223,491	1,828,496
Non-controlling interests	1,021	(100,344)	-	-
	<b>1,743,648</b>	<b>1,660,686</b>	<b>2,223,491</b>	<b>1,828,496</b>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE SIX-MONTH PERIOD ENDED AUGUST 31, 2021  
"UNAUDITED"

UNIT : THOUSAND BAHT

Notes	CONSOLIDATED FINANCIAL STATEMENTS							Total owners of the parent	Non-controlling interests	Total shareholders' equity	
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of shareholders' equity	Total	Non-controlling interests				
			Appropriated	Unappropriated	Exchange differences on translating financial statements of foreign operations	Cumulative loss on cash flow hedges					
		Legal reserve	Reserve for business expansion								
<b>Beginning balance as at March 1, 2020</b>	250,000	478,000	25,000	4,850,000	9,903,788	(177,795)	(1,346,848)	13,982,145	354,501	14,336,646	
Changes during the period											
Dividend paid	19.1	-	-	-	(637,495)	-	-	(637,495)	(16,291)	(653,786)	
Profit (loss) for the period		-	-	-	1,496,580	-	-	1,496,580	(112,393)	1,384,187	
Other comprehensive income		-	-	-	-	46,228	218,222	264,450	12,049	276,499	
<b>Ending balance as at August 31, 2020</b>		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>10,762,873</u>	<u>(131,567)</u>	<u>(1,128,626)</u>	<u>15,105,680</u>	<u>237,866</u>	<u>15,343,546</u>
<b>Beginning balance as at March 1, 2021</b>		250,000	478,000	25,000	4,850,000	12,471,581	(121,225)	17,057,781	321,883	17,379,664	
Changes during the period											
Dividend paid	19.2	-	-	-	(662,488)	-	-	(662,488)	(7,038)	(669,526)	
Profit (loss) for the period		-	-	-	1,827,541	-	-	1,827,541	(26,532)	1,801,009	
Other comprehensive income (loss)		-	-	-	-	13,990	(98,904)	(84,914)	27,553	(57,361)	
<b>Ending balance as at August 31, 2021</b>		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>13,636,634</u>	<u>(107,235)</u>	<u>(994,479)</u>	<u>18,137,920</u>	<u>315,866</u>	<u>18,453,786</u>

See condensed notes to the financial statements

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED AUGUST 31, 2021

“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	Unappropriated Reserve for business expansion			
<b>Beginning balance as at March 1, 2020</b>		250,000	478,000	25,000	4,850,000	9,102,559	(1,346,848)	13,358,711
Changes during the period								
Dividend paid	19.1	-	-	-	-	(637,495)	-	(637,495)
Profit for the period		-	-	-	-	1,610,274	-	1,610,274
Other comprehensive income		-	-	-	-	-	218,222	218,222
<b>Ending balance as at August 31, 2020</b>		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>10,075,338</u>	<u>(1,128,626)</u>	<u>14,549,712</u>
<b>Beginning balance as at March 1, 2021</b>		250,000	478,000	25,000	4,850,000	11,790,986	(895,575)	16,498,411
Changes during the period								
Dividend paid	19.2	-	-	-	-	(662,488)	-	(662,488)
Profit for the period		-	-	-	-	2,322,395	-	2,322,395
Other comprehensive loss		-	-	-	-	-	(98,904)	(98,904)
<b>Ending balance as at August 31, 2021</b>		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>13,450,893</u>	<u>(994,479)</u>	<u>18,059,414</u>

See condensed notes to the financial statements

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

STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED AUGUST 31, 2021

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the six-month		For the six-month	
		periods ended		periods ended	
		August 31,	August 31,	August 31,	August 31,
		2021	2020	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit for the period		1,801,009	1,384,187	2,322,395	1,610,274
Adjustments for:					
Income tax expense		549,570	438,559	523,829	362,378
Share of loss from an associate using equity method		-	18,105	-	-
Expected credit loss		3,231,080	3,981,628	2,617,779	3,423,592
Loss on revaluation of investment		-	14,009	-	14,009
Depreciation of leasehold improvement and equipment and right-of-use assets		459,574	436,165	386,336	363,740
Amortization of intangible assets other than goodwill		98,782	87,961	77,772	70,009
Loss on sale of leasehold improvement and equipment		5,649	4,635	5,243	4,937
Loss on write-off of leasehold improvement and equipment		2,100	142	1,222	-
Employee benefit expense		47,972	75,668	43,332	62,407
Gain on sale of written-off receivables		(319,764)	-	(319,764)	-
Unrealized (gain) loss on exchange rate		-	-	(9,382)	2,162
Interest income		(6,591,538)	(6,795,008)	(5,865,607)	(5,828,677)
(Gain) loss on cancellation of lease agreements		(317)	-	44	-
Gain on discount received from lease agreements		(69)	(1,222)	(69)	(1,222)
Dividend income		-	-	(222,200)	(114,800)
Finance costs		901,485	1,112,454	938,540	1,127,278
		<u>185,533</u>	<u>757,283</u>	<u>499,470</u>	<u>1,096,087</u>
Changes in operating assets and liabilities					
Operating assets (increase) decrease					
Trade and other current receivables		(3,074,414)	(421,521)	(3,106,929)	(398,116)
Other current assets		(14,876)	(49,824)	1,427	(5,438)
Other non-current assets		4,573	19,649	1,140	8,181
Operating liabilities increase (decrease)					
Trade and other current payables		(308,799)	(205,187)	(210,761)	(231,934)
Other current liabilities		25,736	78,394	17,208	29,288
Other non-current liabilities		3,313	12,197	(5,090)	(83)
Net cash flows provided by (used in) operation		<u>(3,178,934)</u>	<u>190,991</u>	<u>(2,803,535)</u>	<u>497,985</u>
Interest received		6,443,048	6,710,614	5,715,842	5,744,351
Dividend received		-	-	222,200	114,800
Finance costs paid		(864,691)	(1,184,837)	(916,564)	(1,211,541)
Income tax paid		(642,469)	(670,751)	(571,768)	(594,000)
Employee benefit paid		(1,052)	(55,940)	-	(45,144)
Net cash flows provided by operating activities		<u>1,755,902</u>	<u>4,990,077</u>	<u>1,646,175</u>	<u>4,506,451</u>

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

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED AUGUST 31, 2021

“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the six-month		For the six-month	
		periods ended		periods ended	
		August 31,	August 31,	August 31,	August 31,
		2021	2020	2021	2020
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Cash paid for fixed deposits at banks under obligations		-	(13)	-	-
Cash received from fixed deposits at banks under obligations		21	-	-	-
Cash paid for purchase of leasehold improvement and equipment	4.2	(96,917)	(142,443)	(73,534)	(118,628)
Cash received from sale of leasehold improvement and equipment		1,824	1,055	1,312	439
Cash paid for purchase of intangible assets other than goodwill	4.2	(195,469)	(132,652)	(190,447)	(79,583)
Cash received from sale of intangible assets other than goodwill		-	412	-	-
Cash paid for investment in equity securities designated at fair value through other comprehensive income		(144,000)	-	(144,000)	-
Net cash flows used in investing activities		<u>(434,541)</u>	<u>(273,641)</u>	<u>(406,669)</u>	<u>(197,772)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Cash received from bank overdrafts and short-term borrowings from financial institutions	4.4	38,743,380	35,151,656	35,210,983	28,250,000
Cash repayments for bank overdrafts and short-term borrowings from financial institutions	4.4	(38,410,266)	(36,360,452)	(34,480,103)	(28,760,056)
Cash received from long-term borrowings	4.4	2,879,138	6,095,010	2,571,061	4,704,388
Cash repayments for long-term borrowings	4.4	(3,491,220)	(5,849,756)	(3,491,220)	(5,502,100)
Cash received from long-term borrowings under securitization project	4.4	-	-	239,997	278,429
Cash repayments for long-term borrowings under securitization project	4.4	-	-	(239,997)	(278,429)
Cash repayments for long-term debentures	4.4	(522,600)	(3,227,700)	(522,600)	(3,227,700)
Cash paid for lease liabilities	4.4	(283,812)	(271,527)	(244,125)	(224,378)
Cash received from sales of written-off receivables		416,869	164,548	416,869	164,548
Dividend paid		(670,390)	(653,786)	(662,488)	(637,495)
Net cash flows used in financing activities		<u>(1,338,901)</u>	<u>(4,952,007)</u>	<u>(1,201,623)</u>	<u>(5,232,793)</u>
Net increase (decrease) in cash and cash equivalents before effect of exchange rate		(17,540)	(235,571)	37,883	(924,114)
Effect of exchange rate changes on cash and cash equivalents		(51,430)	18,613	-	-
Net increase (decrease) in cash and cash equivalents		<u>(68,970)</u>	<u>(216,958)</u>	<u>37,883</u>	<u>(924,114)</u>
Cash and cash equivalents at the beginning of the period		<u>5,105,168</u>	<u>4,993,557</u>	<u>3,157,192</u>	<u>3,462,432</u>
<b>Cash and cash equivalents at the end of the period</b>	4.1	<u><u>5,036,198</u></u>	<u><u>4,776,599</u></u>	<u><u>3,195,075</u></u>	<u><u>2,538,318</u></u>

See condensed notes to the financial statements

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
CONDENSED NOTES TO THE FINANCIAL STATEMENTS  
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED AUGUST 31, 2021  
“UNAUDITED”**

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

The Company was registered as a limited company under the Civil and Commercial Code on September 18, 1992 and registered to be Public Limited Company with the Ministry of Commerce on August 7, 2001. The Company was listed on The Stock Exchange of Thailand on December 11, 2001. The Company’s head office is located at 388, 27<sup>th</sup> Floor, Exchange Tower, Sukhumvit Road, Klongtoey, Bangkok. The Company’s main objective is to do the retail finance services which consist of credit card, hire-purchase, personal loans and others. Subsequently, on October 6, 2020, the Company has registered another objective which is to conduct life and non-life insurance broker business.

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

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

**Coronavirus Disease 2019 Pandemic**

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

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

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

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

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

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

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

2.2 The interim consolidated and separate financial statements for the three-month and six-month periods ended August 31, 2021 and 2020 are prepared by the management of the Company and are unaudited. However, in the opinion of the Company, all adjustments necessary for a fair presentation have been reflected therein.

The consolidated and separate statements of financial position as at February 28, 2021, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.

2.3 The unaudited results of operations presented in the three-month and six-month periods ended August 31, 2021 are not necessarily an indication nor anticipation of the operating results for the full year.

2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRSs, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and six-month periods ended August 31, 2021 should be read in conjunction with the audited financial statements for the year ended February 28, 2021.

