



## ANNUAL REPORT 2019/2020

(FOR THE YEAR ENDED FEBRUARY 29, 2020)

รายงานประจำปี 2562/2563

(สำหรับปีสิ้นสุดวันที่ 29 กุมภาพันธ์ 2563)



## TO SUPPORT CUSTOMER'S LIFESTYLES



บริษัท อีออน ธนสินทรัพย์ (ไทยแลนด์) จำกัด (มหาชน)

AEON Thana Sinsap (Thailand) Public Company Limited





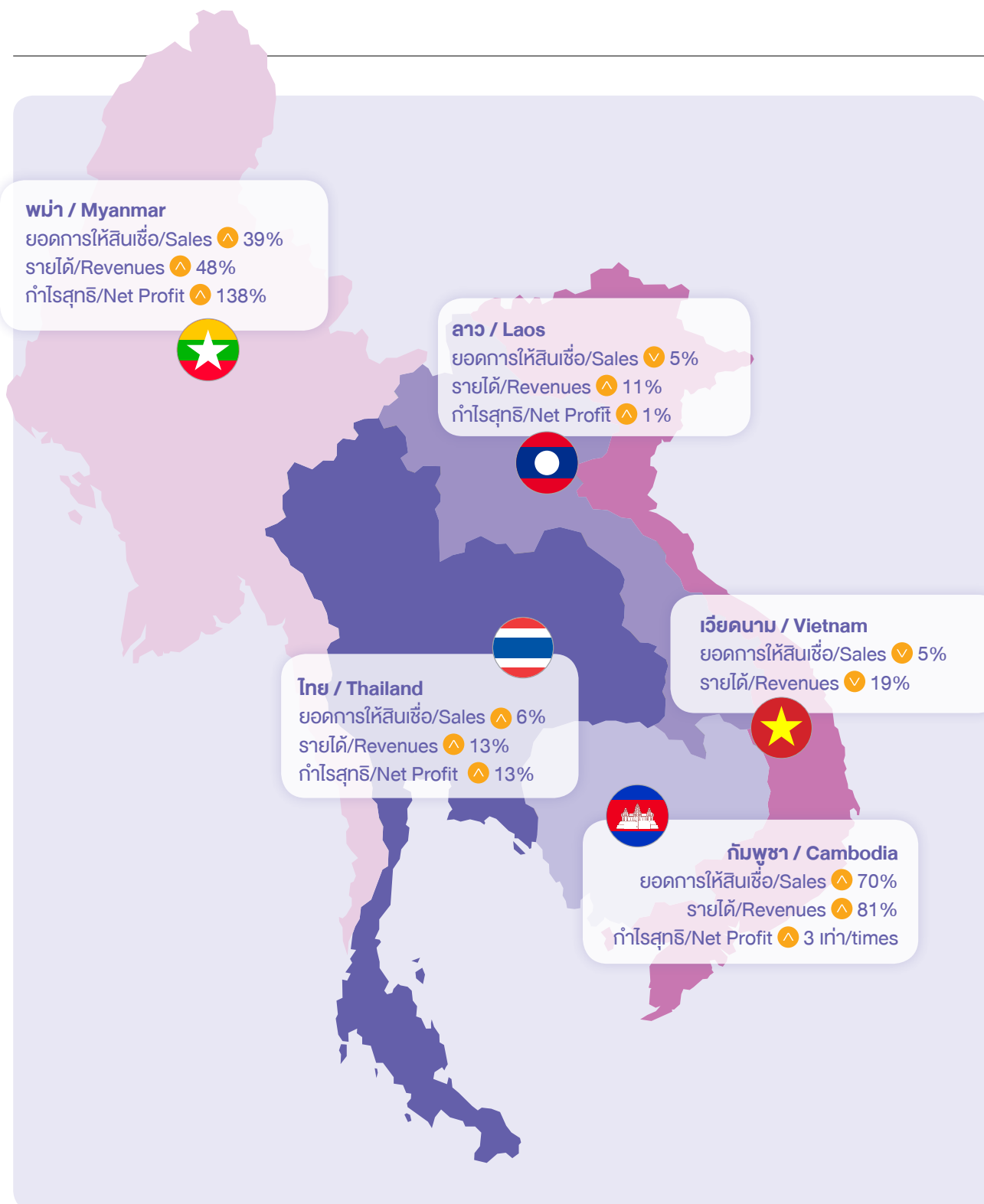
EASY CONVENIENT AND GOOD VALUE



04	FY 2019 Highlights	63	Corporate Governance
06	Milestones over the Year	78	Related Party Transaction
10	Message to Shareholders	81	The Audit Committee Report
14	Board of Directors		Report of the Board of Director's
16	Policy and Business Overview	82	Responsibilities for the Financial
			Statements
19	Nature of Business	83	Management Discussion and Analysis
27	Market and Competitive Condition	89	Board of Directors Profile
36	Risk Factor	95	Management Profile
42	Shareholding Structure	99	Company Profile
43	Dividend Policy	103	Branch Network
44	Management Structure	108	Organization Chart
		109	Major Group Companies

ยอดขายของภูมิภาค

THE REGIONAL SALE VOLUME



## จุดเด่นในรอบปีบัญชี 2562 FY 2019 HIGHLIGHTS

สิ้นสุดวันที่ 29 กุมภาพันธ์ 2563  
As of February 29, 2020

ฐานลูกค้า/Customer Base			
บัตรเครดิต	2.85 ล้านบัตร	Credit card	2.85 million cards
บัตรสมาชิก	6.15 ล้านบัตร	Member card	6.15 million cards
จำนวนบัตรรวม	9.00 ล้านบัตร	Total card	9.00 million cards

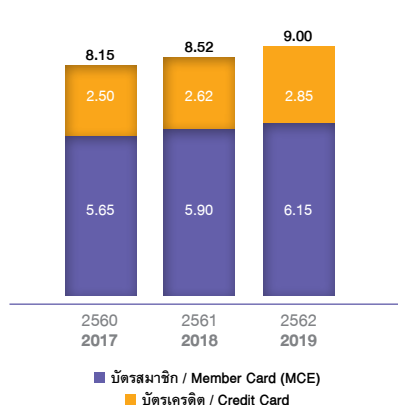
เครือข่ายสาขาและร้านค้า/Member and Branch Networks	
สาขา 105 แห่งทั่วประเทศ	105 branches nationwide
เครื่องเบิกและชำระเงินสดอัตโนมัติ 413 เครื่อง	413 ATMs
ร้านค้ากว่า 6,631 แห่ง	More than 6,631 dealer shops

ปีบัญชี/Fiscal Year		2560/2017	2561/2018	2562/2019
		ณ วันที่ 28 กุมภาพันธ์ 2561 As of February 28, 2018	ณ วันที่ 28 กุมภาพันธ์ 2562 As of February 28, 2019	ณ วันที่ 29 กุมภาพันธ์ 2563 As of February 29, 2020
<b>ฐานะการเงิน (ล้านบาท)</b>	<b>Financial Status (Million Baht)</b>			
สินทรัพย์รวม	Total assets	80,771	87,121	95,396
ลูกหนี้การค้า	Accounts receivable	75,824	82,512	90,232
ค่าเผื่อนหนี้สงสัยจะสูญ	Allowance for doubtful accounts	2,416	2,880	3,962
หนี้สินรวม	Total liabilities	64,950	68,733	74,271
เงินกู้ยืมและหุ้นกู้	Borrowings and debentures	59,405	63,741	69,437
ส่วนของผู้ถือหุ้นรวม	Total shareholders' equity	15,822	18,388	21,125
<b>ผลการดำเนินงาน (ล้านบาท)</b>	<b>Financial results (Million Baht)</b>			
รายได้รวม	Total revenues	18,663	20,642	23,301
ค่าใช้จ่ายในการดำเนินงานและการบริหาร	Operating and administrative expenses	7,981	8,521	9,091
ค่าตอบแทนกรรมการและผู้บริหาร	Directors and managements' remuneration	172	182	172
หนี้สูญและหนี้สงสัยจะสูญ	Bad debts and doubtful accounts	4,679	5,285	6,646
ต้นทุนทางการเงิน	Finance cost	2,104	2,175	2,209
ค่าใช้จ่ายอื่นๆ	Other expenses	13	50	26
กำไรจากการดำเนินงาน	Operating income	3,714	4,434	5,144
กำไรสุทธิ	Net income	2,966	3,506	3,975
ส่วนได้เสียที่ไม่มีอำนาจควบคุม	Non-controlling interest	28	60	145
<b>อัตราส่วนทางการเงิน</b>	<b>Financial Ratios</b>			
มูลค่าตามบัญชีต่อหุ้น (บาท)	Book value per share (Baht)	62.9	72.2	82.9
กำไรต่อหุ้น (บาท)	Net income per share (Baht)	11.87	14.03	15.90
อัตราผลตอบแทนสินทรัพย์รวม	Return on assets	3.9%	4.2%	4.4%
อัตราผลตอบแทนผู้ถือหุ้น	Return on equity	20.2%	20.8%	20.5%
อัตราเงินปันผลจ่ายต่อกำไรสุทธิ	Dividend payment	32.4%	33.5%	31.4%

### จำนวนบัตร

No. of Cards

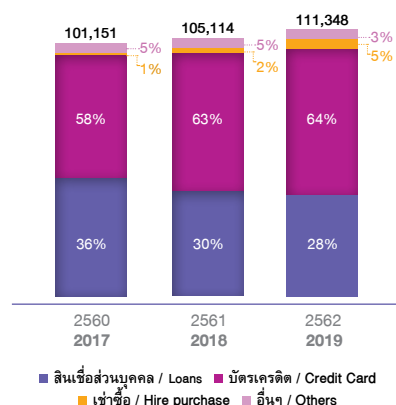
(ล้านบัตร)/(Million Card)



### ยอดการให้สินเชื่อ

Turnovers

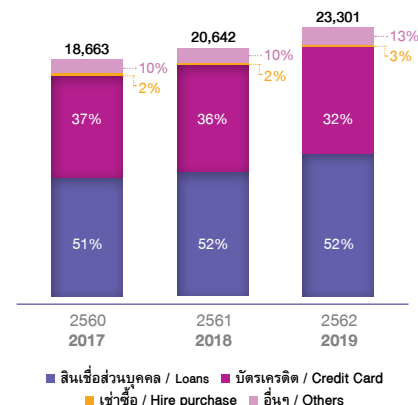
(ล้านบาท)/(Million Baht)



### รายได้รวม

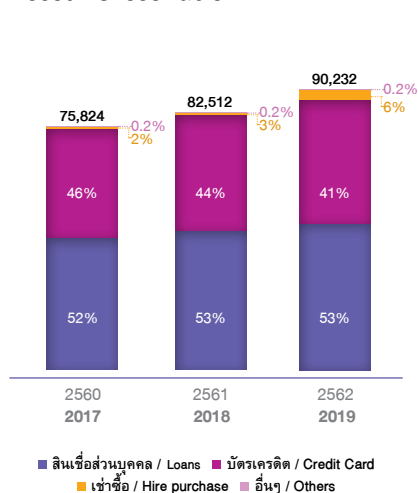
Total Revenues

(ล้านบาท)/(Million Baht)



### ลูกหนี้การค้า

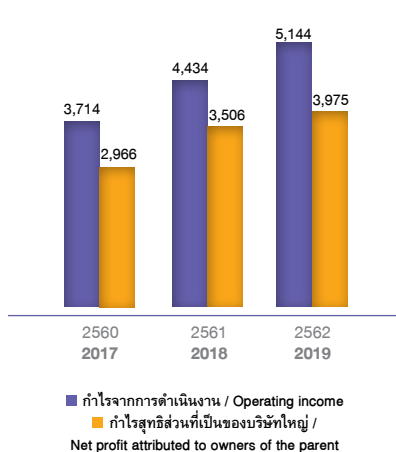
Accounts receivable



### กำไรจากการดำเนินงานและกำไรสุทธิ

Operating income & Net income

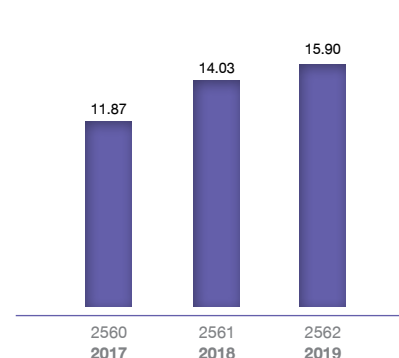
(ล้านบาท)/(Million Baht)



### กำไรต่อหุ้น

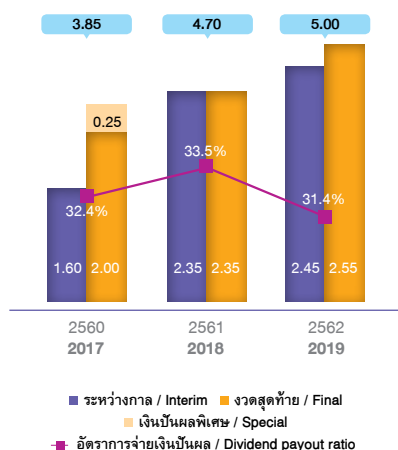
Earning per share

(บาท)/(Baht)



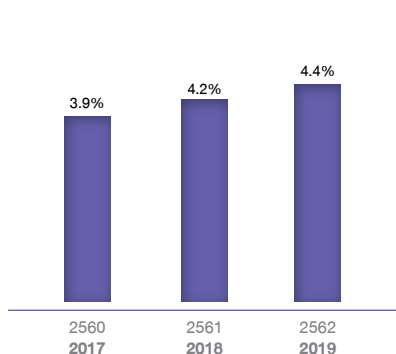
### เงินปันผล (บาทต่อหุ้น)

Dividend (Baht per share)



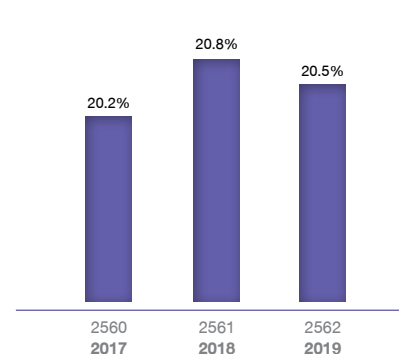
### อัตราผลตอบแทนสินทรัพย์รวม

Return on Assets (ROA)



### อัตราผลตอบแทนผู้ถือหุ้น

Return on Equity (ROE)





## การดำเนินงานที่สำคัญในรอบปี MILESTONE OVER THE YEAR

2562

มีนาคม / MARCH



บริษัทฯ ร่วมมือกับ ร้านค้ายาเฟอเมซอน จัดทำโปรโมชั่นพิเศษ สำหรับผู้ถือบัตรออรอน รอยัลออร์คิด พลัส, บัตรเครดิตออรอน โกลด์, บัตรเครดิตออรอนคลาสสิก และบัตรเครดิตออรอน เจ-พรีเมียร์ แพลทินัม รับส่วนลด 20 บาท สำหรับเครื่องดื่มทุกประเภท โดยรับสิทธิผ่าน AEON Thai Mobile Application ระหว่างวันที่ 1 มี.ค. 62 - 29 ก.พ. 63

The Company partnered with Cafe Amazon launched a special promotion for AEON Royal Orchid Plus Card, AEON Gold Card, AEON Classic Card and AEON J-Premier Platinum Card holders. The customers could get 20 baht discount for all beverages via AEON Thai Mobile Application during March 1, 2019 - February 29, 2020.

มิถุนายน / JUNE



บริษัทฯ เปิดให้บริการกดเงินสดโดยไม่ต้องใช้บัตร “Cardless Withdrawal” สำหรับลูกค้าบัตรเครดิต เพื่ออำนวยความสะดวกและเพิ่มความคล่องตัวในการใช้จ่ายให้แก่ลูกค้ามากขึ้น และยังเป็นการลดต้นทุนการดำเนินงานของบริษัทฯ

The Company launched a “Cardless withdrawal” which is convenience and flexible service for credit cardholders as well as reduces operation cost.



กันยายน / SEPTEMBER



บริษัทฯ ร่วมกับพันธมิตร บริษัท วีซ่า อินเตอร์เนชั่นแนล (ประเทศไทย) จำกัดและร้านอุปกรณ์กีฬา ฟิตเนส ยิมมวยไทย สนามกอล์ฟ สนามบอลชั้นนำเปิดตัวบัตรเครดิต วีซ่า โอลิมปิก อีออน มอบสิทธิพิเศษสำหรับกลุ่มลูกค้าที่รักสุขภาพและกีฬา อาทิ สิทธิในการเข้าใช้ ฟรีที่ฟิตเนส โยคะ และ ยิมมวยไทยจากผู้ให้บริการชั้นนำถึง 4 ครั้งต่อเดือน รับส่วนลดทันทีสูงสุด 30% จากฟิตเนส ยิมมวยไทย สนามกอล์ฟ และสนามฟุตบอลชั้นนำที่ร่วมรายการ

The Company cooperated with Visa International (Thailand) Company Limited, leading sports brands, fitness centers, Muay Thai gyms, golf courses and football pitch operators to launch Visa Olympic Themed Card, which offering special privileges for sports lovers and health enthusiasts. The card benefits include 4-time per month free access to leading fitness clubs, yoga classes and Muay Thai gyms as well as receive up to 30% discount at participating fitness clubs, golf clubs and football pitches.



บริษัทฯ ได้มีการออกและเสนอขายหุ้นกู้ชุดใหม่จำนวน 2 ชุด มูลค่าไม่เกิน 3,000 ล้านบาท การเสนอขายหุ้นกู้ครั้งนี้เป็นการเสนอขายในวงจำกัดต่อผู้ลงทุนสถาบัน โดยหุ้นกู้ชุดที่ 1 อายุ 3 ปี ดอกเบี้ยคงที่ที่ร้อยละ 2.27 ต่อปี และหุ้นกู้ชุดที่ 2 อายุ 5 ปี ดอกเบี้ยคงที่ที่ร้อยละ 2.57 ต่อปี เพื่อรองรับการเติบโตและขยายตัวของยอดสินเชื่อที่เพิ่มขึ้น

The Company issued two tranches of debentures for Private Placement to institutional investors at the amount up to 3,000 million baht comprise; Tranche (1): Debenture term is 3 years and fixed interest rate at 2.27% per annum Tranche (2): Debenture term is 5 years and fixed interest rate 2.57% per annum, to support new loans expansion.



บริษัทฯ เปิดให้บริการ ดิจิตอล ยัวร์แคช บริการสินเชื่อส่วนบุคคลรูปแบบใหม่โดยไม่ต้องใช้บัตรเป็นวงเงินสินเชื่อที่อยู่ในรูปแบบ Virtual Account เบิกถอนเงินสดผ่าน AEON Thai Mobile Application และสแกน QR Code ที่ตู้เอทีเอ็มออนไลน์และธนาคารกสิกรไทย

The Company launched Digital YourCash, which is a new category of our personal loan service that launched a cardless withdrawal. A credit line of a virtual account which customers can withdraw cash through our AEON Thai Mobile Application and scan QR Code at ATMs of AEON and KBank.

2020

มกราคม / JANUARY

กุมภาพันธ์ / FEBRUARY



บริษัท เปิดตัวสาขารูปแบบใหม่ Flagship Store แห่งแรกที่ห้างสรรพสินค้าเซ็นทรัลเวิลด์ เป็นการยกระดับบริการทางการเงินในรูปแบบดิจิทัลที่มีความสะดวก, ปลอดภัยและทันสมัย ด้วยการให้บริการผ่านเครื่องออกบัตรอัตโนมัติ (VTM) ที่ลูกค้าสามารถทำธุรกรรมทางการเงินด้วยตนเอง

The Company opened a new branch platform as the first flagship store at Central World shopping center. This raised our services to a digital platform that has facilitated our customers by performing their own transactions through our virtual teller machine (VTM).



บริษัท ได้เพิ่มช่องทางการขออนุมัติสินเชื่อให้กับร้านค้า โดยการพัฒนาระบบไอทีดีเลอร์ (I-Dealer) ให้กับร้านค้าในการทำรายการขออนุมัติสินเชื่อการผ่อนชำระผ่านบัตรสมาชิก อีออน แฮปปี้ เพย์ (AEON Happy pay) การผ่อนชำระผ่านบัตรเครดิต อีออน แฮปปี้ แพลน (AEON Happy Plan)

The Company expanded more service channels for our dealers by developing the I-Dealer System to facilitate the credit approval process of installment loans through AEON member and AEON credit cards under the names "AEON Happy Pay" and "AEON Happy Plan".

