

**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 (the “Group”) and the separate statement of financial position of AEON Thana Sinsap (Thailand) Public Company Limited (the “Company”) as at August 31, 2023, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income for the three-month and six-month periods ended August 31, 2023, the related consolidated and separate statement of changes in shareholders’ equity and cash flows for the six-month ended August 31, 2023, 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 6, 2023

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

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF FINANCIAL POSITION  
AS AT AUGUST 31, 2023

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,
		2023	2023	2023	2023
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	4.1	3,793,520	3,816,356	2,450,313	2,159,810
Trade and other current receivables					
Trade receivables	5	80,295,773	80,667,069	77,290,640	77,833,587
Other receivables		636,060	518,404	492,102	414,708
Current portion of long-term loan to a subsidiary	6	-	-	27,820	27,990
Current portion of loans from purchase of accounts receivable	7	2,147	490	-	-
Seller loan in Special Purpose Vehicle for securitization	11	-	-	276,045	287,621
Current portion of derivative assets	18	890,645	1,047,431	890,645	1,047,431
Other current assets		79,245	102,645	43,722	42,955
Total Current Assets		<u>85,697,390</u>	<u>86,152,395</u>	<u>81,471,287</u>	<u>81,814,102</u>
<b>NON-CURRENT ASSETS</b>					
Trade and other non-current receivables					
Trade receivables	5	3,587,069	3,144,652	1,635,439	1,496,409
Other receivables		74,085	74,041	74,085	74,041
Fixed deposits at banks under obligations		110,842	144,216	-	-
Long-term loan to a subsidiary	6	-	-	83,459	83,970
Loans from purchase of accounts receivable	7	52,171	12,133	-	-
Investments in subsidiaries	8	-	-	1,235,909	1,235,409
Investments in equity securities designated at fair value					
through profit or loss	9	5,062	5,062	5,062	5,062
Investment in equity security designated at fair value					
through other comprehensive income	10	144,000	144,000	144,000	144,000
Subordinated lendings	12.1	-	-	84,074	84,074
Leasehold improvements and equipment		527,491	523,145	419,048	447,217
Right-of-use assets		753,480	892,559	644,009	776,685
Intangible assets other than goodwill		862,203	923,406	723,475	783,252
Derivative assets	18	430,263	684,654	430,263	684,654
Deferred tax assets	13	2,543,252	2,340,922	2,468,457	2,268,848
Other non-current assets		158,889	165,501	141,736	146,184
Total Non-current Assets		<u>9,248,807</u>	<u>9,054,291</u>	<u>8,089,016</u>	<u>8,229,805</u>
<b>TOTAL ASSETS</b>		<u><u>94,946,197</u></u>	<u><u>95,206,686</u></u>	<u><u>89,560,303</u></u>	<u><u>90,043,907</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, 2023

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,
		2023	2023	2023	2023
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	14	6,525,791	4,485,424	4,750,000	3,440,000
Trade and other current payables					
Trade payables		63,423	220,728	50,833	200,448
Other payables		1,555,161	1,629,459	1,477,246	1,532,329
Current portion of long-term liabilities					
Long-term borrowings	15	12,706,135	12,836,551	12,706,135	11,273,543
Derivative liabilities	18	765,259	562,743	765,259	562,743
Lease liabilities		418,693	444,127	365,896	389,924
Current income tax payable		580,860	643,416	531,566	608,272
Other current liabilities		373,199	341,614	393,377	345,103
Total Current Liabilities		<u>22,988,521</u>	<u>21,164,062</u>	<u>21,040,312</u>	<u>18,352,362</u>
NON-CURRENT LIABILITIES					
Long-term borrowings	15	36,254,206	39,152,934	34,066,374	37,867,795
Long-term borrowings under securitization project	16	-	-	1,184,157	1,260,991
Long-term debentures	17	9,266,194	9,580,142	7,793,112	8,107,060
Derivative liabilities	18	1,195,114	876,160	1,195,114	876,160
Lease liabilities		366,334	473,541	310,502	412,280
Subordinated borrowings	12.2	84,074	84,074	-	-
Provisions for employee benefit	19	478,451	444,377	435,929	405,630
Other non-current liabilities		83,804	83,316	72,198	71,186
Total Non-current Liabilities		<u>47,728,177</u>	<u>50,694,544</u>	<u>45,057,386</u>	<u>49,001,102</u>
TOTAL LIABILITIES		<u>70,716,698</u>	<u>71,858,606</u>	<u>66,097,698</u>	<u>67,353,464</u>

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT AUGUST 31, 2023

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,
		2023	2023	2023	2023
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)</b>					
SHAREHOLDERS' EQUITY	21				
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
OTHER SURPLUSES (DEFICITS)					
Surplus on share-based payment transaction	20	13,696	9,265	12,503	9,265
Deficit arising from change in ownership interest in a subsidiary	8	(16)	-	-	-
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		18,103,912	17,382,220	17,867,587	17,167,729
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY					
Exchange differences on translating					
financial statements of foreign operations		(63,952)	(83,454)	-	-
Cumulative loss on cash flow hedges		(20,485)	(89,551)	(20,485)	(89,551)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		23,636,155	22,821,480	23,462,605	22,690,443
NON-CONTROLLING INTERESTS		593,344	526,600	-	-
TOTAL SHAREHOLDERS' EQUITY		24,229,499	23,348,080	23,462,605	22,690,443
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>94,946,197</b>	<b>95,206,686</b>	<b>89,560,303</b>	<b>90,043,907</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, 2023  
“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,
		2023	2022	2023	2022
<b>REVENUES</b>					
Credit card income		1,967,930	1,878,398	1,927,439	1,842,096
Loan income	22	2,554,225	2,629,143	2,484,297	2,610,144
Hire-purchase income		247,668	253,134	64,117	61,620
Other income					
Bad debt recovery		450,786	410,459	436,313	410,459
Gain on sale of written-off receivables	28.6 - 28.8	167,108	-	167,108	-
Collection service income		58,333	54,488	-	-
Insurance broker business income		160,346	162,044	160,346	162,044
Others		69,975	87,751	40,382	77,607
Total Other income		906,548	714,742	804,149	650,110
Total Revenues		5,676,371	5,475,417	5,280,002	5,163,970
<b>EXPENSES</b>					
Operating and administrative expenses		2,014,676	1,956,228	1,833,790	1,802,606
Directors and managements' remuneration	23	55,182	28,599	45,811	15,655
Loss on impairment of assets (reversal)		-	(1,426)	-	(1,426)
Loss on sale and write-off of leasehold improvements and equipment and intangible assets other than goodwill		1,434	2,369	1,422	845
Total Expenses		2,071,292	1,985,770	1,881,023	1,817,680
Finance costs		574,148	468,521	540,170	487,222
Expected credit losses		1,948,740	1,851,200	1,901,078	1,804,239
PROFIT BEFORE INCOME TAX		1,082,191	1,169,926	957,731	1,054,829
INCOME TAX EXPENSES	24	218,472	238,643	190,154	212,049
<b>PROFIT FOR THE PERIOD</b>		<b>863,719</b>	<b>931,283</b>	<b>767,577</b>	<b>842,780</b>
<b>PROFIT ATTRIBUTABLE TO :</b>					
Owners of the parent		841,878	903,562	767,577	842,780
Non-controlling interests		21,841	27,721	-	-
		863,719	931,283	767,577	842,780
<b>BASIC EARNINGS PER SHARE</b>	<b>BAHT</b>	3.37	3.61	3.07	3.37
<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, 2023  
“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,
	2023	2022	2023	2022
Profit for the period	863,719	931,283	767,577	842,780
Other comprehensive income (loss), net of tax				
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translating financial statements of foreign operations				
- Owners of the parent	26,300	24,818	-	-
- Non-controlling interests	30,064	31,786	-	-
Gain (loss) on cash flow hedges	156,749	(25,596)	156,749	(25,596)
Other comprehensive income (loss) for the period, net of tax	213,113	31,008	156,749	(25,596)
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>1,076,832</b>	<b>962,291</b>	<b>924,326</b>	<b>817,184</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :</b>				
Owners of the parent	1,024,927	902,784	924,326	817,184
Non-controlling interests	51,905	59,507	-	-
	<b>1,076,832</b>	<b>962,291</b>	<b>924,326</b>	<b>817,184</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, 2023

“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,
		2023	2022	2023	2022
REVENUES					
Credit card income		3,919,037	3,688,139	3,837,550	3,614,961
Loan income	22	5,088,540	5,257,558	4,996,614	5,212,791
Hire-purchase income		487,800	519,865	124,942	126,723
Other income					
Bad debt recovery		891,935	795,888	862,353	795,888
Gain on sale of written-off receivables	28.3, 28.6 - 28.8	167,108	104,979	167,108	104,979
Collection service income		113,053	110,730	-	-
Insurance broker business income		330,004	341,396	330,004	341,396
Dividend income		-	-	140,600	158,600
Others		138,085	141,511	68,996	105,874
Total Other income		1,640,185	1,494,504	1,569,061	1,506,737
Total Revenues		11,135,562	10,960,066	10,528,167	10,461,212
EXPENSES					
Operating and administrative expenses		4,005,143	3,946,332	3,662,101	3,627,156
Directors and managements' remuneration	23	93,488	71,833	73,804	44,472
Loss on impairment of assets		4,341	-	4,341	-
Loss on sale and write-off of leasehold improvements and equipment and intangible assets other than goodwill		1,790	2,428	1,931	951
Total Expenses		4,104,762	4,020,593	3,742,177	3,672,579
Finance costs		1,101,120	905,225	1,081,517	945,713
Expected credit losses		4,042,640	3,414,677	3,944,881	3,334,392
PROFIT BEFORE INCOME TAX		1,887,040	2,619,571	1,759,592	2,508,528
INCOME TAX EXPENSES	24	379,305	529,532	322,238	471,547
<b>PROFIT FOR THE PERIOD</b>		<b>1,507,735</b>	<b>2,090,039</b>	<b>1,437,354</b>	<b>2,036,981</b>
<b>PROFIT ATTRIBUTABLE TO :</b>					
Owners of the parent		1,459,188	2,018,405	1,437,354	2,036,981
Non-controlling interests		48,547	71,634	-	-
		1,507,735	2,090,039	1,437,354	2,036,981
<b>BASIC EARNINGS PER SHARE</b>	<b>BAHT</b>	5.84	8.07	5.75	8.15
<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, 2023  
“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,
	2023	2022	2023	2022
Profit for the period	1,507,735	2,090,039	1,437,354	2,036,981
Other comprehensive income, net of tax				
Components of other comprehensive income that will be reclassified to profit or loss				
Exchange differences on translating financial statements of foreign operations				
- Owners of the parent	19,502	25,674	-	-
- Non-controlling interests	22,362	33,469	-	-
Gain on cash flow hedges	69,066	263,561	69,066	263,561
Other comprehensive income for the period, net of tax	<u>110,930</u>	<u>322,704</u>	<u>69,066</u>	<u>263,561</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u><u>1,618,665</u></u>	<u><u>2,412,743</u></u>	<u><u>1,506,420</u></u>	<u><u>2,300,542</u></u>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :</b>				
Owners of the parent	1,547,756	2,307,640	1,506,420	2,300,542
Non-controlling interests	70,909	105,103	-	-
	<u><u>1,618,665</u></u>	<u><u>2,412,743</u></u>	<u><u>1,506,420</u></u>	<u><u>2,300,542</u></u>