2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the three-month and six-month periods ended August 31, 2021 have included the subsidiaries’ interim financial statements which were reviewed.

For the three-month and six-month periods ended August 31, 2021 and 2020, the subsidiaries included in the consolidated financial statements are as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%) for the three-month and six-month periods ended August 31,	
				2021	2020
ACS Servicing (Thailand) Company Limited	Collection servicer	Thailand	March 13, 2007	100.00	100.00
AEON Insurance Service (Thailand) Company Limited	Non-life insurance broker and life insurance broker	Thailand	July 1, 2013	100.00	100.00
AEON Specialized Bank (Cambodia) Plc. <sup>(5)</sup>	Retail finance business	Cambodia	October 5, 2011	50.00	50.00
AEON Microfinance (Myanmar) Company Limited	Retail finance business	Myanmar	November 2, 2012	100.00	100.00
AEON Leasing Service (Lao) Company Limited <sup>(1)</sup>	Retail finance business	Laos	January 11, 2013	100.00	100.00
ATS Rabbit Special Purpose Vehicle Company Limited <sup>(2)</sup>	Special purpose juristic person in securitization projects	Thailand	March 20, 2015	48.75	48.75

<sup>(1)</sup> 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.

<sup>(2)</sup> 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.

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

The interim consolidated financial statements for the three-month and six-month periods ended August 31, 2021 and 2020 include equity interest in an associate as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%) for the three-month and six-month periods ended August 31,	
				2021	2020
ACS Trading Vietnam Company Limited	Retail finance business	Vietnam	May 26, 2008	20.00	20.00

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

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

	<b>The date of the end of the reporting period in preparation of the consolidated financial statements for the three-month and six-month periods ended</b>	
	<b>August 31, 2021</b>	<b>August 31, 2020</b>
	<b>Subsidiaries</b>	
ACS Servicing (Thailand) Company Limited	June 30, 2021	June 30, 2020
AEON Insurance Service (Thailand) Company Limited	June 30, 2021	June 30, 2020
AEON Specialized Bank (Cambodia) Plc.	June 30, 2021	June 30, 2020
AEON Microfinance (Myanmar) Company Limited	June 30, 2021	June 30, 2020
AEON Leasing Service (Lao) Company Limited	June 30, 2021	June 30, 2020
<b>An associate</b>		
ACS Trading Vietnam Company Limited	June 30, 2021	June 30, 2020

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

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

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

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

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

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

### The Rent Concessions related to COVID-19

The Group and the Company elected to adopt the amendments to Thai Financial Reporting Standards No. 16 “Leases” (“TFRS 16”) relating to COVID-19 related Rent Concessions. The amendment permits lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications. Any reduction in lease payments affects only payments originally due on or before June 30, 2022 and there is no substantive change to other terms and conditions of the lease.

The Group’s and the Company’s management have adopted such aforementioned practical expedient in the preparation of the financial statements for the three-month and six-month periods ended August 31, 2021.

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

The Amendment to Thai Financial Reporting Standards No. 16 “Leases” (“TFRS 16”) added the requirements for the temporary exception arising from the Phase 2 of the interest rate benchmark reform amendments, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

In addition, the Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards No. 4 “Insurance Contracts”, Thai Financial Reporting Standards No. 7 “Financial Instruments: Disclosures”, and Thai Financial Reporting Standards No. 9 “Financial Instruments”, which have been announced in the Royal Gazette on June 28, 2021 and will be effective for the financial statements for the period beginning on or after January 1, 2022 onwards with earlier application permitted. The amendment to such Thai Financial Reporting Standards are relevant to the Phase 2 of the interest rate benchmark reform amendments which provided practical expedients for the modification of the contractual cash flows of financial assets or financial liabilities resulted from the interest rate benchmark reform, including temporary exceptions from specific hedge accounting requirements, and additional disclosure requirements of TFRS 7.

The Group’s and the Company’s management will adopt such TFRSs in the preparation of the Group’s and the Company’s financial statements when it becomes effective. The Group’s and the Company’s management is in the process to assess the impact of these TFRSs on the financial statements of the Group and the Company in the period of initial application.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended February 28, 2021.

### 4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

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

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	August 31,	February 28,	August 31,	February 28,
	2021	2021	2021	2021
	Baht '000	Baht '000	Baht '000	Baht '000
Cash	915,956	981,293	875,531	946,970
Deposits at banks - call deposits	4,120,242	4,123,875	2,319,544	2,210,222
Cash and cash equivalents	<u>5,036,198</u>	<u>5,105,168</u>	<u>3,195,075</u>	<u>3,157,192</u>

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

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Leasehold improvement and equipment				
Liabilities recorded - brought forward	25,839	43,432	23,896	40,514
Purchase of leasehold improvement and equipment	93,670	129,548	72,204	91,699
	<u>119,509</u>	<u>172,980</u>	<u>96,100</u>	<u>132,213</u>
<u>Less</u> Cash paid for purchase of leasehold improvement and equipment	<u>(96,917)</u>	<u>(142,443)</u>	<u>(73,534)</u>	<u>(118,628)</u>
Liabilities recorded - carried forward	<u>22,592</u>	<u>30,537</u>	<u>22,566</u>	<u>13,585</u>
Intangible assets other than goodwill				
Liabilities recorded - brought forward	13,521	1,572	13,520	1,571
Purchase of intangible assets other than goodwill	201,045	138,180	195,891	85,112
	<u>214,566</u>	<u>139,752</u>	<u>209,411</u>	<u>86,683</u>
<u>Less</u> Cash paid for purchase of intangible assets other than goodwill	<u>(195,469)</u>	<u>(132,652)</u>	<u>(190,447)</u>	<u>(79,583)</u>
Liabilities recorded - carried forward	<u>19,097</u>	<u>7,100</u>	<u>18,964</u>	<u>7,100</u>

4.3 The Company had non-cash items relating to sale of the rights on loans receivable to ATS Rabbit Special Purpose Vehicle Company Limited, a subsidiary, which the Company had sold loans receivable to. During the six-month periods ended August 31, 2021 and 2020, such sale was settled by increasing the Seller loan Account of Baht 21.40 million and decreasing the Seller loan Account of Baht 17.42 million, respectively, instead of cash receipt.

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

	CONSOLIDATED FINANCIAL STATEMENTS					“Unaudited” Ending balance as at August 31, 2021 Baht '000
	Beginning balance as at March 1, 2021 Baht '000	Financing cash flows		Non-cash changes		
		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	10,379,071	38,743,380	(38,410,266)	(20,938)	-	10,691,247
Long-term borrowings	42,821,621	2,879,138	(3,491,220)	2,080,082	2,392	44,292,013
Long-term debentures	9,425,401	-	(522,600)	139,569	3,355	9,045,725
Lease liabilities	689,629	-	(283,812)	4,282	206,980	617,079

	CONSOLIDATED FINANCIAL STATEMENTS					“Unaudited” Ending balance as at August 31, 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	35,151,656	(36,360,452)	207,723	-	6,210,160
Long-term borrowings	45,259,611	6,095,010	(5,849,756)	(339,709)	(17,404)	45,147,752
Long-term debentures	16,787,966	-	(3,227,700)	302,525	5,353	13,868,144
Lease liabilities	937,732	-	(271,527)	2,593	54,238	723,036

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

	SEPARATE FINANCIAL STATEMENTS					“Unaudited” Ending balance as at August 31, 2020 Baht '000
	Beginning balance as at March 1, 2020 Baht '000	Financing cash flows		Non-cash changes		
		Cash received	Cash paid	Differences on translating foreign currencies	Others	
Bank overdrafts and short-term borrowings from financial institutions	3,400,056	28,250,000	(28,760,056)	-	-	2,890,000
Long-term borrowings	44,076,691	4,704,388	(5,502,100)	(350,560)	(17,405)	42,911,014
Long-term borrowings under securitization project	1,662,552	278,429	(278,429)	-	(99,184)	1,563,368
Long-term debentures	15,314,884	-	(3,227,700)	302,525	5,353	12,395,062
Lease liabilities	761,561	-	(224,378)	-	52,305	589,488

## 5. TRADE RECEIVABLES

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

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”		
	As at August 31, 2021 Baht '000	As at February 28, 2021 Baht '000	As at August 31, 2021 Baht '000	As at February 28, 2021 Baht '000	
	Trade receivables	85,643,137	85,942,940	79,955,987	80,236,602
	Trade receivables under securitization project - ATS Rabbit Special Purpose Vehicle Company Limited	<u>1,433,643</u>	<u>1,489,622</u>	<u>1,433,643</u>	<u>1,489,622</u>
Total	87,076,780	87,432,562	81,389,630	81,726,224	
<u>Less</u> Allowance for expected credit loss	<u>(10,929,778)</u>	<u>(11,593,219)</u>	<u>(9,937,721)</u>	<u>(10,891,803)</u>	
<b>Total trade receivables</b>	<u><u>76,147,002</u></u>	<u><u>75,839,343</u></u>	<u><u>71,451,909</u></u>	<u><u>70,834,421</u></u>	

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

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

CONSOLIDATED FINANCIAL STATEMENTS						
“Unaudited”						
	As at August 31, 2021			As at February 28, 2021		
	Due within 1 year	Due after 1 year	Total	Due within 1 year	Due after 1 year	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Hire-purchase receivable</b>						
Hire-purchase and accrued interest receivable	2,508,442	4,183,472	6,691,914	3,567,397	3,145,028	6,712,425
<u>Less</u> Unearned financing income	<u>(306,897)</u>	<u>(435,421)</u>	<u>(742,318)</u>	<u>(341,085)</u>	<u>(523,657)</u>	<u>(864,742)</u>
	2,201,545	3,748,051	5,949,596	3,226,312	2,621,371	5,847,683
<u>Less</u> Allowance for expected credit loss	<u>(320,674)</u>	<u>(683,410)</u>	<u>(1,004,084)</u>	<u>(392,025)</u>	<u>(480,357)</u>	<u>(872,382)</u>
Hire-purchase and accrued interest receivable - net	<u>1,880,871</u>	<u>3,064,641</u>	<u>4,945,512</u>	<u>2,834,287</u>	<u>2,141,014</u>	<u>4,975,301</u>
<b>Loans receivable</b>						
Loans and accrued interest receivable	44,678,889	265,057	44,943,946	45,123,605	208,290	45,331,895
<u>Less</u> Allowance for expected credit loss	<u>(6,133,478)</u>	<u>(60,445)</u>	<u>(6,193,923)</u>	<u>(6,634,437)</u>	<u>(35,945)</u>	<u>(6,670,382)</u>
Loans and accrued interest receivable - net	<u>38,545,411</u>	<u>204,612</u>	<u>38,750,023</u>	<u>38,489,168</u>	<u>172,345</u>	<u>38,661,513</u>
<b>Credit card receivable</b>						
Credit card and accrued interest receivable	36,093,900	-	36,093,900	36,088,232	-	36,088,232
<u>Less</u> Allowance for expected credit loss	<u>(3,731,721)</u>	<u>-</u>	<u>(3,731,721)</u>	<u>(4,050,362)</u>	<u>-</u>	<u>(4,050,362)</u>
Credit card and accrued interest receivable - net	<u>32,362,179</u>	<u>-</u>	<u>32,362,179</u>	<u>32,037,870</u>	<u>-</u>	<u>32,037,870</u>
<b>Receivable from rendering the collection service</b>						
Receivable from rendering the collection service	17,709	-	17,709	9,054	-	9,054
<u>Less</u> Allowance for expected credit loss	<u>(50)</u>	<u>-</u>	<u>(50)</u>	<u>(93)</u>	<u>-</u>	<u>(93)</u>
Receivable from rendering the collection service - net	<u>17,659</u>	<u>-</u>	<u>17,659</u>	<u>8,961</u>	<u>-</u>	<u>8,961</u>
<b>Receivable from insurance broker business</b>						
	71,629	-	71,629	155,698	-	155,698
<b>Total trade receivables</b>	<u>72,877,749</u>	<u>3,269,253</u>	<u>76,147,002</u>	<u>73,525,984</u>	<u>2,313,359</u>	<u>75,839,343</u>