若林秀樹

นายฮิเดกิ วะกะบายะชิ  
ประธานกรรมการ  
Mr. Hideki Wakabayashi  
Chairman of the Board



สำหรับปี 2562 นับเป็นปีที่ท้าทายอีกปีหนึ่ง เนื่องจากความไม่แน่นอนของสถานการณ์เศรษฐกิจโลก อาทิ สงครามทางการค้าระหว่างสหรัฐกับจีนต่อเนื่องจากปีก่อน, ความขัดแย้งในตะวันออกกลาง, ความไม่แน่นอนของสถานการณ์ทางการเมืองในยุโรป อีกทั้งสถานการณ์การแพร่ระบาดของไวรัสโคโรนาสายพันธุ์ใหม่ (COVID-19) ในเดือนกุมภาพันธ์ 2563 ซึ่งส่งผลกระทบต่อไปทั่วโลก รวมทั้งประเทศไทย ทั้งด้านภาคการส่งออก, ภาคการท่องเที่ยว, การบริโภคและการลงทุนภาคเอกชน รวมถึงอัตราแลกเปลี่ยนจากเงินบาทแข็งค่าต่อเนื่อง ตลอดจนหนี้ครัวเรือนที่อยู่ในระดับสูง ส่งผลให้เศรษฐกิจไทยปี 2562 ขยายตัวในอัตราร้อยละ 2.4 ลดลงจากปีก่อนหน้าที่ขยายตัวร้อยละ 4.2 อย่างไรก็ตามธุรกิจสินเชื่อรายย่อยในปีที่ผ่านมายังคงเติบโตดี โดยเฉพาะในกลุ่มสินเชื่อบัตรเครดิตและสินเชื่อส่วนบุคคลที่ไม่มีหลักประกัน ส่งผลให้บริษัทฯ ยังคงสามารถสร้างผลกำไรที่สูงเป็นประวัติการณ์ในระดับที่น่าพอใจอีกปีหนึ่ง

สำหรับผลประกอบการปีบัญชี 2562 นี้บริษัทฯ มีรายได้ จำนวน 23,301 ล้านบาท เพิ่มขึ้นร้อยละ 13 จากปีก่อน ยอดการให้สินเชื่อเพิ่มขึ้นร้อยละ 6 และพอร์ตสินเชื่อขยายตัวต่อเนื่องถึงร้อยละ 9 จากปีก่อน ส่งผลให้บริษัทฯ และบริษัทย่อยมีกำไรสุทธิจำนวน 3,975 ล้านบาท เติบโตร้อยละ 13 จากปีก่อน คิดเป็นกำไรต่อหุ้นที่ 15.90 บาทที่สูงเป็นประวัติการณ์ เป็นผลจากธุรกิจหลักที่เติบโตได้อย่างต่อเนื่องและการเติบโตของรายได้จากหนี้สูญได้รับคืน อีกทั้งบริษัทฯ สามารถควบคุมค่าใช้จ่ายในการดำเนินงานได้อย่างมีประสิทธิภาพ โดยคิดเป็นร้อยละ 40 ของรายได้รวม และต้นทุนทางการเงินเฉลี่ยที่ลดลงเหลือร้อยละ 2.9 อีกทั้งบริษัทฯ ย่อยทั้งในและต่างประเทศมีการเติบโตอย่างมากส่งผลให้อัตรากำไรสุทธิของหุ้นของบริษัทโดยรวมอยู่ที่ร้อยละ 20.5 และอัตรากำไรสุทธิของสินทรัพย์อยู่ที่ร้อยละ 4.4 และในปีนี้บริษัทฯ ยังสามารถคงสถานะเป็นหลักทรัพย์ในกลุ่มดัชนี SET100 อีกด้วย

ท่ามกลางความก้าวหน้าของเทคโนโลยีและพฤติกรรมผู้บริโภคที่เปลี่ยนไปจากเดิม บริษัทฯ ได้ตระหนักถึงพฤติกรรมของผู้บริโภคในยุคดิจิทัล โดยในปี 2562 บริษัทฯ ได้ดำเนินธุรกิจตามนโยบายในการนำเสนอผลิตภัณฑ์และบริการที่หลากหลายและเข้าถึงง่าย เพื่อตอบสนองความต้องการของลูกค้าในชีวิตประจำวัน ดังนี้

- ขยายฐานลูกค้าครอบคลุมในทุกกลุ่มเป้าหมาย ในปี 2562 บริษัทฯ ร่วมกับพันธมิตรบริษัท วีซ่า อินเทอร์เน็ต बैंค (ประเทศไทย) จำกัด และร้านอุปกรณ์กีฬา พัฒนาสยามมวยไทย สนามกอล์ฟ สนามบอลชั้นนำ เปิดตัวบัตรเครดิต วีซ่า โอลิมปิก อีออน มอบสิทธิพิเศษสำหรับกลุ่มลูกค้าที่รักสุขภาพและกีฬา, เปิดตัวสาขารูปแบบใหม่ Flagship Store แห่งแรกที่ห้างสรรพสินค้าเซ็นทรัลเวิลด์ เป็นการยกระดับบริการทางการเงินในรูปแบบดิจิทัลที่มีความสะดวก, ปลอดภัยและทันสมัยด้วยการให้บริการผ่านเครื่องออกบัตรเครดิตอัตโนมัติ (VTM) ที่ลูกค้าสามารถทำธุรกรรมทางการเงินด้วยตนเอง และได้ปรับเปลี่ยนรูปแบบสาขาบางแห่งเป็น Kiosk Concept ซึ่งส่งผลให้ค่าใช้จ่ายการดำเนินงานลดลง จากกลยุทธ์การขยายฐานลูกค้าดังกล่าว ส่งผลให้ ณ วันที่ 29 กุมภาพันธ์ 2563 บริษัทฯ มีจำนวนบัตรรวมเพิ่มขึ้นถึง 9 ล้านบัตร เพิ่มขึ้นร้อยละ 6 จากปีก่อน
- พัฒนาประสิทธิภาพส่วนงานภายในองค์กรให้ดียิ่งขึ้น บริษัทฯ ได้จัดตั้ง Shared Service Center ในเดือนสิงหาคม 2562 สำหรับหน่วยงานการเงินและบัญชีเป็นการรวมบุคลากรและกระบวนการธุรกิจกับบริษัทในเครือ เพื่อลดการทำงานที่ซ้ำซ้อนและเพิ่มประสิทธิภาพในการทำงาน และนำเทคโนโลยีเข้ามาปรับใช้ อีกทั้งมีการเปลี่ยนระบบติดตามหนี้ใหม่เป็น “Pooling System” โดยนำระบบ AI มาใช้ เพื่อเพิ่มประสิทธิภาพในการติดตามหนี้






**นายเคนจิ ฟุจิตะ**  
รองประธานกรรมการและกรรมการผู้จัดการ  
**Mr. Kenji Fujita**  
Vice Chairman of the Board  
and Managing Director

The year 2019 has been another challenging one, with global economic uncertainties brought about by the trade war between the United States and China that continued from the previous year, prevailing conflicts in the Middle East, and the unpredictability of the political situation in Europe as well as the coronavirus outbreak (COVID-19) in February 2020. These factors have impacted the Global economy including Thailand, particularly in the export sector, the tourism sector, and private consumption as well as causing a slowdown in investments. Other factors included the Baht appreciation and high level of household debt that resulted in a drop in the Thai economic growth in 2019 to 2.4% compared to 4.2% in the previous year. Meanwhile, the retail finance industry was still robust in 2019, especially in the credit card business and the personal loan under supervision business. As a result, the Company was able to generate another new record year of satisfactory corporate profits.

In this fiscal year of 2019, the Company's consolidated revenue was 23,301 million baht, increasing by 13% from the previous year. The trading volume increased by 6% and loan portfolio continued to grow by 9% from that of the previous year. As a result, the net profit of the Company and its subsidiaries was recorded at 3,975 million baht, growing by 13% from the previous year, accounting for the earning per share of 15.90 baht. This was a result of the steady growth of our core businesses and the growth of revenue from bad debt recovery. In addition, the Company's efficient control of operating expenses was down to 40% of the total revenues, together with a decrease of the average financial cost to 2.9%. The Company's subsidiaries both in Thailand and overseas have achieved higher growth rates, resulted in return on equity was at 20.5% and return on assets at 4.4%. This year the Company also successfully maintained its status on the SET 100 Index.

In the midst of today's advanced technologies and the changes in tastes and lifestyles, the Company has kept abreast with consumer behavior in the digital era. In 2019, our business operations followed our policy to offer a variety of products and services that are easily accessible to consumers in tune with the customers' daily living with details enumerated as follows:

- The Company expanded its customer base to all target groups in 2019. Through collaboration with our business partners, such as Visa International (Thailand) Company Limited, leading sports brands, fitness centers, Muay Thai gyms, golf courses, and football pitch operators, we launched the Visa Olympic Themed card that offers special privileges for sports lovers and health enthusiasts. The Company opened a new platform branch with its first Flagship Store at Central World Shopping Center. This has raised our financial services to a digital platform that has facilitated our customers enabling them to perform their own transactions through our virtual teller machine (VTM). The Company also introduced the kiosk concept at some of its branches, which resulted in a reduction in operation costs. With the customer base expansion strategies, as of February 29, 2020, the number of total cards reached 9 million, an increase of 6% from the previous year.
- As for internal work development, our Shared Service Center was established in August 2019 at Finance and Accounting Departments. Through the Center, the staff and operation processes were integrated with subsidiary companies in our Group in order to reduce duplication of works and increase efficiency. Innovative technology has been adopted in the Collection Department as a new "Pooling System", which makes use of AI technology to increase the efficiency in debt collection.

- พัฒนาลิขสิทธิ์และรูปแบบการให้บริการเพื่อตอบโจทย์ความต้องการของลูกค้าในปัจจุบัน บริษัทฯ ได้เพิ่มช่องทางในการเพิ่มความสะดวกสบายให้กับลูกค้า ผ่านการให้บริการ Digital YourCash บริการสินเชื่อส่วนบุคคลรูปแบบใหม่โดยไม่ต้องใช้บัตร เป็นวงเงินสินเชื่อที่อยู่ในรูป Virtual Account เบิกถอนเงินสดผ่าน AEON Thai Mobile Application และสแกน QR Code ที่ตู้เอทีเอ็มของอีออนและธนาคารกสิกรไทย และให้บริการจัดส่งใบแจ้งยอดอิเล็กทรอนิกส์ให้กับลูกค้า (E-Statement) เพื่อให้ลูกค้าสามารถตรวจสอบใบแจ้งยอดได้ด้วยตนเองอย่างสะดวก และปลอดภัย อีกทั้งช่วยลดปริมาณการใช้กระดาษ อีกด้วย

บริษัทฯ ยังคงให้ความสำคัญและสนับสนุนการขยายธุรกิจกลุ่มแม่บ้าน ซึ่งเป็กลุ่มเศรษฐกิจที่มีศักยภาพในการเติบโต ในปีบัญชี 2562 บริษัทฯ ย่อยในต่างประเทศมีรายได้รวมเพิ่มขึ้นร้อยละ 63 จากปีก่อน คิดเป็นสัดส่วนร้อยละ 6 ของบริษัทฯ และมีพอร์ตสินเชื่อเพิ่มขึ้นร้อยละ 61 จากปีก่อน เนื่องจากฐานลูกค้าเพิ่มขึ้นอย่างรวดเร็วและการขยายผลิตภัณฑ์และบริการทางการเงินโดยบริษัทฯ ได้ตั้งเป้าหมายในอีก 3 ปีข้างหน้ารายได้จากบริษัทย่อยในต่างประเทศจะมีสัดส่วนเพิ่มขึ้นถึงร้อยละ 10 ของรายได้รวมของบริษัทฯ ในส่วนของแผนการดำเนินธุรกิจของบริษัทฯ ย่อยในต่างประเทศในปี 2563

- 1) ธุรกิจในประเทศกัมพูชา มีแผนพัฒนาแอปพลิเคชันออนไลน์ให้ครอบคลุมธุรกิจบัตรเครดิต สินเชื่อเงินกู้ สินเชื่อผ่อนชำระและมีแผนออกบัตรใหม่เพื่อขยายฐานลูกค้าให้มากขึ้น
- 2) ธุรกิจในประเทศพม่า มุ่งเน้นการขยายกลุ่มลูกค้าใหม่โดยการขยายสาขาและร้านค้า อีกทั้งมีแผนขอใบอนุญาตดำเนินธุรกิจประกัน และสินเชื่อรถยนต์
- 3) ธุรกิจในประเทศลาว มีแผนเปิดให้บริการธุรกิจประกันวินาศภัย และปรับปรุงคุณภาพการให้บริการโดยจะเปิดให้บริการแอปพลิเคชันออนไลน์ ตลอดจนพัฒนาระบบภายในของส่วนงานอนุมัติสินเชื่อเพื่อลดกระบวนการและเวลาในการอนุมัติให้รวดเร็วมากขึ้น

## แผนงานในปี 2563

สำหรับปี 2563 การดำเนินงานของบริษัทฯ ยังคงมีความท้าทายจากปัจจัยภายในและภายนอก อาทิ เศรษฐกิจโลกที่ยังคงขยายตัวลดลง, สงครามราคาน้ำมัน, สถานการณ์การแพร่ระบาดของไวรัสโคโรนาสายพันธุ์ใหม่ (COVID-19) ซึ่งได้แพร่กระจายไปทั่วโลก และประเทศไทยได้มีการประกาศสถานการณ์ฉุกเฉินเมื่อวันที่ 26 มีนาคม 2563 โดยให้ปิดสถานที่ต่างๆ ชั่วคราว และจำกัดการเดินทาง อย่างไรก็ตามในช่วงต้นเดือนเมษายนรัฐบาลได้ออกมาตรการดูแลและเยียวยาประชาชนและธุรกิจที่ได้รับผลกระทบจากการแพร่ระบาด COVID-19 วงเงิน 1,900,000 ล้านบาท อีกทั้งธนาคารพาณิชย์และสถาบันการเงินได้ออกมาตรการช่วยเหลือด้านสินเชื่อสำหรับลูกค้าที่ได้รับผลกระทบทั้งทางตรงและทางอ้อมจากโรคระบาดดังกล่าว ซึ่งบริษัทฯ ได้การออกมาตรการ

ช่วยเหลือด้านสินเชื่อแก่ลูกค้าที่ได้รับผลกระทบดังกล่าวตามแนวทางปฏิบัติของธนาคารแห่งประเทศไทย โดยการลดอัตราผ่อนชำระคืนขั้นต่ำสำหรับสินเชื่อบัตรเครดิต และสินเชื่อส่วนบุคคล ตลอดจนการพักชำระเงินต้นสำหรับสินเชื่อทุกประเภท ซึ่งเริ่มมีผลในไตรมาสที่ 1/2563 นอกจากนี้ยังมีความเสี่ยงอื่นๆ จากภาวะภัยแล้ง และการเริ่มใช้มาตรฐานการรายงานทางการเงินใหม่ IFRS 9, เริ่มกฎหมายหลักการคุ้มครองข้อมูลส่วนบุคคล (PDPA) ตลอดจนการเปลี่ยนแปลงเทคโนโลยีดิจิทัลในธุรกิจการเงินที่รวดเร็ว โดยบริษัทฯ ได้กำหนดแผนงานสำหรับปีบัญชี 2563 ควบคู่ไปกับการบริหารจัดการงานต้นทุนอย่างมีประสิทธิภาพ ดังนี้

- ปรับโมเดลธุรกิจโดยการพัฒนานวัตกรรมและผลิตภัณฑ์ใหม่ฯ บริษัทฯ จะเปิดให้บริการ E-service แบบเต็มรูปแบบโดยเพิ่มฟังก์ชันการสมัครบัตรและยืนยันตัวตน (E-KYC) ผ่าน AEON Thai Mobile Application และสาขาของบริษัทฯ และเพิ่มช่องทางบริการกดเงินโดยไม่ต้องใช้บัตร (Cardless withdrawal) ไปยังธนาคารพาณิชย์พันธมิตร เพื่ออำนวยความสะดวกให้แก่ลูกค้ามากยิ่งขึ้น นอกจากนี้บริษัทฯ ยังคงเดินทางไปทำงานร่วมกับพันธมิตรรายเดิมและรายใหม่ เพื่อเพิ่มสิทธิประโยชน์ผ่านบัตรและขยายฐานลูกค้าภายใต้ภาวะการแข่งขันที่เข้มข้นขึ้น
- พัฒนาโครงสร้างพื้นฐานการให้บริการเพื่อให้เข้าสู่ยุคดิจิทัล บริษัทฯ จะพัฒนาระบบเทคโนโลยีและสารสนเทศ โดยนำเทคโนโลยี AI มาใช้ในส่วนงานพิจารณาสินเชื่อ การตลาด และการติดตามหนี้ เพื่อให้การพิจารณาอนุมัติสินเชื่อแม่นยำมากขึ้น และนำไปพัฒนาผลิตภัณฑ์และรูปแบบการบริการให้เหมาะสมกับความต้องการของลูกค้าในปัจจุบัน ตลอดจนเพิ่มประสิทธิภาพในการติดตามหนี้
- มุ่งมั่นพัฒนาธุรกิจให้เติบโตอย่างยั่งยืน บริษัทฯ จะยังคงดำเนินธุรกิจควบคู่ไปกับการให้ความสำคัญต่อสังคมและสิ่งแวดล้อม โดยคณะกรรมการบริษัทฯ ได้ทบทวนนโยบายเรื่องหลักการทำกับดักการเป็นประจำปี และบริษัทฯ มีนโยบายป้องกันความเสี่ยงเกี่ยวกับการทุจริตคอร์รัปชัน, นโยบายห้ามรับของขวัญ, ของกำนัล และนโยบายป้องกันการฟอกเงินและการต่อต้านการสนับสนุนทางการเงินแก่การก่อการร้าย โดยได้สื่อสารไปทั้งระดับกรรมการ ผู้บริหาร และพนักงานมุ่งเน้นส่งเสริมคุณธรรม จริยธรรม และความโปร่งใสในการดำเนินธุรกิจเพื่อให้ธุรกิจเติบโตอย่างยั่งยืนในระยะยาว

สุดท้ายนี้ บริษัท อีออน ธนสินทรัพย์(ไทยแลนด์) จำกัด (มหาชน) ขอขอบคุณ ผู้ถือหุ้น ลูกค้า คู่ค้าทางธุรกิจ พนักงาน และผู้มีส่วนได้เสียทุกกลุ่มที่ให้การสนับสนุนบริษัทฯ ด้วยดีเสมอมา และขอให้มั่นใจว่าบริษัทจะยังคงมุ่งมั่นทุ่มเท ปฏิบัติหน้าที่อย่างเต็มความสามารถ และจะดำเนินธุรกิจด้วยความโปร่งใส และยึดมั่นในหลักธรรมาภิบาลเพื่อเติบโตอย่างยั่งยืนในปีนี้และปีต่อไป

- New products and new services were developed to meet the current needs of our customers. The Company has expanded more service channels to facilitate customers through the Digital Your Cash Service. This is a new category of our personal loan service that launched a cardless withdrawal system. A credit line of a virtual account where customers can make cash withdrawals through our AEON Thai Mobile Application by scan a QR code at AEON and KBank ATM machines. The E-Statement service is now available for customers to check their statements with ease and security as well as reducing paper usage.

The Company has maintained its focus and support for the expansion of our businesses in the Mekong Region, which shows high economic growth potential. In the fiscal year of 2019, the total revenues of our overseas subsidiaries increased by 63% from the previous year, representing 6% of the Company's total revenues. The loan portfolio grew by 61% from the previous year because of the rapid growth of our customer base and the expansion of financial products and services. The Company set its goal to increase the revenue from its subsidiaries in those countries to be 10% of its total revenues in the next three years. The plan for business operations of its overseas subsidiaries in 2020 are as follows.

- 1.) The business in Cambodia has plans to develop an online application including the credit card business, personal loan and hire purchase, as well as a plan to issue new cards to expand its customer base.
- 2.) In Myanmar it will focus on reaching out to new groups of customers by opening more branches and expanding the network of dealers. There is a plan to acquire licenses to operate insurance and auto loan businesses.
- 3.) In Lao PDR, there are plans to launch non-life insurances and to improve its services by providing online application service and further develop the internal systems of credit control in order to reduce the processes and speed up approval time.

## Plans for Fiscal Year 2020

For 2020, the Company is facing many challenges arising from internal and external factors, such as the global economic slowdown, the oil-price war and the global outbreak of the Coronavirus (COVID 19). In Thailand, the government declared a State of Emergency on March 26, 2020 whereby certain places were closed temporarily and travel restrictions imposed. However, in early April the government announced a massive stimulus package of 1.9 trillion baht spending to support individuals and businesses affected by the COVID-19 outbreak. Commercial Banks and Financial Institutions launched relief measures to assist their customers impacted directly and indirectly by this pandemic. The Company also complies with the Bank of Thailand to provide the relief measurements to

assist our customers by reducing minimum payment for credit card and personal loan as well as providing a grace period for all products. These measures would be complied in the first quarter of 2020. In addition, the country is also faced with risks from the situation of drought as well as adoption of the new international financial reporting standard (IFRS 9), Thailand Personal Data Protection Act (PDPA), as well as the rapid change of digital technology in the financial business. In this regard, the Company has set a work plan for the fiscal year 2020 in parallel with an efficient cost management plan as follows.

- Revising our business model through innovation and development of new products. The E-Service will be implemented by adding the application and electronic know-your-customer function (E-KYC) via the AEON Thai Mobile Application and our own branches. The cardless withdrawal channel will be added at our partner commercial banks for greater convenience to our customers. Moreover, the Company will continue to collaborate with existing and new business partners in order to offer more benefits through our cards and to expand our customer-base to cope with increasingly intense competition.
- Developing our service infrastructure toward the digital era. An information technology system will be developed by introducing AI technology to our credit control, marketing, and debt collection to ensure more precision in all credit approvals. This technology will also be applied to the development of products and services that will meet the requirements of today's customers and also to increase debt collection efficiency.
- With commitment to sustainable business development, the Company recognizes the significance of ethical business operations and responsibilities to the society and environment. The Board of Directors annually reviews our corporate governance principles and has put in place a corruption prevention policy, a no gift policy, and anti-money laundering and counter financing of terrorism policy. These policies have been communicated across the board, from directors to management and general staff levels. Our emphasis is based firmly on integrity, business ethics and transparency in our business operations in order to achieve long term and sustainable growth.

Finally, AEON Thana Sinsap (Thailand) Public Company Limited wishes to offer its sincere thanks our shareholders, customers, business partners, employees and all stakeholders for their continued support. Please rest assured that the Company is determined to carry out its business operations by working hard to the best of our ability, with transparency and commitment to corporate governance in order to achieve sustainable growth this year and in the years to come.



## คณะกรรมการบริษัท BOARD OF DIRECTORS



**นายฮิเดกิ วะคะบายะชิ**  
**Mr. Hideki Wakabayashi**  
ประธานกรรมการ  
Chairman of the Board



**นายเคนจิ ฟุจิตะ<sup>1</sup>**  
**Mr. Kenji Fujita**  
รองประธานกรรมการและกรรมการผู้จัดการ  
Vice Chairman of the Board and Managing Director



**นายมะซะโนริ โคสะกะ**  
**Mr. Masanori Kosaka**  
กรรมการ  
Director



**นางสุพร วัฒนเวคิน**  
**Mrs. Suporn Wattanavekin**  
กรรมการ  
Director



**นายันทวัฒน์ โชติวิจิตร**  
**Mr. Nuntawat Chotvijit**  
กรรมการ  
Director



**นางสาวสุริพร ธรรมวาทิตย์**  
**Ms. Suriporn Thammawatid**  
กรรมการ  
Director

### หมายเหตุ:

<sup>1</sup> นายเคนจิ ฟุจิตะ ได้รับการแต่งตั้งเป็นรองประธานกรรมการและกรรมการผู้จัดการ เมื่อวันที่ 21 มิถุนายน 2562

<sup>2</sup> นายคาซึมาซะ โอฮิมา ได้รับการแต่งตั้งเป็นกรรมการ เมื่อวันที่ 21 มิถุนายน 2562

<sup>3</sup> ดร. มงคล เหล่าวรวงศ์ ได้รับการแต่งตั้งเป็นกรรมการตรวจสอบ เมื่อวันที่ 21 มิถุนายน 2562



**นายคาซึมาซะ โอชิมะ<sup>2</sup>**  
**Mr. Kazumasa Oshima**  
กรรมการ  
Director



**นายชัชวาลย์ เจียรนวนนท์**  
**Mr. Chatchaval Jiaravanon**  
กรรมการ  
Director



**นายพนพันธ์ เมืองโคตร**  
**Mr. Noppun Muangkote**  
กรรมการอิสระและ  
ประธานกรรมการตรวจสอบ  
Independent Director and  
Chairman of Audit Committee



**ดร. สุจริต คุณธนกุลวงศ์**  
**Dr. Sucharit Koontanakulvong**  
กรรมการอิสระและ  
กรรมการตรวจสอบ  
Independent Director  
and Audit Committee



**ดร. มงคล เหล่าวรพงศ์<sup>3</sup>**  
**Dr. Mongkon Laoworapong**  
กรรมการอิสระและกรรมการตรวจสอบ  
Independent Director and Audit Committee



**นายเคนจิ ฮะยะชิ**  
**Mr. Kenji Hayashi**  
กรรมการอิสระ  
Independent Director

<sup>1</sup> Mr. Kenji Fujita was appointed to be Vice Chairman of the Board and Managing Director on June 21, 2019.