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, 2023  
“UNAUDITED”

UNIT : THOUSAND BAHT

Notes	CONSOLIDATED FINANCIAL STATEMENTS											
	Issued and paid-up share capital	Share premium on ordinary shares	Surplus on share-based payment transaction	Deficit arising from change in ownership interest in a subsidiary	Owners of the parent		Other components of shareholders' equity		Total owners of the parent	Non-controlling interests	Total shareholders' equity	
					Legal reserve	Retained earnings	Unappropriated	Exchange differences on translating financial statements of foreign operations	Cumulative loss on cash flow hedges			
						Appropriated						
						Reserve for business expansion						
<b>Beginning balance as at March 1, 2022</b>	250,000	478,000	-	-	25,000	4,850,000	14,808,860	(95,808)	(427,341)	19,888,711	375,252	20,263,963
Changes during the period												
Dividend paid	21.1	-	-	-	-	-	(662,496)	-	-	(662,496)	(2,384)	(664,880)
Profit for the period		-	-	-	-	-	2,018,405	-	-	2,018,405	71,634	2,090,039
Other comprehensive income		-	-	-	-	-	-	25,674	263,561	289,235	33,469	322,704
<b>Ending balance as at August 31, 2022</b>	<u>250,000</u>	<u>478,000</u>	<u>-</u>	<u>-</u>	<u>25,000</u>	<u>4,850,000</u>	<u>16,164,769</u>	<u>(70,134)</u>	<u>(163,780)</u>	<u>21,533,855</u>	<u>477,971</u>	<u>22,011,826</u>
<b>Beginning balance as at March 1, 2023</b>	250,000	478,000	9,265	-	25,000	4,850,000	17,382,220	(83,454)	(89,551)	22,821,480	526,600	23,348,080
Changes during the period												
Surplus on share-based payment transaction	20	-	-	4,431	-	-	-	-	-	4,431	-	4,431
Decrease in change in ownership interest in a subsidiary	8	-	-	-	(16)	-	-	-	-	(16)	(234)	(250)
Dividend paid	21.2	-	-	-	-	-	(737,496)	-	-	(737,496)	(3,931)	(741,427)
Profit for the period		-	-	-	-	-	1,459,188	-	-	1,459,188	48,547	1,507,735
Other comprehensive income		-	-	-	-	-	-	19,502	69,066	88,568	22,362	110,930
<b>Ending balance as at August 31, 2023</b>	<u>250,000</u>	<u>478,000</u>	<u>13,696</u>	<u>(16)</u>	<u>25,000</u>	<u>4,850,000</u>	<u>18,103,912</u>	<u>(63,952)</u>	<u>(20,485)</u>	<u>23,636,155</u>	<u>593,344</u>	<u>24,229,499</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, 2023  
“UNAUDITED”

UNIT : THOUSAND BAHT

	Notes	SEPARATE FINANCIAL STATEMENTS							
		Issued and paid-up share capital	Share premium on ordinary shares	Surplus on share-based payment transaction	Retained earnings Appropriated Legal reserve	Reserve for business expansion	Unappropriated	Other components of shareholders' equity Cumulative loss on cash flow hedges	Total shareholders' equity
<b>Beginning balance as at March 1, 2022</b>		250,000	478,000	-	25,000	4,850,000	14,703,739	(427,341)	19,879,398
Changes during the period									
Dividend paid	21.1	-	-	-	-	-	(662,496)	-	(662,496)
Profit for the period		-	-	-	-	-	2,036,981	-	2,036,981
Other comprehensive income		-	-	-	-	-	-	263,561	263,561
<b>Ending balance as at August 31, 2022</b>		<u>250,000</u>	<u>478,000</u>	<u>-</u>	<u>25,000</u>	<u>4,850,000</u>	<u>16,078,224</u>	<u>(163,780)</u>	<u>21,517,444</u>
<b>Beginning balance as at March 1, 2023</b>		250,000	478,000	9,265	25,000	4,850,000	17,167,729	(89,551)	22,690,443
Changes during the period									
Surplus on share-based payment transaction	20	-	-	3,238	-	-	-	-	3,238
Dividend paid	21.2	-	-	-	-	-	(737,496)	-	(737,496)
Profit for the period		-	-	-	-	-	1,437,354	-	1,437,354
Other comprehensive income		-	-	-	-	-	-	69,066	69,066
<b>Ending balance as at August 31, 2023</b>		<u>250,000</u>	<u>478,000</u>	<u>12,503</u>	<u>25,000</u>	<u>4,850,000</u>	<u>17,867,587</u>	<u>(20,485)</u>	<u>23,462,605</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, 2023

“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,
		2023	2022	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit for the period		1,507,735	2,090,039	1,437,354	2,036,981
Adjustments for:					
Income tax expenses		379,305	529,532	322,238	471,547
Expected credit losses		4,042,640	3,414,677	3,944,881	3,334,392
Loss on impairment of assets		4,341	-	4,341	-
Depreciation of leasehold improvements and equipment and right-of-use assets		381,679	408,490	330,621	350,641
Amortization of intangible assets other than goodwill		130,486	116,658	107,812	95,639
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill		1,790	2,428	1,931	951
Employee benefit expense	19	35,090	56,562	31,188	45,832
Employee joint investment program expense	20	10,902	-	8,937	-
Gain on sale of written-off receivables		(167,108)	(104,979)	(167,108)	(104,979)
Unrealized (gain) loss on exchange rate		-	-	682	(15,022)
Interest income		(7,054,660)	(6,904,193)	(6,363,454)	(6,241,275)
Gain on cancellation of lease agreements		(190)	(112)	(190)	(112)
Dividend income		-	-	(140,600)	(158,600)
Finance costs		1,101,120	905,225	1,081,517	945,713
		373,130	514,327	600,150	761,708
Changes in operating assets and liabilities					
Operating assets (increase) decrease					
Trade and other current receivables		(4,036,243)	(6,347,259)	(3,611,619)	(6,649,753)
Loans from purchase of accounts receivable		(41,695)	(11,720)	-	-
Other current assets		23,625	(24,133)	(768)	(1,052)
Other non-current assets		6,819	2,789	4,448	3,059
Operating liabilities increase (decrease)					
Trade and other current payables		(267,353)	(44,955)	(237,339)	(24,901)
Other current liabilities		30,434	(24,831)	48,274	(40,572)
Other non-current liabilities		342	(1,792)	1,143	(1,799)
Net cash flows used in operations		(3,910,941)	(5,937,574)	(3,195,711)	(5,953,310)
Interest received		7,061,140	6,804,208	6,369,424	6,128,186
Dividend received		-	-	140,600	158,600
Finance costs paid		(1,061,824)	(897,177)	(1,044,592)	(941,805)
Income tax paid		(660,395)	(405,156)	(615,819)	(364,437)
Employee benefits paid	19	(1,016)	(22,960)	(889)	(13,915)
Cash paid for employee joint investment program	20	(6,471)	-	(5,699)	-
Net cash flows provided by (used in) operating activities		1,420,493	(458,659)	1,647,314	(986,681)

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE SIX-MONTH PERIOD ENDED AUGUST 31, 2023  
“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,
		2023	2022	2023	2022
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Cash received from fixed deposits at banks under obligations		36,171	3,000	-	-
Cash paid for purchase of leasehold improvements and equipment	4.2	(121,181)	(92,319)	(68,947)	(84,301)
Cash received from sale of leasehold improvements and equipment		985	978	820	654
Cash paid for purchase of intangible assets other than goodwill	4.2	(97,316)	(240,851)	(79,838)	(220,037)
Cash paid for investment in subsidiary		-	-	(500)	(24,500)
Cash paid for purchase of shares from non-controlling interest		(250)	-	-	-
Net cash flows used in investing activities		<u>(181,591)</u>	<u>(329,192)</u>	<u>(148,465)</u>	<u>(328,184)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Cash received from bank overdrafts and short-term borrowings from financial institutions	4.4	53,877,923	45,940,020	51,150,000	44,612,203
Cash repayments for bank overdrafts and short-term borrowings from financial institutions	4.4	(51,874,333)	(49,790,879)	(49,840,000)	(48,263,443)
Cash received from long-term borrowings	4.4	3,008,403	10,948,421	2,153,500	9,329,662
Cash repayments for long-term borrowings	4.4	(5,347,182)	(5,558,505)	(3,781,000)	(3,771,125)
Cash received from long-term borrowings under securitization project	4.4	-	-	273,501	286,485
Cash repayments for long-term borrowings under securitization project	4.4	-	-	(273,501)	(286,485)
Cash paid for lease liabilities	4.4	(275,668)	(273,747)	(242,488)	(239,720)
Cash received from sales of written-off receivables		89,138	104,979	89,138	104,979
Dividend paid		(740,712)	(665,588)	(737,496)	(662,496)
Net cash flows provided by (used in) financing activities		<u>(1,262,431)</u>	<u>704,701</u>	<u>(1,208,346)</u>	<u>1,110,060</u>
Net increase (decrease) in cash and cash equivalents before effect of exchange rate		(23,529)	(83,150)	290,503	(204,805)
Effect of exchange rate changes on cash and cash equivalents		693	23,783	-	-
Net increase (decrease) in cash and cash equivalents		<u>(22,836)</u>	<u>(59,367)</u>	<u>290,503</u>	<u>(204,805)</u>
Cash and cash equivalents at beginning of the period		3,816,356	4,235,603	2,159,810	2,639,136
<b>Cash and cash equivalents at ending of the period</b>	4.1	<u><u>3,793,520</u></u>	<u><u>4,176,236</u></u>	<u><u>2,450,313</u></u>	<u><u>2,434,331</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, 2023  
“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 as mentioned in Note 2.5 and Note 8.

**Coronavirus Disease 2019 Pandemic**

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

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

**Accounting Treatment Guidance on “Guidelines for supporting debtors affected by COVID-19”**

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

For the three-month and six-month periods ended August 31, 2023, the Group and the Company have adhered to such Accounting Treatment Guidance regarding staging of receivables. For receivables that are credit impaired but still have the potential for repayment, the Group and the Company will classify the receivables as low credit risk (Stage 1) if the debtor has been repaying for 3 consecutive months or 3 payment periods, whichever is longer.

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

### **Others**

AEON Microfinance (Myanmar) Co., Ltd. (the "subsidiary") has temporarily suspended new loans to customers due to the impact of the political turmoil in Myanmar since February 1, 2021. However, the subsidiary has resumed providing new loans to existing customers starting from January 22, 2022, and to new customers starting from January 12, 2023. 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, 2023 and 2022 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, 2023, 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, 2023 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, 2023 should be read in conjunction with the audited financial statements for the year ended February 28, 2023.
- 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, 2023 have included the subsidiaries' interim financial statements which were reviewed.