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“Unaudited”

	As at August 31, 2021			As at February 28, 2021		
	Due within 1 year	Due after 1 year	Total	Due within 1 year	Due after 1 year	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Hire-purchase receivable</b>						
Hire-purchase and accrued interest receivable	928,510	2,474,047	3,402,557	1,006,603	2,745,539	3,752,142
<u>Less</u> Unearned financing income	<u>(306,897)</u>	<u>(435,421)</u>	<u>(742,318)</u>	<u>(341,085)</u>	<u>(523,656)</u>	<u>(864,741)</u>
	621,613	2,038,626	2,660,239	665,518	2,221,883	2,887,401
<u>Less</u> Allowance for expected credit loss	<u>(152,417)</u>	<u>(499,862)</u>	<u>(652,279)</u>	<u>(155,003)</u>	<u>(445,001)</u>	<u>(600,004)</u>
Hire-purchase and accrued interest receivable - net	<u>469,196</u>	<u>1,538,764</u>	<u>2,007,960</u>	<u>510,515</u>	<u>1,776,882</u>	<u>2,287,397</u>
<b>Loans receivable</b>						
Loans and accrued interest receivable	43,254,454	-	43,254,454	43,385,259	7	43,385,266
<u>Less</u> Allowance for expected credit loss	<u>(5,602,871)</u>	<u>-</u>	<u>(5,602,871)</u>	<u>(6,276,675)</u>	<u>(1)</u>	<u>(6,276,676)</u>
Loans and accrued interest receivable - net	<u>37,651,583</u>	<u>-</u>	<u>37,651,583</u>	<u>37,108,584</u>	<u>6</u>	<u>37,108,590</u>
<b>Credit card receivable</b>						
Credit card and accrued interest receivable	35,427,072	-	35,427,072	35,453,557	-	35,453,557
<u>Less</u> Allowance for expected credit loss	<u>(3,682,571)</u>	<u>-</u>	<u>(3,682,571)</u>	<u>(4,015,123)</u>	<u>-</u>	<u>(4,015,123)</u>
Credit card and accrued interest receivable - net	<u>31,744,501</u>	<u>-</u>	<u>31,744,501</u>	<u>31,438,434</u>	<u>-</u>	<u>31,438,434</u>
<b>Receivable from insurance broker business</b>	<u>47,865</u>	<u>-</u>	<u>47,865</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total trade receivables</b>	<u>69,913,145</u>	<u>1,538,764</u>	<u>71,451,909</u>	<u>69,057,533</u>	<u>1,776,888</u>	<u>70,834,421</u>

## 5.2 Quality of assets

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

CONSOLIDATED FINANCIAL STATEMENTS

“Unaudited”

	As at August 31, 2021			As at February 28, 2021		
	Trade receivables	Allowance for expected credit loss	Total trade receivables	Trade receivables	Allowance for expected credit loss	Total trade receivables
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Low credit risk receivables (Stage 1)	79,157,955	(5,825,141)	73,332,814	79,446,594	(5,969,416)	73,477,178
Significant increase in credit risk receivables (Stage 2)	3,425,431	(1,769,942)	1,655,489	2,943,938	(1,578,830)	1,365,108
Default receivables in credit risk (Stage 3)	4,493,394	(3,334,695)	1,158,699	5,042,030	(4,044,973)	997,057
<b>Total</b>	<u>87,076,780</u>	<u>(10,929,778)</u>	<u>76,147,002</u>	<u>87,432,562</u>	<u>(11,593,219)</u>	<u>75,839,343</u>

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	“Unaudited”					
	As at August 31, 2021			As at February 28, 2021		
	Trade receivables	Allowance for expected credit loss	Total trade receivables	Trade receivables	Allowance for expected credit loss	Total trade receivables
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Low credit risk receivables (Stage 1)	74,902,113	(5,667,078)	69,235,035	74,480,252	(5,813,007)	68,667,245
Significant increase in credit risk receivables (Stage 2)	2,880,004	(1,555,028)	1,324,976	2,715,548	(1,489,812)	1,225,736
Default receivables in credit risk (Stage 3)	3,607,513	(2,715,615)	891,898	4,530,424	(3,588,984)	941,440
<b>Total</b>	<b>81,389,630</b>	<b>(9,937,721)</b>	<b>71,451,909</b>	<b>81,726,224</b>	<b>(10,891,803)</b>	<b>70,834,421</b>

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

CONSOLIDATED FINANCIAL STATEMENTS

	“Unaudited”	
	As at August 31, 2021	As at February 28, 2021
	Baht '000	Baht '000
Less than 3 months	83,004,299	82,848,008
3 months up	4,072,481	4,584,554
Total	87,076,780	87,432,562
<u>Less</u> Allowance for expected credit loss	(10,929,778)	(11,593,219)
<b>Total trade receivables</b>	<b>76,147,002</b>	<b>75,839,343</b>

SEPARATE FINANCIAL STATEMENTS

	“Unaudited”	
	As at August 31, 2021	As at February 28, 2021
	Baht '000	Baht '000
Less than 3 months	78,203,031	77,653,277
3 months up	3,186,599	4,072,947
Total	81,389,630	81,726,224
<u>Less</u> Allowance for expected credit loss	(9,937,721)	(10,891,803)
<b>Total trade receivables</b>	<b>71,451,909</b>	<b>70,834,421</b>

### 5.3 Troubled debt restructuring

For the three-month periods ended August 31, 2021 and 2020, the Company recognized interest income on restructured debts totaling Baht 25.35 million and Baht 39.04 million, respectively.

For the six-month periods ended August 31, 2021 and 2020, the Company recognized interest income on restructured debts totaling Baht 62.82 million and Baht 66.51 million, respectively.

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

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>				
<b>“Unaudited”</b>				
	<b>As at August 31, 2021</b>		<b>As at February 28, 2021</b>	
	<b>Number of debtors</b>	<b>Amount Baht '000</b>	<b>Number of debtors</b>	<b>Amount Baht '000</b>
Restructured trade receivables	25,168	963,102	29,220	1,158,699
Non-restructured trade receivables	3,597,041	86,024,340	3,777,597	86,109,111
Total	<u>3,622,209</u>	<u>86,987,442</u>	<u>3,806,817</u>	<u>87,267,810</u>

<b>SEPARATE FINANCIAL STATEMENTS</b>				
<b>“Unaudited”</b>				
	<b>As at August 31, 2021</b>		<b>As at February 28, 2021</b>	
	<b>Number of debtors</b>	<b>Amount Baht '000</b>	<b>Number of debtors</b>	<b>Amount Baht '000</b>
Restructured trade receivables	25,166	961,788	29,205	1,157,487
Non-restructured trade receivables	2,646,099	80,379,977	2,730,569	80,568,737
Total	<u>2,671,265</u>	<u>81,341,765</u>	<u>2,759,774</u>	<u>81,726,224</u>

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

#### 5.4 Allowance for expected credit loss

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

	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>		<b>SEPARATE FINANCIAL STATEMENTS</b>	
	<b>“Unaudited”</b>		<b>“Unaudited”</b>	
	<b>As at August 31, 2021</b>	<b>As at February 28, 2021</b>	<b>As at August 31, 2021</b>	<b>As at February 28, 2021</b>
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
Beginning balance	11,593,219	11,027,128	10,891,803	10,789,796
Expected credit loss	3,448,923	6,614,952	2,912,999	6,020,077
Written-off bad debts	(4,112,364)	(6,048,861)	(3,867,081)	(5,918,070)
Ending balance	<u>10,929,778</u>	<u>11,593,219</u>	<u>9,937,721</u>	<u>10,891,803</u>

## 5.5 Transfers of financial assets

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

Details of aforementioned sales of receivables are summarized as follows:

		<b>ATS Rabbit*</b>
Approved date of the securitization project by the SEC		October 2, 2015
Initial selling date		October 29, 2015
Type of transferred receivables		Loans receivable
Revolving period		October 2015 - October 2025 (approximately)
<b>Initial sale of receivables</b>		
Net book value of initial receivables	Baht	456,076,200
Proceeds from transfer of the rights in receivables	Baht	433,272,390
Subordinated lendings	Baht	50,081,313
Minimum seller loans - pari passu with debentures	Baht	None
Number of contracts		49,225
Average principal amount outstanding	Baht	9,265
Interest rate		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 six-month periods ended August 31, 2021 and 2020, transactions relating to the transfers of financial assets under the securitization project are summarized as follows:

	For the three-month periods ended August 31,		For the six-month periods ended August 31,	
	2021 Million Baht	2020 Million Baht	2021 Million Baht	2020 Million Baht
Transfers of future and additional receivables (at book value)				
- Loans receivable (ATS Rabbit)	142	135	261	261
	<u>142</u>	<u>135</u>	<u>261</u>	<u>261</u>
Cash collection on behalf of a Special Purpose Vehicle				
- Loans receivable (ATS Rabbit)	203	236	423	497
	<u>203</u>	<u>236</u>	<u>423</u>	<u>497</u>
Servicing income on cash collection from a Special Purpose Vehicle				
- Loans receivable (ATS Rabbit)	20	22	40	44
	<u>20</u>	<u>22</u>	<u>40</u>	<u>44</u>

## 6. LONG-TERM LOAN TO A SUBSIDIARY

As at August 31, 2021, the Company has long-term loan to a subsidiary amounting to USD 4 million or equivalent to Baht 128.88 million which will be due in 2026. The loan is unsecured and has interest rate at 8.5% per annum (see Note 23.2.1) (As at February 28, 2021 : USD 4 million or equivalent to Baht 119.49 million).