<sup>2</sup> Mr. Kazumasa Oshima was appointed to be Director of the Company on June 21, 2019.

<sup>3</sup> Dr. Mongkon Laoworapong was appointed to be Audit Committee Member on June 21, 2019.

## POLICY AND BUSINESS OVERVIEW

### Business Policy

The unchanging corporate mission of the company is to constantly benefit our cardholders through quality financial services. In Japan and the rest of Asia, our management philosophy is to “Support Cardholders lifestyles and enable each individual to maximize future opportunities through effective use of credit”. The Company carefully provides financial services by paying attention to our cardholders’ needs and earns cardholders trust by raising standard of corporate behavior in the financial service industry.



#### Vision

The vision of AEON Financial Service Group toward the year 2025 is to create a financial platform in the economic zone centered on Asia and aim to be a corporate group that enriches the daily lives of customers in the region and to become Asia’s No.1 retail finance services company.

#### Mission

We have defined our mission to earn customers trust in the financial service industry and adhering to a strict code of corporate ethics and engaging in activities that conserve the environment and contribute to the society.

#### Goal

The Company aims to provide financial services with greater convenience and satisfaction to our customers and member stores. This will lead to the Company’s becoming a leading retail finance company in Thailand as well as in neighboring countries in the future. Moreover, in order to achieve this goal, the Company plans to expand its customer base and its service network in all areas.

Regarding to its life and non-life insurance businesses, the Company aims to provide insurance advice offering the best advantage to our customers with various types of insurance services.

In terms of the debt collection service, we aim to provide our customers with the best satisfaction through our standardized and efficient services together with the expansion of our customer base, which will result in our becoming the leading debt collection service business in the future.

## Procedure for the Company's vision, mission and strategies specification

The Company's board of directors reviews and approves the vision, mission and the strategies of the Company with the affiliated companies annually (Policy Meeting). The meeting's proposes is to drive the Company's business in the same direction based on the stakeholders' expectations. Afterward, the board will specify the procedure of the Company's management strategies accordant with the current situation of the business. In order to achieve the Company's mission, the Middle-level Managers will then plan for the work plan, budget plan, and KPIs plan to propose to the Company's board of directors. Ultimately, the employees will build the same comprehension and work in line with the Company's Vision, Mission, and strategic plans through the internal communication. The following results will be proposed to the board of directors to consider rectifying the strategic plans with the parent company in Japan quarterly.



## Overview of the Company's Business

At present, the Company's principal business activity is the provision of a variety of retail finance services, including credit card, personal loan, hire purchase and others. The core business, which generated most revenues for the Company in the past year, is credit card and personal loan business, representing 32% and 52% of total revenues, respectively, while the hire purchase business represented 3% of total revenues.

As of February 29, 2020, the Company has active customers more than 2 million IDs per month. Meanwhile, the number of issued cards was 9 million including 2.85 million credit cards and 6.15 million member cards.

For branch development network, the Company has 105 branches and AEON Lounge total 14 locations to facilitate enhanced convenience for the customer who holds AEON Gold and/or platinum card. In addition, the Company has 6,631 active dealers. Also, the Company has 413 ATMs located in Bangkok and provincial areas, including those in other major bank's ATMs and Counter Service through 7-11 nationwide.

## Shareholding Structure

The Company has investment in subsidiaries and other affiliated companies as of February 29, 2020 as follows;

Company	Business	Ownership (%)
<b>Subsidiaries - Domestic</b>		
1. ATS Rabbit Special Purpose Vehicle Company Limited <sup>1</sup>	Special purpose vehicles (SPV)	48.75
2. AEON Insurance Broker(Thailand) Co., Ltd <sup>2</sup>	Life / Non-life Insurance brokerage services	100.00
3. ACS Servicing (Thailand) Co., Ltd	Debt Collection services	100.00
<b>Subsidiaries - Overseas</b>		
4. AEON Specialized Bank (Cambodia) PLC <sup>3</sup>	Specialized Bank in Cambodia	50.00
5. AEON Microfinance (Myanmar) Co., Ltd	Microfinance business in Myanmar	100.00
6. AEON Leasing Service (Lao) Co., Ltd <sup>4</sup>	Leasing business in Laos	100.00
<b>Subsidiaries - Liquidated and Dissolution</b>		
7. Eternal Special Purpose Vehicle Co., Ltd	Special purpose vehicles (SPV)	26.00
8. Eternal Credit Card Special Purpose Vehicle Co., Ltd	Special purpose vehicles (SPV)	26.00
9. Eternal 3 Special Purpose Vehicle Co., Ltd	Special purpose vehicles (SPV)	26.00
10. Eternal 4 Special Purpose Vehicle Co., Ltd	Special purpose vehicles (SPV)	26.00
11. Eternal 5 Special Purpose Vehicle Co., Ltd	Special purpose vehicles (SPV)	26.00
12. Eternal 6 Special Purpose Vehicle Co., Ltd	Special purpose vehicles (SPV)	26.00
<b>Other Affiliated Companies</b>		
13. AEON (Thailand) Co., Ltd.	Retail Department Store	5.23
14. PT. AEON Credit Service Indonesia <sup>5</sup>	Microfinance business in Indonesia	2.59
15. ACS Trading Vietnam Co., Ltd	Installments service in Vietnam	20.00

Note - <sup>1</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>2</sup>AEON Insurance Service (Thailand) Company Limited has been formed by the amalgamation of the Company's subsidiaries, ACS Insurance Broker (Thailand) Company Limited and ACS Life Insurance Broker (Thailand) Company Limited with effective date since July 1, 2013.

<sup>3</sup>The Board of Director approved to waive the pre-emptive rights to subscribe the additional issuance of AEON Specialized Bank (Cambodia) PLC. The proportion of shareholding of the Company decreased from 80% to 50%. This transaction was approved by the Nation Bank of Cambodia and registered the increase of authorized shares capital since April 24, 2018, accordingly.

<sup>4</sup>The Company holds shares indirectly through ACS Servicing (Thailand) Company Limited and AEON Insurance Service (Thailand) Company Limited with 3.71% and 3.71% shareholding, respectively.

<sup>5</sup>The Board of Director approved to waive the pre-emptive rights to subscribe the additional issuance of PT. AEON Credit Service Indonesia Company. The proportion of shareholding of the Company decreased from 5.18 % to 2.59 %. The increase of authorized shares capital since October 31, 2018, accordingly.



### Background

On September 18, 1992, the Company was established by AEON Financial Service Co. Ltd. (formerly AEON Credit Service Co. Ltd.) under the name of the Thai Credit Service Company Limited with an initial registered capital of 1 million Baht and a paid-up capital of 250,000 Baht. In December 1992, the Company started a hire purchase business by first joining with Japanese department stores operating in Thailand and changing its name to Siam NCS Company Limited with its registered capital increased to 10 Million Baht and paid-up capital of 5 Million Baht. In October 1994, The Company changed its name again to AEON Thana Sinsap (Thailand) Company Limited.

AEON Financial Service Co. Ltd., (AEON Financial Service), the major shareholder of the Company, was listed in the 1<sup>st</sup> section on the Tokyo Stock Exchange, which is a holding company. Currently provides financial services including credit cards, personal loans and other services. On April 1, 2019, AEON Financial Service has completed its group restructuring in order to allow its financial service business to be carried out in full scale and with greater efficiency. The transition of new structure through establishment of AFS Corporation, as a bank holding company to separate management of its banking business group and non-banking group. As a result, the 50% investment of AEON Financial Service in AEON Specialized Bank (Cambodia) Plc. will be transferred to AFS Corporation, which holds shares in a group of banking companies under the new structure. The Board of Directors' meeting of the company passed a resolution on March 21, 2019 to approve such share transfer. However, this restructuring will not have any effect on the Company's business operations.

AEON Financial Service has also expanded its business to other Asian countries including Hong Kong, Thailand, Malaysia, Philippines, Indonesia, China, Vietnam, Cambodia, India, Laos and Myanmar.

The financial services business in each region will focus on consumers in that area. Hence, these businesses will have no conflict of interest.



## Revenue Structure (Consolidated)

Fiscal Year			2017			2018			2019		
Business	Amount (MB)	%	Growth %	Amount (MB)	%	Growth %	Amount (MB)	%	Growth %		
1. Credit Card	6,807	37	5	7,490	36	10	7,529	32	1		
2. Loan	9,573	51	6	10,723	52	12	12,065	52	13		
3. Hire Purchase	370	2	-6	431	2	17	754	3	75		
4. Commission income	492	3	5	513	3	4	531	3	4		
5. Collection service income	234	1	12	266	1	14	268	1	1		
6. Others	1,188	6	-2	1,219	6	3	2,154	9	77		
<b>Total</b>	<b>18,663</b>	<b>100</b>	<b>5</b>	<b>20,642</b>	<b>100</b>	<b>11</b>	<b>23,301</b>	<b>100</b>	<b>13</b>		

Notes: - For the fiscal year ended on the end of February of each year.

## Nature of each business line

### Credit Card

The Company provides two types of services as follows:

#### (a) Credit Purchase

Customer who uses the Company's credit card to purchase goods or services at merchant that accepts the payment by VISA, MasterCard, and JCB card.

#### (b) Cash Advance

Besides credit purchase, the Company's credit card member can also makes cash advance at branches or through the Company's cash dispensing machine. As of February 29, 2020, the Company has 413 ATMs located in Bangkok, its vicinity, and provincial area. In addition, AEON credit card holders are able to withdraw cash advance from ATM machines of other banks under the network CIRRUS, PLUS and JCB from both domestic and international ATMs.

## Credit cards issued by the Company are categorized into two types as follows:

### 1. AEON International Card

The Company issues the AEON MasterCard, the AEON VISA Card and the AEON JCB Card co-branded with MasterCard Worldwide, VISA Worldwide and JCB International Company Limited respectively. MasterCard credit cards, VISA credit cards and JCB credit cards can be used at member stores located worldwide. In addition to the Company's cash dispensing machines, cardholders can use the AEON MasterCard, the AEON VISA Card and the AEON JCB Card for cash advances via the CIRRUS and PLUS networks worldwide.

### 2. AEON International Co-branded Card

The co-branded credit cards which the Company issues with other companies in several businesses are, for example, the AEON Royal Orchid Plus World Mastercard, the AEON Royal Orchid Plus Platinum Card, the Giffarine Card, the AEON Club Thailand Card, the B-Quik Card, the AEON M Gen Visa Card, the AEON J-Premier Platinum Card, the BigC platinum payWave Card, etc. Co-branded cards provide additional exclusive privileges for cardholders.



As at February 29, 2020, AEON Co-branded Cards are as follows:

Card Name	Co-Branded Company	Sector
AEON Royal Orchid Plus World Mastercard	Thai Airways International PCL Mastercard (Thailand) Co., Ltd.	National Carrier Business Credit Card
AEON Royal Orchid Plus Platinum Card	Thai Airways International PCL	National Carrier
Big C Platinum payWave Card	Big C Supercenter PCL	Retail business
AEON J-Premier Platinum Card	JCB International (Thailand) Co., Ltd.	Business Credit Card
AEON VISA Olympic Card	VISA International (Thailand) Co., Ltd.	Business Credit Card
AEON M Gen Visa Card	Major Cineplex Group PLC.	Cinema and Entertainment
B-Quik VISA Card	B-Quik Co., Ltd.	Auto parts Service provider
Club Thailand VISA/MasterCard/JCB	Atlas Trading and Properties Co., Ltd.	Card Servicing business
Giffarine VISA Card	Skyline Unity Co., Ltd.	Direct sales cosmetic agents
Tang Hua Seng VISA Card	Tang Hua Seng Department Store Co., Ltd.	Retail Department Store
TDP VISA Card	Thai Department Store	Retail Department store

The Company offer special privilege to AEON cardholders in the campaign “365 Days of Happiness of AEON Credit card” with potential partners such as Cafe Amazon, McDonald’s, Pizza Hut, Maxvalu Supermarket and Major Cineplex Group. AEON cardholders get 20 baht instant discount at Cafe Amazon and get selected extra medium size and McFried Chicken Set only 79 baht from regular price 149-155 baht at McDonald’s. Get 2 pans of pizza (size M) with Love’s Line topping only 199 baht. And Get Combo Set only 199 baht from regular price 289 baht at Pizza Hut. Get 5% discount at Maxvalu and Maxvalu Tanjai. The Company also offer Buy 1 Get 1 Free Movie tickets at Major Cineplex Group theater as well as organizing campaigns cash back and privilege when spending via card as specified by the Company.

In the fiscal year of 2019, the Company launched Visa Olympic Themed Card with leading partners at participating sport stores, Fitness, Muay Thai gyms, Golf clubs, Football and Entertainment which offering special privileges for sport and health lovers, including 4-times/month free access to leading fitness clubs, yoga classes and Muay Thai gyms. The customers will receive cash back up to 1,500 baht/month and get up to 30% discount at participating fitness clubs, golf clubs and football pitches and exclusive AEON lounge access 4 times/month.

Also, The Company has launched Corporate Card which was card issued to the organization to manage employee expenses. The most of the expenses are travel expenses and entertainment expenses to reduce spending in the wrong way, preventing corruption and also helps organizations manage expenses more efficiently. The customer who uses the Company credit card is a Co-Branded Company and the Japanese Company operating in Thailand.

Income from credit cards consists of interest, revolving fees, collection fees and other fees e.g. the annual fee, cash advance fees, merchant discount fees from participating stores etc.

## Personal Loan

Loans are a form of finance for lending cash to customers. The amount will be approved and made available to them in the form of revolving credit (“Your Cash”) through AEON Member Cards. The customers may contact the Company’s office to submit an application for personal loans or they can mail their requests together with required credentials to the office. The Company’s revenues generated from this service comprise the interest received, the minimum payment fee, the handling fees and the penalty fees. The Company also offers AEON Happy Pay service. The customers can buy electrical appliances, gold, home decorative items, office equipment, mobile phones, IT products, etc. and pay for such products by using revolving credit limit through AEON Member Cards. Transactions are processed via EDC machines at 6,631 AEON dealers’ shops nationwide.

Happy Pay service is installment products and services with revolving loan (“Your Cash”) through AEON Member Card. Which transactions are processed via EDC machines and I-Dealer System at AEON dealer’s shops. The customers can choose to pay for products or services by installments based on the available balance on their cards without having to wait for approval in the form of loan agreements. Moreover, this service offers more convenience to dealers’ shops as they will receive payments on the following day. Our dealers no longer need to prepare billing documents the way they did previously for payment by installments.

As at February 29, 2020, AEON Co-branded for Member Cards are as follows:

Card Name	Co-Branded Company	Sector
AEON Rabbit Member Card	BTS Group Holdings Public Company Limited	Mass Transit Operator
Big C Exclusive Card	Big C Supercenter Public Company Limited	Retail business

## Personal Loan without the Plastic card (Digital Yourcash)

The Company has introduced “Digital YourCash”, a new type of “Your Cash” revolving loan service that does not require a plastic card for cash withdrawal. The criteria and conditions for approval are the same as those applied to applications for AEON membership cards. Once approved, loans will be made available to customers, allowing them to withdraw cash in the amount approved. The customers can also activate their Digital Yourcash via AEON Thai Mobile Application, this service offers more convenience and faster service to customers.

## Motorcycle Hire Purchase

Hire purchase is a form of finance whereby ownership of the merchandise is vested in the Company and the Company hires the merchandise to the borrower for a fixed term which the Company offers from 6 months to 48 months (For motorcycle price less than 150,000 Baht) and from 6 months to 72 months (For motorcycle price more than 150,000 Baht). The ownership of merchandise belong to the Company during the period of hire and when the payment including the condition of the contract already made by the customer. The ownership of the merchandise completely transfers to the customer. The income generated from this service (hire purchase) includes interest received from installment and collection fees. Once the merchandise is delivered to the customer, the member store will submit the sales slip to the Company and the Company will pay the sales amount to the member store.

## Used Car Hire Purchase

Hire purchase is a form of used car finance whereby ownership of the merchandise is vested in the Company and the Company hires the merchandise to the borrower for a fixed term at the fixed rate interest which the Company offers, from 24 months to 84 months. The ownership of merchandise belong to the Company during the period of hire and when the payment including the condition of the contract already made by the customer. The ownership of the merchandise completely transfers to the customer.

## Debt Collection Service Business

ACS Servicing (Thailand) Co., Ltd (ACSS) provides debt collection service in line with Debt Collection Act B.E. 2558, Regulations of the Bank of Thailand, "Debt Collection Supervisory Committee" which were enforced on November 21, 2019 and policy & requirements of clients. The collection service of ACSS includes phone collection, field service, and legal service. Currently, ACSS has more than 1,000 experienced collection staffs in head office located in Bangkok and 2 collection centers located in Konkean and Hatyai in order to operate debt collection activity to clients. The compensations include collection fee from collected amount and legal fee from legal activities.

ACSS focuses on quality of service by using recording system to all call units, automated notification letter, collection workflow and procedure to ensure each collection activity is complied with our policies and image of clients. Moreover, the company is committed to an information security policy and environmental policy. Our information security policy is complied with a principle of ISMS and ISO27001 whereas our environmental management policy is certified by ISO14001 from Bureau Veritas Certification (Thailand). These policies apply to all operation sites including head office and collection center nationwide. Debt collection business is highly competitive both from large collection company and local collection company. However, ACSS can make the difference in terms of quality of service, expertized collector, coverage of collection center in strategic location, and image of clients which all of them are key factor for clients to select outsource collection partner. Moreover, ACSS also have economic of scale from in number of clients in collection service.

## Insurance Brokerage Services Business

The Insurance brokerage service business is operated by new subsidiary, namely AEON Insurance Service (Thailand) Co., Ltd. which is an amalgamation of two insurance subsidiaries, ACS Insurance Broker (Thailand) Co., Ltd. and ACS Life Insurance Broker (Thailand) Co., Ltd. in March, 2013. There are two main services provided, non-life insurance brokerage services and life insurance brokerage services via telemarketing and face-to-face sales. The company also provides a consulting service and gives advice to all kinds of customers (individuals and corporate) in both life and non-life insurance including claim services on behalf of the insured with various insurance products, with various insurance products as follows:

Type of Insurance	Protection
1. <b>Motor Insurance</b>	Cover loss and damage of the insured vehicle, personal injury, death, property of third parties (parties) as well as other coverage as specified in the policy.
2. <b>Compulsory - Delivery</b>	Car insurance is mandatory insurance law required all cars to be insured, to protect and assist victims of the car.
3. <b>Golf Insurance</b>	This is insurance provide in coverage for loss or damage resulting from accident playing golf.
4. <b>Health Insurance</b>	Health insurance provides coverage for medical expenses generally, including benefits of medical expenses.
5. <b>Travel Insurance</b>	Insurance provide in coverage for travel accident.
6. <b>Personal Accident Insurance</b>	Provide coverage for loss or damage from an accident over 24 hours.
7. <b>Fire Insurance</b>	Protect insured properties such as dwelling, furniture, and other assets caused by disasters.

Type of Insurance	Protection
8. <b>SME Insurance</b>	Cover damage to buildings and property of the SME such as restaurant, hotel restaurant, coffee shop, internet cafe, beauty salon and spa.
9. <b>Group Insurance (Employee Benefits)</b>	Cover Group Life & Health Insurance to corporate's employees which is additional from Compensation Fund and Social Security.
10. <b>Individual Life Insurance</b>	Cover death and pay to throw the switch to the beneficiaries as specified in the policy.
11. <b>Marine Cargo Insurance</b>	Provide coverage for loss or damage from accident and capacity for exporters and importers of goods between countries.
12. <b>Miscellaneous Insurance</b>	Such as all risks to direct physical or damage to property insured arising from an external causes, public liability insurance, professional indemnity insurance and etc.

The revenues of this business are mainly from commission income calculated as a percentage of total sales and other income such as service income, advertising and marketing support.

## Overseas Business

The Company strongly expanding business towards CLMV (Cambodia, Laos, Myanmar, and Vietnam) countries due to high economic growth rate at 6-8% and majority of the population are working population at the age 20-30 years with high demand for financial services. Therefore, the Company has seen a great opportunities in expansion to the CLMV countries, which is expected to continue growing steadily. In the fiscal year of 2019, the total revenues of our overseas subsidiaries increased by 63% from the previous year, representing 6% of the Company's total revenue and the loan portfolio grew by 61% from the previous year. The net profit increased 165% from previous year, representing 4% of the Company's profit because of the rapid growth of our customer base and the expansion of financial products and services. Details are as follows;

### 1. Business in Vietnam

Business in Vietnam established in 2008 for conducting retail finance business under ACS Trading Vietnam Co., Ltd. The Company holding 20% of its share, 40% owned by AEON Financial Service Co., Ltd. and another 40% by ACS Capital Corporation Limited. Currently, they have four branches in Ho Chi Minh City, Hanoi, Danang and Kanto. In 2019, ACS Trading Vietnam opened the first insurance counter at AEON Mall Tan Phu Celadon for motorbike insurance and accident insurance. ACS Trading Vietnam is developing E-Wallet business and point card to increase customer convenience. Moreover, AEON Co., Ltd. (Japan) opened one new shopping center "AEON Mall Ha Nong", totaling 5 AEON Malls in Vietnam to accelerate growth in retail finance business of its affiliates and support economic expansion in Vietnam. As a result, there are currently 218,764 customers.



## 2. Business in Cambodia

AEON Specialized Bank (Cambodia) Plc. (“ASB Cambodia”) established in 2011, which is a specialized bank providing credit card, personal loan, hire purchase, and motorcycle hire purchase. The Company holding 50% of its share and 50% owned by AEON Financial Service Co., Ltd. Currently, ASB Cambodia has eleven branches located in Phnom Penh, Chamkamon, Siemreap, Battambang, AEON Mall Phnom Penh, Kampong Cham, Takeo, Banteay Meanchey, Pochen Tong, Sihanukville and AEON Mall Sen Sok. Moreover, AEON Co., Ltd. (Japan) also has built two large shopping center (AEON Mall) in Phnom Penh, which become a key factor to support our business. In 2015, ASB Cambodia obtained the Specialized Bank License from the National Bank of Cambodia, which was the first specialized bank operated credit card business in Cambodia. In addition, ASB Cambodia started providing E-wallet service with convenient access to financial service. Currently, there are 122,107 customers, increasing by 40% from last year. For fiscal year 2019, ASB Cambodia generated revenues of 914 million baht, increasing 81% y-y and net profit of 206 million baht, grew more than 3 times from last year. In addition, ASB Cambodia has a plan to develop an online application including the credit card business, personal loan, and hire purchase as well as a plan to issue new cards to expand its customer base.