For the three-month and six-month periods ended August 31, 2023 and 2022, the subsidiaries included in the consolidated financial statements are as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%) for the three-month and six-month periods ended August 31,	
				2023	2022
ACS Servicing (Thailand) Company Limited	Collection servicer	Thailand	March 13, 2007	100.00	100.00
ACSI (Thailand) Co., Ltd.	Non-life insurance broker and life insurance broker	Thailand	July 1, 2013	100.00	100.00
AEON Specialized Bank (Cambodia) Plc. <sup>(4)</sup>	Retail finance business	Cambodia	October 5, 2011	50.00	50.00
AEON Microfinance (Myanmar) Company Limited	Retail finance business	Myanmar	November 2, 2012	100.00	100.00
AEON Leasing Service (Lao) Company Limited <sup>(1)</sup>	Retail finance business	Laos	January 11, 2013	100.00	100.00
ATS Rabbit Special Purpose Vehicle Company Limited <sup>(3)</sup>	Special purpose juristic person in securitization projects	Thailand	March 20, 2015	48.75	48.75
AEON Asset Management (Thailand) Co., Ltd. <sup>(2)</sup>	Non-performing assets management	Thailand	August 2, 2022	100.00	99.00

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

<sup>(2)</sup> The Company indirectly holds shares of AEON Asset Management (Thailand) Co., Ltd. through ACS Servicing (Thailand) Company Limited with 0.01% shareholdings.

<sup>(3)</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>(4)</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 significant accounting policies used for the financial statements of the subsidiaries are adjusted to be the same as those of the Company.

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

Subsidiaries	The date of the end of the reporting period in preparation of the consolidated financial statements for the three-month and six-month periods ended August 31,	
	2023	2022
ACS Servicing (Thailand) Company Limited	June 30, 2023	June 30, 2022
ACSI (Thailand) Co., Ltd.	June 30, 2023	June 30, 2022
AEON Specialized Bank (Cambodia) Plc.	June 30, 2023	June 30, 2022
AEON Microfinance (Myanmar) Company Limited	June 30, 2023	June 30, 2022
AEON Leasing Service (Lao) Company Limited	June 30, 2023	June 30, 2022
AEON Asset Management (Thailand) Co., Ltd.	June 30, 2023	-

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

During the period, the Group and the Company have adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding Thai Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have significant impact on the Group's and the Company's interim financial statements.

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

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

On August 8, 2023, the Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Accounting Standards (TASs) and Thai Financial Reporting Standards (TFRSs) which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2024 onwards. The revised TASs and TFRSs which are related to the Group and the Company are as follows:

Thai Accounting Standard No. 8 “Accounting Policy, Changes in Accounting Estimates and Errors”

The amendments involve revision to accounting estimates definition and supplementary amendments to distinguish the “Changes in Accounting Estimates” from “Changes in Accounting Policies”.

Thai Accounting Standard No. 1 “Presentation of Financial Statements”, Thai Accounting Standard No. 26 “Accounting and Reporting by Retirement Benefit Plans”, Thai Accounting Standard No. 34 “Interim Financial Reporting”, and Thai Accounting Standard No. 7 “Financial Instruments: Disclosures”

The enhancements substitute the requirements for entity from “Disclosure of Significant Accounting Policies Used by the Entity” to “Disclosure of Material Accounting Policy Information Used by the Entity”.

Thai Accounting Standard No. 12 “Income Taxes”

The amendments narrow the scope of the recognition exception by setting additional conditions on the recognizing the deferred tax upon initial recognition that give rise to equal the taxable temporary differences and deductible temporary differences.

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 they become 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, 2023.

### 4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

4.1 Cash and cash equivalents as at August 31, 2023 and February 28, 2023 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,	
2023	2023	2023	2023	
Baht '000	Baht '000	Baht '000	Baht '000	
Cash	432,865	452,796	390,147	422,844
Deposits at banks - call deposits	3,360,655	3,363,560	2,060,166	1,736,966
Total cash and cash equivalents	<u>3,793,520</u>	<u>3,816,356</u>	<u>2,450,313</u>	<u>2,159,810</u>

- 4.2 Cash paid for purchase of leasehold improvements and equipment, and intangible assets other than goodwill for the six-month periods ended August 31, 2023 and 2022 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Leasehold improvements and equipment				
Liabilities recorded - brought forward	8,655	34,470	8,458	34,218
Purchase of leasehold improvements and equipment	124,361	82,409	72,324	74,643
	<u>133,016</u>	<u>116,879</u>	<u>80,782</u>	<u>108,861</u>
<u>Less</u> Cash paid for purchase of				
leasehold improvements and equipment	(121,181)	(92,319)	(68,947)	(84,301)
Liabilities recorded - carried forward	<u>11,835</u>	<u>24,560</u>	<u>11,835</u>	<u>24,560</u>
Intangible assets other than goodwill				
Liabilities recorded - brought forward	46,661	146,101	46,410	145,885
Purchase of intangible assets other than goodwill	70,948	139,047	52,286	118,167
	<u>117,609</u>	<u>285,148</u>	<u>98,696</u>	<u>264,052</u>
<u>Less</u> Cash paid for purchase of				
intangible assets other than goodwill	(97,316)	(240,851)	(79,838)	(220,037)
Liabilities recorded - carried forward	<u>20,293</u>	<u>44,297</u>	<u>18,858</u>	<u>44,015</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, 2023 and 2022, such sale was settled by decreasing the Seller loan Account of Baht 11.58 million and increasing the Seller loan Account of Baht 22.78 million, respectively, instead of cash receipt.

- 4.4 Changes in liabilities arising from financing activities for the six-month periods ended August 31, 2023 and 2022 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					“Unaudited” Ending balance as at August 31, 2023 Baht '000
	Beginning balance as at March 1, 2023 Baht '000	Financing cash flows		Non-cash changes		
		Cash received	Cash paid	Differences on translating foreign currencies	Others	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Bank overdrafts and short-term borrowings from financial institutions	4,485,424	53,877,923	(51,874,333)	36,777	-	6,525,791
Long-term borrowings	51,989,485	3,008,403	(5,347,182)	(694,569)	4,204	48,960,341
Long-term debentures	9,580,142	-	-	(317,305)	3,357	9,266,194
Lease liabilities	917,668	-	(275,668)	1,447	141,580*	785,027

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

CONSOLIDATED FINANCIAL STATEMENTS

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

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

SEPARATE FINANCIAL STATEMENTS

	Beginning balance as at March 1, 2023 Baht '000	Financing cash flows		Non-cash changes		“Unaudited”
		Cash received	Cash paid	Differences on translating foreign currencies	Others	Ending balance as at August 31, 2023 Baht '000
		Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Bank overdrafts and short-term borrowings from financial institutions	3,440,000	51,150,000	(49,840,000)	-	-	4,750,000
Long-term borrowings	49,141,338	2,153,500	(3,781,000)	(745,533)	4,204	46,772,509
Long-term borrowings under securitization project	1,260,991	273,501	(273,501)	-	(76,834)	1,184,157
Long-term debentures	8,107,060	-	-	(317,305)	3,357	7,793,112
Lease liabilities	802,204	-	(242,488)	-	116,682*	676,398

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

SEPARATE FINANCIAL STATEMENTS

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

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

## 5. TRADE RECEIVABLES

5.1 Trade receivables as at August 31, 2023 and February 28, 2023 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at August 31, 2023 Baht '000	As at February 28, 2023 Baht '000	As at August 31, 2023 Baht '000	As at February 28, 2023 Baht '000
Trade receivables	92,784,778	92,675,988	87,304,300	87,599,547
Trade receivables under securitization project - ATS Rabbit Special Purpose Vehicle Company Limited	1,184,157	1,260,991	1,184,157	1,260,991
Total	93,968,935	93,936,979	88,488,457	88,860,538
Less Allowance for expected credit losses	(10,086,093)	(10,125,258)	(9,562,378)	(9,530,542)
<b>Total trade receivables</b>	<b>83,882,842</b>	<b>83,811,721</b>	<b>78,926,079</b>	<b>79,329,996</b>

As the securitization transaction under the Receivables Sale and Purchase Agreement for transferred rights on loans receivable with ATS Rabbit Special Purpose Vehicle Company Limited does not qualify for derecognition of financial assets according to TFRS 9, the Company continues to recognize the full carrying amount of these receivables and uses them as collateral for long-term borrowings under the securitization project (see Note 5.5).

As at August 31, 2023 and February 28, 2023, trade receivables are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”					
	As at August 31, 2023			As at February 28, 2023		
	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000
<b>Hire-purchase receivable</b>						
Hire-purchase and accrued interest receivable	2,609,104	4,105,764	6,714,868	2,483,958	3,625,375	6,109,333
Less Unearned financing income	(272,648)	(433,297)	(705,945)	(251,126)	(347,096)	(598,222)
	2,336,456	3,672,467	6,008,923	2,232,832	3,278,279	5,511,111
Less Allowance for expected credit losses	(189,211)	(363,566)	(552,777)	(185,051)	(314,840)	(499,891)
Hire-purchase and accrued interest receivable - net	2,147,245	3,308,901	5,456,146	2,047,781	2,963,439	5,011,220
<b>Loans receivable</b>						
Loans and accrued interest receivable	43,687,273	311,528	43,998,801	44,669,914	208,350	44,878,264
Less Allowance for expected credit losses	(5,858,459)	(33,360)	(5,891,819)	(5,973,197)	(27,137)	(6,000,334)
Loans and accrued interest receivable - net	37,828,814	278,168	38,106,982	38,696,717	181,213	38,877,930
<b>Credit card receivable</b>						
Credit card and accrued interest receivable	43,878,622	-	43,878,622	43,474,347	-	43,474,347
Less Allowance for expected credit loss	(3,641,226)	-	(3,641,226)	(3,624,750)	-	(3,624,750)
Credit card and accrued interest receivable - net	40,237,396	-	40,237,396	39,849,597	-	39,849,597
<b>Receivable from rendering the collection service</b>						
Receivable from rendering the collection service	16,973	-	16,973	4,634	-	4,634
Less Allowance for expected credit losses	(271)	-	(271)	(283)	-	(283)
Receivable from rendering the collection service - net	16,702	-	16,702	4,351	-	4,351
<b>Receivable from insurance broker business</b>	65,616	-	65,616	68,623	-	68,623
<b>Total trade receivables</b>	<b>80,295,773</b>	<b>3,587,069</b>	<b>83,882,842</b>	<b>80,667,069</b>	<b>3,144,652</b>	<b>83,811,721</b>

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“Unaudited”

	As at August 31, 2023			As at February 28, 2023		
	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000
	<b>Hire-purchase receivable</b>					
Hire-purchase and accrued interest receivable	955,102	2,322,761	3,277,863	904,756	2,033,501	2,938,257
<u>Less</u> Unearned financing income	<u>(272,647)</u>	<u>(433,297)</u>	<u>(705,944)</u>	<u>(251,126)</u>	<u>(347,096)</u>	<u>(598,222)</u>
	682,455	1,889,464	2,571,919	653,630	1,686,405	2,340,035
<u>Less</u> Allowance for expected credit losses	<u>(91,751)</u>	<u>(254,025)</u>	<u>(345,776)</u>	<u>(73,640)</u>	<u>(189,996)</u>	<u>(263,636)</u>
Hire-purchase and accrued interest receivable - net	<u>590,704</u>	<u>1,635,439</u>	<u>2,226,143</u>	<u>579,990</u>	<u>1,496,409</u>	<u>2,076,399</u>
<b>Loans receivable</b>						
Loans and accrued interest receivable	42,888,666	-	42,888,666	43,882,307	-	43,882,307
<u>Less</u> Allowance for expected credit losses	<u>(5,618,410)</u>	<u>-</u>	<u>(5,618,410)</u>	<u>(5,697,631)</u>	<u>-</u>	<u>(5,697,631)</u>
Loans and accrued interest receivable - net	<u>37,270,256</u>	<u>-</u>	<u>37,270,256</u>	<u>38,184,676</u>	<u>-</u>	<u>38,184,676</u>
<b>Credit card receivable</b>						
Credit card and accrued interest receivable	42,962,256	-	42,962,256	42,569,573	-	42,569,573
<u>Less</u> Allowance for expected credit losses	<u>(3,598,192)</u>	<u>-</u>	<u>(3,598,192)</u>	<u>(3,569,275)</u>	<u>-</u>	<u>(3,569,275)</u>
Credit card and accrued interest receivable - net	<u>39,364,064</u>	<u>-</u>	<u>39,364,064</u>	<u>39,000,298</u>	<u>-</u>	<u>39,000,298</u>
<b>Receivable from insurance broker business</b>	<u>65,616</u>	<u>-</u>	<u>65,616</u>	<u>68,623</u>	<u>-</u>	<u>68,623</u>
<b>Total trade receivables</b>	<u>77,290,640</u>	<u>1,635,439</u>	<u>78,926,079</u>	<u>77,833,587</u>	<u>1,496,409</u>	<u>79,329,996</u>