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

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

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

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

<sup>(2)</sup> 173 shares of IDR 30 million each, par value of IDR 30 million, fully paid

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

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

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

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”	
	As at August 31, 2021	
	Ownership %	Fair Value Baht '000
Rabbit Cash Co., Ltd. <sup>(1)</sup>	18.00	144,000
<b>Total</b>		<u>144,000</u>

<sup>(1)</sup> 1,440,000 shares of Baht 100 each, fully paid

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

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

## 10. SELLER LOAN IN SPECIAL PURPOSE VEHICLE FOR SECURITIZATION

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

	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at August 31, 2021 Baht '000	As at February 28, 2021 Baht '000
Seller loan in Special Purpose Vehicle for securitization (see Note 23.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	241,024	219,626
<b>Total Seller loan in Special Purpose Vehicle for securitization</b>	<u>241,024</u>	<u>219,626</u>

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

## 11. SUBORDINATED LENDINGS AND SUBORDINATED BORROWINGS

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

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

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

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

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

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

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

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

## 12. DEFERRED TAX ASSETS

Deferred tax assets as at August 31, 2021 and February 28, 2021 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at	As at	As at	As at
	August 31, 2021	February 28, 2021	August 31, 2021	February 28, 2021
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Deferred tax assets</b>				
Allowance for expected credit loss	2,066,865	2,256,201	1,987,544	2,178,361
Non-accrual of interest income	-	1,815	-	-
Cumulative loss from fair value measurement of investments in equity securities	4,502	4,502	4,502	4,502
Allowance for impairment of investment and assets	2,800	12,400	6,164	15,764
Provisions for employee benefit	105,053	95,669	94,988	86,320
Deferred revenue from customer loyalty programs	92,894	81,899	92,894	81,899
Lease agreements	14,453	11,998	13,619	11,550
Derivatives	449,123	629,102	449,123	629,102
Others	92,876	29,109	81,791	15,737
	<u>2,828,566</u>	<u>3,122,695</u>	<u>2,730,625</u>	<u>3,023,235</u>
<b>Deferred tax liabilities</b>				
Lease agreements	284	154	-	-
	<u>284</u>	<u>154</u>	<u>-</u>	<u>-</u>
<b>Deferred tax assets</b>	<u>2,828,282</u>	<u>3,122,541</u>	<u>2,730,625</u>	<u>3,023,235</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS			
	“Unaudited”			
	Beginning balance as at March 1, 2021 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at August 31, 2021 Baht '000
<b>Deferred tax assets</b>				
Allowance for expected credit loss	2,256,201	(189,336)	-	2,066,865
Non-accrual of interest income	1,815	(1,815)	-	-
Cumulative loss from fair value measurement of investments in equity securities	4,502	-	-	4,502
Allowance for impairment of investment and assets	12,400	(9,600)	-	2,800
Provisions for employee benefit	95,669	9,384	-	105,053
Deferred revenue from customer loyalty programs	81,899	10,995	-	92,894
Lease agreements	11,998	2,455	-	14,453
Derivatives	629,102	(411,198)	231,219	449,123
Others	29,109	63,767	-	92,876
	<u>3,122,695</u>	<u>(525,348)</u>	<u>231,219</u>	<u>2,828,566</u>
<b>Deferred tax liabilities</b>				
Lease agreements	154	130	-	284
	<u>154</u>	<u>130</u>	<u>-</u>	<u>284</u>
<b>Deferred tax assets</b>	<u>3,122,541</u>	<u>(525,478)</u>	<u>231,219</u>	<u>2,828,282</u>

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

	SEPARATE FINANCIAL STATEMENTS			
	“Unaudited”			
	Beginning balance as at March 1, 2021 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at August 31, 2021 Baht '000
<b>Deferred tax assets</b>				
Allowance for expected credit loss	2,178,361	(190,817)	-	1,987,544
Cumulative loss from fair value measurement of investments in equity securities	4,502	-	-	4,502
Allowance for impairment of investment and assets	15,764	(9,600)	-	6,164
Provisions for employee benefit	86,320	8,668	-	94,988
Deferred revenue from customer loyalty programs	81,899	10,995	-	92,894
Lease agreements	11,550	2,069	-	13,619
Derivatives	629,102	(411,198)	231,219	449,123
Others	15,737	66,054	-	81,791
	<u>3,023,235</u>	<u>(523,829)</u>	<u>231,219</u>	<u>2,730,625</u>
<b>Deferred tax assets</b>	<u>3,023,235</u>	<u>(523,829)</u>	<u>231,219</u>	<u>2,730,625</u>

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

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

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

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
	As at August 31, 2021		As at February 28, 2021	
	Interest rate	Baht '000	Interest rate	Baht '000
	p.a. (%)		p.a. (%)	
Overdrafts in THB currency	0.75	2,900,880	-	-
Short-term borrowings in THB currency	0.69 - 0.80	5,690,000	0.69 - 0.97	7,860,000
Short-term borrowings in USD currency	0.10 - 6.50	1,159,119	0.96 - 6.12	1,367,909
Short-term borrowings in LAK currency	6.30 - 6.60	302,333	5.70 - 6.60	266,339
Short-term borrowings in MMK currency	10.00 - 13.00	638,915	10.00 - 13.00	884,823
Total		<u>10,691,247</u>		<u>10,379,071</u>

SEPARATE FINANCIAL STATEMENTS				
“Unaudited”				
	As at August 31, 2021		As at February 28, 2021	
	Interest rate	Baht '000	Interest rate	Baht '000
	p.a. (%)		p.a. (%)	
Overdrafts in THB currency	0.75	2,900,880	-	-
Short-term borrowings in THB currency	0.69 - 0.80	5,690,000	0.69 - 0.97	7,860,000
Total		<u>8,590,880</u>		<u>7,860,000</u>

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

### 14. LONG-TERM BORROWINGS

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

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
	As at August 31, 2021			
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2022 - 2025	1.90 - 3.33	24,645.24	7,360,324
Borrowings in USD currency	2021 - 2027	1.85 - 8.50	666.43	21,666,696
Borrowings in THB currency	2022 - 2024	1.54 - 3.29	15,300.00	15,300,000
<u>Less</u> Borrowings issuance cost				<u>(35,007)</u>
				44,292,013
<u>Less</u> Current portion of long-term borrowings				<u>(4,772,147)</u>
Total long-term borrowings				<u>39,519,866</u>

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

SEPARATE FINANCIAL STATEMENTS				
“Unaudited”				
As at August 31, 2021				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2022 - 2025	1.90 - 3.33	24,645.24	7,360,324
Borrowings in USD currency	2021 - 2025	1.85 - 3.38	584.43	19,024,500
Borrowings in THB currency	2022 - 2024	1.54 - 3.29	15,300.00	15,300,000
<u>Less</u> Borrowings issuance cost				<u>(35,007)</u>
				41,649,817
<u>Less</u> Current portion of long-term borrowings				<u>(4,353,262)</u>
Total long-term borrowings				<u><u>37,296,555</u></u>

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

In the consolidated and separate financial statements as at August 31, 2021, the Company has already repaid long-term borrowings in JPY currency from a related company which is a bank in Japan (see Note 23.2.1) (As at February 28, 2021 : JPY 2,500 million or equivalent to Baht 718.15 million).

## 15. LONG-TERM BORROWINGS UNDER SECURITIZATION PROJECT

As at August 31, 2021 and February 28, 2021, the Company recognized the cash received and the settlement by the Seller Loan Account of ATS Rabbit for the transferred rights in loans receivable under securitization project (see Note 5.5) as long-term borrowings under securitization project in the separate financial statements in the amount of Baht 1,433.64 million and Baht 1,489.62 million, respectively.

## 16. LONG-TERM DEBENTURES

Long-term debentures represent unsubordinated and unsecured debentures as at August 31, 2021 and February 28, 2021, as follows:

Issue date	Maturity date	No of units	Currency	Par value per unit	Amount	Interest rate p.a. (%)	Term of interest payment	"Unaudited"	
								As at August 31, 2021 Baht '000	As at February 28, 2021 Baht '000
<b>Company</b>									
22/08/2016	20/08/2021	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.85	Semi-annual	-	453,198
21/12/2016	21/12/2021	1,000,000	THB	1,000	1,000,000,000	3.48	Quarterly	1,000,000	1,000,000
30/12/2016	30/12/2021	30	USD	1,000,000	30,000,000	USD-LIBOR 6M + 0.65	Semi-annual	976,563	906,396
15/12/2017	15/12/2022	1,000,000	THB	1,000	1,000,000,000	2.93	Semi-annual	1,000,000	1,000,000
15/11/2018	15/11/2021	800,000	THB	1,000	800,000,000	3.26	Semi-annual	800,000	800,000
15/11/2019	15/11/2022	2,800,000	THB	1,000	2,800,000,000	2.27	Semi-annual	2,800,000	2,800,000
15/11/2019	15/11/2024	1,000,000	THB	1,000	1,000,000,000	2.57	Semi-annual	1,000,000	1,000,000
								7,576,563	7,959,594
<u>Less</u> Debentures issuance cost								(3,920)	(7,275)
								7,572,643	7,952,319
<u>Less</u> Current portion of long-term debentures								(2,775,442)	(3,156,040)
<b>Total long-term debentures in separate financial statements</b>								<b>4,797,201</b>	<b>4,796,279</b>
<b>ATS Rabbit Special Purpose Vehicle Company Limited</b>									
29/09/2018	28/10/2025	1,473,082	THB	1,000	1,473,082,000	2.84	Monthly	1,473,082	1,473,082
<b>Total long-term debentures in consolidated financial statements</b>								<b>6,270,283</b>	<b>6,269,361</b>

## 17. DERIVATIVE FINANCIAL INSTRUMENTS

The fair values and notional amounts of derivative instruments as at August 31, 2021 and February 28, 2021 are as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS						
"Unaudited"						
	As at August 31, 2021			As at February 28, 2021		
	Fair value Assets Baht '000	Liabilites Baht '000	Notional amount Baht '000	Fair value Assets Baht '000	Liabilites Baht '000	Notional amount Baht '000
Derivatives designated as cash flow hedges						
Cross currency swaps	194,767	1,077,200	27,361,386	-	2,780,776	26,243,724
Interest rate swaps	-	330,717	9,000,000	-	364,729	9,000,000
	194,767	1,407,917	36,361,386	-	3,145,505	35,243,724
<u>Less</u> Current portion of derivative assets / liabilities	(28,722)	(928,775)	(5,331,665)	-	(1,287,130)	(4,699,532)
<b>Total derivative assets / liabilities</b>	<b>166,045</b>	<b>479,142</b>	<b>31,029,721</b>	<b>-</b>	<b>1,858,375</b>	<b>30,544,192</b>