## 3. Business in Myanmar

AEON Microfinance (Myanmar) Co., Ltd. starts operating in 2013 with the Company holding 100% of its shares. Currently, there are five branches in Yangon and one branch in Mandalay, the two large cities of trading and logistics hub in Myanmar. Business in Myanmar is growing faster than our expectation due to steadily increasing of both customer base and operating profit. Currently, AEON Myanmar has 199,136 customers, increasing by 30% from last year. For fiscal year 2019, AEON Myanmar generated revenues of 402 million baht, increasing by 48% y-y and net profit of 64 million baht, increasing by 138% y-y. Thus, AEON Myanmar will focus on reaching out to a new group of customers by opening more branches and expanding the network of dealers. There is a plan to acquire licenses to operate insurance and auto loan businesses. In addition, AEON Co., Ltd. (Japan) also opened AEON Orange, a large supermarket in Myanmar to attract new customers and has 14 branches in total.







#### 4. Business in Laos

AEON Leasing Service (Lao) Co., Ltd. has operated hire purchase business since 2013 with the investment capital of 100% from AEONTS. Currently, there are 27,436 customers, increasing by 21% from last year. For fiscal year 2019, AEON Leasing Service (Lao) Co., Ltd. generated revenues of 113 million baht, increasing by 11% y-y and net profit of 9 million baht, increasing by 1% y-y. AEON Leasing Service (Laos) has a plan to launch a non-life insurance business and to improve their service by providing online application service and further develop the internal systems of credit control in order to reduce the processes and speed up approval time.

### Web Business Service

AEON Thana Sinsap PCL is providing a variety of online services for AEON card customers to fulfill their online activities through the AEON website ([www.aeon.co.th](http://www.aeon.co.th)). Customers can apply for AEON cards online through the Internet in easy 5 steps as follows:

- (1) Customers fill in an application on the website
- (2) AEON call center contacts the customer to confirm the information
- (3) Customers send the documents together with the application by mail to AEON
- (4) In order to approve the card, AEON officer verifies the document
- (5) AEON issues the credit card to the customers and sends it back to their specified address

In addition, the Company provides online services for customers through AEON Thai Mobile Application where customers can apply for AEON cards online through the AEON Thai Mobile Application in easy steps:

- (1) Customers visiting the application for the first time will be required to sign up.
- (2) Customers input all the required details in order to make an AEON credit card back to AEON.
- (3) AEON call center contacts the customer in order to obtain information
- (4) AEON officer verifies the document and sends back an Approval message whether or not the details meet the requirement for opening a new credit card
- (5) AEON issues the credit card to the customers and sends it back to their specified address

AEON Thai Mobile Application also provides balance inquiry, payment service (Pay Now), unbilled transaction, Happy plan, statement history from the past 6 months, view outstanding Happy Point balance and redeem for premiums, news alert and Cardless Withdrawal.



## MARKETING AND COMPETITIVE CONDITION

The Company has operated retail finance as a non-bank, which supports customers in terms of financial services diversification. The basic qualifications required for any retail finance customers are to be aged more than 20 years old, to be earning a regular income and in possession of a secure job etc. From the Labour Force Survey in December 2019 by the National Statistical Office of Thailand (NSO) at the Ministry of Information and Communication Technology of Thailand, there were 56.70 million people, aged 15 years and over, and of this number; 38.21 million were in the total labour force or accounted for the 67.39% (37.66 million people who were employed; 0.18 million were the seasonally inactive labour force; and 0.37 million were unemployed or represented 1% of labour force). Mostly, the employed were in the agricultural sector and the non-agricultural sector at 34% and 66%, respectively.

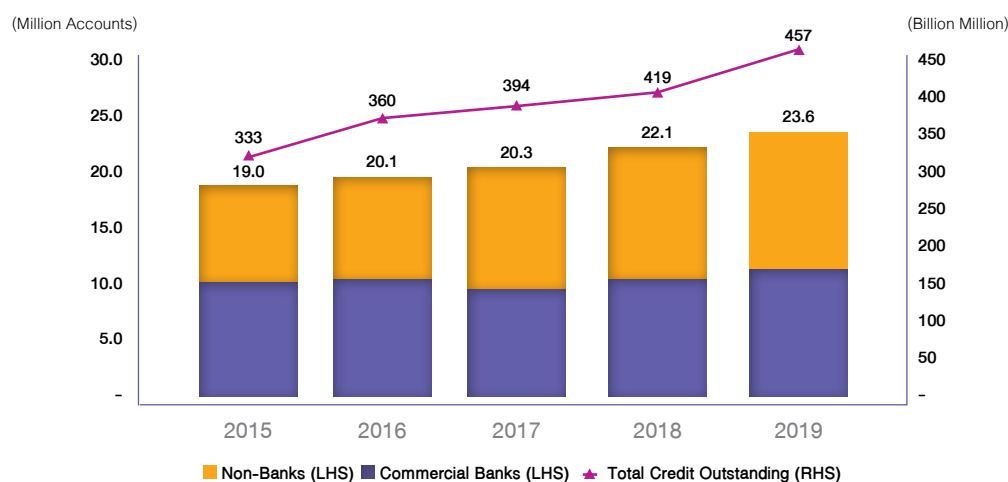
In addition, the NSO Household Socio-economic Survey for the year 2019 from a sample of 55,854 households showed that average total household income was 26,018 baht per month, mainly from economic activities such as wages and salaries. The amount of household debt was 164,055 baht. In 2019, although employment and household income felt the impact of the decline in export, household spending continued to grow due to favorable factors such as low interest rates and inflation rate as well as the government's economic stimulus measures.

In 2020, the Coronavirus outbreak (COVID-19) has negative effect on the revenue of the business sector and household income, resulting in shrinking domestic demand and the decline in the private sector's investment and consumption. However, Commercial Banks and Financial Institutions launched relief measures to assist their customers impacted directly and indirectly by this pandemic. The Company also complies with the Bank of Thailand to provide the relief measurements to assist our customers by reducing minimum payment for credit card and personal loan as well as providing a grace period for all products. These measures would be complied in the first quarter of 2020.

## Credit Card

The major competitors are commercial banks and other non-banks.

### Number of Credit Card and Credit Outstanding in Thailand



Source: Bank of Thailand

Note: - Total number of account refers to number of account of credit card loan that is outstanding as at the end of period.

- Total number of account credit card from foreign bank branches has been included in a group of commercial bank.



## Credit Card Business Overview

At the end of 2019, the total number of credit cards increased by 7% or around 1.5 million accounts from the previous year, totaling 23.6 million accounts; 12 million accounts were from non-banks, increased by 4% y-y and 11.6 million accounts from commercial banks, increased by 10% y-y. Meanwhile, total credit outstanding at the end of 2019 amounted to 457,090 million baht, an increase of 9% from the previous year. This included 177,661 million baht from non-banks, increased by 7% y-y and 279,429 million baht from commercial banks, increased by 10% y-y. The largest portion of the total number of credit cards was mainly from non-banks, representing 51% of the total portfolio. The total credit outstanding from commercial banks was still the largest portion at 61% of the total amount outstanding in 2019.

The credit card business experienced steady growth during 2018-2019 as a result of more spending via credit cards and changing consumer behaviors with more online purchasing of products and services. The technological development of spending and payment systems also made payment by credit card more convenient for consumers. As for current trends, besides increasing competition in the credit card business with the use of new marketing campaigns to meet customers' daily requirements; better services than those of competitors through latest technology and innovation and the use of data analytics to better understand customer behaviors will be other important factors for maintaining competitiveness in the future credit card business.

## Credit Card Business Competition

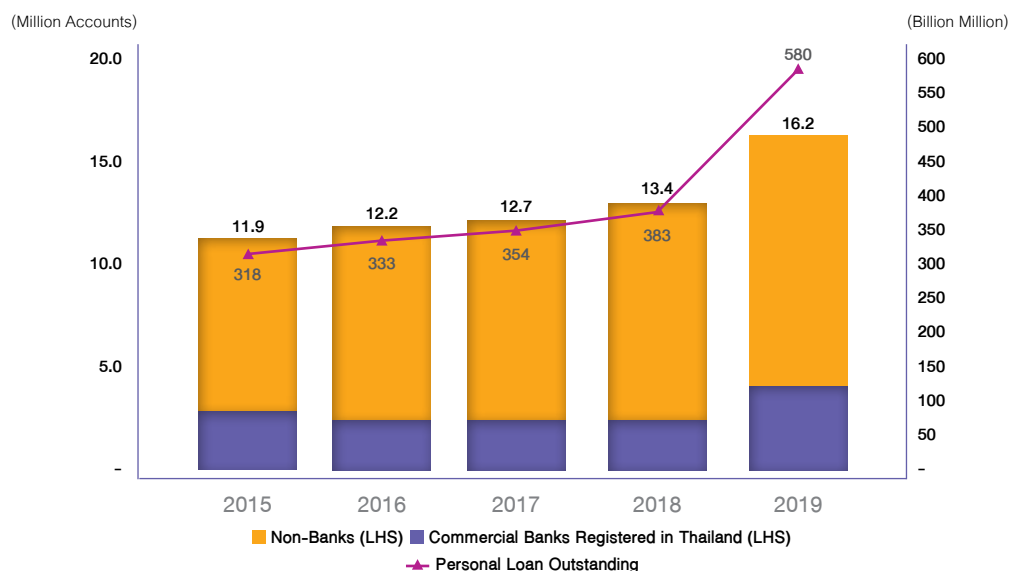
At December 2019, the industry has total credit card of 23.6 million cards, increased 7% from last year, while the Company has total credit card of 2.85 million cards, grew 9% from last year and shared 12% of total industry credit cards number. The Company's credit card outstanding was 36,892 million baht, shared 9% of the industry, increasing from 36,623 million baht or 1% from fiscal year 2018, representing by 8% of industry credit card outstanding.



## Personal Loan

The major competitors are commercial banks and non-banks

### Number of Account and Outstanding of Personal Loan under supervision in Thailand



Source: Bank of Thailand

Note: - Personal loan under supervision refers to uncollateralized personal loans, hire purchases, and leasing loans on goods of which the licensed lenders are usually not in the business of selling. Excluded from this category are Loans for hire purchases and leasing of automobiles and motorcycles, Loans for education, Loans for working abroad, Loans for medical care and Loans pertaining to employee benefits under an agreement between the employers and the lenders.

- Total number of accounts refers to number of account of only personal loan under supervision that is outstanding at the end of month.
- Total personal loan outstanding includes only the principal (less deferred revenue) at the end of month.
- Since December 2015, some non-banks companies had connected the data to follow BOT definition.
- From 2016 onwards, some non-banks separated a debt write-off which resulted in a decrease of total loan outstanding overdue more than 3 months.
- Since February 2019, The Bank of Thailand included the leasing of automobiles and motorcycles back to the Personal loan under supervision category.

### Personal Loan Business Overview

In 2019, the personal loan accounts increased of 21% from 13.4 million accounts in previous year to 16.2 million accounts; 3.6 million accounts were from commercial banks registered in Thailand, increased by 44% y-y and 12.6 million accounts were from non-banks sector, increased by 16% y-y. In addition, personal loans outstanding at the end of 2019 expanded by 51% from the end of the previous year to 579,911 million baht due to include the car title loan since February 2019 onwards. Which can be attributed to commercial banks registered in Thailand constantly at the amount of 254,345 million baht, increased by 52% y-y and non-banks in the amount of 325,566 million baht, or an increase of 50% y-y. The largest portion of personal loan account and outstanding was mainly from non-banks, representing 78% and 56% of the total portfolio, respectively.

The personal loan business continues to show a steady growing trend as a result of the target group expansion of service providers and the consumers' increasing demand for personal loans. Marketing campaigns and proactive product presentations via online and digital channels are a significant increase. Both commercial banks and non-banks have placed more emphasis on personal loans because this is a big market. They are competing in terms of products, prices, development of service provision channels, and customer out-reach in order to increase market share.

## Personal Loan Business Competition

At December 2019, the personal loan industry reported the total numbers of account of personal loan under supervision amounted to 16.2 million accounts, 21% more than last year, while the Company has total personal loan account of 2 million accounts and shared 15% of total personal loan industry. The Company has personal loan outstanding of 47,988 million baht, increased from 43,590 million baht or 10% from the previous year shared 8% of the industry.

## Hire Purchase

Car and Motorcycle Hire Purchase business is a form of financial service which is not subject to the supervision of the Bank of Thailand as are banks and finance companies. Currently, the Company focuses on motorcycle hire purchase which the target customers being people of a low to medium income level and with a motorcycle as their principal vehicle. The popular brands are mainly Honda, Yamaha, Suzuki and Kawasaki.

According to the statistics from the Land Transportation Department, the number of newly registered motorcycles was 1.72 million decreased 4% from 1.79 million in the previous year.

In 2020, the motorcycle market is expected to continue to slow down due to more than 70% of motorcycle customers are in province area and low prices of agricultural products, which affects consumers' purchasing power. Still, competitive pricing among business operators will go on. New models will be launched and the big-bike market, which so far has enjoyed a steady growth, will be expanded.

## Used Car Hire Purchase

Used Car Hire Purchase business is a form of financial service which is not subject to the supervision of the Bank of Thailand. Currently, the Company mainly focuses on used car hire purchase which the target customers being people of a medium income level and use a car as their principal vehicle. From the first-car scheme by Thai government in 2011, the customer who bought a vehicle under the scheme in 2011 has no right to sell or transfer ownership for 5 years. The majority of the automobiles distributed under the scheme were sold in 2011-2012 and the scheme ended in 2017-2018. So, it is anticipated that consumers who have decided to change vehicles will do from 2017 onward. With regard to auto loan in Thailand, used car is more popular than loans for brand new cars because of their lower prices. The growth rate of used car loans in 2018 was 5%, but the business failed to expand further in 2019 due to the high level of household debts that caused financial institutions to be more cautious in approving loans.

## Debt Collection Service Business

Debt collection business is highly competitive both from large collection company and local collection company. However, ACS Servicing can make the difference in terms of quality of service, expertized collector, coverage of collection center in strategic location, and image of clients which all of them are key factor for clients to select outsource collection partner. Moreover, ACS Servicing also have economic of scale from in number of clients in collection service.

## Insurance Brokerage Services Business

Non-Life Insurance is projected to grow continuously. The inconstant situations, natural disaster including current economy situation have boosted demand for non-life insurance. Meanwhile, life insurance also continues growth due to higher demand from increased incomes resulting from the government's policy to boost incomes by raising the salaries of government staff and the daily minimum wage. Moreover, life insurance premiums are also deductible from personal income tax. Therefore, the potential customer base is expanding and demand for insurance is increasing as well. The Company has also adopted a strategy of selling through agents and telemarketing, which is in line with the top distribution channels. In addition, the Company has placed important and emphasized on technology which would be increased sales efficiency and effectiveness in order to comply with current situation and the AEC which has already been started. In the part of corporate sales, the Company has earned the trust from many well-known companies including government organization. Moreover, the Company also provides consulting services including claim services too.

## Overseas Business

The Company has focused on expanding business overseas, especially to neighbor countries in ASEAN e.g Cambodia, Myanmar and Laos which recently opened for foreign business investment. These countries still lead with highest economic growth rate and high demand for financial services while many people are currently not able to reach those services. Our major competitors are both local and foreign Hire Purchase companies providing financial services for purchasing motorcycle, electrical appliances, mobile phone and personal loan.

## Web Business Service

Nowadays, the number of Internet users using online services is growing rapidly. As a result, many business sectors have started to focus on online service channel development for their customers on both PC and Smartphone platforms. The development of Smartphone applications has also become a popular trend, where customers can conveniently download and install applications for themselves on their Smartphone. There are numerous online services currently available for customers, such as online member registration, credit card registration, online inquiries and member profile editors. In addition, there is an online payment service where customers can make many types of payment online conveniently and securely.

Regarding the market situation mentioned above, our company aims to become "the financial credit service company with complete digital online solutions". We are focusing on enhancing and improving an online card acquisition channel and document collection. We will use the campaign management to offer special privileges and services to fit customer needs. Furthermore, we plan to enhance online payment options and adapt cutting-edge technology to create new opportunities serving the online e-commerce market.

## Strategies

The Company's competitive strategies consist of:

### 1. Utilization of Customers' databases

The Company has established a customer database which classifies by their characteristics such as age, gender, occupation etc. The Company uses this information in developing and preparing marketing plans to provide beneficial services and information to increase customer satisfaction.

### 2. Speedy Service

The Company has focused on providing speedy financial services to its customers through the use of up-to-date technology. Currently, the Company has implemented Electronic Data Capture (EDC) to enhance speedy credit approval process. The Company also provides a cash advance and cash revolving card service through our ATMs and offers personal loans. Moreover, the customer can apply for credit approval and ask for payment information on the Internet at [www.aeon.co.th](http://www.aeon.co.th) and AEON Thai Mobile Application.

### 3. Variety of Products

Increasing the range of new products or services is aimed at maximizing its ability to meet customer needs. The Company's credit card offers 2 of credit types. The first one is credit card which the customers can receive a credit service at any stores with symbols of master card, VISA and JCB which located inside or outside the country including making a installments payment loan transaction via the Company website, member stores, IVR system and AEON THAI MOBILE APPLICATION. Secondly, the customers can use member card make a installments payment loan transaction at any member stores including withdraw cash via Aeon ATMs, participating commercial banks. The Company focus on adding benefits for card holder to be more usable especially convenience in use of card in customers daily life.

### 4. Expansion of Member Stores

The Company mainly focuses on large retail stores such as supermarkets and department stores. These stores provide consumer goods needed on a daily basis. Also, with respect to member store expansion for credit cards, the Company has issued more international credit cards for the worldwide network spending.

### 5. Centralization and Nationwide Networks

The Company has branches and service counters throughout the country. To ensure the same standard of services, the Company has a full centralization centre in all regions including the North, Northeast, Central, and South. This not only reduce the operation time and operating costs, but also to increase efficiency in providing a full range of services. Aiming to provide more convenience for cardholders, the Company has installed ATMs nationwide.

## Pricing Policy

Policy to set interest rates and other fees for all Company's services depends on the competitive condition in the market in which interest rates and other fees of major competitors are considered as well as in line with the regulations of the Bank of Thailand for credit cards and personal loans under its supervision. In addition, the Company also considers the funding cost and operating costs so that it will not set interest rate and other fees lower than its funding and operating costs.

## Distribution Channel

The distribution channels of the Company consist of,

### 1. Credit Cards' Recruitment Campaign

The Company launches a daily campaign to recruit the customers at several populous areas such as office complexes, shopping centres and department stores. In addition, the company sets up Take-One-Boxes at commercial complexes and member stores for the distribution of the credit card application forms that can be returned by mail and at AEON branches. Furthermore, Customers are able to apply for credit card and member card via AEON Thai Mobile Application in order to facilitate our customers.

### 2. Member Stores and Merchants

The Company has 6,631 member stores for hire purchase services. In addition, the Company's international cardholders can use their credit cards at MasterCard, VISA, and JCB merchants and member stores worldwide.

### 3. Service Network

As of February 29, 2020, the Company has provided refined services at 105 branches; 32 branches in Bangkok and 73 branches in the provinces, with more than 6,631 EDC machines installed in several department stores and member dealers for enhancing the speedy processing of hire purchase transactions. In addition, the Company has located 413 ATMs in Bangkok and provincial area.

### 4. Advertising

The Company has the policy to advertise its service including hire purchase, credit cards and personal loans through several promotional tools such as posters, leaflets and pocket-tissues and also by media such as newspaper, radio spots, TV commercials, the Bangkok Mass Transit System (BTS), the Mass Rapid Transit (MRT), and billboards etc. The Company also advertises its services via the Internet and AEON Mobile Application.

### 5. Promotional Activities

The Company regularly arranges promotional campaigns through its own activities and also joins with manufacturing companies or member stores. When exhibitions have been organized the Company cooperates with them by setting up Company counters to receive application forms from the customers.

## Credit Limit Approval

The Company has a credit process which covers credit policy, policy disclosure to the operations officer, credit scoring, setting credit criteria, and reviewing credit approval and authorized person for credit approval for enhancing the credit approval standard continually.

For credit card, the criteria of cardholders have to comply with Rules, Procedures and Conditions to Undertake Credit Card Business. And for hire purchase and loan approval, the company has to comply with Prescription of Rules, Procedures, and Conditions for Undertaking of Personal Loan Business under Supervision for non-bank following Bank of Thailand's notification.

## Debt Collection

Regarding to pre-write off account receivable managed under the team which consists of management and staff for totally 1,900 people, the key component in operating financial service business is debt management that has effective procedure and system in order to manage the debt which can be categorized into 3 main functions as follows:

### 1. Technology

The Company has implemented one of the most advanced technologies with auto dial to manage its customer database in relation to payment behavior and grouping data by collection ageing. All customers profiles are available on-line so all collection staff can directly access the database through his/her own computer terminal. In addition, the system enables the management to monitor the collection performance of each staff and each branch all over the country.

### 2. Monitoring and Managing

The Company has the philosophy of close monitoring and managing the debt by daily and monthly strategy. It examines the collection performance on a daily basis. All databases of collection performance are centralized in each regional center and at the head office. This information is examined and evaluated by the management who is ready to make decisions, support and act to improve and solve problems of collection. In addition, five centralized centers ensure business continuity, operations and performance and act as backup recovery sites among other things.

### 3. Collection Procedure

The Company has several collection methods. When a debtor starts being default, the collection staffs separated by type of loan and delinquent status, will promptly perform their job. The Company has a large customer base and the number of customers is increasing, therefore, account receivable grouping and number of customers must be related to the number of collection staff in order to ensure that the debt management is efficiently and promptly executed. The principal way is to make phone calls to the debtor. After each call, the collection staff will immediately record information both can contact and cannot contact to customers. The collection staff will be continuously contacting the debtor via telephone as long as he/she can make the contact and will negotiate with the debtor to repay some debt to the Company. If the staff is unable to contact the debtor or the debtor tries to avoid having conversation with the staff or the debtor changes his/ her residence or resigns from their work without notifying the Company, whether or not any of such action has been done purposely, the Company will send the short message and voice message via debtor's mobile telephone or send a survey staff to investigate or check more information of the debtor.