## 5.2 Quality of assets

Staging analysis for trade receivables as at August 31, 2023 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					
	“Unaudited”					
	As at August 31, 2023			As at February 28, 2023		
	Trade receivables	Allowance for expected credit losses	Total trade receivables	Trade receivables	Allowance for expected credit losses	Total trade receivables
Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
Low credit risk receivables (Stage 1)	84,321,769	(4,041,161)	80,280,608	85,031,652	(4,397,716)	80,633,936
Significant increase in credit risk receivables (Stage 2)	3,836,774	(1,683,692)	2,153,082	3,564,992	(1,658,080)	1,906,912
Default receivables in credit risk (Stage 3)	5,810,392	(4,361,240)	1,449,152	5,340,335	(4,069,462)	1,270,873
<b>Total</b>	<b>93,968,935</b>	<b>(10,086,093)</b>	<b>83,882,842</b>	<b>93,936,979</b>	<b>(10,125,258)</b>	<b>83,811,721</b>

	SEPARATE FINANCIAL STATEMENTS					
	“Unaudited”					
	As at August 31, 2023			As at February 28, 2023		
	Trade receivables	Allowance for expected credit losses	Total trade receivables	Trade receivables	Allowance for expected credit losses	Total trade receivables
Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
Low credit risk receivables (Stage 1)	79,455,082	(3,925,130)	75,529,952	80,649,277	(4,291,875)	76,357,402
Significant increase in credit risk receivables (Stage 2)	3,655,558	(1,632,954)	2,022,604	3,379,367	(1,590,702)	1,788,665
Default receivables in credit risk (Stage 3)	5,377,817	(4,004,294)	1,373,523	4,831,894	(3,647,965)	1,183,929
<b>Total</b>	<b>88,488,457</b>	<b>(9,562,378)</b>	<b>78,926,079</b>	<b>88,860,538</b>	<b>(9,530,542)</b>	<b>79,329,996</b>

Trade receivables as at August 31, 2023 and February 28, 2023 classified by aging are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at August 31, 2023	As at February 28, 2023	As at August 31, 2023	As at February 28, 2023
	Baht '000	Baht '000	Baht '000	Baht '000
Less than 3 months	88,423,045	88,798,527	83,375,141	84,230,528
3 months up	5,545,890	5,138,452	5,113,316	4,630,010
<b>Total</b>	<b>93,968,935</b>	<b>93,936,979</b>	<b>88,488,457</b>	<b>88,860,538</b>
<u>Less Allowance for expected credit losses</u>	<u>(10,086,093)</u>	<u>(10,125,258)</u>	<u>(9,562,378)</u>	<u>(9,530,542)</u>
<b>Total trade receivables</b>	<b>83,882,842</b>	<b>83,811,721</b>	<b>78,926,079</b>	<b>79,329,996</b>

### 5.3 Troubled debt restructuring

For the three-month periods ended August 31, 2023 and 2022, the Company recognized interest income on restructured debts totaling Baht 16.82 million and Baht 17.46 million, respectively.

For the six-month periods ended August 31, 2023 and 2022, the Company recognized interest income on restructured debts totaling Baht 33.58 million and Baht 38.00 million, respectively.

The Company had outstanding balances of credit card receivable, hire-purchase receivable and loans receivable as at August 31, 2023 and February 28, 2023, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	“Unaudited”			
	As at August 31, 2023		As at February 28, 2023	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	13,809	624,728	14,696	557,681
Non-restructured trade receivables	3,591,782	93,261,618	3,631,664	93,306,041
Total	<u>3,605,591</u>	<u>93,886,346</u>	<u>3,646,360</u>	<u>93,863,722</u>

	SEPARATE FINANCIAL STATEMENTS			
	“Unaudited”			
	As at August 31, 2023		As at February 28, 2023	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	13,733	623,842	14,629	556,753
Non-restructured trade receivables	2,497,510	87,798,999	2,549,101	88,235,162
Total	<u>2,511,243</u>	<u>88,422,841</u>	<u>2,563,730</u>	<u>88,791,915</u>

As at August 31, 2023 and February 28, 2023, the Company had no commitment to provide additional loans to its restructured debtors after debt restructuring.

### 5.4 Allowance for expected credit losses

Allowance for expected credit losses as at August 31, 2023 and February 28, 2023 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at August 31, 2023 Baht '000	As at February 28, 2023 Baht '000	As at August 31, 2023 Baht '000	As at February 28, 2023 Baht '000
Beginning balance	10,125,258	10,951,455	9,530,542	9,972,970
Expected credit losses	4,311,377	7,756,734	4,278,876	7,730,532
Written-off bad debts	(4,350,542)	(8,582,931)	(4,247,040)	(8,172,960)
Ending balance	<u>10,086,093</u>	<u>10,125,258</u>	<u>9,562,378</u>	<u>9,530,542</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		25% p.a.

\* ATS Rabbit Special Purpose Vehicle Company Limited (Subsidiary)

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

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

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

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

For the three-month and six-month periods ended August 31, 2023 and 2022, 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,	
	2023 Million Baht	2022 Million Baht	2023 Million Baht	2022 Million Baht
Transfers of future and additional receivables (at book value)				
- Loans receivable (ATS Rabbit)	130	149	262	309
	<u>130</u>	<u>149</u>	<u>262</u>	<u>309</u>
Cash collection on behalf of a Special Purpose Vehicle				
- Loans receivable (ATS Rabbit)	218	240	437	468
	<u>218</u>	<u>240</u>	<u>437</u>	<u>468</u>
Servicing income on cash collection from a Special Purpose Vehicle				
- Loans receivable (ATS Rabbit)	16	19	33	38
	<u>16</u>	<u>19</u>	<u>33</u>	<u>38</u>

## 6. LONG-TERM LOAN TO A SUBSIDIARY

As at August 31, 2023 and February 28, 2023, the Company has long-term loan to a subsidiary (see Note 25.2.1) in the separate financial statements as follows:

	Due within the year	Interest rate p.a. (%)	Foreign currency Million	SEPARATE FINANCIAL STATEMENTS "Unaudited"	
				As at August 31, 2023 Baht equivalent Baht '000	As at February 28, 2023 Baht equivalent Baht '000
Loans in USD currency	2022 - 2026	8.50	3.20	111,279	111,960
Less Long-term loan to a subsidiary due within 1 year				(27,820)	(27,990)
Total long-term loan to a subsidiary				<u>83,459</u>	<u>83,970</u>

Such long-term loan to a subsidiary is unsecured.

## 7. LOANS FROM PURCHASE OF ACCOUNTS RECEIVABLE

As at August 31, 2023 and February 28, 2023, loans from purchase of accounts receivable are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”	
	As at August 31, 2023 Baht '000	As at February 28, 2023 Baht '000
Hire-purchase receivables	52,261	11,293
<u>Add</u> Accrued interest receivables	<u>2,057</u>	<u>1,330</u>
	54,318	12,623
<u>Less</u> Current portion of loans receivable from purchase of accounts receivable	<u>(2,147)</u>	<u>(490)</u>
<b>Loans receivable from purchase of accounts receivable - net of current portion</b>	<b><u>52,171</u></b>	<b><u>12,133</u></b>

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

On January 6, 2023 and March 31, 2023, ACS Servicing (Thailand) Company Limited (the “Subsidiary”) bought written-off receivables under hire-purchase agreements by a bidding process from unrelated local companies (the “Sellers”) with the selling price of Baht 27.12 million and Baht 11.79 million, respectively. On the same date, the Subsidiary entered into the Asset Sale and Purchase Agreement with the sellers and already paid the payment in full to the sellers. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the subsidiary’s rights, title, claim, obligation, liability and interest in the written-off receivables under hire-purchase agreements.

## 8. INVESTMENTS IN SUBSIDIARIES

As at August 31, 2023 and February 28, 2023, investments in subsidiaries (see Note 25.1) which are accounted for using the cost method in the separate financial statements are as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”			
	As at August 31, 2023		As at February 28, 2023	
	Ownership %	Cost Baht '000	Ownership %	Cost Baht '000
ACS Servicing (Thailand) Company Limited	100.00	175,349.1	100.00	175,349.1
ACSI (Thailand) Co., Ltd.	100.00	149,224.3	100.00	149,224.3
AEON Specialized Bank (Cambodia) Plc.	50.00	323,580.0	50.00	323,580.0
AEON Microfinance (Myanmar) Company Limited	100.00	455,403.3	100.00	455,403.3
AEON Leasing Service (Lao) Company Limited	96.29	107,333.1	96.29	107,333.1
ATS Rabbit Special Purpose Vehicle Company Limited	48.75	19.5	48.75	19.5
AEON Asset Management (Thailand) Company Limited	99.99	<u>24,999.9</u>	98.00	<u>24,499.7</u>
<b>Total</b>		<b><u>1,235,909.2</u></b>		<b><u>1,235,409.0</u></b>

On April 11, 2022, the Board of Directors' Meeting of ACSI (Thailand) Co., Ltd. (the "Subsidiary") had a special resolution to approve the Subsidiary's dissolution. Subsequently, on April 28, 2022, the Annual General Meeting of Shareholders of the Subsidiary had the resolutions to approve the Subsidiary's dissolution. The Subsidiary has registered the dissolution with the Department of Business Development, Ministry of Commerce on June 30, 2022. As at August 31, 2023, the Subsidiary is in process of liquidation.

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

Subsequently, on August 25, 2023, the Company purchased 2,499 shares of AEON AMC, a subsidiary, from ACS Servicing (Thailand) Company Limited, a subsidiary, at the amount of Baht 100 per share totaling Baht 0.25 million. On the same date, the Company also purchased 2,503 shares of AEON AMC from non-controlling interests at the amount of Baht 100 per share totaling Baht 0.25 million. As at August 31, 2023, the Company directly holds 99.99% shares of AEON AMC.