## 18. PROVISIONS FOR EMPLOYEE BENEFIT

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

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

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month periods ended		For the six-month periods ended	
	August 31, 2021	August 31, 2020	August 31, 2021	August 31, 2020
	Baht '000	Baht '000	Baht '000	Baht '000
Past service cost				
- For employees transferred from subsidiaries	(14)	-	2,768	-
Current service cost	20,109	17,775	40,334	36,037
Interest cost	1,966	1,626	3,935	3,289
Loss on settlement	13	36,336	935	36,342
Total	<u>22,074</u>	<u>55,737</u>	<u>47,972</u>	<u>75,668</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month periods ended		For the six-month periods ended	
	August 31, 2021	August 31, 2020	August 31, 2021	August 31, 2020
	Baht '000	Baht '000	Baht '000	Baht '000
Past service cost				
- For employees transferred from subsidiaries	-	-	3,813	-
Current service cost	17,952	15,688	35,905	31,862
Interest cost	1,807	1,451	3,614	2,941
Loss on settlement	-	27,598	-	27,604
Total	<u>19,759</u>	<u>44,737</u>	<u>43,332</u>	<u>62,407</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	478,346	393,419	431,606	352,594
Past service cost				
- For employees transferred from subsidiaries	2,768	-	3,813	-
Current service cost	40,334	36,037	35,905	31,862
Interest cost	3,935	3,289	3,614	2,941
Loss on settlement	935	36,342	-	27,604
Benefits paid	(1,052)	(55,940)	-	(45,144)
Ending balance	<u>525,266</u>	<u>413,147</u>	<u>474,938</u>	<u>369,857</u>

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

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

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

## 19. SHAREHOLDERS' EQUITY

- 19.1 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.
- 19.2 On June 24, 2021, the Annual General Meeting of Shareholders had the resolutions to approve the declaration of final dividends for the year ended February 28, 2021 at the rate of Baht 2.65 per share, totaling Baht 662.50 million. The aforementioned shareholders included 4,410 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 662.50 million on July 20, 2021 in addition to the interim dividends which had been paid to all shareholders at Baht 1.85 per share, totaling Baht 462.50 million on November 5, 2020.

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

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

## 20. REVENUES RELATING TO SECURITIZATION TRANSACTION

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

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Loan income (see Note 23.2.2)				
Interest income from subordinated lendings	2,543	2,543	5,086	5,086
Revenue from seller loan in Special Purpose Vehicle	6,694	6,288	13,094	12,829
Dividend from investment in Special Purpose Vehicle	4,040	9,336	7,038	16,291
Collection servicing income	19,668	21,669	39,785	44,167
Total	32,945	39,836	65,003	78,373

## 21. DIRECTORS AND MANAGERMENTS' REMUNERATION

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

For the three-month and six-month periods ended August 31, 2021 and 2020, directors and managements' remuneration are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefit				
Directors' remuneration (reversal)	2,890	(12,047)	5,030	272
Managements' remuneration	35,410	30,729	64,599	61,817
Post-employment benefit	1,140	1,219	2,279	2,407
Total	39,440	19,901	71,908	64,496

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefit				
Directors' remuneration (reversal)	7,735	(12,553)	4,485	(5,303)
Managements' remuneration	20,359	16,419	37,712	34,155
Post-employment benefit	830	925	1,659	1,820
Total	<u>28,924</u>	<u>4,791</u>	<u>43,856</u>	<u>30,672</u>

For the three-month and six-month periods ended August 31, 2021 and 2020, directors' remunerations which were included in short-term employee benefits were approved by the Annual General Meeting of shareholders of the Company held on June 24, 2021 and June 24, 2020, respectively.

## 22. CORPORATE INCOME TAX

The Company and its local subsidiaries used tax rate of 20% for corporate income tax and deferred tax calculations for the three-month and six-month periods ended August 31, 2021 and 2020. The foreign subsidiaries used 20% - 25% for corporate income tax and deferred tax calculations for the three-month and six-month periods ended August 31, 2021 and 2020.

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

For the three-month and six-month periods ended August 31, 2021 and 2020, income tax expense consists of:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense (revenue) for the period	(10,376)	417,512	24,092	667,171
Deferred income tax expense (revenue)	204,468	(131,219)	525,478	(228,612)
Income tax expense per statements of profit or loss	<u>194,092</u>	<u>286,293</u>	<u>549,570</u>	<u>438,559</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense for the period	-	394,385	-	585,425
Deferred income tax expense (revenue)	206,502	(133,149)	523,829	(223,047)
Income tax expense per statements of profit or loss	<u>206,502</u>	<u>261,236</u>	<u>523,829</u>	<u>362,378</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	911,407	1,215,569	2,350,579	1,822,746
Permanent differences	(81,157)	(11,984)	24,393	121,311
Temporary differences	<u>(1,062,715)</u>	<u>668,706</u>	<u>(2,433,546)</u>	<u>1,120,051</u>
Taxable profit (loss)	<u>(232,465)</u>	<u>1,872,291</u>	<u>(58,574)</u>	<u>3,064,108</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	(10,376)	417,512	24,092	667,171
Deferred tax from temporary differences	<u>204,468</u>	<u>(131,219)</u>	<u>525,478</u>	<u>(228,612)</u>
Income tax expense per statements of profit or loss	<u>194,092</u>	<u>286,293</u>	<u>549,570</u>	<u>438,559</u>
Effective tax rate (%)	21.30	23.55	23.38	24.06

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2021	2020	2021	2020
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	1,049,064	1,328,593	2,846,224	1,972,652
Permanent differences	4,748	(13,077)	2,157	(29,671)
Temporary differences	<u>(1,032,507)</u>	<u>665,751</u>	<u>(2,619,143)</u>	<u>1,115,239</u>
Income that is exempt from taxable	<u>(4,040)</u>	<u>(9,336)</u>	<u>(229,238)</u>	<u>(131,091)</u>
Taxable profit	<u>17,265</u>	<u>1,971,931</u>	<u>-</u>	<u>2,927,129</u>
Normal income tax rate (%)	20.00	20.00	20.00	20.00
Income tax for the period currently payable	-	394,385	-	585,425
Deferred tax from temporary differences	<u>206,502</u>	<u>(133,149)</u>	<u>523,829</u>	<u>(223,047)</u>
Income tax expense per statements of profit or loss	<u>206,502</u>	<u>261,236</u>	<u>523,829</u>	<u>362,378</u>
Effective tax rate (%)	19.68	19.66	18.40	18.37

## 23. TRANSACTIONS WITH RELATED PARTIES

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

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

SEPARATE FINANCIAL STATEMENTS							
"Unaudited"							
As at August 31, 2021							
As at February 28, 2021							
Related parties	Relationship	Ownership	Paid-up		Ownership	Paid-up	
			capital	Cost		capital	Cost
		%	Baht '000	Baht '000	%	Baht '000	Baht '000
<b>Investments in an associate and subsidiaries</b>							
<b>Investment in an associate</b>							
ACS Trading Vietnam Company Limited	Associate	20.00	84,096.3	16,819.3	20.00	84,096.3	16,819.3
				(16,819.3)			(16,819.3)
				-			-
<b>Investments in subsidiaries</b>							
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
				1,206,645.3			1,206,645.3
				1,206,645.3			1,206,645.3
<b>Total investments in an associate and subsidiaries</b>				<b>1,206,645.3</b>			<b>1,206,645.3</b>

## 23.2 Business transactions with related parties

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

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
		As at August 31, 2021 Baht '000	As at February 28, 2021 Baht '000	As at August 31, 2021 Baht '000	As at February 28, 2021 Baht '000
<b>Other receivables</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	588	37,974
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	2,549	2,964
AEON Financial Service Co., Ltd.	Major shareholder	940	154	329	105
AEON Credit Service Company Limited	Common ultimate holding company	67	-	-	-
ACS Capital Corporation Limited	Shareholder and one common director	7,345	5,672	321	376
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	49,847	49,828
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	1,940	1,663
AEON (Cambodia) Co., Ltd.	Common ultimate holding company	13	80	-	-
AEON (Thailand) Ltd.	Common ultimate holding company	40	24	-	-
AEON Bank Ltd.	Common ultimate holding company	100	-	-	-
		<u>8,505</u>	<u>5,930</u>	<u>55,574</u>	<u>92,910</u>
<b>Long-term loan to a subsidiary</b> (see Note 6)					
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	128,876	119,494
<b>Seller loan in Special Purpose Vehicle for securitization</b> (see Note 10)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	241,024	219,626
<b>Subordinated lendings</b> (see Note 11.1)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	84,074	84,074
<b>Trade payables</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	-	163
<b>Other payables</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	2,510	2,046
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	55,238	59,897
AEON (Thailand) Company Limited	Common ultimate holding company	1,331	1,176	1,331	1,176
AEON Financial Service Co., Ltd.	Major shareholder	65,727	56,883	54,250	48,037
AEON Credit Service Company Limited	Common ultimate holding company	3,807	3,653	1,444	1,891
AEON Credit Service Systems (Philippines) Inc.	Holding shares	-	3,590	-	-
AEON Bank Ltd.	Common ultimate holding company	825	1,682	825	1,682
AEON Credit Service (Asia) Company Limited	Common ultimate holding company	-	78	-	-
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	47,211	49,045
AEON Insurance Service Company Limited	Common ultimate holding company	335	672	-	-
ACS Capital Corporation Limited	Common ultimate holding company	20	3	-	-
		<u>72,045</u>	<u>67,737</u>	<u>162,809</u>	<u>163,774</u>
<b>Long-term borrowings</b> (see Note 14)					
AEON Bank Ltd.	Common ultimate holding company	-	718,151	-	718,151
<b>Long-term borrowings under securitization project</b> (see Note 15)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	1,433,643	1,489,622
<b>Deposit received</b>					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	4,163	4,163
<b>Deferred revenue</b>					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	77,558	78,809