In addition, the Company's collection procedure is carefully implemented under Debt Collection Act, B.E. 2558 (2015), which were enforced on September 2<sup>nd</sup>, 2015 and "Debt Collection Supervisory Committee" which were enforced on 21<sup>st</sup>, November 2019. The company has cooperated with Bank of Thailand reduced collection fee to 100 baht since January 2016 onward. Nevertheless, such change in collection fee is not significant impact of the Company.



## Customers' payment

The customer's statements is calculated by the Company on monthly basis which specified the due date on 2nd of each month and customer needs to make payment before the 2<sup>nd</sup> of the following month. Customer can pay the principle, interest or any fees in many ways such as pay cash at Company ATMs, pay thru AEON Thai Mobile application, pay at the commercial bank counters, Counter Services, mPAY stations, True Partner, Tesco Lotus , Big C or Pay at Post; more than 20,000 counters nationwide. In addition, the payment can be made by post-dated cheque or by bank account auto-payment. Currently, AEON Thai Mobile application has been downloaded by 2.5 million downloads, with more than 1 million monthly users.

For any installment loan for goods or service thru member card (AEON Happy Pay), the customer has to pay a monthly installment and the installment period varies from 3 to 48 months depending on the value of the purchased goods or services. The average installment period is approximately 12 months. In case of monthly installments for Motorcycle hire purchase is from 6 to 48 months and for personal loans or credit card loans, customer may either pay the full balance at once or make a partial payment, the amount of which will be at least equivalent to the minimum amount fixed by the Company and in line with BOT regulations.

## Policy for Allowance of Doubtful Accounts

The allowance for doubtful accounts on accounts receivable have been calculated based on a collective approach by classifying a group of loans having similar credit risk characteristics based on the historical loss experience of each loan category, which the Company's allowance for doubtful accounts shall not be less than allowance for doubtful accounts fully provided for all receivables over 3 installments contractually past due, in order to comply with the notification of the Office of the Securities and Exchange Commission (the "SEC").

The Company realizes that there are various risk factors that can affect the Company's business operations. The Company has accordingly established a risk management policy as well as enhanced methodologies and tools employed for quantifying risks to ensure risk management is effective and efficient and the availability of support relevant to risks that may occur in the future. The risk factors that may occur and affect the Company's performance are described below:

## **1. Interest rate fluctuation risk**

Interest rate risk arises from a potential for a change in interest rates to have an adverse effect on the Company and subsidiaries in the current reporting period and in future years.

The Company did not anticipate any interest rate fluctuation risk which may have a material effect on the result of operations as all of the loans carrying floating interest rates have been hedged. Details of interest rate swap agreements and cross currency interest rate swap agreements are disclosed in Notes 19 and 21. The subsidiaries did not have interest rate fluctuation risk as all of the loans carry fixed rates.

## **2. Foreign Exchange rate risk**

As of February 29, 2020, the Company has overdraft and short-term loans in the amount of USD 73 million or the equivalent of 2,229 million baht and LAK 82,019 million or the equivalent of 280 million baht and MMK 63,808 million or the equivalent of 1,302 million baht, current portions of long-term loans and debentures in the amount of JPY 11,000 million or the equivalent of 3,229 million baht and USD 206 million or the equivalent of 6,524 million baht, long-term loans and debentures in the amount JPY 18,742 million or the equivalent of 5,500 million baht and USD 591 million or the equivalent of 18,763 million baht.

In order to hedge against its exposure to foreign exchange rate risks, the Company has entered into Cross Currency Swap contracts for all long-term foreign currency loans and the current portion of long term loan totals. (Details are disclosed in Notes to the Financial Statements No. 19 and 21). The Company does not and will not enter into such contracts for trading or speculative purposes at present or in the future.

## **3. Working capital insufficiency risk**

The Company extends credit to customers by lending borrowed funds. As of February 29, 2020, the Company's net accounts receivable stood at 86,270 million baht and its working capital was raised by borrowing and issuing debentures in the amount of 69,259 million baht.

The Company is aware of the risk that may arise from depending on any major source of funds. The Company, therefore, has diversified its sources of funds by borrowing from or establishing credit facilities at 14 banks including 2 foreign bank's branches and 7 local banks and 5 foreign banks. During this past period, the Company has not relied on any creditor's fund for more than 30% of the total loans. The Company has also raised funds via direct financing such as by issuing debentures and entering into contracts with financial institutions for a committed revolving Credit Facility Agreements of 3,000 million baht. The Company also has a policy of consistently keeping sufficient funds in place in order to increase what is receivable by sales expansion. Thus, the Company plans to considerably diversify its financing by issuing straight bonds and securitization.

The Company has raised funds through securitization by establishing a Special Purpose Vehicle Company (SPV) under Securitization Law. The Company holds 48.75% of the each SPV's share capital and the SPVs issued debentures, which have been backed by the credit card receivables and loan receivables of the Company that sold the SPVs.

## 4. Credit Risk

Credit risk is the potential for loss due to the failure of counterparty to meet its obligations to pay the Company in accordance with agreed terms. This results from risk factors arising from the current economic conditions.

- World economic slowdown directly affecting the customer's ability to repay the loan.
- The discontinuation of employment in some areas, temporary ceasing of operations in some industries and wage reduction, which directly affect the debt repayment ability of customers.
- Natural disasters i.e. flood, drought, pestilence, etc. that affect the customer's ability to repay a loan.

This risk is managed through a framework that sets out policies and procedure. The Company defines the strategy and goals of lending and strategic risk as a whole, such the policy and strategy had been revised timely e.g. Adjusted strengthen Personal Loan payment ratio for the good preparation during economic slowdown. Such policy had been cascade to all relevant staff regularly.

The Company has many tools to manage credit risk such as credit scoring which include geographies and industries etc., setting credit criteria, performing credit reviews, and also layering authority for credit approval. Credit origination function and the credit approval functions are clearly segregated to enhance internal control in order to mitigate credit risk.

## 5. Fraudulent Risk

The Company realizes the risk from false statement provided by credit applicants or contracted members' stores to let them exploit cash, product or services resulting in damage to the Company's revenue caused by credit loss. The Company considers that verification via the credit approval process including data screening with in-house databases, external information (telephone directory with CD-ROM for confirmation by telephone), and any further document concern. The Company will send independent unit to inspect and collect additional evidence as appropriate.

The Company is facing potential risk from fraudulent acts by a credit officer who intentionally misjudges or approves a credit line without compliance with the Company's credit approval criteria and this can bring credit loss that may effect to the Company's revenue. To hedge against those risks, Quality Control Division randomly rechecks and reviews credit applications, on the basis of whether the approval was granted appropriately. In addition, Credit Control Department regularly analyses credit quality of delinquent customer. Lessons learned reviews and root cause analyses from external and internal fraud events are used to improve credit criteria, processes and controls.

## 6. Operational Risk

Operational risk refers to the risk of loss arising from inadequate or failed internal processes, people and systems (Information Technology) or event due to external factors includes legal risk but excludes strategic risk and reputation risk. This risk arises from normal course of business activities. However, the Company's Department Operation Manual clearly identified each work flow process so the employees understand the process and can operate effectively. The Company has also established policy framework for operational risk management in order to maintain a low probability of an unexpected loss event. Risk Management Committee receives regular reports on risk concern and conducts 'deep dive' review on risk information reporting of prudential risks.

The Company established many tools that support the coordination of operational risk activities to identify, monitor, manage and report risk issue which included the respective units to perform Risk Control Self Assessments (RCSA) to identify operational risk of each core operational processing. The assessment identifies inherent risk to current operating process and evaluates effectiveness of existing control. The results are presented to business units committees and relevant senior committees for agreement and setting of action plans to mitigate or eliminate the risk where the exposure is deemed unacceptable and ensure residual risk is at acceptable level. The analyses and result will be used as part of Key Risk Indicators (KRI) to monitor risk event.

Operational Risk Matrix had been established as guideline to assess and assign risk rating to each operational incident. Incident report is to consolidate all damage events both financial and non-financial loss including other damage or unusual events. The company will use that information for either process improvement or established additional control to minimize risk or loss due to operational risk event.

Moreover, as part of risk mitigation process, the Company had Business Continuity Plan (BCP) to ensure continuity of key activities during a crisis event, should any emergency event occurred such as offenses and disasters the Company will provide constantly service to customer or minimize operating disruption period to acceptable duration. The plan has been annually revised by all departments, Regeneration system and key company's operating process also annually rehearsed to ensure the Company can efficiently perform normal operation in all crises.

## 7. Lost or leakage information risk

The Company realized that operation relies on huge confidential information which include customer information hence the Company is more concern on protecting information leakage such those information must be store in secure place and disclose to only authorize person as appropriate to their responsibility. Inappropriate access might cause significant adverse effects to the Company. The Company has determined authorized person to access the information as appropriate to their position and responsibility. User & password and access ID being use to identify a person. In 2015, the Company implemented "Finger Vein Scanner" as a method of biometric authentication that uses pattern-recognition techniques based on human finger vein patterns beneath the skin's surface to identify individuals and verify their identity to protect unauthorized information access. So the Company can reduce the risk and likelihood of information leakage.

The Company relies on computer networks to store huge database of information including customer confidential information, should any unstable or incident occur to the network may also cause significant adverse effects to the Company reputation and operation. In order to minimize and eliminate negative opportunity of information leakage, data loss, shortage of data storage also host computer system failure, the Company had modified existing applications into the computer network so called "THIN CLIENT NETWORK" to share necessary information and applications. Furthermore, The Company also provides confidential data backup by backing up with tape recordings (Magnetic Tape), for which it has determined the period of recording as appropriate in enhancing the security of the data. The Company has delivered the tapes outside the Company to be stored in a secure place according to international standards.

In addition, the Company has also implemented Information Security Management System (ISMS) to all operational centres (Chiang Mai, Khon Kaen, Hat Yai and Sriracha) including Bangkok and all branches. In 2015, all centres and branches were certified ISO 27001:2013 and that create more confidence on efficient protection from information leakage and ensure the adequate security controls protect the information assets of the Company and give the assurance at satisfaction level of knowing that the Company is protecting all information with controls which are the best practice and are commonly used by world class organizations.

## 8. Risk of Non-Compliance from the Government's Control

The Ministry of Finance has issued a notification on Permission to Operate Credit Cards under Section of the Announcement of National Executive Council No. 58 that delegate's authority to the Bank of Thailand to control the credit card business. In this regard, the Bank of Thailand also issues BOT notifications with regard to the requirements and criteria in operating such a business as well as determining interest rates and fees chargeable to customers, the qualifications of credit cardholders and personal loan customers. The Company is authorized to operate a credit card business and personal loans under supervision including electronic payment services in accordance with the Royal Decree governing control and supervision of electronic payment services B.E. 2551 where the electronic transactions commission and the Bank of Thailand in the capacity of supervising units have issued notifications regarding the requirements and criteria in operating such businesses.

The Anti-Money Laundering Office has defined various measures to prevent and suppress money laundering that includes the financing of terrorism in order to protect the country, people, financial institutions, economic system and world society from money laundering, terrorism, fraud and crimes. It has therefore enacted the Anti-Money Laundering Act (No. 5) B.E. 2558 (2015) The Counter Terrorism Financing Act (No. 2) B.E. 2558 (2015) Ordinance of the Anti-Money Laundering for Financial Institution and non-financial institution following juristic persons 16(1) and 16(2) Anti-Money Laundering Act (No 3) including Ministerial Regulation prescribing rules and procedures for customers' due diligence B.E. 2556 enforceable in financial institutions and professions who are non-financial institutions as prescribed in Section 16 of the Anti-Money Laundering Act (No. 3). The Company, as one of the professions under Section 16 (9) has established a policy and procedure of anti-money laundering and combating the financing of terrorism and announced it for internal enforcement. It regulates rules and procedures for customer identification (KYC), customer due diligence, risk assessment and management and suspicious transaction reports as required by law including start using the law of Personal Data Protection Act (PDPA).



The Office of The Consumer Protection Board has issued the Announcement of the Committee on Contracts and that the credit card business is to be a controlled business with respect to contracts B.E. 2556 (2013) (as amended). This notification stipulates procedures and conditions for execution contracts between companies as business operators and consumers having essence, for instance, that a contract shall contain Thai language which is clear, visible and readable; a text size no smaller than 2 millimeters containing no more than 11 letters in one inch; change of credit card conditions, interest rates, penalty rates, fees, service fees including procedures in using the credit card or any provision regarding the credit card shall be notified to consumers in writing not less than 30 days prior to the effective date; in case of emergency, notification can be made by mail or posted in daily newspapers not less than 7 days prior to the effective date and, if by mean of posting in a newspaper, followed by the written notification of change, etc.

The Company has strictly adhered to respective laws, notifications and regulations. All process and procedure had been timely updated and enforce in honestly comply with such regulations. Corporate Compliance Department regularly performs independent review should any incompliance directly reported to Compliance Committee also Risk Management Committee with lesson learn and corrective action. None of breaching notified in 2019.

## 9. Risk from natural disaster

To ensure that the company can provide continuity of key activities, constantly service to customer and minimize operating disruption period during natural disaster. The Company has a back-up plan to transfer some key operations such as collection, credit approval and customer service from the Bangkok Centre to Upcountry Centres. In addition, company's property insurance against natural disaster had covered all assets in both Head Office and branch in nationwide to insure all these unforeseen risks.

## 10. Risk of an option to buy back Excess Defaulted Receivables from Special Purpose Vehicle Company Limited (SPV) under the Securitization plan

The Company sold an amount of revolving 456 million baht non-recourse loan receivables to the ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit) on October 29, 2015. The Special Purpose Vehicle Companies were incorporated under the Civil and Commercial Code of Thailand to be special purpose vehicles (SPV) under the Royal Enactment on Special Purpose Juristic Persons for Securitization B.E. 2540 (1997) and under the securitization plan which was approved by the Office of the Securities and Exchange Commission.

The Company has the option to buy back those excess defaulted receivables from the SPVs. However, if the Company does not exercise the option or having exercised the option fails to repurchase all such excess defaulted receivables from the Eternal 6 Special Purpose Vehicle Company Limited (Eternal 6) and ATS Rabbit Special Purpose Vehicle Company Limited, this non-exercise of failure shall constitute a trigger event. This situation will not occur as long as the Company has performed good debt management. (For details of agreements relating to securitization transaction see Note to Financial Statements No.37.2)

## 11. Risk from controlling of the major shareholder more than 50%

Currently, AEON group is a major shareholder of the Company holding 157,800,000 shares or the equivalent to 63.12% of paid-up capital. This has resulted in the fact that the major shareholder can control almost all shareholders' resolutions which require more than 50% of the votes except for the agenda stipulated by the Laws or Articles of Association that must have a vote of not less than three quarters of the total number of votes. Consequently, other shareholders of the Company may not be able to assemble their voting rights in order to provide a check and balance to the agenda proposed by the major shareholder.

However, the Company has regularly monitored and assessed risk in all aspects. In order to evaluate the business environmental change and its effect, the Company holds a monthly risk management meeting and department meeting which the executive directors and related executive management join to consider how to improve strategy and reach targets. In addition, the Company has monitored risks by assessing other risk factors that might affect the Company's achievement.

## SHAREHOLDING STRUCTURE

The Company has registered capital of 250 million baht, paid-up capital of 250 million baht divided into 250 million ordinary shares with a par value of 1 baht each.

### List of 10 major shareholders as at February 29, 2020

	Name of Shareholders	No. of Shares	%
1	AEON Financial Service Co., Ltd. / Japan	87,800,000	35.12
2	ACS Capital Corporation Limited	48,000,000	19.20
3	AEON Holding (Thailand) Co., Ltd.	22,000,000	8.80
4	Mr. Chatchaval Jiaravanon	14,700,000	5.88
5	Thai NVDR Co., Ltd.	13,929,921	5.57
6	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	4,019,700	1.61
7	STATE STREET EUROPE LIMITED	3,048,965	1.22
8	SE ASIA (TYPE B) NOMINEES LLC	2,783,800	1.11
9	ABERDEEN STANDARD LONG TERM EQUITY	2,708,200	1.08
10	ABERDEEN STANDARD GROWTH FUND	2,571,800	1.03

Source: Thailand Securities Depository Co., Ltd.

### Shareholders from AEON Group are as follows:

Shareholder/ Location	Relationship	No. of Shares	%
1. AEON Financial Service Co., Ltd./ Japan	AEON Co., Ltd. (Japan) is the major shareholder.	87,800,000	35.12
2. ACS Capital Corporation Ltd./ Thailand	AEON Financial Service Co., Ltd. is the major shareholder.	48,000,000	19.20
3. AEON Holding (Thailand) Co., Ltd. / Thailand.	AEON Co., Ltd. (Japan) is the major shareholder.	22,000,000	8.80
<b>Total ultimate shareholders of the Company</b>		<b>157,800,000</b>	<b>63.12</b>

The policy for dividend payment of the Company is at the rate of not less than 30% of the Company's consolidated net profit. The Board of Directors' resolution of dividend payment has to be approved at the Shareholders' Meeting unless it is an interim dividend distribution. The Board of Directors authorized to approve the interim dividend payment before reporting it at the next Shareholders' Meeting.

The Company pays dividends to shareholders twice a year. The first dividend payment is paid out as an interim dividend, which will be distributed from the first half year operating results and the second dividend payment is paid out as an annual dividend, which will be distributed from the operating results of the second half year.

For the Fiscal Year 2019, the Board of Directors' meeting on October 7, 2019, resolved to pay interim dividend payment at 2.45 baht per share and paid the dividend to shareholders on November 4, 2019. In addition, the Board of Directors' meeting approved the final dividend payment for the Fiscal Year ended February 29, 2020, at the rate of 2.55 baht per share, which will be paid after being approved from AGM on June 24, 2020. The total dividend for FY2019 will be 5.00 baht per share or 31.44% payout ratio, totally 1,250 million baht. The Company has set the record date on May 14, 2020, to determine the shareholders entitled to receive dividends.

The dividend payments of the Company compared to the previous year are as follow:

(Baht per share)

	FY2017	FY2018	FY2019
Interim Dividend	1.60	2.35	2.45
Final Dividend	2.00	2.35	2.55
Special Dividend	0.25	-	-
<b>Total</b>	<b>3.85</b>	<b>4.70</b>	<b>5.00</b>
<b>Payout ratio</b>	<b>32.45%</b>	<b>33.51%</b>	<b>31.44%</b>

## MANAGEMENT STRUCTURE

Management structure is comprised of the Board of Directors and Sub-Committee. The Company has four Sub-committees; Audit Committee, Risk Management Committee, Corporate Compliance Committee and Executive Committee as follow:

### The Board of Directors of the Company

As of February 29, 2020, the Board of Directors comprises 12 directors: 6 executive directors, 4 independent directors and 2 non-executive directors. The details of each director are listed below:

Members of the Board Directors	Position
1. Mr. Hideki Wakabayashi	Chairman of the Board of Directors (Non-Executive director)
2. Mr. Kenji Fujita <sup>1</sup>	Vice Chairman of the Board and Managing Director (Executive director)
3. Mrs. Suporn Wattanavekin	Director (Executive director)
4. Mr. Nuntawat Chotvijit	Director (Executive director)
5. Mr. Masanori Kosaka	Director (Executive director)
6. Ms. Suriporn Thammawatid	Director (Executive director)
7. Mr. Kazumasa Oshima <sup>2</sup>	Director (Executive director)
8. Mr. Chatchaval Jiaravanon	Director (Non-Executive director)
9. Mr. Noppun Muangkote	Independent Director and Chairman of Audit Committee
10. Dr. Sucharit Koontanakulvong	Independent Director and Audit Committee Member
11. Dr. Mongkon Laoworapong <sup>3</sup>	Independent Director and Audit Committee Member
12. Mr. Kenji Hayashi	Independent Director

Note :

<sup>1</sup>Mr. Kenji Fujita was appointed to be Director on March 1, 2019 and appointed to be Vice Chairman of the Board and Managing Director on June 21, 2019.

<sup>2</sup>Mr. Kazumasa Oshima was appointed to be Director of the Company on June 21, 2019.

<sup>3</sup>Dr. Mongkon Laoworapong was appointed to be Audit Committee Member on June 21, 2019

### Authorized Signatory Directors

The authorized signatory of the Company is Mr. Hideki Wakabayashi or Mr. Kenji Fujita and affixed with the Company's seal.

### Scope of powers and duties of the Board of Directors of the Company

The Board of Directors of the Company gained stakeholders' trust to operate and manage the Company's assets. Therefore, the Board of Directors has to perform his/her duty to maximize shareholder wealth and stakeholder sustainable value in keeping the business direction with the Company's vision. Furthermore, the Board of Directors of the Company must always align the operation of the Company with regard to all stakeholders, good governance, and laws. Scope of powers and duties of the Board of Directors of the Company as below:

1. A director shall perform his/her duties in compliance with the law, good governance, the Company's objectives, and articles of association of the Company as well as the resolutions of the shareholders' meeting.
2. A director shall consider and make decisions on the business strategies, plans, and any other critical operations that have an effect to the Company.
3. A director shall not operate any business which has the same nature as and is in competition with that of the Company, nor be a partner in an ordinary partnership or unlimited partner in a limited partnership, nor be a director in other limited or public limited company having a business of a similar nature competing against the business of the Company, unless they have informed the shareholders' meeting before the resolution appointing them as directors has been passed.
4. A director shall, without delay, inform the Company in case where he/she has a direct or indirect interest in any contract, which is made by the Company, or he/she holds shares or debentures of the Company or an affiliated company increasingly or decreasingly.
5. The Board of Directors shall hold at least once every three months.
6. A Director who has an interest in any resolution shall have no right to vote on such resolution.
7. At any meeting, in case of equality of votes, the chairman of the meeting shall be entitled to a casting vote.

## The Sub-Committees

The Board has further appointed the Sub-Committee comprises the Audit Committee, the Risk Management Committee, the Executive Committee, and the Corporate Governance Committee. The Sub-Committee takes responsibilities for each specific area and also reports the results to the Board of Directors for consideration and decision making. The Company disclosed detail of purposes, numbers and list of members, and Scope of power and duties of Sub-Committee as following;

## The Audit Committee

The Company's Audit Committee comprises 3 independent directors which the scope of authority and duties has considered and approved by the board, in accordance with the preliminary rules for the Audit Committee; details are according to the announcement (Qualifications and Scope of Work of the Audit Committee B.E. 2558) from the Stock Exchange of Thailand.

1. Review the Company's financial reporting process to ensure accuracy and adequacy.
2. Ensuring the Company has suitable and efficient internal control system and internal audit. The Committee shall consider the independence of the Internal Audit Office as well as approve the appointment, transfer and termination of Chief Internal Audit.
3. Review the performance of the Company to ensure compliance with the securities and exchange law, regulations of the Stock Exchange of Thailand or laws relating to business of the Company.
4. Consider select, nominate and terminate the Company's external auditor and recommend its remuneration. The Committee shall meet privately with the external auditor once a year, without the management team being present.
5. Review the disclosure of the Company in case where there is any connected transaction that may lead to conflict of interest so as to ensure the reasonable transaction and benefit to the Company.