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

Investments in equity securities designated at fair value through profit or loss as at August 31, 2023 and February 28, 2023 consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	"Unaudited"			
	As at August 31, 2023		As at February 28, 2023	
	Ownership	Fair Value	Ownership	Fair Value
%	Baht '000	%	Baht '000	
AEON (Thailand) Co., Ltd. <sup>(1)</sup>	3.82	-	3.82	-
PT. AEON Credit Service Indonesia <sup>(2)</sup>	2.59	5,062	2.59	5,062
ACS Trading Vietnam Company Limited	1.59	-	1.59	-
<b>Total</b>		<u>5,062</u>		<u>5,062</u>

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

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

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

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

Investment in equity security designated at fair value through other comprehensive income as at August 31, 2023 and February 28, 2023 consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS "Unaudited"			
	As at August 31, 2023		As at February 28, 2023	
	Ownership %	Fair Value Baht '000	Ownership %	Fair Value Baht '000
Rabbit Cash Co., Ltd. <sup>(1)</sup>	18.00	144,000	18.00	144,000
<b>Total</b>		<u>144,000</u>		<u>144,000</u>

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

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

The fair value of investment in equity security designated at fair value through other comprehensive income is categorized into level 3.

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

Seller loan in Special Purpose Vehicle for securitization as at August 31, 2023 and February 28, 2023 are as follows:

	SEPARATE FINANCIAL STATEMENTS "Unaudited"	
	As at August 31, 2023 Baht '000	As at February 28, 2023 Baht '000
Seller loan in Special Purpose Vehicle for securitization (see Note 25.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	<u>276,045</u>	<u>287,621</u>
<b>Total Seller loan in Special Purpose Vehicle for securitization</b>	<u>276,045</u>	<u>287,621</u>

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

## 12. SUBORDINATED LENDINGS AND SUBORDINATED BORROWINGS

12.1 Subordinated lendings to Special Purpose Vehicle as at August 31, 2023 and February 28, 2023 are as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at August 31, 2023 Baht '000	As at February 28, 2023 Baht '000
Subordinated lendings (see Note 25.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	84,074	84,074
<b>Total subordinated lendings</b>	<b>84,074</b>	<b>84,074</b>

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

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

12.2 Subordinated borrowings of Special Purpose Vehicle as at August 31, 2023 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”	
	As at August 31, 2023 Baht '000	As at February 28, 2023 Baht '000
Subordinated borrowings		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	84,074	84,074
<b>Total subordinated borrowings</b>	<b>84,074</b>	<b>84,074</b>

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

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

### 13. DEFERRED TAX ASSETS

Deferred tax assets as at August 31, 2023 and February 28, 2023 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,	
2023	2023	2023	2023	
Baht '000	Baht '000	Baht '000	Baht '000	
<b>Deferred tax assets</b>				
Allowance for expected credit losses	1,963,737	1,956,008	1,912,476	1,906,108
Cumulative loss from fair value measurement of investments in equity securities	4,502	4,502	7,866	7,866
Allowance for impairment of investment and assets	22,169	21,300	19,968	19,099
Provisions for employee benefit	93,845	88,052	87,186	81,866
Deferred revenue from customer loyalty programs	71,536	72,678	71,536	72,678
Lease agreements	19,352	18,016	17,661	16,482
Derivatives	334,386	147,856	334,386	147,856
Others	43,681	42,075	17,378	16,893
	<u>2,553,208</u>	<u>2,350,487</u>	<u>2,468,457</u>	<u>2,268,848</u>
<b>Deferred tax liabilities</b>				
Lease agreements	635	518	-	-
Others	9,321	9,047	-	-
	<u>9,956</u>	<u>9,565</u>	<u>-</u>	<u>-</u>
<b>Deferred tax assets</b>	<u>2,543,252</u>	<u>2,340,922</u>	<u>2,468,457</u>	<u>2,268,848</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS			
	“Unaudited”			
	Beginning	Items as	Items as	Ending
	balance	recognized in	recognized	balance
as at	profit or loss	in other	as at	
March 1,		comprehensive	August 31,	
2023		income	2023	
Baht '000	Baht '000	Baht '000	Baht '000	
<b>Deferred tax assets</b>				
Allowance for expected credit losses	1,956,008	7,729	-	1,963,737
Cumulative loss from fair value measurement of investments in equity securities	4,502	-	-	4,502
Allowance for impairment of investment and assets	21,300	869	-	22,169
Provisions for employee benefit	88,052	5,793	-	93,845
Deferred revenue from customer loyalty programs	72,678	(1,142)	-	71,536
Lease agreements	18,016	1,336	-	19,352
Derivatives	147,856	203,797	(17,267)	334,386
Others	42,075	1,606	-	43,681
	<u>2,350,487</u>	<u>219,988</u>	<u>(17,267)</u>	<u>2,553,208</u>
<b>Deferred tax liabilities</b>				
Lease agreements	518	117	-	635
Others	9,047	274	-	9,321
	<u>9,565</u>	<u>391</u>	<u>-</u>	<u>9,956</u>
<b>Deferred tax assets</b>	<u>2,340,922</u>	<u>219,597</u>	<u>(17,267)</u>	<u>2,543,252</u>

CONSOLIDATED FINANCIAL STATEMENTS

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

SEPARATE FINANCIAL STATEMENTS

“Unaudited”

	<b>Beginning balance as at March 1, 2023 Baht '000</b>	<b>Items as recognized in profit or loss Baht '000</b>	<b>Items as recognized in other comprehensive income Baht '000</b>	<b>Ending balance as at August 31, 2023 Baht '000</b>
<b>Deferred tax assets</b>				
Allowance for expected credit losses	1,906,108	6,368	-	1,912,476
Cumulative loss from fair value measurement of investments in equity securities	7,866	-	-	7,866
Allowance for impairment of assets	19,099	869	-	19,968
Provisions for employee benefit	81,866	5,320	-	87,186
Deferred revenue from customer loyalty programs	72,678	(1,142)	-	71,536
Lease agreements	16,482	1,179	-	17,661
Derivatives	147,856	203,797	(17,267)	334,386
Others	16,893	485	-	17,378
	<u>2,268,848</u>	<u>216,876</u>	<u>(17,267)</u>	<u>2,468,457</u>
<b>Deferred tax assets</b>	<u>2,268,848</u>	<u>216,876</u>	<u>(17,267)</u>	<u>2,468,457</u>

	SEPARATE FINANCIAL STATEMENTS			
	Beginning	Items as	Items as	Ending
	balance	recognized in	recognized	balance
	as at	profit or loss	in other	as at
March 1,		comprehensive	February 28,	
2022		income	2023	
Baht '000	Baht '000	Baht '000	Baht '000	
<b>Deferred tax assets</b>				
Allowance for expected credit loss	1,994,594	(88,486)	-	1,906,108
Cumulative loss from fair value measurement of investments in equity securities	7,866	-	-	7,866
Allowance for impairment of investment and assets	6,800	12,299	-	19,099
Provisions for employee benefit	83,826	11,354	(13,314)	81,866
Deferred revenue from customer loyalty programs	97,898	(25,220)	-	72,678
Lease agreements	13,880	2,602	-	16,482
Derivatives	304,803	(72,500)	(84,447)	147,856
Others	15,306	1,587	-	16,893
	<u>2,524,973</u>	<u>(158,364)</u>	<u>(97,761)</u>	<u>2,268,848</u>
<b>Deferred tax assets</b>	<u>2,524,973</u>	<u>(158,364)</u>	<u>(97,761)</u>	<u>2,268,848</u>

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

Bank overdrafts and short-term borrowings from financial institutions as at August 31, 2023 and February 28, 2023 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS			
	"Unaudited"		"Unaudited"	
	As at August 31, 2023		As at February 28, 2023	
Interest rate	Baht '000	Interest rate	Baht '000	
p.a. (%)		p.a. (%)		
Overdrafts in USD currency	1.88	55,900	-	-
Short-term borrowings in THB currency	2.44 - 2.51	4,750,000	1.69 - 1.76	3,440,000
Short-term borrowings in USD currency	6.25 - 8.00	1,292,076	5.49 - 6.70	627,261
Short-term borrowings in LAK currency	6.50 - 6.62	323,304	6.62	282,076
Short-term borrowings in MMK currency	10.00 - 13.00	104,511	10.00 - 13.00	136,087
Total		<u>6,525,791</u>		<u>4,485,424</u>

	SEPARATE FINANCIAL STATEMENTS			
	"Unaudited"		"Unaudited"	
	As at August 31, 2023		As at February 28, 2023	
Interest rate	Baht '000	Interest rate	Baht '000	
p.a. (%)		p.a. (%)		
Short-term borrowings in THB currency	2.44 - 2.51	4,750,000	1.69 - 1.76	3,440,000
Total		<u>4,750,000</u>		<u>3,440,000</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.

## 15. LONG-TERM BORROWINGS

As at August 31, 2023 and February 28, 2023, the Company entered into various long-term borrowings agreements in THB and foreign currencies as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
As at August 31, 2023				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2023 - 2027	1.90 - 3.33	22,345.24	5,427,502
Borrowings in USD currency	2023 - 2027	1.85 - 8.50	642.30	22,581,885
Borrowings in THB currency	2023 - 2026	2.01 - 3.69	21,000.00	21,000,000
<u>Less</u> Borrowings issuance cost				(49,046)
				48,960,341
<u>Less</u> Current portion of long-term borrowings				(12,706,135)
Total long-term borrowings				<u>36,254,206</u>

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
As at February 28, 2023				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2023 - 2027	1.90 - 3.33	23,145.24	6,053,822
Borrowings in USD currency	2023 - 2027	1.85 - 8.50	723.10	25,488,914
Borrowings in THB currency	2023 - 2026	2.01 - 3.69	20,500.00	20,500,000
<u>Less</u> Borrowings issuance cost				(53,251)
				51,989,485
<u>Less</u> Current portion of long-term borrowings				(12,836,551)
Total long-term borrowings				<u>39,152,934</u>

SEPARATE FINANCIAL STATEMENTS				
“Unaudited”				
As at August 31, 2023				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2023 - 2027	1.90 - 3.33	22,345.24	5,427,502
Borrowings in USD currency	2023 - 2027	1.85 - 3.49	581.10	20,394,053
Borrowings in THB currency	2023 - 2026	2.01 - 3.69	21,000.00	21,000,000
<u>Less</u> Borrowings issuance cost				(49,046)
				46,772,509
<u>Less</u> Current portion of long-term borrowings				(12,706,135)
Total long-term borrowings				<u>34,066,374</u>

SEPARATE FINANCIAL STATEMENTS				
“Unaudited”				
As at February 28, 2023				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2023 - 2027	1.90 - 3.33	23,145.24	6,053,822
Borrowings in USD currency	2023 - 2027	1.85 - 3.49	641.10	22,640,767
Borrowings in THB currency	2023 - 2026	2.01 - 3.69	20,500.00	20,500,000
<u>Less</u> Borrowings issuance cost				(53,251)
				49,141,338
<u>Less</u> Current portion of long-term borrowings				(11,273,543)
Total long-term borrowings				<u>37,867,795</u>

As at August 31, 2023 and February 28, 2023, the Company can maintain financial ratios and other requirements according to the conditions as specified in the agreement.

## 16. LONG-TERM BORROWINGS UNDER SECURITIZATION PROJECT

As at August 31, 2023 and February 28, 2023, 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 1,184.16 million and Baht 1,260.99 million, respectively.