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

		CONSOLIDATED FINANCIAL STATEMENTS			
		For the three-month periods ended August 31,		For the six-month periods ended August 31,	
Related parties	Relationship	2021 Baht '000	2020 Baht '000	2021 Baht '000	2020 Baht '000
<b>Collection service income</b>					
ACS Capital Corporation Limited	Shareholder and one common director	-	293	-	575
<b>Other income</b>					
ACS Capital Corporation Limited	Shareholder and one common director	13,036	6,322	13,286	11,444
<b>Operating and administrative expenses</b>					
<b>Others</b>					
AEON Financial Service Co., Ltd.	Major shareholder	37,872	25,665	74,668	54,241
AEON Credit Service Company Limited	Common ultimate holding company	2,634	7,579	6,727	16,794
AEON (Thailand) Company Limited	Common ultimate holding company	4,358	4,309	8,255	9,509
AEON Credit Service Systems (Philippines) Inc.	Holding shares	-	4,655	-	6,107
ACS Capital Corporation Limited	Shareholder and one common director	20	-	60	-
AEON Bank Ltd.	Common ultimate holding company	3,812	4,599	8,469	7,330
AEON Leasing Service (Lao) Co., Ltd	Subsidiary	-	1,457	-	1,457
AEON Insurance Service Company Limited	Common ultimate holding company	503	-	1,321	-
		<u>49,199</u>	<u>48,264</u>	<u>99,500</u>	<u>95,438</u>
<b>Finance costs</b>					
AEON Bank Ltd.	Common ultimate holding company	2,198	1,689	4,867	3,413
AEON Financial Service Co., Ltd.	Major shareholder	3,849	821	5,966	1,531
		<u>6,047</u>	<u>2,510</u>	<u>10,833</u>	<u>4,944</u>
<b>Dividend paid</b>					
ACS Capital Corporation Limited	Shareholder and one common director	114,480	122,400	114,480	122,400
AEON Financial Service Co., Ltd.	Major shareholder	209,403	223,890	209,403	223,890
AEON Holding (Thailand) Limited	Common ultimate holding company	52,470	56,100	52,470	56,100
		<u>376,353</u>	<u>402,390</u>	<u>376,353</u>	<u>402,390</u>

		SEPARATE FINANCIAL STATEMENTS			
		For the three-month periods ended August 31,		For the six-month periods ended August 31,	
Related parties	Relationship	2021 Baht '000	2020 Baht '000	2021 Baht '000	2020 Baht '000
<b>Sale promotion income</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	414	302	731	739
<b>Credit card income</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	58	86,290	28,332	165,276
<b>Revenues relating to securitization transaction</b> (included in loan income) (see Note 20)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	32,945	39,836	65,003	78,373
<b>Dividend income</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	200,000	100,000
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	22,200	14,800
		<u>-</u>	<u>-</u>	<u>222,200</u>	<u>114,800</u>
<b>Other income</b>					
ACS Capital Corporation Limited	Shareholder and one common director	900	891	1,800	2,080
AEON Insurance Service (Thailand) Company Limited	Subsidiary	1,869	15,674	4,107	30,937
ACS Servicing (Thailand) Company Limited	Subsidiary	4,649	3,247	9,299	6,493
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	2,837	2,692	5,568	5,509
		<u>10,255</u>	<u>22,504</u>	<u>20,774</u>	<u>45,019</u>
<b>Operating and administrative expenses</b>					
<b>Collection service fee</b>					
ACS Servicing (Thailand) Company Limited	Subsidiary	119,362	117,907	244,306	231,729
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	1,316	1,726	2,650	3,365
		<u>120,678</u>	<u>119,633</u>	<u>246,956</u>	<u>235,094</u>
<b>Others</b>					
AEON Financial Service Co., Ltd.	Major shareholder	27,620	22,374	57,550	46,536
AEON Credit Service Company Limited	Common ultimate holding company	546	2,122	2,112	5,588
AEON (Thailand) Company Limited	Common ultimate holding company	4,358	4,309	8,255	9,509
AEON Credit Service Systems (Philippines) Inc.	Holding shares	-	-	-	679
AEON Bank Ltd.	Common ultimate holding company	1,469	2,626	3,221	3,413
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	7,579	5,725	14,700	10,136
AEON Leasing Service (Lao) Co., Ltd.	Subsidiary	-	1,457	-	1,457
ACS Servicing (Thailand) Company Limited	Subsidiary	-	52	-	52
AEON Insurance Service (Thailand) Company Limited	Subsidiary	19	-	19	-
		<u>41,591</u>	<u>38,665</u>	<u>85,857</u>	<u>77,370</u>
<b>Finance costs</b>					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	83,962	99,712	168,667	205,437
AEON Bank Ltd.	Common ultimate holding company	1,027	1,689	2,575	3,413
		<u>84,989</u>	<u>101,401</u>	<u>171,242</u>	<u>208,850</u>
<b>Dividend paid</b>					
ACS Capital Corporation Limited	Shareholder and one common director	114,480	122,400	114,480	122,400
AEON Financial Service Co., Ltd.	Major shareholder	209,403	223,890	209,403	223,890
AEON Holding (Thailand) Limited	Common ultimate holding company	52,470	56,100	52,470	56,100
		<u>376,353</u>	<u>402,390</u>	<u>376,353</u>	<u>402,390</u>

- Other income for the three-month and six-month periods ended August 31, 2021 and 2020 include the computer fee charged to ACS Capital Corporation Limited, AEON Insurance Service (Thailand) Company Limited and ACS Servicing (Thailand) Company Limited at the rate of Baht 200,000 per month, Baht 200,000 per month and Baht 200,000 per month, respectively, and from March 2021 onwards, charged to ACS Servicing (Thailand) Company Limited at the rate of Baht 707,349 per month, and from March 2020 onwards, Finance and Accounting operation services fee charged to ACS Capital Corporation Limited, AEON Insurance Service (Thailand) Company Limited and ACS Servicing (Thailand) Company Limited at the rate of Baht 97,000 per month, Baht 580,000 per month and Baht 760,000 per month, respectively. From January 2021 onwards, Finance and Accounting operation services fee charged to ACS Capital Corporation Limited, AEON Insurance Service (Thailand) Company Limited and ACS Servicing (Thailand) Company Limited at the rate of Baht 50,000 per month, Baht 330,000 per month and Baht 720,000 per month, respectively. The service fees are determined on a cost plus basis.
- Revenues relating to securitization transaction are determined by the Company and its subsidiaries in accordance with securitization projects (see Note 5.5).
- Collection service fee paid to ACS Servicing (Thailand) Company Limited is based on general market price and in the normal course of business.
- Management assistant fee is paid to AEON Financial Service Co., Ltd. as stated in the agreement.
- Pricing policy for other operating and administrative expenses is determined by the Company and related parties based on the cost plus basis.
- Purchase price of computer programs paid to AEON Credit Service Systems (Philippines) Inc. is as specified in the agreement.

#### **24. SEGMENT INFORMATION**

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

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

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

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

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

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

CONSOLIDATED FINANCIAL STATEMENTS					
For the three-month period ended August 31, 2021					
	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	4,981,080	280,098	83,222	-	5,344,400
Inter - segment revenues	10,285	4,527	117,619	(132,431)	-
	<u>4,991,365</u>	<u>284,625</u>	<u>200,841</u>	<u>(132,431)</u>	<u>5,344,400</u>
Expenses					
Operating and administrative expenses	1,724,329	159,514	175,761	(125,213)	1,934,391
Directors and managements' remuneration	28,924	6,844	3,672	-	39,440
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill	5,259	393	73	-	5,725
Total expenses	<u>1,758,512</u>	<u>166,751</u>	<u>179,506</u>	<u>(125,213)</u>	<u>1,979,556</u>
Finance costs	393,476	57,035	498	(2,691)	448,318
Expected credit loss (reversal)	1,786,522	218,723	(126)	-	2,005,119
Profit (loss) before income tax	1,052,855	(157,884)	20,963	(4,527)	911,407
Income tax expense (revenue)	206,251	(16,549)	4,390	-	194,092
Profit (loss) for the period	<u>846,604</u>	<u>(141,335)</u>	<u>16,573</u>	<u>(4,527)</u>	<u>717,315</u>

CONSOLIDATED FINANCIAL STATEMENTS					
For the three-month period ended August 31, 2020					
	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	4,742,235	389,413	252,839	-	5,384,487
Inter - segment revenues	108,206	(2,992)	114,706	(219,920)	-
	<u>4,850,441</u>	<u>386,421</u>	<u>367,545</u>	<u>(219,920)</u>	<u>5,384,487</u>
Expenses					
Operating and administrative expenses	1,714,908	195,460	293,272	(220,219)	1,983,421
Directors and managements' remuneration	4,791	9,817	5,293	-	19,901
Loss on revaluation of investment	14,009	-	-	-	14,009
Loss (gain) on sale and write-off of leasehold improvement and equipment	1,735	220	(70)	-	1,885
Total expenses	<u>1,735,443</u>	<u>205,497</u>	<u>298,495</u>	<u>(220,219)</u>	<u>2,019,216</u>
Finance costs	466,326	89,366	1,296	(2,692)	554,296
Expected credit loss	1,306,074	283,746	2	-	1,589,822
Share of loss from an associate using equity method	-	-	-	5,584	5,584
Profit (loss) before income tax	1,342,598	(192,188)	67,752	(2,593)	1,215,569
Income tax expense	265,904	8,800	11,589	-	286,293
Profit (loss) for the period	<u>1,076,694</u>	<u>(200,988)</u>	<u>56,163</u>	<u>(2,593)</u>	<u>929,276</u>

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

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

**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the six-month period ended August 31, 2020**

	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Revenues</b>					
Revenue from external customers	9,650,600	835,418	554,166	-	11,040,184
Inter - segment revenues	323,755	(2,162)	243,006	(564,599)	-
	<u>9,974,355</u>	<u>833,256</u>	<u>797,172</u>	<u>(564,599)</u>	<u>11,040,184</u>
<b>Expenses</b>					
Operating and administrative expenses	3,478,025	387,145	603,250	(446,451)	4,021,969
Directors and managements' remuneration	30,672	19,764	14,060	-	64,496
Loss on revaluation of investments	14,009	-	-	-	14,009
Loss (gain) on sale and write-off of leasehold improvement and equipment	4,937	276	(436)	-	4,777
Total expenses	<u>3,527,643</u>	<u>407,185</u>	<u>616,874</u>	<u>(446,451)</u>	<u>4,105,251</u>
Finance costs	944,267	170,933	2,763	(5,509)	1,112,454
Expected credit loss (reversal)	<u>3,505,355</u>	<u>476,599</u>	<u>(326)</u>	<u>-</u>	<u>3,981,628</u>
Share of loss from an associate using equity method	-	-	-	18,105	18,105
Profit (loss) before income tax	1,997,090	(221,461)	177,861	(130,744)	1,822,746
Income tax expense	<u>370,524</u>	<u>35,712</u>	<u>32,323</u>	<u>-</u>	<u>438,559</u>
Profit (loss) for the period	<u>1,626,566</u>	<u>(257,173)</u>	<u>145,538</u>	<u>(130,744)</u>	<u>1,384,187</u>