6. Prepare a report on monitoring activities of the Committee to be disclosed in the annual report of the Company, which shall be signed by the Chairman of the Committee and contained at least the following information:
  - 6.1 An opinion on the accuracy, completeness and creditability of the Company's financial report.
  - 6.2 An opinion on the adequacy of the Company's internal control system.
  - 6.3 An opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business.
  - 6.4 An opinion on the suitability of an auditor.
  - 6.5 An opinion on the transactions that may lead to conflicts of interests.
  - 6.6 The number of the audit committee's meetings, and the attendance of such meetings by each committee members.
  - 6.7 An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.
  - 6.8 Other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors.
7. Perform anything else which was assigned by the Board of Directors of the Company together with an approval and under the scope of duties and responsibilities of the Committee.

### Independent Directors and Audit Committee

As of February 29, 2020, the lists of members of the Audit Committee and the number of the audit committee member's attendance are listed below:

Name	Position	Number of Meetings Attended
1. Mr. Noppun Muangkote	Independent Director and Chairman of Audit Committee	8/8
2. Dr. Sucharit Koontanakulvong	Independent Director and Audit Committee Member (For the audit committee meetings no.5-6)	8/8
3. Mr. Shunichi Kobayashi <sup>1</sup>	Independent Director and Audit Committee Member (For the audit committee meetings no.1-4)	4/4
4. Dr. Mongkon Laoworapong <sup>2</sup>	Independent Director and Audit Committee Member	4/4

Note : <sup>1</sup> Mr. Shunichi Kobayashi had resigned from the position of an Independent Director and Audit Committee at the end of office term on April 29, 2019.

<sup>2</sup> Dr. Mongkon Laoworapong was appointed to be Independent Director and Audit Committee Member on June 21, 2019.

## The Risk Management Committee

Risk Management is a crucial process for the Company to achieving its business goals under changing conditions in the industry, economic fluctuations, economic policy uncertainty, political instability, and so on. Regarding the abovementioned, the Company becomes aware of the various risk factors that may affect the Company's operations and accordingly established the risk management committee to assist the board's duties on November 22, 2013. The board has considered the specification of roles, duties, and responsibilities for the Risk Management Committee, administrating risk management comprehensively in every level, and also building up shareholders and stakeholders to trust in the Company's Risk Management.

## Scope of power and duties of Risk Management Committee

The major responsibility of the Risk Management Committee is to analyze and identify risk factors that may impact any activities associated with the Company's revenues, to improve the business operating practices, and to monitor and control risk factors to be in the acceptable risk level.

The Meeting of the Risk Management Committee shall be held on monthly via TV Conference system, together with AEON Financial Service (Japan) and its subsidiaries. The Company held the meeting of Risk Management Committee by TV conference in 2019 at totally 12 times.

## List of the Risk Management Committee

As of February 29, 2020, the Risk Management Committee comprised 13 executives, whose names were listed below:

Name	Position
1. Mr. Kenji Fujita	Vice Chairman of the Board and Managing Director
2. Mrs. Suporn Wattanavekin	Director
3. Mr. Nuntawat Chotvijit	Director
4. Mr. Masanori Kosaka	Director
5. Ms. Suriporn Thammawatid	Director
6. Mr. Kazumasa Oshima	Director and Chief of Financial Officer
7. Ms. Supanee Asawasuwana	Company Secretary and Senior Executive Vice President
8. Ms. Ryoko Yaoi	Senior Executive Vice President
9. Ms. Witchasorn Suwannakindra	Senior Executive Vice President
10. Mr. Junichi Iwakami	Senior Executive Vice President
11. Mr. Manavudhi Mingvanich	Senior Executive Vice President
12. Mr. Tawatchai Peechapat	Senior Executive Vice President
13. Mr. Somsak Hempiam	Senior Executive Vice President

## Corporate Governance and Compliance Committee

The Company places emphasis on Corporate Governance to conduct the company's operation to be fair, transparent, and respect all the stakeholders. Therefore the Company accordingly established the Corporate Governance and Compliance committee on November 12, 2013.

## Scope of power and duties of Corporate Governance and Compliance Committee

- 1.) Consider and specify generally and professionally the policies and the plans that related to the guidelines of Corporate Governance and Compliance to propose to the board afterward.
- 2.) Acknowledge the processes and follow up the results for reconsidering and enhancing each plan to make reports and proposals to the board to be acknowledged and approved afterward.
- 3.) Make decisions to approve any operations added by the board, for maintenance and establishment of compliance framework of the Company.

The Company regularly held the meeting for the Corporate Compliance Committee for continuity of the Corporate Governance and Compliance management in the Company to effectively operate on the basis of respect to the shareholders. In 2019, the Company held the meetings for the Corporate Committee at totally 12 times.

### List of the Corporate Governance and Compliance Committee

As of February 29, 2020, the Corporate Governance and Compliance Committee comprised 13 members, whose names are as listed below;

Name	Position
1. Mr. Kenji Fujita	Vice Chairman of the Board and Managing Director
2. Mrs. Suporn Wattanavekin	Director
3. Mr. Nuntawat Chotvijit	Director
4. Mr. Masanori Kosaka	Director
5. Ms. Suriporn Thammawatid	Director
6. Mr. Kazumasa Oshima	Director and Chief of Financial Officer
7. Ms. Supanee Asawasuan	Company Secretary and Senior Executive Vice President
8. Ms. Ryoko Yaoi	Senior Executive Vice President
9. Ms. Witchasorn Suwannakindra	Senior Executive Vice President
10. Mr. Junichi Iwakami	Senior Executive Vice President
11. Mr. Manavudhi Mingvanich	Senior Executive Vice President
12. Mr. Tawatchai Peechapat	Senior Executive Vice President
13. Mr. Somsak Hempiam	Senior Executive Vice President

## Executive Committee

The Company must establish the Executive Committee to make the decision in any operation as assigned by the Board of Directors for the continuity of business planning propulsion and supporting the business' operation according to the Company's operational plan. Furthermore, the Executive Committee also takes responsibilities in screening the strategic plan of each department to conform to the set vision, mission, and the regulation of the Company. This practice will help to build confidence in systematic and ethical operation and management of the Company for the Board of Directors and shareholders.

### Scope of power and duties of Executive Committee

- 1) Assist and recommend the Board of Directors in forming policies, setting goals and business plans, and the annual budget in addition to generating the operational report to update and provide important information to the Board of Directors to making the best decisions for the Company.
- 2) Consider and approve general activities relating to the Company's main business within the approved budget and resources, and afterward, report the investment and operating results to the Board of Directors.
- 3) Follow up the results of the business process and support any department's operations in order to align with the Company's business plans, mission, and vision, make sure the Company's operation is conforming to the Company's code of conduct, the Company's regulation, and also the laws.

- 4) Consider new projects and study the feasibilities for improving the Company's operation to support the Company's missions.

The Company places importance on systematic business propulsion, which has to be monthly considered and approved by the Board of Directors. Therefore, the Company regularly held the Executive Committee meeting at least twice a month. In 2019, the Company held the meetings for the Executive Committee at totally 20 times.

### List of the Executive Committee

As of February 29, 2020, the Company has totaled 6 executive directors, whose names are as listed below;

Name	Position
1. Mr. Kenji Fujita	Vice Chairman of the Board and Managing Director
2. Mrs. Suporn Wattanavekin	Director
3. Mr. Masanori Kosaka	Director
4. Mr. Nuntawat Chotvijit	Director
5. Ms. Suriporn Thammawatid	Director
6. Mr. Kazumasa Oshima	Director

## Summary of the Board of Directors' and Sub-Committees' Meeting Attendance in 2019

In 2019, the Board of Director Committee Meeting were held monthly (totaled 13 meetings). Each director individually attended the Board of Directors' Meeting more than 75% of all the meetings, complying with good corporate governance practices.

Members of The Board of Directors	Number of Meetings Attended / Total Number of Meetings Held			
	Board of Directors		Audit Committee	Executive Committee
	Ordinary Meeting	Special Meeting		
1. Mr. Hideki Wakabayashi	11/12	0/1	-	-
2. Mr. Kenji Fujita <sup>1</sup>	12/12	1/1	-	14/20
3. Mrs. Suporn Wattanavekin	10/12	1/1	-	20/20
4. Mr. Nuntawat Chotvijit	12/12	1/1	-	20/20
5. Mr. Masanori Kosaka	12/12	0/1	-	20/20
6. Ms. Suriporn Thammawatid	12/12	1/1	-	16/20
7. Mr. Kazumasa Oshima <sup>2</sup>	9/9	1/1	-	12/20
8. Mr. Chatchaval Jiaravanon	10/12	0/1	-	-
9. Mr. Noppun Muangkote	11/12	1/1	8/8	-

Members of The Board of Directors	Number of Meetings Attended / Total Number of Meetings Held			
	Board of Directors		Audit Committee	Executive Committee
	Ordinary Meeting	Special Meeting		
10. Dr. Sucharit Koontanakulvong	10/12	1/1	8/8	-
11. Dr. Mongkon Laoworapong <sup>3</sup>	12/12	1/1	4/4	-
12. Mr. Kenji Hayashi	12/12	0/1	-	-

The summarized of the Board of Directors' average attendance was 92% at the end of Fiscal Year 2019.

Note :

<sup>1</sup>Mr. Kenji Fujita was appointed to be Director on March 1, 2019 and appointed to be Vice Chairman of the Board and Managing Director on June 21, 2019.

<sup>2</sup>Mr. Kazumasa Oshima was appointed to be Director of the Company on June 21, 2019.

<sup>3</sup>Dr. Mongkon Laoworapong was appointed to be Audit Committee of the Company on June 21, 2019

## Management Executive officer

As of February 29, 2020, the Company has totaling 13 executive officers, whose names are listed below:

Name	Position
1. Mr. Kenji Fujita	Vice Chairman of the Board and Managing Director*
2. Mrs. Suporn Wattanavekin	Director*
3. Mr. Nuntawat Chotvijit	Director*
4. Mr. Masanori Kosaka	Director*
5. Ms. Suriporn Thammavatid	Director*
6. Mr. Kazumasa Oshima	Director and Chief of Financial Officer*
7. Ms. Supanee Asawasuan	Company Secretary and SEVP - Corporate Planning Office
8. Ms. Ryoko Yaoi	SEVP - Contact Center
9. Mr. Witchasorn Suwannakindra	SEVP - Business Control Management
10. Mr. Junichi Iwakami	SEVP - I.T. and System
11. Mr. Manavudhi Mingvanich	SEVP - System Development
12. Mr. Tawatchai Peechapat	SEVP - I.T.
13. Mr. Somsak Hempiam	SEVP - Auto Finance

Note: \* Directors who involve in day-to-day operation of the Company

- Mr. Kenji Fujita was appointed to be Director on March 1, 2019 and appointed to be Vice Chairman of the Board and Managing Director on June 21, 2019.
- Mr. Kazumasa Oshima was appointed to be Director of the Company on June 21, 2019.
- Details of managements shown in Profile of Directors and Management.

## Corporate Secretary

The Company has appointed Miss Supanee Asawasuwat, Senior Executive Vice President - Corporate Planning Office to be the Corporate Secretary since September 1, 2008 (Details of Corporate Secretary shown in Profile of Directors and Management) to serve the Board of Directors in the areas of providing legal advice, taking care of the Board's activities, and monitoring compliance to the Board's resolution. The Corporate Secretary must have qualifications and experience, and has main duties and responsibilities, as follows:

### Qualifications of the Corporate Secretary:

1. Having basic knowledge of accounting, laws and regulations related to the Company.
2. Having knowledge and understanding of corporate governance principles and best practices.
3. Having attended training courses concerning corporate secretarial practices.

### Scope of duties and responsibilities of the Corporate Secretary:

1. Giving preliminary advices and suggestions to Board members on legal issues, and rules, regulations and practices of the Company in a manner of good corporate governance.
2. Undertaking arrangements for meetings of the Board and the Shareholders. Ensuring that the meetings conform to relevant laws and regulations, the Company's articles of associations and best practices.
3. Ensuring that corporate information disclosure and related regulatory filings are in accordance with laws and regulations and the Company's Disclosure Policy.
4. Prepare and maintain the following documents:
  - a. Directors' Registry
  - b. Notices for the Board of Directors' Meetings, Minutes of the Board of Directors' Meetings and Annual Report of the Board of Directors
  - c. Notices for the Shareholders' Meetings and Minutes of the Shareholders' Meetings
5. Ensuring that the directors and executives have filed report on their interest and related persons' interest, as required by laws.
6. Maintain the Report on Stake Holding of Directors and Management.
7. Carry out other tasks as assigned by the Board of Directors.



## Change in Shareholding of Board of Directors and Management

At the end of Fiscal Year 2019, directors and management's shareholding in the Company are as follows;

Name - Surname	Position	No. of Common Share held (shares)		
		February 28, 2019	+ / (-)	February 29, 2020
1. Mr. Hideki Wakabayashi Spouse and minor children	Chairman of the Board	-	-	-
2. Mr. Kenji Fujita <sup>1</sup> Spouse and minor children	Vice Chairman of the Board and Managing Director	-	-	-
3. Mrs. Suporn Wattanavekin Spouse and minor children	Director	200,000	-	200,000
4. Mr. Nuntawat Chotvijit Spouse and minor children	Director	-	-	-
5. Mr. Masanori Kosaka Spouse and minor children	Director	100,000	-	100,000
6. Ms. Suriporn Thammawatid Spouse and minor children	Director	-	-	-
7. Mr. Kazumasa Oshima <sup>2</sup> Spouse and minor children	Director	-	-	-
8. Mr. Chatchaval Jiravanon Spouse and minor children	Director	14,700,000	-	14,700,000
9. Mr. Noppun Muangkote Spouse and minor children	Independent Director and Chairman of Audit Committee	-	-	-
10. Dr. Sucharit Koontanakulvong Spouse and minor children	Independent Director and Audit Committee Member	-	-	-
11. Dr. Mongkon Laoworapong <sup>3</sup> Spouse and minor children	Independent Director and Audit Committee Member	-	-	-
12. Mr. Kenji Hayashi Spouse and minor children	Independent Director	-	-	-

Note - Based on the information according to the report of interest of directors and management as of February 29, 2020

<sup>1</sup> Mr. Kenji Fujita was appointed to be Director on March 1, 2019 and appointed to be Vice Chairman of the Board and Managing Director on June 21, 2019.

<sup>2</sup> Mr. Kazumasa Oshima was appointed to be Director of the Company on June 21, 2019.

<sup>3</sup> Dr. Mongkon Laoworapong was appointed to be Audit Committee on June 21, 2019

## Change in Shareholding of Board of Directors and Management (Continued)

At the end of Fiscal Year 2019, directors and management's shareholding in the Company are as follows;

Name - Surname	Position	No. of Common Share held (shares)		
		February 28, 2019	+ / (-)	February 29, 2020
1. Ms. Supanee Asawasuan Spouse and minor children	Company Secretary and SEVP - Corporate Planning Office	6,200	-	6,200
2. Ms. Ryoko Yaoi Spouse and minor children	SEVP - Contact Center	-	-	-
3. Mr. Wichasorn Suwannakindra Spouse and minor children	SEVP - Business Control Management	200	-	200
4. Mr. Junichi Iwakami Spouse and minor children	SEVP - I.T. and System	-	-	-
5. Mr. Manavudhi Mingvanich Spouse and minor children	SEVP - System Development	-	-	-
6. Mr. Tawatthai Peechapat Spouse and minor children	SEVP - I.T.	-	-	-
7. Mr. Somsak Hempiam Spouse and minor children	SEVP - Auto Finance	-	-	-
8. Mr. Sittipong Kanaraksanti Spouse and minor children	Chief of Accountant	-	-	-

Note - Based on the information according to the report of interest of directors and management as of February 29, 2020

## Remuneration of the Board of Directors and Management

The determination of remuneration of the Company's directors is not performed by Remuneration Committee as the Company has not yet appointed Remuneration Committee. However, the Board of Directors' Meeting had made an annual review of the directors' remuneration to ensure that remuneration is commensurate with their duties and responsibilities and then proposed to the shareholders' meeting to consider and approve.

### Monetary Remuneration

At the end of FY2019, the Company has totaling 12 directors and 13 executive officers, of which 6 executive officers are the Company's directors.

Types of Remuneration	Remuneration of Directors and Executive Officers (Million Baht)	
	FY2018	FY2019
Number of the Board of Directors <sup>1</sup>	15	14
Number of Executives <sup>2</sup>	13	13
Salary and other incentives for executive officers	79.77	69.50
Directors Remuneration <sup>3</sup>	24.99	24.24
Contribution added into provident fund	3.31	4.06
Long-term management remuneration <sup>4</sup>	7.10	3.72
<b>Total</b>	<b>115.17</b>	<b>101.52</b>

Note: <sup>1</sup> Included resigning Directors and Executives during year in the amount of 2 persons.

<sup>2</sup> Management under SEC definition is ranking from the position of SEVP upward.

<sup>3</sup> Directors Remuneration of 24.24 million baht is recognized accrual expenses which are in accordance with the Note 27 to the financial statements which has been audited by the auditor.

<sup>4</sup> Long-term Management Remuneration for executive officers means estimation of benefits for each executive by evaluating the present value of cash flow expected to be paid in the future in accordance with Thai Accounting Standards No.19 Re: Employee Benefits. The Company recognized costs for employee benefits as employee related costs in the Profit and Loss Statements

As of February 29, 2020, directors' remuneration can be summarized as follows:

Name	Position	Retainer Fee	Bonus <sup>8</sup>	Total Remuneration
1. Mr. Hideki Wakabayashi <sup>1</sup>	Chairman of the Board of Directors	-	-	-
2. Mr. Kenji Fujita <sup>2,3</sup>	Vice Chairman of the Board and Managing Director	-	-	-
3. Mrs. Suporn Wattanavekin <sup>2</sup>	Director	-	1,800,000	1,800,000
4. Mr. Nuntawat Chotvijit <sup>2</sup>	Director	-	1,680,000	1,680,000
5. Mr. Masanori Kosaka <sup>2</sup>	Director	-	540,900	540,900
6. Ms. Suriporn Thammawatid <sup>2</sup>	Director	-	1,320,000	1,320,000
7. Ms. Kannika Kursirikul <sup>4</sup>	Director	-	600,000	600,000
8. Mr. Kazumasa Oshima <sup>2,5</sup>	Director	-	-	-
9. Mr. Chatchaval Jiaravanon	Director	1,605,000	700,000	2,305,000
10. Mr. Noppun Muangkote	Independent Director and Chairman of Audit Committee	1,854,000	700,000	2,554,000
11. Dr. Sucharit Koontanakulvong	Independent Director and Chairman of Audit Committee	1,605,000	600,000	2,205,000
12. Mr. Shunichi Kobayashi <sup>6</sup>	Independent Director and Chairman of Audit Committee	480,000	600,000	1,080,000
13. Dr. Mongkon Laoworapong <sup>7</sup>	Independent Director and Chairman of Audit Committee	1,356,000	600,000	1,956,000
14. Mr. Kenji Hayashi	Independent Director and Chairman of Audit Committee	1,356,000	600,000	1,956,000
<b>Total</b>		<b>8,256,000</b>	<b>9,740,900</b>	<b>17,996,900</b>

Note : <sup>1</sup> Directors from AEON Financial Service do not have any remuneration from the Company

<sup>2</sup> Executive directors

<sup>3</sup> Mr. Kenji Fujita was appointed to be Director on March 1, 2019 and appointed to be Vice Chairman of the Board and Managing Director on June 21, 2019.

<sup>4</sup> Ms. Kannika Kursirikul resigned from the Company's Director on June 21, 2019

<sup>5</sup> Mr. Kazumasa Oshima was appointed to be a director of the Company on June 21, 2019

<sup>6</sup> Mr. Shunichi Kobayashi resigned from the Company's Director on June 21, 2019

<sup>7</sup> Dr. Mongkon Laoworapong was appointed to be Audit Committee Member of the Company on June 21, 2019

<sup>8</sup> Director's Bonus calculated from the Company's performance in the fiscal year 2018

## Other remuneration

- None -

## Employees

As of February 29, 2020, the Company had 5,479 employees in total, with pure regular employees and none temporary employees. All those employees can be divided based on the Company's branch offices as follows:

Company's branches	Number of Employees (person)		Total (person)
	Regular Employees	Temporary Employees	
Head Offices	3,712	-	3,712
Branches in Bangkok	247	-	247
Branches in upcountry	812	-	812
Service Counter-Bangkok	208	-	208
Service Counter in upcountry	500	-	500
<b>Total</b>	<b>5,479</b>	<b>-</b>	<b>5,479</b>

The employees on duty at the head office of the Company can be divided according to the working field as follows:

Types of Working field	Number of Employees (person)
1. Marketing, Credit Control, Collection, Contact Center Department	3,224
2. Accounting, MIS, Administration, Internal Audit, CCL, Legal and Corporate Planning Office	488
<b>Total</b>	<b>3,712</b>

As of February 29, 2020, the employees of a subsidiaries company as follow;

Subsidiary Company	Number of Employees (person)
AEON Insurance Service (Thailand) Co.,Ltd	267
ACS Servicing (Thailand) Co.,Ltd	1,202
AEON Specialized Bank (Cambodia) PLC	927
AEON Microfinance (Myanmar) Co.,Ltd	409
AEON Leasing Service (Lao) Co.,Ltd	127
<b>Total</b>	<b>2,932</b>

## Change in Number of Employee

The number of the Company's employee in the fiscal year 2019 decreased 2.5% comparing with the previous year.

During the past three years, the Company has had no material labor dispute. The total remuneration for all employees includes salary, overtime, bonus, incentive, and welfare, which included provident fund contributions for employees.

## The total remuneration for all employees

In 2019, a total remuneration for 5,479 employees of the Company was 2,195.49 million baht which composing of Salaries, Bonuses, Overtime, Operating Expense, and etc. as followed;

(Million Baht)

Type of Remuneration	FY2017	FY2018	FY2019
Salaries	799.82	1,183.93	1,271.76
Bonuses	140.64	295.24	226.20
Overtime	118.70	110.95	113.43
Operating Expenses <sup>1</sup>	207.51	569.19	544.10
<b>Total remuneration</b>	<b>1,266.67</b>	<b>2,159.31</b>	<b>2,195.49</b>

Noted - <sup>1</sup> Operating Expenses are composing of Subvention, Cost of living, Mileage claims, Diligence Allowance, Telephone cost, Transportation fringe benefits etc.