## 17. LONG-TERM DEBENTURES

Long-term debentures represent unsubordinated and unsecured debentures as at August 31, 2023 and February 28, 2023, 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, 2023 Baht '000	As at February 28, 2023 Baht '000
<b>Company</b>									
15/11/2019	15/11/2024	1,000,000	THB	1,000	1,000,000,000	2.57	Semi-annual	1,000,000	1,000,000
29/12/2021	29/12/2026	70	JPY	100,000,000	7,000,000,000	0.65	Semi-annual	1,700,251	1,830,906
29/11/2022	28/11/2025	100	JPY	100,000,000	10,000,000,000	0.69	Semi-annual	2,428,930	2,615,580
24/02/2023	24/02/2025	1,000,000	THB	1,000	1,000,000,000	2.99	Semi-annual	1,000,000	1,000,000
24/02/2023	24/02/2026	1,700,000	THB	1,000	1,700,000,000	3.18	Semi-annual	1,700,000	1,700,000
								7,829,181	8,146,486
<u>Less</u> Debentures issuance cost								(36,069)	(39,426)
<b>Total long-term debentures in the separate financial statements</b>								<u>7,793,112</u>	<u>8,107,060</u>
<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	3.29	Monthly	1,473,082	1,473,082
<b>Total long-term debentures in the consolidated financial statements</b>								<u>9,266,194</u>	<u>9,580,142</u>

As at August 31, 2023 and February 28, 2023, the Company can maintain financial ratios and other requirements according to the conditions as specified in the agreement.

## 18. DERIVATIVE FINANCIAL INSTRUMENTS

The fair values and notional amounts of derivative instruments as at August 31, 2023 and February 28, 2023 are as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS						
“Unaudited”						
	As at August 31, 2023			As at February 28, 2023		
	Fair value Assets Baht '000	Fair value Liabilities Baht '000	Notional amount Baht '000	Fair value Assets Baht '000	Fair value Liabilities Baht '000	Notional amount Baht '000
Derivatives designated as cash flow hedges						
Cross currency and interest rate swaps	1,312,100	1,940,355	29,950,736	1,701,619	1,380,412	33,141,075
Interest rate swaps	8,808	20,018	5,000,000	30,466	58,491	5,000,000
	<u>1,320,908</u>	<u>1,960,373</u>	<u>34,950,736</u>	<u>1,732,085</u>	<u>1,438,903</u>	<u>38,141,075</u>
<u>Less</u> Current portion of derivative assets / liabilities	(890,645)	(765,259)	(11,706,990)	(1,047,431)	(562,743)	(10,473,815)
<b>Total derivative assets / liabilities</b>	<u>430,263</u>	<u>1,195,114</u>	<u>23,243,746</u>	<u>684,654</u>	<u>876,160</u>	<u>27,667,260</u>

## 19. PROVISIONS FOR EMPLOYEE BENEFIT

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

For the three-month and six-month periods ended August 31, 2023 and 2022, amounts recognized in the statements of profit or loss in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month periods ended		For the six-month periods ended	
	August 31, 2023	August 31, 2022	August 31, 2023	August 31, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Past service cost (reversal)				
- For employees transferred from subsidiaries	(2,162)	-	(4,003)	(53)
Current service cost	17,973	18,052	32,832	44,383
Interest cost	3,116	2,942	6,261	5,911
Loss on settlement	-	74	-	6,321
Total	<u>18,927</u>	<u>21,068</u>	<u>35,090</u>	<u>56,562</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month periods ended		For the six-month periods ended	
	August 31, 2023	August 31, 2022	August 31, 2023	August 31, 2022
	Baht '000	Baht '000	Baht '000	Baht '000
Past service cost (reversal)				
- For employees transferred from subsidiaries	(2,162)	-	(4,003)	-
Current service cost	16,281	16,151	29,441	40,383
Interest cost	2,853	2,725	5,734	5,449
Loss on settlement	16	-	16	-
Total	<u>16,988</u>	<u>18,876</u>	<u>31,188</u>	<u>45,832</u>

Movements in the present value of the provisions for post-employment benefit for the six-month periods ended August 31, 2023 and 2022 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	444,377	463,335	405,630	419,132
Past service cost (reversal)				
- For employees transferred from subsidiaries	(4,003)	(53)	(4,003)	-
Current service cost	32,832	44,383	29,441	40,383
Interest cost	6,261	5,911	5,734	5,449
Loss on settlement	-	6,321	16	-
Benefits paid	(1,016)	(22,960)	(889)	(13,915)
Ending balance	<u>478,451</u>	<u>496,937</u>	<u>435,929</u>	<u>451,049</u>

The significant actuarial assumptions used to calculate the provisions under the defined benefit plans as at August 31, 2023 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	“Unaudited”	
	As at August 31, 2023	As at February 28, 2023
	% per annum	% per annum
Financial assumptions		
Discount rate	0.84 - 3.15	0.84 - 3.15
Expected rate of salary increase	5.0	5.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 27.0	0.0 - 27.0
	Subject to range of age of employees	Subject to range of age of employees
Daily & Temporary staff		
	0.0 - 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, 2023	As at February 28, 2023
	% per annum	% per annum
Financial assumptions		
Discount rate	2.85	2.85
Expected rate of salary increase	5.0	5.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 21.0	0.0 - 21.0
	Subject to range of age of employees	Subject to range of age of employees
Daily staff		
	0.0 - 54.0	0.0 - 54.0
	Subject to range of age of employees	Subject to range of age of employees

## 20. EMPLOYEE JOINT INVESTMENT PROGRAM

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

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

Movement of the employee joint investment program for the six-month period ended August 31, 2023 is as follows:

	<b>CONSOLIDATED FINANCIAL STATEMENTS "Unaudited" As at August 31, 2023 Surplus on share-based payment transactions Baht '000</b>	<b>SEPARATE FINANCIAL STATEMENTS "Unaudited" As at August 31, 2023 Surplus on share-based payment transactions Baht '000</b>
Beginning balance	9,265	9,265
Change during the period		
- Employee joint investment program expense	10,902	8,937
- Cash paid for employee joint investment program	(6,471)	(5,699)
Ending balance	<u>13,696</u>	<u>12,503</u>

The statements of comprehensive income for the three-month and six-month periods ended August 31, 2023 is as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the	For the	For the	For the
	three-month	six-month	three-month	six-month
	period ended	period ended	period ended	period ended
	August 31, 2023		August 31, 2023	
	Baht '000	Baht '000	Baht '000	Baht '000
Operating and administrative expenses	2,373	6,037	2,091	5,112
Directors and managements' remuneration	1,683	4,865	1,243	3,825
	<u>4,056</u>	<u>10,902</u>	<u>3,334</u>	<u>8,937</u>

## 21. SHAREHOLDERS' EQUITY

- 21.1 On June 24, 2022 the Annual General Meeting of Shareholders had the resolutions to approve the declaration of final dividends for the years ended February 28, 2022 at the rate of Baht 2.65 per share, totaling Baht 662.50 million. The aforementioned shareholders included 1,300 shares of foreign shareholders who had no right to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 662.50 million on July 20, 2022 in addition to the interim dividends which had been paid to all shareholders at Baht 2.50 per share, totaling Baht 625.00 million on November 2, 2021.
- 21.2 On June 20, 2023 the Annual General Meeting of Shareholders had the resolutions to approve the declaration of final dividends for the years ended February 28, 2023 at the rate of Baht 2.95 per share, totaling Baht 737.50 million. The aforementioned shareholders included 1,300 shares of foreign shareholders who had no right to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 737.50 million on July 17, 2023 in addition to the interim dividends which had been paid to all shareholders at Baht 2.55 per share, totaling Baht 637.50 million on November 2, 2022.
- 21.3 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 corporate 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.

## 22. REVENUES RELATING TO SECURITIZATION TRANSACTION

For the three-month and six-month periods ended August 31, 2023 and 2022, 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,	
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Loan income (see Note 25.2.2)				
Interest income from subordinated lendings	2,543	2,543	5,086	5,086
Revenue from seller loan in Special Purpose Vehicle	8,454	9,050	17,044	17,714
Dividend from investment in Special Purpose Vehicle	2,570	720	3,929	2,384
Collection servicing income	16,448	18,831	33,448	38,047
Total	<u>30,015</u>	<u>31,144</u>	<u>59,507</u>	<u>63,231</u>

## 23. 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, 2023 and 2022, 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,	
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Directors' remuneration (reversal)	15,674	(5,263)	21,374	6,021
Managements' remuneration	38,027	32,438	69,195	62,941
Post-employment benefits	1,481	1,424	2,919	2,871
Total	<u>55,182</u>	<u>28,599</u>	<u>93,488</u>	<u>71,833</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Directors' remuneration (reversal)	17,086	(9,243)	21,086	(493)
Managements' remuneration	27,516	23,888	50,299	42,930
Post-employment benefits	1,209	1,010	2,419	2,035
Total	<u>45,811</u>	<u>15,655</u>	<u>73,804</u>	<u>44,472</u>

For the three-month and six-month periods ended August 31, 2023 and 2022, directors' remunerations which were included in short-term employee benefits were approved by the Annual General Meeting of shareholders of the Company held on June 20, 2023 and June 24, 2022, respectively.

## 24. 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, 2023 and 2022.

The foreign subsidiaries used tax rate of 20% - 25% for corporate income tax and deferred tax calculations for the three-month and six-month periods ended August 31, 2022. For the three-month and six-month periods ended August 31, 2023, the foreign subsidiaries used tax rate of 20% - 22% for corporate income tax and deferred tax calculations.

Income tax expenses of the Company and its subsidiaries 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, 2023 and 2022, income tax expenses consist of:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense (income) for the period	268,615	(6,238)	598,902	168,102
Deferred income tax expense (income)	(50,143)	244,881	(219,597)	361,430
Income tax expenses per statements of profit or loss	<u>218,472</u>	<u>238,643</u>	<u>379,305</u>	<u>529,532</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense (income) for the period	237,252	(39,186)	539,114	97,823
Deferred income tax expense (income)	(47,098)	251,235	(216,876)	373,724
Income tax expenses per statements of profit or loss	<u>190,154</u>	<u>212,049</u>	<u>322,238</u>	<u>471,547</u>

Reconciliations of effective tax rates for the three-month and six-month periods ended August 31, 2023 and 2022 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	1,082,191	1,169,926	1,887,040	2,619,571
Permanent differences	6,474	2,863	(137,901)	(4,877)
Temporary differences	216,806	(1,280,779)	1,053,163	(1,905,550)
Taxable profit (loss)	<u>1,305,471</u>	<u>(107,990)</u>	<u>2,802,302</u>	<u>709,144</u>
Normal income tax rate (%)	20.00 - 22.00	20.00 - 25.00	20.00 - 22.00	20.00 - 25.00
Income tax for the period currently payable	269,545	(6,238)	599,832	168,102
Adjustment for prior year's income tax	(930)	-	(930)	-
Deferred tax from temporary differences	(50,143)	244,881	(219,597)	361,430
Income tax expenses per statements of profit or loss	<u>218,472</u>	<u>238,643</u>	<u>379,305</u>	<u>529,532</u>
Effective tax rate (%)	20.19	20.40	20.10	20.21

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 31,		periods ended August 31,	
	2023	2022	2023	2022
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	957,731	1,054,829	1,759,592	2,508,528
Permanent differences	263	6,133	781	10,191
Temporary differences	235,487	(1,256,175)	1,084,375	(1,868,623)
Income that is exempt from taxable	(2,570)	(720)	(144,529)	(160,984)
Taxable profit (loss)	<u>1,190,911</u>	<u>(195,933)</u>	<u>2,700,219</u>	<u>489,112</u>
Normal income tax rate (%)	20.00	20.00	20.00	20.00
Income tax for the period currently payable	238,182	(39,186)	540,044	97,823
Adjustment for prior year's income tax	(930)	-	(930)	-
Deferred tax from temporary differences	(47,098)	251,235	(216,876)	373,724
Income tax expenses per statements of profit or loss	<u>190,154</u>	<u>212,049</u>	<u>322,238</u>	<u>471,547</u>
Effective tax rate (%)	19.85	20.10	18.31	18.80