24.2 Financial positions classified by business are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
“Unaudited”					
As at August 31, 2021					
	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Trade and other receivables	71,920,935	4,754,374	268,275	(160,961)	76,782,623
Leasehold improvement and equipment and intangible assets other than goodwill	1,207,723	153,554	139,114	(6,942)	1,493,449
Other assets	8,801,202	963,613	718,577	(1,333,674)	9,149,718
Total assets	<u>81,929,860</u>	<u>5,871,541</u>	<u>1,125,966</u>	<u>(1,501,577)</u>	<u>87,425,790</u>
Total liabilities	<u>63,870,422</u>	<u>5,154,679</u>	<u>214,751</u>	<u>(267,848)</u>	<u>68,972,004</u>

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

**25. CREDIT FACILITIES AND LETTER OF GUARANTEE**

- 25.1 As at August 31, 2021 and February 28, 2021, the Company has unused committed and unsecured revolving credit facility agreements with various financial institutions totaling Baht 3,000 million.
- 25.2 As at August 31, 2021 and February 28, 2021, the Company has unused and unsecured overdraft facilities with various banks totaling Baht 189 million and Baht 3,090 million, respectively.
- 25.3 As at August 31, 2021 and February 28, 2021, the Company has a bank’s letter of guarantee issued to suppliers for guarantee payment of Baht 0.50 million. Such letter of guarantee is unsecured.
- 25.4 As at August 31, 2021 and February 28, 2021, two subsidiaries have letters of guarantee issued by banks in the amounts of Baht 5.78 million.

## 26. SALE OF WRITTEN-OFF RECEIVABLES

26.1 On June 28, 2018, the Company sold written-off receivables under loan agreements and credit card agreements to ACS Servicing (Thailand) Company Limited (the “buyer”), a subsidiary, with the purchase price of Baht 31.52 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement sets out the conditions and terms in respect of the sales, assignment and conveyance of the Company’s rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On June 28, 2018, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. However, the Group has retained substantially all of the risks and rewards of the assets transferred to the buyer which is the subsidiary. Consequently, the Company recorded cash received from the buyer as deferred revenue which will be recognized as revenue when the buyer can collect from debtors. The Company has already recognized revenue of Baht 0.24 million and Baht 0.55 million as bad debt recovery in the consolidated and separate statements of profit or loss for the three-month and six-month periods ended August 31, 2021, respectively, and recorded outstanding deferred revenue of Baht 22.18 million as other current liabilities in the separate statements of financial position as at August 31, 2021 (as at February 28, 2021 : Baht 22.73 million).

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

26.2 On October 28, 2019, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to ACS Servicing (Thailand) Company Limited (the “buyer”), a subsidiary, with the purchase price of Baht 59.11 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement sets out the conditions and terms in respect of the sales, assignment and conveyance of the Company’s rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On October 28, 2019, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. However, the Group has retained substantially all of the risks and rewards of the assets transferred to the buyer which is the subsidiary. Consequently, the Company recorded cash received from the buyer as deferred revenue which will be recognized as revenue when the buyer can collect from debtors. The Company has already recognized revenue of Baht 0.32 million and Baht 0.62 million as bad debt recovery in the consolidated and separate statements of profit or loss for the three-month and six-month periods ended August 31, 2021, respectively, and recorded outstanding deferred revenue of Baht 55.33 million as other current liabilities in the separate statements of financial position as at August 31, 2021 (as at February 28, 2021 : Baht 55.95 million).

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

- 26.3 On October 30, 2020, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the “buyer”) with the purchase price of Baht 249.70 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company’s rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On October 30, 2020, which is the closing date as specified in the agreement the Company received the initial payment of Baht 74.90 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 174.80 million in 9 installments of Baht 19.42 million per each and last installment will be on July 30, 2021. The Company has already recognized gain on sale of written-off receivables totaling Baht 249.70 million in the consolidated and separate statements of profit or loss for the year ended February 28, 2021, and as at August 31, 2021, the Company has received the full amount of payment under the agreement. (as at February 28, 2021 : Baht 97.12 million).

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. The claim was to be settled with the final payment which the Company would receive from the buyer. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the three-month and six-month periods ended August 31, 2021.

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.

26.4 On August 31, 2021, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the “buyer”) with the purchase price of Baht 319.76 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company’s rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On August 31, 2021, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. The Company has already recognized gain on sale of written-off receivables totaling Baht 319.76 million in the consolidated and separate statements of profit or loss for the three-month and six-month periods ended August 31, 2021.

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 six-month periods ended August 31, 2021.

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.

## **27. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS**

These interim financial statements were approved for issue by the Company’s authorized director on October 4, 2021.

(Translation)

No. 18/2021

October 4, 2021

President

The Stock Exchange of Thailand

Re: Notification of the Resolution of the Board of Directors' Meeting No. 11/2021

We, AEON Thana Sinsap (Thailand) Public Company Limited ("Company"), hereby reported the resolutions passed at the meeting of the Board of Directors No. 11/2021, held on October 4, 2021, from 10:00 a.m. as follows:

1. Unanimously acknowledged the Company's performance for the first half year ended August 31, 2021;
2. Unanimously approved the consolidated reviewed 2<sup>nd</sup> quarter financial statements and six-month period of the Company ended August 31, 2021;
3. Unanimously approved interim dividend payment for the first-half of fiscal year 2021 (March 1, 2021 - August 31, 2021). The dividends will be paid at the rate of 2.50 baht per share, totaling 625,000,000 baht or 34.20% payout ratio. The shareholder register book for the right to receive dividends shall be recorded on October 19, 2021. The Company will pay dividend on November 2, 2021.

Please be informed accordingly

Yours sincerely,

Mrs. Suporn Wattanavekin

Executive Director

## Management Discussion and Analysis

### For the 2<sup>nd</sup> Quarter 2021 ended August 31, 2021

AEON Thana Sinsap (Thailand) Public Company Limited (“the Company”) has already submitted the consolidated reviewed the 2<sup>nd</sup> quarter financial statements as of August 31, 2021 which were reviewed by Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. The operating performance is summarized as follows.

#### Overview

According to the Bank of Thailand and Office of the National Economic and Social Development Board data, the Thai economy in the second quarter of 2021 increased by 7.5% (y-y) compared with a decrease of 2.6% (y-y) in the first quarter. The main supporting factors were the return-to-expansion of export goods and private investment. On the other hand, the third wave of the COVID-19 pandemic continues to affect from a government adopting a more restrictive lockdown measures in dark-red zones and uncertainty surrounding the COVID-19 situation that will hinge mainly on the rollout of vaccines in order to curb the pandemic. From the situation, unemployment rate in the second quarter of 2021 was at 1.89% and household debt showed high level.

As of August 31, 2021, the Company’s total cards reached 9.29 million cards, including 3.01 million credit cards, and 6.28 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 100 branches, 404 ATMs, and 6,272 member dealers to provide quality financial services to AEON cardholders. For overseas business in Cambodia, Myanmar and Laos, they have active customers more than 133,535 with representing 5% of total company customers.

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

## Summary of Consolidated Financial Results

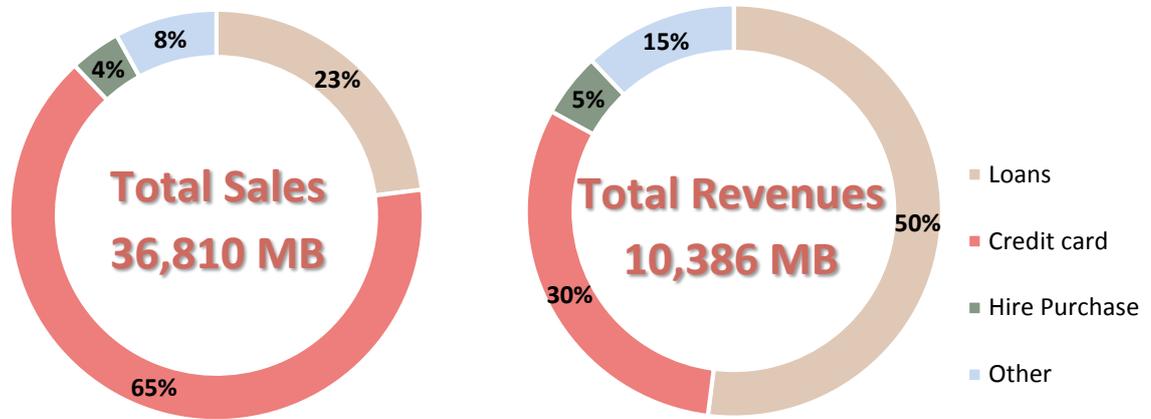
### 1. Operating Results

Profit and Loss Statement (Consolidated) Unit : Million Baht	2Q/20	1Q/21	2Q/21	%QoQ	%YoY	1H20	1H21	%YoY
Credit card income	1,621	1,550	1,594	3%	-2%	3,359	3,144	-6%
Loan income	2,905	2,612	2,586	-1%	-11%	5,980	5,198	-13%
Hire-purchase income	240	273	258	-5%	8%	489	531	9%
Other income	619	607	906	49%	46%	1,212	1,513	25%
<b>Total Revenues</b>	<b>5,384</b>	<b>5,041</b>	<b>5,344</b>	<b>6%</b>	<b>-1%</b>	<b>11,040</b>	<b>10,386</b>	<b>-6%</b>
Operating and administrative expenses	2,003	1,921	1,974	3%	-1%	4,086	3,895	-5%
Expected credit loss	1,590	1,226	2,005	64%	26%	3,982	3,231	-19%
Finance costs	554	453	448	-1%	-19%	1,112	901	-19%
Other expenses	21	2	6	200%	-71%	37	8	-78%
<b>Total Expenses</b>	<b>4,168</b>	<b>3,602</b>	<b>4,433</b>	<b>23%</b>	<b>6%</b>	<b>9,217</b>	<b>8,035</b>	<b>-13%</b>
Profit before tax income	1,216	1,439	911	-37%	-25%	1,823	2,351	29%
Income tax expenses	286	355	194	-45%	-32%	439	550	25%
<b>Net profit for the period</b>	<b>966</b>	<b>1,149</b>	<b>678</b>	<b>-41%</b>	<b>-30%</b>	<b>1,384</b>	<b>1,828</b>	<b>22%</b>
<b>Earnings Per Share (Baht per share)</b>	<b>3.87</b>	<b>4.60</b>	<b>2.71</b>	<b>-41%</b>	<b>-30%</b>	<b>5.99</b>	<b>7.31</b>	<b>22%</b>