## Policy for Employee Development

### Human Resource Development

The Company has continually placed a great emphasis on personnel development by providing various training courses; In-house and External Training: for its staffs at all levels, including the Management on a regular basis. This extensive training comprised training courses in technical and professional skills, information technology, business administration, management, and etc.

The Company also arranged a training course for new staffs in order to make them have a good understanding of the operating procedures of the department which they are assigned before starting their jobs. Moreover, in order to increase work efficiency and enhance personal skills to all executive officers and staffs, the Company has a policy to set up annual training programs for all staffs and also give an opportunity for them to additionally attend outside training programs from other institutions. The average training 12.7 hours per person per year.

To improve staffs competency and strengthen organizational capability, the Company has strongly supported the Human Resource Development to find more efficient courses for the staffs and planned to increase the employee development budget every year and also to build up comprehensive training road maps, which outlines the career development of each position. In the fiscal year 2019, the Company provided 43 training courses (364 Groups) with a total of 12,216 staffs and sends the employees to an external training 30 Courses, 46 staffs. In addition, AEON Financial Service (Japan) also offers new training courses and provided professional speakers to share the knowledge, especially Code of Conduct for the management every year.



## Compensation and Benefits Employee

AEON provides the welfare and benefits which are consistent with the Company's performance since present and future time.

- Short-term employee benefits plans such as determining the annual salaries increases and bonuses for employee, both benefits plans are considered by the Company's results and KPI. (Key Performance Indicator)
- Long-term employee benefits plans such as the contribution made by The Company for securing staff's finance after their resignation or retirement. The Provident Fund consists of the contributions from the Company and staff, which the Company makes as percentage of 3 -15 of monthly basic salary of staff as well as of the staff's contribution.

Apart from Short-term and Long-term plans, the Company also provides the various fringe benefits to support the some parts of expenses such as Medical Treatment, Dental and others. Furthermore, the Company has improved the working areas room in whole centers, renovated branches, and completed providing the Relaxing room and Lactation room for Female staff to feed milk.

## Kaizen

The Company has a policy of AEON to support Kaizen activities to enhance the potential of all staffs in the organization by using "Kaizen" as a tool in the administration. The word kaizen means "Continuous improvement" which presents the concept in continuous improvement by pulling abilities of all staffs to improve their job responsibilities. The achievement of Kaizen depend on individual person can present their creativeness.

The techniques of Kaizen are to improve working methods and implement it to achieve the goals. Therefore, creative working environment has been built to facilitate the effective and efficient operations.

## Protection of personal information

The company attaches great importance of transparent disclosure and equitable treatment to all concerned parties, both local and foreign; stakeholders, institutional investors, individual investors as well as general public. However, the Company also set up preventive measures to prevent exploitation of directors and executive officers from insider trading or using the Company's inside information for their own benefit.

Additionally, the Company also requires executives and employees to sign the Company's confidentiality agreement or Non-Disclosure agreement before start working for the Company with clear penalties for violators.

The Company places emphasis and aims to support convenient service to serve the customer's satisfaction. The Company also established a Customer Satisfaction Survey via Survey Form on the Company website <https://www.aeon.co.th/survey/> to reconsider and improve service to perfectly serve for customer's satisfaction.

Besides protecting the personal information related to the business, the company has established the quality management support unit or Corporate Quality Secretariat (CQS) to implement the Information Security Management System (ISO 27001:2013) which is the international standard within the company covered Head Office, all operational centers and branches that to be seriously protected the company's information against loss of the confidentiality, integrity and availability cover all document types of the business.

Furthermore, The Company considers the business environment by study and identifies all of the external and internal factors that could influence the information security management system using in company, and to get the benefit from those issues to help increase productivity and competitive advantage. The examples of external factor are the environment (the current economic), the customer responsive, business competitor, technology, legal, etc., the example of internal factor are marketing strategy, organization management, and human resource management, etc. These factors are taken into risk consideration and also further protection.

To increase the efficiency of operation and focus on the information security, Company developed and improved by using the high technology to verify the security of information flow in the system such as Email Restriction which ensure that emails are successfully sent and received are secured to prevent all different kind of problems.

The company has an information security control process to limit of emails usage such as

- Confidential information that is containing work related documents, customer and employee privacy data must not be sent externally though email.
- Sending confidential data, non-work data and prohibited words to external agents must not be sent externally though email.
- Sending emails is restricted to a maximum of 30 email addresses per time.
- Sending to free email providers such as Gmail, Yahoo, etc. are not allowed. Email should specific an email address related to work or Business Corporation; otherwise, the permission from Corporate Compliance Department is required.

In addition, the Company has determined authorize systems as appropriate for position and duties which controlled by use the Vein Scan System to identified person and code access to systems. The Company is strictly monitored and provides access to information of employees and those involved as well.

Furthermore, The Company also concentrates with business continuity to preparing for any issue or situation that could happen any time. The company has set up a backup with the appropriate approach base on the priority of data and arranged BCP Test Plan regularly cover core systems and operation of the company including improved operational risk management and internal control to raise awareness of data protection effectively and to ensuring with customers as well as shareholders and concerned person.

# Internal Control

## Overview of Internal Control and Risk Management

Consist of those that were knowledgeable and well-versed in business, the Board of Directors and the Audit Committee performed its duties independently from the management. The policies of the Board of Directors were explicitly written, including the Policy of Audit Committee. The policy and structure of the Board of Directors and the Audit Committee to proceed with efficiency, effectiveness, fairness, and alignment with AEON Thana Sinsap's corporate governance. Moreover, the Company has strongly realized the significance of its good internal control system and the risk management system in the administration and operation. Promote and support the implementation of a self-control process to conform to the frameworks and guidance of good governance, internal control and risk management, as prescribed in the 8 components of COSO-ERM as following:

### 1. Organization and Internal Environment

The internal environment encompasses the tone of an organization the relevant and inherent risks are addressed by the Risk Management Committee and relevant Management. Moreover, the Company has enhanced organization's culture, which would be better support management and employee to adhere with ethical. Furthermore, the organization structure has been amended to support the effectiveness and efficient on operation and internal control, as well as good internal environment.

### 2. Objectives Setting

The Company has defined the objective either short-term or long-term as well as in the level of organization and business unit, which can be measured and assessed the achievement of objectives on an annually basis. The set objectives will be considered to align with the entity's mission and are consistent with its risk appetite.

### 3. Event Identification

In order to perform appropriate risk management, the Company has gathered the internal and external events, which were affecting achievement of an entity's objectives. The distinguishing between risks and opportunities could be channeled back to relevant management's strategy or objective-setting processes.

### 4. Risk Assessment

The Company realizes that there are various risk factors that can affect the Company's business operations. The Company has accordingly established a risk management policy and Risk Management Committee. as well as enhanced methodologies and tools employed for quantifying risks to ensure risk management is effective and efficient and the availability of support relevant to risks that may occur in the future. The Risk Management Committee has responsible on risks assessment, which is related to the operation in the areas of Credit Risks, Security and system Risks, Human Risks and Market Risks, etc. Furthermore, the Committee will determine risk management strategy on regular basis for any events, which would impact to the Company.

## 5. Risk Responses

To reduce the impact of the potential risk to the acceptable level, the Company has determined risk management methodology as well as reviewed plans and strategies in accordance with business environment changes on a regular basis. The selected risk responses can be avoiding, accepting, reducing, or sharing risk, developing a set of actions to align risks with the entity's risk tolerances and risk appetite.

## 6. Control Activities

Control activities were established to cover either primary or secondary processes with the consideration on relevant risks and business' character. Moreover, the Company has set table of Authority as well as check and balance system herein each process as control activity tools. Additionally, policies and procedures are established and implemented to help ensure the risk responses are effectively carried out with operation level.

## 7. Information and Communication

The Company realized the importance of information system and reporting data, which will be assisted to manage financial and customer data. Thus, safeguarding on information system is in the Company's seriously focused in order to align with the new laws and regulations. Furthermore, the information system has been continuously developed in order to response to the business requirements. Effective communication also occurs in a broader sense, flowing down, across, and up the entity.

## 8. Monitoring and Evaluation

The Company has clearly determined objectives and monitoring process in order to evaluate the operations on regular basis whether are in accordance with the Company's targets by the Executive Committee and the Board of Directors, respectively. Moreover, Internal Audit department has performed the review of the internal control system of the various business units by implementing risk-based approach. Then the audit plan has been determined accordingly and approved by Audit Committee. The audit result has been reported to Audit Committee at least once every three months.

# The Head of the Internal Audit

## Roles and Responsibilities of Internal Audit

The Company established an Internal Audit Department as an independent function which directly reports to the Audit Committee. The Committee was appointed Miss Khajornporn Kittisobhone, Vice President-Internal Audit Department; She has knowledge, abilities and work experience and is qualified to efficiently and adequately perform roles as assigned. The duties and responsibilities of the Internal Audit Department include reviewing, assessment of efficiency and effectiveness of internal control systems at the corporate level and the level of business-processes, evaluate relevant risks and corporate governance of the Company, its subsidiaries and affiliated companies in the Company's group. Moreover, the Internal Audit Department also provides consultations and advices with the aim of value added to the Company and improving on operational efficiency and control. According to this, the Company schedules meetings for reports of audit results and rectification approaches to Executive Management on a monthly basis and to Audit Committee at least once every three months. The appointment, transfer and termination of employment of the Chief of Internal Audit department shall be subject to the Audit Committee's approval.

In 2019, the Internal Audit Department performed reviewing and assessing the internal control by reviewing operational and business processes of various departments at the Head Office, Branches and Operation centers in each region as well as its subsidiaries and affiliated companies. Furthermore, compliance audits pertaining to relevant laws and regulations which may relate to the Company, its subsidiaries and affiliated companies were also conducted.

### **The opinion of the audit committee on the internal control system**

At the meeting of Audit committee Members on April 22, 2020, the Audit Committee meeting evaluated the sufficiency of internal control systems by asking for information from the Company's management, related departments and Internal Audit Department. The evaluation concluded that the Company has appropriate and sufficient internal control systems. Management control was in place to enable the Company to safeguard assets of the Company and its subsidiaries from authorized uses, ensure the accuracy and reliability of financial reporting, and ensure that business transactions are conducted in accordance with proper approved level of authority. It was also independently reviewed by Internal Audit Department. The Internal Audit Department and Deloitte Touche Tohmatsu Jaiyos Audit Company Limited, the official auditor of the Company's financial reporting, did not find any material non-conformance of the Company's internal control system in 2019.

### **The Head of the Compliance**

The Head of the compliance unit is Mr. Junji Noda, Executive Vice President, who has appropriate knowledge and capability to support and control the Company's Operational Compliance System to be accordance with the rules and related regulation.

The Company has been taking the importance of maintaining in good governance into consideration, which are generally accepted that it's a key factor in making fairness to the stakeholders, maximizing benefits to the shareholders and strengthening effectiveness of the organizations. Thus, the Company aims to encourage the Company's operations to comply with the Corporate Governance Code: "CG Code" for listed company 2017 by Securities and Exchange Commission Thailand, which are comprises five sections as follows:

## Section 1 Rights of Shareholders

The Company realizes and places importance on equality of all shareholders' rights by keeping equitably with support and facilitation all shareholders to exercise their right as both investors and owners of the Company. Shareholders are entitled to access to the information accurately, completely, timely, and transparently via the Stock Exchange of Thailand's disclosure channel and the Company's website. Furthermore, the Company encourages shareholders to exercise their rights legally such as the right to buy, sell or transfer the share, the right to receive dividends, the right to participate and vote at meetings of shareholders. Apart from abovementioned about the right of shareholders, the company has made additional efforts to encourage and facilitate shareholders to exercise their rights as follows:

- 1.) The Company regularly disseminates important and necessary information to shareholders via the Stock Exchange of Thailand (SET) channel, media, publications, and also the Company's website. Moreover, the Company also set up information request channel through the E-mail addresses of Investor Relations section.
- 2.) The Company conducted shareholders' meetings within 4 months after the end of each fiscal year. The 2019 Annual General Meeting (AGM) of the Company was held on June 21, 2019 (No extraordinary meeting was held in this year). Considered by the convenient transport for the shareholders, the Company has chosen to hold the AGM at Grand Ballroom, Pullman Bangkok Grande Sukhumvit Hotel, 30 Sukhumvit 21 (Asoke) Road, Klongtoey Nua, Wattana, Bangkok. The Company sent two versions of the invitation letter for the shareholders' meeting to facilitate both Thai and foreign investors, containing agenda details and related appendices together with opinion of the Board of Directors, Articles of Association relating to shareholder's meeting, proxy forms, a list of all Independent Directors, a map showing the meeting venue and the criteria and procedures governing shareholders' meeting to shareholders for their consideration 15 days prior to the meeting. The notice of shareholders' meeting was disclosed on the Company's website at least 30 days before the meeting date. To comply with Public Limited Companies Act, B.E. 2535 (1992), the shareholders' notice was announced in the newspaper both Thai and English for 3 consecutive days.

For the convenience of shareholders unable to attend a Meeting, the Company provides an opportunity for them to appoint a representative, e.g., an independent director or any other person to act as proxy, using one of the proxy forms attached to the notice of the Meeting. The proxy forms prepared in compliance with the specifications defined by the Department of Business Development at the Ministry of Commerce allow shareholders to exercise their voting rights as they wish. Also attached is a profile of independent directors proposed by the Company to serve as proxies for shareholders. For institutional or foreign investors who authorize custodians in Thailand to keep and safeguard their shares, the Company will arrange for the documents and evidence required prior to attending the Meeting well in advance to facilitate registration on the date of the Meeting.

- 3.) The Company always allows registration of shareholders at least 1 hour before each meeting. Barcode system was used for shareholder registration and proxy registration, allowing for a quick and efficient registration procedure and also printed ballots were handed out to each shareholder for voting. Shareholders are free to send their meeting-related questions to the Company at least 15 days before of the meeting date.
- 4.) Before the meeting, Company Secretary clearly informed all shareholders of voting and vote counting procedures with one share being equal to one vote. The Company will provide an independent legal advisor together with shareholder volunteers to witness ballot counts for greater transparency. To protect the rights of shareholders, the Company conducts balloting for each matter separately. In addition, approval of each resolution was based on the majority votes, except for special resolutions which required approval of no less than three-fourths of total votes of eligible voters present at the meeting.
- 5.) For the shareholders' meeting on June 21, 2019, the Chairman of the Board of directors presided as Chairman of the Meeting and conducted the Meeting. There were 10 directors in attendance such meeting together with auditor and legal advisers of the Company. The Chairman of the meeting had allocated appropriate time and encouraged equal opportunities for shareholders to express their opinions and raise any questions at the meeting. Those issues and questions are also included in the minute of the meeting.
- 6.) On the same day as the AGM, the Company conveyed a summary of the meeting resolutions and the voting results of each agenda to the shareholders and the public via the Stock Exchange of Thailand's disclosure channels and disclosed such minutes on the Company's website within 14 days.

## Section 2 Equitable Treatment of Shareholders

The company places importance on the interests for every shareholder, major or minor, individual or institutional as well as Thai or foreign investors equitably. To ensure equality and fair treatment for every shareholder, all shareholders regarded as the owners of the Company and entitled to be equitably treated on fair basis, regardless of gender, age, nationality. The Company disseminates important and necessary information to shareholders, arranged shareholders' meeting annually for shareholders to exercise their rights and participate in managing the Company fairly through the following actions:

- 1.) The Chairman of the meeting conducts the meeting in sequence of agenda items as specified in the notice and not adding agenda items without notifying shareholders in advance, so that they may have enough time for investigation before making their decisions.
- 2.) Shareholders have an option to appoint any Independent Directors as their proxies, and a choice over which Independent Director(s) to entrust their views by providing shareholders with a list of all Independent Directors on proxy forms that allow balloting direction, to encourage them to decide their own voting direction.
- 3.) The Company allowed shareholders to submit questions relevant to the shareholders' meeting agenda in advance.
- 4.) The Company has encouraged shareholders to use ballots in every agenda item by using voting tickets provided for each critical matter separately. The voting tickets are collected at the meeting and then summed with the pre-cast votes as prescribed in the proxy forms before announcing the resolution to the meeting.
- 5.) The Company duly submits the minutes, with voting records to SET within one day after the meeting. Also, the Company records the minutes accurately and completely for sending to SET and the Securities and Exchange Commission (SEC) within 14 days after the meeting. The minutes are also posted on the Company's website.



6.) The Company sets up the following policies to protect directors and executive officers to exploit the Company's inside information for their own benefit.

- The directors or executive officers, including his/her spouse and minor child, shall not use any inside information for the buying, selling, transferring or acceptance of transfer of the Company's securities before the disclosure of such information to the public, especially one month before the disclosure of the financial statement to the public. In addition, after the disclosure of the information, the above-mentioned person should not buy or sell securities until the public has received such information and had an opportunity to evaluate it thoroughly.
- The Company shall educate the directors and executive officers who have responsibilities to report the possession of the securities by himself/herself, his/her spouse and his/her minor child that when the directors or executive officers including their spouse or their minor child buy, sell, transfer or accept transfer of the securities of the Company, they have duties to submit the reports of securities holding in accordance with the rules, conditions and procedures specified in the notification of the Capital Market Supervisory Board.
- The Board of directors set up the following policies to protect directors and executives to exploit the company's inside information for their own benefit. The directors and executive officers must report the sales of the Company Securities to the Board at least 1 day in advance. Moreover the directors and executives including of their spouses and minor children, must report the holding of the change to Company Securities to the Exchange Commission, Thailand, in pursuant with Section 59 of the Securities and Exchange Act B.E. 2535 within 3 days of such buy, sell and transfer.

7.) The Company establishes directors and executives to report on their interests and related persons' interests to the Corporate Secretary, providing a copy of such reports to the Chairman of the Board and the Chairman of Audit Committee as specified by the Securities and Exchange Act, and report on changes in such reports.

However, the Company is now studying a process which allows each shareholder to propose agenda items for consideration at a shareholders' meeting as well as allows each shareholder to nominate Directors who must meet the qualifications of Company directorship ahead of the actual meeting date.

## Section 3 Roles of Stakeholders

The Company recognizes importance of rights of all stakeholders including shareholders, employees, customers, competitors, business partners, creditors and society and environment. It's a common duty of the Company to equally take care of every type of stakeholders, by taking actions legally with fairness as follows:

### 1.) The Company's guidelines for treatment of major stakeholders

- **Shareholder**

The Company respects shareholders' rights and responsible to the shareholders by emphasizing on sustaining business growth in order to create long-term returns to maximize shareholder value. After became listed company in 2001, the Company has continually generated dividend payment every year. The Company's key information is disclosed to the shareholders in a correct, complete, transparent and accountable manner. In addition, the Company provides assistance to the shareholders to fully exercise their rights.

- **Employee**

The company has recognized that its employees at all levels are valuable resources and key drivers of business success. The Company therefore recruits and hires qualified and experienced persons as well as supports good quality of life and good environment in the workplace, regularly educates the employees to ensure their standards of professional service to customers. The employees also receive fairly benefits and reward for their dedication to the Company on yearly basis.

In 2019, Accidents at work statistics and Work Absence Rates were recorded as follow;

- ▶ Crucial Accidents at work statistics:
  - No crucial accidents at work statistics found
- ▶ Work Absence Rates:

Type of leaving	Total Employees (persons)	Total leaves (days)
Sick Leave	4,028	20,894
Personal Leave	3,653	11,450
Vacation Leave	5,269	44,430
Birthday Leave	4,252	4,252
Maternity Leave	237	16,913

However, the Company has no fatal accidents statistics causing deaths or seriously injury.

- **Customer**

As customers' satisfaction is the first priority focus, the Company has provided variety of products to satisfy customers' need and committed to promote secure management of personal information and raised awareness of the need to protect personal information and comply fully with relevant laws. In addition, the Company has Contact Center Department to be responsible for customer relationship management involving inquiry, complaint resolution and protection of the customers' information in the framework of customer satisfaction approach, which is evaluated and reported to the management on monthly basis. (see details in Protection of personal information)

- **Competitor**

The Company executes the business under a fair competition and integrity approaches. During the past year, the Company does not have any legal issues with its competitors for unfair business.

- **Business partner**

The Company strictly treats any agreements and conditions with honorably for a long-term relationship with all partners.

- **Creditor**

The Company abides by lending terms and conditions, and all legitimate duties to creditors and debenture holders. In addition, the Company values compliance with all obligations under Securitization Law 1997, as the Company raised fund through securitization by establishing Special Purpose Vehicle Company.

- **Society and Environment**

The Company is aware of the responsibility towards the public and environment by supporting activities that conserve the environment and contribute to society. (Please see more information in Sustainability Report 2019)

## 2.) Channels for Complaints and Whistleblower Protection

The Company has more focus on the Good Corporate Governance by defining the policy as the major priority which all Management and staffs must strictly conduct. The Company keeps providing many courses of Code of Conduct program to all staffs in the Group per year by using the Instructor from both internal and external including the Management from Japan.

The Company has ensured the establishment of communication channels through which the stakeholders can make convenient and fast contact with the Company to ask for information, express their complaints in case their rights are violated or whistleblower to the Company of any races as follows:

- Our 105 branches nationwide
- Call Center at 02-665-0123
- Email: [csd@aeon.co.th](mailto:csd@aeon.co.th)
- Contact with Investor Relations: [ir@aeon.co.th](mailto:ir@aeon.co.th)

The Company provides a clear procedure and system for complaints whether or not the whistleblower gives their name. Complaints, including the whistleblower's information, will be treated as confidential; they cannot be accessed by unrelated persons. In case of complaints received, ombudspersons will record and solve them under appropriate procedures without delay. The findings will also be reported to the executives or the Board of Directors, as the case may be.

Moreover, the Company has set up the channels of unfair treatment appeal which staff can use this channel to report in details to Top Management in case that he/she gets effect from the issues that being inappropriate conducts by either Company, Supervisor or Colleague. Those cases will be taken action immediately and the staff who reports must be covered as the high confidential. The Committee or responsible section will take charge to investigate and to find the best solution, and the directly report to top Management, respectively. Those channels are consisted of E-mail; [aeonthai191@aeon.co.th](mailto:aeonthai191@aeon.co.th), company contact number, fax, and E-mail.

## 3.) Preventive measures against corruption involvement and bribery prohibition

The Company has established rules and regulations including punishment regarding anti-corruption by prohibiting directors, managements and staffs from carrying or taking all kinds of corruption whether directly or indirectly. The Company has performed preventive actions against corruption involvement by communicating to all directors, managements and staffs. The operation processes are strictly in line with the laws. In case of any defect in the operation processes due to negligence, unknowing ground, punishments as prescribed by law will be imposed without evading from such guilty. In addition, the Company has also implemented the reporting channel if staff found any violation or corruption and has measures to protect staff who reported or provided cooperation in reporting corruption matters.