## 25. TRANSACTIONS WITH RELATED PARTIES

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

### 25.1 Investments in subsidiaries (see Note 8) as at August 31, 2023 and February 28, 2023 are as follows:

Related parties	Relationship	SEPARATE FINANCIAL STATEMENTS					
		“Unaudited”			“Unaudited”		
		As at August 31, 2023			As at February 28, 2023		
		Ownership	Paid-up capital	Cost	Ownership	Paid-up capital	Cost
%	Baht '000	Baht '000	%	Baht '000	Baht '000		
ACS Servicing (Thailand) Company Limited	Subsidiary	100.00	175,349.1	175,349.1	100.00	175,349.1	175,349.1
ACSI (Thailand) Co., Ltd.	Subsidiary	100.00	149,224.3	149,224.3	100.00	149,224.3	149,224.3
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	50.00	643,720.4	323,580.0	50.00	643,720.4	323,580.0
AEON Microfinance (Myanmar) Company Limited	Subsidiary	100.00	455,403.3	455,403.3	100.00	455,403.3	455,403.3
AEON Leasing Service (Lao) Company Limited	Subsidiary	96.29	111,402.9	107,333.1	96.29	111,402.9	107,333.1
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	48.75	40.0	19.5	48.75	40.0	19.5
AEON Asset Management (Thailand) Company Limited	Subsidiary	99.99	25,000.0	24,999.9	98.00	25,000.0	24,499.7
<b>Total</b>				<u>1,235,909.2</u>			<u>1,235,409.0</u>

### 25.2 Business transactions with related parties

#### 25.2.1 Balances with related parties as at August 31, 2023 and February 28, 2023 are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at August 31, 2023	As at February 28, 2023	As at August 31, 2023	As at February 28, 2023
		Baht '000	Baht '000	Baht '000	Baht '000
<b>Other receivables</b>					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	-	28
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	3,071	4,412
AEON Asset Management (Thailand) Company Limited	Subsidiary	-	-	344	805
AEON Financial Service Co., Ltd.	Major shareholder	2,560	3,072	1,062	2,971
AEON Credit Service Company Limited	Common ultimate holding company	-	540	-	-
ACS Capital Corporation Limited	Shareholder and one common director	435	421	109	156
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	49,329	51,621
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	1,629	1,812
AEON Leasing Service (Lao) Co., Ltd.	Subsidiary	-	-	-	2,820
AEON Microfinance (Myanmar) Company Limited	Subsidiary	-	-	65	7,807
ACS Trading Vietnam Co., Ltd.	Common ultimate holding company	167	334	167	334
		<u>3,162</u>	<u>4,367</u>	<u>55,776</u>	<u>72,766</u>

Related parties	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
August 31,	February 28,	August 31,	February 28,		
2023	2023	2023	2023		
Baht '000	Baht '000	Baht '000	Baht '000		
<b>Long-term loan to a subsidiary</b>					
(see Note 6)					
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	111,279	111,960
<b>Seller loan in Special Purpose Vehicle for securitization (see Note 11)</b>					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	276,045	287,621
<b>Subordinated lendings (see Note 12.1)</b>					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	84,074	84,074
<b>Other payables</b>					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	76,180	75,134
AEON (Thailand) Co., Ltd.	Common ultimate holding company	922	960	922	960
AEON Financial Service Co., Ltd.	Major shareholder	60,795	60,797	44,036	48,871
AEON Credit Service Company Limited	Common ultimate holding company	-	2,560	-	866
ACS Capital Corporation Limited	Shareholder and one common director	250	-	250	-
AEON Bank Ltd.	Common ultimate holding company	731	936	675	884
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	33,914	33,999
		<u>62,698</u>	<u>65,253</u>	<u>155,977</u>	<u>160,714</u>
<b>Long-term borrowings under securitization project (see Note 16)</b>					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	1,184,157	1,260,991
<b>Deferred revenue</b>					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	79,694	81,131
ACS Capital Corporation Limited	Shareholder and one common director	4,918	5,197	4,918	5,197
AEON Asset Management (Thailand) Company Limited	Subsidiary	-	-	1,815	-
		<u>4,918</u>	<u>5,197</u>	<u>86,427</u>	<u>86,328</u>

25.2.2 Transactions with related parties for the three-month and six-month periods ended August 31, 2023 and 2022 are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS			
		For the three-month		For the six-month	
		periods ended August 31,		periods ended August 31,	
		2023	2022	2023	2022
		Baht '000	Baht '000	Baht '000	Baht '000
<b>Collection service income</b>					
ACS Capital Corporation Limited	Shareholder and one common director	148	-	382	-
<b>Other income (reversal)</b>					
ACS Capital Corporation Limited	Shareholder and one common director	724	(1,656)	1,466	4,351
ACS Trading Vietnam Co., Ltd.	Common ultimate holding company	501	8,128	1,002	8,128
		<u>1,225</u>	<u>6,472</u>	<u>2,468</u>	<u>12,479</u>
<b>Operating and administrative expenses</b>					
<b>Others</b>					
AEON Financial Service Co., Ltd.	Major shareholder	41,486	38,280	79,503	85,814
AEON Credit Service Company Limited	Common ultimate holding company	23	5,520	6,060	11,408
AEON (Thailand) Company Limited	Common ultimate holding company	2,664	5,687	5,254	6,490
AEON Bank Ltd.	Common ultimate holding company	1,014	4,520	2,011	8,568
ACS Credit Management Co., Ltd.	Common ultimate holding company	247	-	488	-
AEON Compass Co., Ltd.	Common ultimate holding company	132	-	132	-
AEON Credit Service (Malaysia) BHD.	Common ultimate holding company	328	439	328	439
		<u>45,894</u>	<u>54,446</u>	<u>93,776</u>	<u>112,719</u>
<b>Finance costs</b>					
AEON Bank Ltd.	Common ultimate holding company	2,894	1,370	5,654	2,674
AEON Financial Service Co., Ltd.	Major shareholder	2,710	4,261	5,537	8,358
		<u>5,604</u>	<u>5,631</u>	<u>11,191</u>	<u>11,032</u>
<b>Dividend paid</b>					
ACS Capital Corporation Limited	Shareholder and one common director	264,000	127,200	264,000	127,200
AEON Financial Service Co., Ltd.	Major shareholder	482,900	232,670	482,900	232,670
AEON Holding (Thailand) Limited	Common ultimate holding company	121,000	58,300	121,000	58,300
		<u>867,900</u>	<u>418,170</u>	<u>867,900</u>	<u>418,170</u>

Related parties	Relationship	SEPARATE FINANCIAL STATEMENTS			
		For the three-month periods ended August 31, 2023		For the six-month periods ended August 31, 2023	
		Baht '000	Baht '000	Baht '000	Baht '000
<b>Revenues relating to securitization transaction (included in loan income) (see Note 22)</b>					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	30,015	31,144	59,507	63,231
<b>Dividend income</b>					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	-	55,000
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	140,600	103,600
		<u>-</u>	<u>-</u>	<u>140,600</u>	<u>158,600</u>
<b>Other income (reversal)</b>					
ACS Capital Corporation Limited	Shareholder and one common director	444	(2,939)	890	2,461
ACSI (Thailand) Co., Ltd.	Subsidiary	18	154	24	311
ACS Servicing (Thailand) Company Limited	Subsidiary	8,517	6,685	17,035	12,985
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	2,866	10,804	5,619	13,739
AEON Leasing Service (Lao) Company Limited	Subsidiary	29	5,584	59	5,584
AEON Microfinance Myanmar Company Limited	Subsidiary	39	7,724	78	7,724
ACS Trading Vietnam Co., Ltd.	Common ultimate holding company	501	8,128	1,002	8,128
AEON Asset Management (Thailand) Company Limited	Subsidiary	738	-	1,264	-
		<u>13,152</u>	<u>36,140</u>	<u>25,971</u>	<u>50,932</u>
<b>Operating and administrative expenses</b>					
<b>Collection service fee</b>					
ACS Servicing (Thailand) Company Limited	Subsidiary	139,864	130,088	273,308	248,924
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	797	934	1,576	1,796
		<u>140,661</u>	<u>131,022</u>	<u>274,884</u>	<u>250,720</u>
<b>Others (reversal)</b>					
AEON Financial Service Co., Ltd.	Major shareholder	25,195	23,386	50,645	54,663
AEON Credit Service Company Limited	Common ultimate holding company	-	1,428	952	2,879
AEON (Thailand) Company Limited	Common ultimate holding company	2,664	5,688	5,254	6,490
AEON Bank Ltd.	Common ultimate holding company	1,014	2,194	2,011	3,721
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	11,274	10,844	21,950	20,490
ACS Servicing (Thailand) Company Limited	Subsidiary	-	(3)	-	688
AEON Compass Co., Ltd.	Common ultimate holding company	132	-	132	-
AEON Credit Service (Malaysia) BHD.	Common ultimate holding company	-	439	-	439
		<u>40,279</u>	<u>43,976</u>	<u>80,944</u>	<u>89,370</u>

Related parties	Relationship	SEPARATE FINANCIAL STATEMENTS			
		For the three-month periods ended August 31,		For the six-month periods ended August 31,	
		2023	2022	2023	2022
		Baht '000	Baht '000	Baht '000	Baht '000
<b>Finance costs</b>					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	68,870	76,964	139,862	154,261
<b>Dividend paid</b>					
ACS Capital Corporation Limited	Shareholder and one common director	264,000	127,200	264,000	127,200
AEON Financial Service Co., Ltd.	Major shareholder	482,900	232,670	482,900	232,670
AEON Holding (Thailand) Limited	Common ultimate holding company	121,000	58,300	121,000	58,300
		<u>867,900</u>	<u>418,170</u>	<u>867,900</u>	<u>418,170</u>

- Other income for the three-month and six-month periods ended August 31, 2023 and 2022 includes computer fee and Finance and Accounting operation services fee charged to ACS Capital Corporation Limited, ACSI (Thailand) Co., Ltd., ACS Servicing (Thailand) Company Limited and AEON Asset Management (Thailand) Company Limited as stated in the agreement which the service fees are based on a cost-plus basis.
- Revenues relating to securitization transactions are determined by the Company and subsidiaries in accordance with securitization projects (see Note 5.5).
- Collection service fee paid to ACS Servicing (Thailand) 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 are determined by the Company and related parties based on the cost-plus basis.