### Revenues

In the first half of fiscal year 2021, the total consolidated revenues were 10,386 million baht, decreasing of 655 million baht or 6% y-y. In the second quarter of 2021, the Company's revenues were 5,344 million baht, decreasing of 40 million baht or 1% y-y but increase by 6% q-q. The decreased income was a result of 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 since August 1 last year as well as the announcement of temporary lockdown in July and August in this year due to COVID-19 outbreak. Therefore, the Company temporarily closed 57 branches in department stores. However, the company focuses on promoting sales through online channels and cardless cashing totally online shopping increased around 2 times and cardless cashing share more than 30% of total personal loans. Moreover, our revenue from bad debt recovery growing by 11% y-y. Details of each business can be described as follows:

Sales and Revenues Structure for the first six months of 2021



- Credit Card

In the first half year of 2021, credit card sales accounted for 65% of total turnovers with revenue of 3,144 million baht, a decrease of 215 million baht or 6% y-y. In the second quarter of 2021, credit card revenue was 1,594 million baht, a decrease of 27 million baht or 2% y-y but increased by 3% q-q, mainly resulted from a reduction in interest rate for credit card by 2%, which effective in 1<sup>st</sup> August 2020 and decreasing of credit card spending due to the impact of the COVID-19 pandemic. However, credit card revenue was 30% of total revenues. For overseas business, AEON Specialized Bank (Cambodia) Plc had credit card revenue in the second quarter of 2021 of 56 million baht, grew by 12% y-y.

- Loans

In the first half of 2021, loans shared 23% of total turnovers with the revenue of 5,198 million baht, a decrease of 782 million baht or 13% y-y which was 50% of total revenues. In the second quarter of 2021, loan revenue was 2,586 million baht, a decrease of 318 million baht or 11% y-y mainly from a reduction in interest rate ceiling for personal loan by 3%. Moreover, loan income from AEON Specialized Bank (Cambodia) PLC of 138 million baht, decreasing by 15% y-y and AEON Microfinance (Myanmar) Company Limited of 24 million baht, decreasing by 88% y-y due to COVID-19 lockdown and political turmoil that impacted operation in Yangon and Mandalay. Therefore, AEON Microfinance (Myanmar) Co., Ltd has stopped new loan and cut the expenses as well as continued pursuing debt collection respectively.

The Company has been expanding more online service channels to customers and reduced the Company's operation cost. As a result, the Cardless transactions currently accounted for 38% of total personal loan sales.

- Hire Purchase

In the first half of 2021, motorcycle and used car hire purchase in Thailand and electrical appliances, mobile phones in overseas business, with the revenues of 531 million baht, increasing by 42 million baht or 9% y-y. In the second quarter of 2021, the Company had hire purchase revenue of 258 million baht, increasing by 18 million baht or 8% y-y. In addition, hire purchase income in the first half of 2021 from AEON Specialized Bank (Cambodia) Plc was 312 million baht, increasing by 5% y-y and AEON Leasing Service (Lao) Company Limited of 55 million baht, decreasing 4% y-y.

- Others

In the first half of 2021, other incomes were 1,513 million baht or 15% of total revenues, showing an increase of 301 million baht or 25% y-y. Other revenues consist of bad debt recovery, which was 638 million baht increased by 11% y-y or sharing 6% of total revenues, gain on sales of written-off receivables were 320 million baht or 3% of total revenues, collection service income was 107 million baht or 1% of total revenues, Insurance business income was 325 million baht increased by 23% y-y and sharing 3% of total revenues, and others of 123 million baht or 1% of total revenues. Other revenues was mainly from the continued growth of bad debt recovery because of expedite the legal process.

For the second quarter of 2021, other incomes were 906 million baht, an increased 287 million baht or 46% y-y. In addition, in the second of 2021, The Company had other incomes from bad debt selling at the amount of 320 million baht.

### Expenses

The Company's expenses mainly consist of operating and administrative expenses, expected credit loss and finance cost. In the first half of 2021, the Company had total consolidated expenses of 8,035 million baht, a decrease of 1,182 million baht or 13% y-y. For the second quarter of 2021, the consolidated expenses were 4,433 million baht, an increase of 264 million baht or 6% y-y. Details of expenses are shown as follows:

- Operating and Administrative Expenses

In the first half of 2021, the consolidated operating and administrative expense were 3,902 million baht, decreasing by 203 million baht or 5% y-y. The decrease in operating and administrative expense was mainly from personal expense, transportation expense, and decelerated of marketing activities as well as a decrease in space of property expenses. For the second quarter of 2021, the consolidated operating and administrative expenses were 1,980 million baht, decreasing by 40 million baht or 2% y-y. However, the Company still maintained effective operating cost control with cost to income ratio at 38% of total revenues.

Considering the Company's separate financial statement, the operating and administrative expenses as a percentage of revenues represented 35% in the second quarter of 2021 and in the six-months of 2021.

- Expected Credit Loss

The consolidated expected credit loss in the first half of 2021 amounted to 3,231 million baht, decreasing by 751 million baht or 19% y-y. For the second quarter of 2021, the consolidated expected credit loss was 2,005 million baht increasing by 415 million baht or 26% y-y. This was a result from increasing of written-off receivables as well as the Company has also set additional management overlay for a hedge with probable forward looking macroeconomics factors, the disease pandemic and government's lockdown measures of shopping mall as well as business activities.

- Finance Cost

The Company recorded consolidated finance cost in the first half of 2021 of 901 million baht, decreasing by 19% y-y. For the second quarter of 2021, the finance cost was 448 million baht, decreasing by 106 million baht or 19% y-y, which the portion of finance cost in the second quarter was 8% of total revenues. The average funding cost in the second quarter of 2021 was at 2.56% decreased from 2.92% in the second quarter of 2020.

### **Net Profit**

For the first half of 2021, consolidated operating income was reported at 2,351 million baht, an increase of 528 million baht or 29% y-y. The Company recorded net profit of 1,828 million baht, an increase of 331 million baht or 22% y-y, and earning per share was 7.31 baht, For the second quarter of 2021, net profit of the parent was 647 million baht decreased by 30% y-y which was resulted from higher provision in August 2021 with probable forward looking risk factors due to COVID-19 and lock down business. Net profit was mainly contributed by continued growth of bad debt recovery and efficiently control the operation cost and funding cost.

## 2. Financial Status

Statement of Financial Position	February 28, 2021	August 31, 2021	Change
Unit : Million Baht			%YoY
Accounts Receivable	87,433	87,077	-0.4%
Total Assets	87,389	87,426	0.04%
Total Borrowing	62,710	64,113	2%
Total Liabilities	70,009	68,972	-1.5%
Total Equities	17,380	18,454	6%
ROE	19.5%	20.8%	7%
ROA	4.0%	4.2%	5%
D/E Ratio	4.0	3.7	-7.5%

### Total Assets

As of August 31, 2021, consolidated total assets were 87,426 million baht, an increase of 37 million baht or 0.04% from 87,389 million baht as of February 28, 2021. The main assets were attributed to the portfolio of net account receivables which shared 87% of total assets.

- Accounts Receivable

The Company has accounts receivable of 87,077 million baht as of August 31, 2021, decreased by 0.4% from as of February 28, 2021. The decrease was attributed mainly from the reducing of trading volume caused by the COVID-19 pandemic. However, this can be categorized by business type as follows: credit card receivable of 36,094 million baht, loans receivable of 44,944 million baht, hire purchase receivable of 5,950 million baht and others receivable of 89 million baht accordingly.

- Allowance for expected credit loss

As of August 31, 2021, the Company provided allowance for doubtful accounts of 10,930 million baht or 12.6% of total accounts receivable. The delinquent account receivables for 3 months and up was 4.7% in the second quarter decreasing from 5.2% in the end of last year. For default receivables in credit risk (NPL Stage 3) was 5.2% decreasing from 5.8% at the end of previous year, mainly from caution on new loan under the third wave of COVID-19 situation and accelerated write off of NPL from last year. In the end of second quarter of 2021, the consolidated coverage ratio of allowance for expected credit loss to NPL (NPL Coverage ratio) was at 243% increased from 230% from fiscal year of 2020 and increased from 225% from last quarter.

## Liabilities

The consolidated liabilities of the Company as of August 31, 2021 totaling 68,972 million baht, a decrease of 1,037 million baht or 1.5% from 70,009 million baht at the end of previous year. There were both short-term and long-term borrowings totally 64,113 million baht, increasing by 2% from the end of last year. The portion of long-term borrowings was 45,874 million baht or represented 72% of total borrowings. To manage risk that might occur from the fluctuation in currency. The Company has entered cross currency interest rate swap contracts to hedge its debt. In addition, the Company has unused unsecured revolving credit facilities 7.2 billion baht and 3 billion baht unused uncommitted facilities with a verities of domestic financial institutions which is enough to drive the Company's operation. The Company also has the debentures totaling 2.9 billion baht that will mature within the next 12 months, which the Company can issue the replacement debentures or use a working capital to repay those debentures.

## Shareholders' Equity

As of August 31, 2021, total shareholders' equity amounted to 18,454 million baht, an increase of 1,074 million baht or 6% from the end of fiscal year 2020. Book value as of August 31, 2021 was 72.6 baht per share, increased from that of 68.2 baht per share as of February 28, 2021.

Debt to Equity ratio as of August 31, 2021 was at 3.7 times decreased from 4.0 times at the end of 2020. Return on Equity (ROE) and Return on Asset (ROA) for the first half of 2021 are 20.8% and 4.2%, respectively.

The Company also announces to pay interim dividend of six month performance at the amount 2.50 baht per share or 34.2% payout ratio. The shareholder register book for the right to receive dividends shall be recorded on October 19, 2021 (XD will be posted on October 18, 2021) and dividend will be paid on November 2, 2021.

<b>Key Financial Ratio</b>	<b>2Q20</b>	<b>2Q21</b>	<b>6M20</b>	<b>6M21</b>
Net Profit Margin (%)	17.9%	12.7%	13.6%	17.6%
Interest Coverage ratio (Times)	3.2	3.0	2.7	3.6
Allowance for Expected Credit Loss/ Total Receivables (%)	12.2%	12.6%	12.2%	12.6%
NPL Coverage Ratio (%)	197%	243%	197%	243%
Cost to Income (%)	37.2%	36.9%	37.0%	37.5%
Book Value per Share (Baht)	60.4	72.6	64.0	72.6
EPS (Baht)	3.87	2.71	5.99	7.31