## 26. 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:

26.1 Operating results, classified by business for the three-month and six-month periods ended August 31, 2023 and 2022, are as follows:

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>					
<b>For the three-month period ended August 31, 2023</b>					
	<b>Retail finance services</b>		<b>Other businesses</b>	<b>Elimination</b>	<b>Total</b>
	<b>Domestic</b>	<b>Foreign</b>	<b>Domestic</b>		
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
<b>Revenues</b>					
Revenue from external customers	5,026,575	359,830	289,966	-	5,676,371
Inter - segment revenues	67,590	659	75,867	(144,116)	-
	<u>5,094,165</u>	<u>360,489</u>	<u>365,833</u>	<u>(144,116)</u>	<u>5,676,371</u>
<b>Expenses</b>					
Operating and administrative expenses	1,826,097	190,624	139,042	(141,087)	2,014,676
Directors and managements' remuneration	45,811	3,753	5,618	-	55,182
Loss on sale and write-off of leasehold improvements and equipment and intangible assets other than goodwill	1,422	11	1	-	1,434
Total expenses	<u>1,873,330</u>	<u>194,388</u>	<u>144,661</u>	<u>(141,087)</u>	<u>2,071,292</u>
Finance costs	486,048	89,861	608	(2,370)	574,147
Expected credit losses	1,933,547	15,278	(85)	-	1,948,740
Profit before income tax	801,240	60,962	220,649	(659)	1,082,192
Income tax expenses	191,440	14,797	12,236	-	218,473
Profit for the period	<u>609,800</u>	<u>46,165</u>	<u>208,413</u>	<u>(659)</u>	<u>863,719</u>

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>					
<b>For the three-month period ended August 31, 2022</b>					
	<b>Retail finance services</b>		<b>Other businesses</b>	<b>Elimination</b>	<b>Total</b>
	<b>Domestic</b>	<b>Foreign</b>	<b>Domestic</b>		
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
<b>Revenues</b>					
Revenue from external customers	4,940,265	305,667	229,485	-	5,475,417
Inter - segment revenues	30,664	9,199	126,023	(165,886)	-
	<u>4,970,929</u>	<u>314,866</u>	<u>355,508</u>	<u>(165,886)</u>	<u>5,475,417</u>
<b>Expenses</b>					
Operating and administrative expenses	1,795,727	170,363	143,871	(153,733)	1,956,228
Directors and managements' remuneration	15,655	4,989	7,955	-	28,599
Loss on impairment of assets (reversal)	(1,426)	-	-	-	(1,426)
Loss on sale and write-off of leasehold improvements and equipment and intangible assets other than goodwill	845	1,007	517	-	2,369
Total expenses	<u>1,810,801</u>	<u>176,359</u>	<u>152,343</u>	<u>(153,733)</u>	<u>1,985,770</u>
Finance costs	423,756	47,190	529	(2,954)	468,521
Expected credit losses	1,842,506	8,573	121	-	1,851,200
Profit before income tax	893,866	82,744	202,515	(9,199)	1,169,926
Income tax expenses	212,409	15,928	10,306	-	238,643
Profit for the period	<u>681,457</u>	<u>66,816</u>	<u>192,209</u>	<u>(9,199)</u>	<u>931,283</u>

**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the six-month period ended August 31, 2023**

	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	9,923,193	681,164	531,205	-	11,135,562
Inter - segment revenues	219,986	(682)	217,320	(436,624)	-
	<u>10,143,179</u>	<u>680,482</u>	<u>748,525</u>	<u>(436,624)</u>	<u>11,135,562</u>
<b>Expenses</b>					
Operating and administrative expenses	3,647,422	364,639	285,118	(292,036)	4,005,143
Directors and managements' remuneration	73,804	9,540	10,144	-	93,488
Loss on impairment of asset	4,341	-	-	-	4,341
(Gain) loss on sale and write-off of leasehold improvements and equipment and intangible assets other than goodwill	1,931	(126)	(15)	-	1,790
Total expenses	<u>3,727,498</u>	<u>374,053</u>	<u>295,247</u>	<u>(292,036)</u>	<u>4,104,762</u>
Finance costs	970,061	134,613	1,116	(4,670)	1,101,120
Expected credit losses (reversal)	4,010,138	32,514	(12)	-	4,042,640
Profit before income tax	1,435,482	139,302	452,174	(139,918)	1,887,040
Income tax expenses	324,203	30,019	25,083	-	379,305
Profit for the period	<u>1,111,279</u>	<u>109,283</u>	<u>427,091</u>	<u>(139,918)</u>	<u>1,507,735</u>

**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the six-month period ended August 31, 2022**

	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Revenues</b>					
Revenue from external customers	9,858,143	622,218	479,705	-	10,960,066
Inter - segment revenues	198,588	21,151	250,706	(470,445)	-
	<u>10,056,731</u>	<u>643,369</u>	<u>730,411</u>	<u>(470,445)</u>	<u>10,960,066</u>
<b>Expenses</b>					
Operating and administrative expenses	3,614,698	332,128	290,564	(291,058)	3,946,332
Directors and managements' remuneration	44,472	12,851	14,510	-	71,833
Loss on sale and write-off of leasehold improvements and equipment and intangible assets other than goodwill	951	1,026	451	-	2,428
Total expenses	<u>3,660,121</u>	<u>346,005</u>	<u>305,525</u>	<u>(291,058)</u>	<u>4,020,593</u>
Finance costs	815,320	94,948	722	(5,765)	905,225
Expected credit losses (reversal)	3,410,582	4,365	(270)	-	3,414,677
Profit before income tax	2,170,708	198,051	424,434	(173,622)	2,619,571
Income tax expenses	472,739	37,412	19,381	-	529,532
Profit for the period	<u>1,697,969</u>	<u>160,639</u>	<u>405,053</u>	<u>(173,622)</u>	<u>2,090,039</u>

26.2 Financial positions classified by business are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
“Unaudited”					
As at August 31, 2023					
	Retail finance services		Other businesses	Elimination	Total
	Domestic Baht '000	Foreign Baht '000	Domestic Baht '000	Baht '000	Baht '000
Trade and other receivables	79,377,365	5,058,753	319,244	(162,375)	84,592,987
Leasehold improvements and equipment and intangible assets other than goodwill	1,142,522	193,945	60,169	(6,942)	1,389,694
Other assets	9,356,473	348,297	626,209	(1,367,463)	8,963,516
Total assets	<u>89,876,360</u>	<u>5,600,995</u>	<u>1,005,622</u>	<u>(1,536,780)</u>	<u>94,946,197</u>
 Total liabilities	 <u>66,479,333</u>	 <u>4,337,411</u>	 <u>171,480</u>	 <u>(271,526)</u>	 <u>70,716,698</u>

  

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

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

- 27.1 As at August 31, 2023 and February 28, 2023, the Company has unused committed and unsecured revolving credit facility agreements with various financial institutions totaling Baht 3,000 million.
- 27.2 As at August 31, 2023 and February 28, 2023, the Company has unused overdraft facilities with various banks totaling Baht 3,090 million. Such overdraft facilities are unsecured.
- 27.3 As at August 31, 2023 and February 28, 2023, 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.
- 27.4 As at August 31, 2023 and February 28, 2023, a subsidiary has letters of guarantee issued by banks in the amounts of Baht 2.13 million and Baht 1.78 million, respectively.

## 28. SALE OF WRITTEN-OFF RECEIVABLES

28.1 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 0.12 million and Baht 0.25 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, 2023, respectively, and Baht 0.08 million and Baht 0.20 million as bad debt recovery in the consolidated and separate statements of profit or loss for the three-month and six-month periods ended August 31, 2022, respectively, and recorded outstanding deferred revenue of Baht 21.07 million as other current liabilities in the separate statements of financial position as at August 31, 2023 (as at February 28, 2023: Baht 21.32 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.

28.2 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 0.28 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, 2023, respectively, and Baht 0.21 million and Baht 0.39 million as bad debt recovery in the consolidated and separate statements of profit or loss for the three-month and six-month periods ended August 31, 2022, respectively, and recorded outstanding deferred revenue of Baht 53.33 million as other current liabilities in the separate statements of financial position as at August 31, 2023 (as at February 28, 2023 : Baht 53.88 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.

- 28.3 On March 4, 2022, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the “buyer”) with the purchase price of Baht 104.98 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company’s rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On March 4, 2022, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. The Company has already recognized gain on sale of written-off receivables totaling Baht 104.98 million in the consolidated and separate statements of profit or loss for the six-month period ended August 31, 2022.

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements.

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

- 28.4 On October 31, 2022, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the “buyer”) with the purchase price of Baht 110.40 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company’s rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On November 29, 2022, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 11.04 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 99.36 million in 8 installments of Baht 12.42 million per each and last installment will be on November 29, 2024. The Company has already recognized gain on sale of written-off receivables totaling Baht 110.40 million in the consolidated and separate statements of profit or loss for the year ended February 28, 2023, and recorded outstanding receivables of Baht 62.09 million as other receivables in the consolidated and separate statements of financial positions as at August 31, 2023 (as at February 28, 2023 : Baht 86.93 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. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements.

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

- 28.5 On November 29, 2022, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the “buyer”) with the purchase price of Baht 108.98 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company’s rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On November 29, 2022, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 10.90 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 98.08 million in 8 installments of Baht 12.26 million per each and last installment will be on November 29, 2024. The Company has already recognized gain on sale of written-off receivables totaling Baht 108.98 million in the consolidated and separate statements of profit or loss for the year ended February 28, 2023, and recorded outstanding receivables of Baht 61.31 million as other receivables in the consolidated and separate statements of financial positions as at August 31, 2023 (as at February 28, 2023 : Baht 85.83 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. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements.

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

- 28.6 On July 31, 2023, 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 109.78 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 July 31, 2023, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 10.98 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 98.80 million in 8 installments of Baht 12.35 million per each and last installment will be on July 31, 2025. The Company has already recognized gain on sale of written-off receivables totaling Baht 109.78 million in the consolidated and separate statements of profit or loss for the three-month and six-month periods ended August 31, 2023, and recorded outstanding receivables of Baht 98.80 million as other receivables in the consolidated and separate statements of financial positions as at August 31, 2023.

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the three-month and six-month periods ended August 31, 2023.

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

- 28.7 On July 31, 2023, 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 30.60 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 July 31, 2023, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 9.18 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 21.42 million in 2 installments of Baht 10.71 million per each and last installment will be on September 29, 2023. The Company has already recognized gain on sale of written-off receivables totaling Baht 30.60 million in the consolidated and separate statements of profit or loss for the three-month and six-month periods ended August 31, 2023, and recorded outstanding receivables of Baht 10.71 million as other receivables in the consolidated and separate statements of financial positions as at August 31, 2023.

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the three-month and six-month periods ended August 31, 2023.

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

- 28.8 On July 31, 2023, 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 26.72 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 July 31, 2023, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 4.47 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 22.25 million in 5 installments of Baht 4.45 million per each and last installment will be on December 29, 2023. The Company has already recognized gain on sale of written-off receivables totaling Baht 26.72 million in the consolidated and separate statements of profit or loss for the three-month and six-month periods ended August 31, 2023, and recorded outstanding receivables of Baht 17.80 million as other receivables in the consolidated and separate statements of financial positions as at August 31, 2023.

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the three-month and six-month periods ended August 31, 2023.

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

**29. EVENT AFTER THE REPORTING PERIOD**

On August 9, 2023, the Board of Directors' Meeting of the Company had a resolution to approve AEON Asset Management (Thailand) Company Limited (the "Subsidiary") to increase its registered share capital from Baht 25 million, divided into 250,000 shares at par value of Baht 100, to Baht 100 million, divided into 1,000,000 shares at par value of Baht 100, by issuance of 750,000 new ordinary shares at par value of Baht 100, totaling Baht 75 million. Subsequently, on September 8, 2023, the Extraordinary General Meeting of Shareholders of the Subsidiary had a resolution to approve the increase of registered share capital. The Subsidiary has registered the increase of registered share capital with the Department of Business Development, Ministry of Commerce on September 22, 2023.

**30. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS**

These interim financial statements were approved for issuance by the Company's Board of Directors on October 6, 2023.