To ensure effectiveness and efficiency of such anti-corruption and anti-bribery efforts, the Company defines all staffs with the code of conduct concerning the gift receiving or participating. the Company policy is all staffs and related persons in family seriously not request all cash, any gifts or other benefits from venders, supplier or the representatives, contractors, Sub-contractors, business partner or related persons who are involved in the company business. The Company strictly insists that all requests or receiving any kinds of cash, gifts or any other benefits by the staffs or their relatives could cause the conflict of interests or any bias conducts and dishonest decision or acts accordingly. In case of the necessary or inevitable circumstances the company allows its staffs to receive all suitable gifts from both the special or traditional occasions and general time. All gifts or stuffs are forbidden to be claimed as personal belongings or to be brought back their own homes or other relatives. On the other hand, staffs must register all details of gift or stuff information in the Company Form. Then, passing that form to the direct commander as well. Consequently, that form must be sent to Administration Section by Form written within 5 days after receiving.

#### **4.) Anti-Money Laundering and Combating the Financing of Terrorism and Proliferation of Weapons of Mass Destruction : AML/CFT/WMD**

In order to ensure that the compliance with the laws concerning Anti-Money Laundering and Combating the Financing of Terrorism of the Company is completely, successfully and efficiently made as per the relevant regulations and requirements on Anti-Money Laundering and Combating the Financing of Terrorism and Proliferation of Weapons of Mass Destruction (AML/CFT/WMD), the Company therefore implements the following policies:

1. The Company supports and is ready to comply with the laws concerning Anti-Money Laundering and Combating the Financing of Terrorism by ensuring that the customer identification and due diligence, transaction report and compliance with other duties and obligations as required by the applicable laws are completely made.
2. The Company determines to have subordinate policies and guidelines for conformity with the main policies on Anti-Money Laundering and Combating the Financing of Terrorism which covers the following topics: customer acceptance, customer identification, customer due diligence, risk assessment and management, transaction record and report, customer rejection or customers' relationship discontinuation. The Company also determines to have frequent adjustment processes of such subordinate policies and guidelines.
3. The Company controls, supervises, enhances and supports the Company's staffs to have knowledge and understanding on the compliance with the applicable laws, policies and guidelines regarding Anti-Money Laundering and Combating the Financing of Terrorism as well as provides training of such as per the training policy of the Company to the Company's staffs so that the Company's staffs are able to work correctly and efficiently.
4. The Company arranges to have its internal audit regarding the compliance with the main and subordinate policies as well as guidelines on Anti-Money Laundering and Combating the Financing of Terrorism by ensuring that the internal audit is independently made without intervention by any other departments.
5. The Company determines to have risk treatment policy on Anti-Money Laundering and Combating the Financing of Terrorism which may occur prior to introduction of new products or services or implementation of new technology or electronics network as per the requirement of the applicable laws. The Company also determines to have frequent review and adjustment of such for conformity with the system updates which is frequently made.

The Company has appointed Managing Director, to be the Chairman of AML/CFT Committee.

## Section 4 Information Disclosure and Transparency

### 1.) Disclosure of Information as prescribed in Listed Company Requirements

Information disclosure is a crucial principle for Good Corporate Governance. The Company has set up clear policies, approved by the Board of Directors, relating to information disclosure for external parties in order to ensure that such disclosure information; financial and non-financial information, is accurate, adequate, timely, and equally accessible by all related recipients and also complies with related laws and regulations. Apart from annual disclosure (Form 56-1) and Annual Reports (Form 56-2), most of the information is posted on the Company website in Thai and English with regular updates, thus helping shareholders, customers and interested persons to access the information with ease, equality and reliability.

The Company also disclosed other financial transactions to analysts and investors through the Company's website; [www.aeon.co.th](http://www.aeon.co.th), and press release. The Investor Relations also communicated with investors through conference calls and email on regular basis.

The financial information, particularly the financial statements have been reviewed/audited by the external auditor in accordance with generally accepted auditing standards. These financial statements have been reviewed by the Audit Committee and endorsed by the Board of Directors before disclosure to the public. The Board also reports its responsibility to financial reports in the annual report. For non-financial information such as connected transactions, management discussions and analysis, risk management information, and the Company's corporate governance. The Company has published such information in the annual report and Form 56-1 for the benefit of shareholders, investors, and analysts. All disclosed information is disseminated in both Thai and English version on the Company's website, and its accuracy has been regularly maintained and reviewed.

In addition, the Company also discloses other information such as background of the directors, the duties of the Board of Directors, number of meeting and attendance of each director, the remuneration of directors and managements, change in shareholding of Board of Directors and Management, and etc., in annual report and Form 56-1.

The Company discloses information on shareholding of director and executives, both directly and indirectly (including spouses and their minor children), in the Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2) under the topic, "Change in Shareholding of Board of Directors and Management".

### 2.) Investor Relations

The Investor Relations section has been assigned to take the responsibility of providing and disseminating information and activities of the Company of the benefits with institutional and individual investors, stock analysts, shareholders, and other people. Investors and interested parties can contact Investor Relations section directly for the Company's information, including financial statements, annual report, and notifications to SET/SEC, etc.

#### Contact with Investor Relations Section

Address : AEON Thana Sinsap (Thailand) Public Company Limited  
388 Exchange Tower, 27<sup>th</sup> Floor, Sukhumvit Road  
Khwaeng Klongtoey, Khet Klongtoey, Bangkok 10110

Website : <http://www.aeon.co.th> (select Investor Relations)

Telephone : 0-2302-4720-1

Fax : 0-2302-4470

E-mail : [ir@aeon.co.th](mailto:ir@aeon.co.th)

The Company has conducted company visit for both domestic and international analysts and investors and also joined domestic and international roadshow activities every year. During the Fiscal Year 2019, the Company provided information to;

Forms of activities	Number of time	Number of Participants	Number of Companies
Foreign investors through international road show	13	176	114
Conference call	20	9	9
Company visit	34	107	74
Analyst through yearly analyst meeting	2	133	74
<b>Total</b>	<b>69</b>	<b>425</b>	<b>271</b>

## Section 5 Responsibilities of the Board

### Board Structure

The Company places importance on the board structuring to create the most efficient board; making the best decision to take the Company to the expected direction. The composition of the board is considered by the board diversification strategy (Board Diversity), the board comprises directors with relevant experiences, diversity of professional backgrounds, education, nationality, and gender.

For the Fiscal Year 2019, ended on February 29, 2020, the Board of Directors consists of 12 Directors as follows:

- 6 Executive Directors
- 2 Non-Executive Directors (1 director from AEON Financial Service (Japan), and 1 outside director)
- 4 Independent Directors

The authorized signatory of the Company is Mr. Hideki Wakabayashi or Mr. Kenji Fujita with affixing the Company's seal.

### Term of Office

In terms of office, the Board of Directors has established directorship term in the Articles of Association of the Company which states that at each annual ordinary meeting of shareholders, one-third (1/3) of the directors shall retire. If the number of directors is not a multiple of three, the number of directors closest to one-third (1/3), but not in excess of one-third (1/3), of the total number of directors shall retire. In addition, a director who vacates his office may be re-elected.

### Directorship of Executive Directors in Other Companies

The Company imposed the guideline that the Company's Executive Directors are able to hold directorship in not more than 5 other companies in order to ensure that the executive directors have sufficient time to perform their duties and work efficiency in conformity with the principle of good corporate governance for listed companies that imposed by the Securities and Exchange Commission. The details of directorship held by the Company's Executive Directors in other companies reported in attachment1 under the heading: Board of Directors Profile.

## The Sub-committee

The Board has further appointed the Sub-Committee comprises the Audit Committee, the Risk Management Committee, the Executive Committee, and the Corporate Governance Committee. The Sub-Committee takes responsibilities for each specific area and also reports the results to the Board of Directors for consideration and decision making. The Company disclosed detail of purposes, numbers and list of members, and Scope of power and duties of Sub-Committee in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2).

## Roles, Duties and Responsibilities of Chairman of the Board

The Chairman of the Board of Directors is from AEON Financial Service Co., Ltd. (Japan), the major shareholder, and not the same person as Managing Director. The Chairman of the Board of Directors has main duties and responsibilities, as follows:

1. To Convene Board of Director's meeting
2. To act as the Chairman of the Board of Directors' meeting and the Shareholders' meeting.
3. To promote good corporate governance standard of the Board of Director.
4. To controls and conducts meetings with efficiency and in compliance with the Company's Articles of Association and following the sequence of the agenda
5. To have a casting vote in case of tied votes in the Board of Directors' meetings.

## Roles, Duties and Responsibilities of Managing Director

The Managing Director shall have the authority and duty to manage the Company as delegated by the Board of Directors and shall perform in accordance with the corporate plan including conducting and/or managing the Company's routine tasks, and conducting activities pursuant to the policies, business plans and budget as approved by the Board of Directors. In this regard, the Managing Director can delegate the other person(s) the authority to perform his duties.

The Managing Director or the person(s) delegated by him shall not approve, involve in or transact business, or deal in which he or any person who is likely to have a conflict of interest, has an interest or is likely to have a conflict of interest of any kind with the Company or the Company's subsidiaries.

## Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors considers and approves the important issues regarding the Company's operation such as strategies, financial goals, budget, etc., effectively and efficiently, and also provides the system to monitor, improve, and evaluate the Company's operation in order to achieve the Company's maximum value.

After the Company became a public limited company and the listed company in 2001, the board prepared and determined the code of best practices in accordance with the rules and regulations of the Stock Exchange of Thailand to provide the maximum benefit to the shareholders. The board has initially approved the principle of corporate governance policy of the Company.

The Executive Committee and the Audit Committee reviewed and approved the new principles of good corporate governance for the Company as follows:

- 1) Facilitate all shareholders with fair and equal treatments
- 2) Operate business with transparency and scrutiny, and disclose adequate information to all stakeholders and related parties
- 3) The responsibilities of executive committee and management must be clear and concise with check and balance control system



- 4) Must follow all the related rules and regulations
- 5) Determine to create long-term value-added to the corporate for the maximum benefit of the shareholders, mitigate conflict of interest
- 6) Strict to the code of corporate ethics and engage in activities that conserve the environment and contribute to society
- 7) Must have meeting regularly, all information must be given before the meeting according to the rule and regulations and must have a well prepared minutes

### The Board of Directors' Authorization

The Board of Director is empowered to authorize various matters in accordance with the scope of authority stipulated by laws, the Company's Articles of Association, the Board Charter, and the Shareholder Meeting resolutions. Such matters include defining and reviewing corporate vision, mission, operating strategies, operating plans, risk management policy, annual budget and business plans, defining of the target operating results and also material connected transactions.

### The Board of Directors' Meetings

The meeting of the Board of Directors shall be held at least once every three (3) months. However, additional meetings may be scheduled as required. To facilitate the Directors to allocate the time and attend the meeting, the Company has the Board of Directors' meeting schedule in advance. Related document will be sent to all member of the Board of Directors at least 7 days prior to the date of meeting. Especially, for the important agendas the relevant documents shall be submitted to directors prior to the meeting for an adequate time to consider. While the Board of Directors can invite any involved executive or personnel for inquiry during the meeting.

In addition to the meeting resolution determines the quorum of the Board of Directors while voting in the meeting there must be at least two-thirds of the directors attending the meeting.

In each meeting, the Chairman lets each director express his opinion extensively and freely. Thus, each decision is made rationally and thoroughly. Also considering each meeting agenda item is made under the proper time. The Company provides a TV conference system to facilitate directors who cannot attend the meeting in person. Each agenda items and its resolution are recorded in writing, and the minutes of the meeting which have been affirmed by the Board.

In the fiscal year 2019, the Board held a total of 13 board meetings. (Please see number of the meeting and number of attendance of each director in Management part).

### The Board of Directors' Self Assessment

The Company has annual assessment for the Board of Directors in order to evaluate the performance of the Board of Directors by reviewing performance as well as obstacles facing each director and also defining the guidelines to improve and increase operational effectiveness of the Board. Furthermore, the parent company in Japan also arranged the assessment of the managing director and executive directors' performance which evaluate each individual and overall performance. In addition, the Company also has the Personnel Management Committee which comprises managing director and executive directors that shall conduct performance evaluation of all management and determine the remuneration results on the yearly base.

### Remuneration

The Company defines the remuneration by taking into consideration the appropriateness of remuneration for the Board of Directors and the Committee. Such remuneration is also considered and approved by the shareholders' meeting. (The details of remuneration are in Management part).

## Development for the Directors and Managements

Directors regularly upgrade themselves by attending in both domestic and overseas seminars and courses, which organized by the Institute of Directors of Thailand (IOD), SET, and SEC. Whenever there is an appointment for the new director, the Company provides a director the introduction of the Company's business and responsibilities of directors, as well as acknowledgment of essential information for their tasks and duties in compliance with relevant SET's regulations.

The Company has a policy of encouraging the directors training courses/seminars for developing their knowledge, to enhance the director's efficiency in performing their duties. In 2019, directors attended training courses/seminars as follows:

Name	Training course/Seminar
1. Mr. Hideki Wakabayashi	- AFS Compliance Awareness-raising Training - AEON Top Seminar - AFS Group Director and Management Training Programme 2019
2. Mr. Kenji Fujita	- AEON Top Seminar - AFS Group Director and Management Training Programme 2019
3. Mrs. Suporn Wattanavekin	- AFS Group Director and Management Training Programme 2019
4. Mr. Masanori Kosaka	- AFS Group Director and Management Training Programme 2019
5. Mr. Nuntawat Chotvijit	- AFS Group Director and Management Training Programme 2019
6. Ms. Suriporn Thammawatid	- AFS Group Director and Management Training Programme 2019
7. Mr. Kazumasa Oshima	- AFS Group Director-Management Training Programme 2019 - TLCA CFO Professional Development Program, held by SEC - TFRS version 2019 & 2020 : Practical Implication, held by Deloitte
8. Mr. Noppun Muangkote	- Annual training for Audit committee : Business Sustainability in Digital Era, held by EY
9. Dr. Mongkon Laoworapong	- Thai Standard on Auditing (FY2019) by Federation of Accounting Profession - Thai Financial Reporting Standard by Federation of Accounting Profession - Internal Control and Internal Audit

## Succession Planning

The Company actively primes its management for internal rotation. As regards succession planning for Managing Director position complies with the major shareholder's policy prevails.

## The selection and nomination of the directors and key executives of the Company

### • Nomination of the Independent Director

The qualifications of "Independent Director" have been defined by the Company in accordance with the rules stipulated by the Capital Market Supervisory Board as follows:

1. Hold no more than 1 percent of the total number of shares with voting rights of the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company. This is inclusive of the shares held by any related person of such independent director.
2. Neither being nor used to be an executive director, employee, staff, advisor with regular salary, or controlling person of the Company, the parent company, a subsidiary company, an associated company, a subsidiary company in the same level, a major shareholder or a controlling person of the Company unless the foregoing status has ended no less than 2 years prior to the date of his/her appointment. Such status excludes where the independent director used to be a governmental officer or an advisor of the government authority, which is a major shareholder or controlling person of the Company.

3. Not being a person related by blood or legal registration as a father, mother, spouse, sibling and child, including spouse of a child, other director, executive, major shareholder, controlling person or person to be nominated as director, executive or controlling person of the Company or a subsidiary company.
4. Neither having or used to have business relationship with the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company which may impede his/her independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company unless the foregoing relationship has ended no less than 2 years prior to the date of his/her appointment.

The term “business relationship” mentioned above includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantees, providing assets as collateral, and any other similar actions which result in the Company or the counterparty being obligated to pay to the other party no less than 3 percent of the net tangible assets of the Company or Baht 20 million, whichever is lower. The value of the business relationship shall be determined using the calculation method for determining the value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis.

The value of obligation shall include any obligations occurred during the period of 1 year preceding the date of the business relationship with the same entity or person.

5. Neither being nor used to be an auditor of the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company unless the foregoing status has ended no less than 2 years prior to the date of his/her appointment.
6. Neither being nor used to be a professional service provider, including legal advisor or financial advisor who receives service fee exceeding Baht 2 million from the Company, the parent company, a subsidiary company, an associated company, a major shareholder or a controlling person of the Company, and not being a significant shareholder, controlling person or partner of the said professional service provider unless the foregoing status has ended no less than 2 years prior to the date of his/her appointment.
7. Not being a director appointed as a representative of the Company’s director, major shareholder, or shareholder related to major shareholder.
8. Not undertaking a business of the same nature and in competition with the Company or a subsidiary company, or not being a significant partner of a partnership, or executive director, employee, staff, advisor with regular salary, or hold shares exceeding 1 percent of the total number of shares with voting rights of any other companies operating the business of the same nature and in competition with the Company or a subsidiary company.
9. Have no other characteristics that prohibit the expression of independent opinion towards the Company’s business operation.

The Company requires the audit committee members and independent directors to have meeting at least fourth a year to give them the opportunity to meet among themselves to propose guidelines for quality improvement and corporate governance in accordance with the principles of good corporate governance for listed companies of the Stock Exchange of Thailand. (Please see the names and detail of independent directors’ qualification in Management part)

## • Nomination of the directors

The process of nominating director is not performed by the Nomination Committee, due to the Company has not yet appointed Nomination Committee. However, the Board of Directors will consider nominating director from qualifications, experiences, expertise in various areas and various nationalities with gender-diverse boards. Additionally, the general meeting of shareholders will elect and appoint the directors of the Company afterward. (Details of managements shown in Profile of Directors and Management)

The Board of Directors shall operate the business of the Company under the control of the general meeting of shareholders and the articles of association of the Company.

The procedure for the appointment of directors can be summarized as follows:

1. One shareholder has one vote per one share;
2. In choosing the directors, the voting method used may be to vote on candidate by candidate or several candidates together, whichever the shareholders' meeting finds appropriate, but in voting to pass the resolution the shareholders shall vote using all the votes under Clause 1 which cannot be divided for any person or group to any extent at all.
3. In the election of the directors, the vote shall be on the majority basis. In case of equality of votes, the chairman of the meeting shall be entitled to a casting vote.

The Chairman of the Board is the representative of the AEON Financial Service, Japan, which held the Company's shares of 54.32% and he is not the Managing Director of the Company. Both of them are the representatives from the same major shareholders. In order to balance the power of management, the Company's board structure also consists of 4 independent directors which are not less than one - third of total board members.

## • Key executives selection

The responsibilities for recruiting and selecting executives lie with Human Resource department. The Company's executive recruitment and selection is considered from qualification and experiences of that person. However, the process of executive selection will be under the executive's direction afterwards.

## Oversight of Company's Subsidiaries and Associates

The Company has developed corporate governance for its subsidiaries and associates to control their management and operation along with the protection for the Company's interests. To achieve the shared vision, the Company has appointed representative of the Company as directors of its subsidiaries and associates. Also, set up the mechanisms for financial information and connected transaction disclosure, under the related rules and regulations.

## Code of Conduct

The Company has provided "AEON Code of Conduct" for the Board of Directors, the Management, and the employees of the Company to use as a guideline in performing their duties to accomplish the Company's goal with ethics for business conduct and practice towards related stakeholders. To review AEON Code of Conduct, the Company with the cooperation from AEON Financial Service (Japan) always provides training for management every year. In addition, the Company has distributed "Business Manner Handbook" to all new employees on orientation date for guiding and introducing the employees to know the basic of business manner of the Company. In addition, the Company also provides communication channel regarding AEON Code of Conduct through intranet system in order to facilitate staff and encourage them to follow practice in the Code of Conduct.

The Company has clear procedures to monitor transaction that may have conflict of interest. By doing this, all Directors, management, and employees strictly comply with laws and the rules, conditions and procedures specified by the Capital Market Supervisory Board and SET, particularly concerning connected transactions.

The Board of Directors has specified the risk management policy, covering the overall organization. Risk management section has been established to be responsible for risk management and reported to the Management on monthly basis. Moreover, the Company has Internal Audit section to evaluate the efficiency of the Company's internal control system which includes auditing, evaluating, recommending, and supporting the effectiveness improvement in risk management, control, and corporate governance.

In addition, the Company established Internal Control Office, aiming to develop internal control system throughout the Company. This is to comply with Japanese version of Sarbanes Oxley (J-SOX) Act enacted by Japanese Financial Service Agency (FSA) to be applied to all the listed companies in Japan. Their major missions are to set up the enterprise level internal control, analyzing and visualizing the major business processes, etc., in order to achieve reliability of financial reporting, effective operation and compliance with applicable laws. The Board of Directors' meeting approved the policies of Board of Directors, Appointment of Directors, and Audit Committee in order to comply with rules and regulations of SET, SEC, and related laws and also in line with J-SOX policy since 2008.

### The Auditors' Remunerations

For the Fiscal Year 2019 ended February 29, 2020, the Company appointed three auditors from Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. Deloitte Touche Tohmatsu Jaiyos Audit Company limited and the auditors proposed as auditor of the Company and subsidiaries have no relationship or any interest with the Company or subsidiaries, executives, major shareholders, or related persons, in the way impact their performing task independently. Moreover, Deloitte Touche Tohmatsu Jaiyos Audit Company Limited is the auditor of, the subsidiaries of the Company in Thailand, AEON Insurance Service (Thailand) Co., Ltd. ACS Servicing (Thailand) Co., Ltd. and ATS Rabbit Special Purpose Vehicle Co., Ltd. the auditors of the Company and subsidiaries are as follows:

- |                               |                           |
|-------------------------------|---------------------------|
| 1. Mrs. Nisakorn Songmanee    | CPA Registration No. 5035 |
| 2. Mr. Chavala Tienpasertkij  | CPA Registration No. 4301 |
| 3. Mr. Yongyuth Lertsurapibul | CPA Registration No. 6770 |

The auditors' remunerations for the Fiscal Year 2019 ended February 29, 2020 are as follows:

#### 1. Audit fee

In Fiscal Year 2019, the Company paid 5,550,000 baht for its audit fee and 2,050,000 baht for its subsidiaries' audit fee.

#### 2. Non-Audit Fee

In the Fiscal Year 2019 ended February 29, 2020, the Company and subsidiaries had non-audit services fee paid to Deloitte Touche Tohmatsu Jaiyos Audit Company Limited totaling 2,363,307 baht, comprising 2.0 million baht for J-SOX (Japanese version of Sarbanes-Oxley) and 0.3 million baht for subsidiaries' package.

## Implementation of the Corporate Governance Code for Listed Companies 2017

According to the Corporate Governance Report of Thai Listed Companies also known as “CGR” survey 2017, the Company survey result was “good”. Nevertheless, the Company’s Corporate Governance Committee held the meeting to reconsider and rectify the Company’s policies to be in accordance with the CGR’s criteria. Also, the Company implies the CGR survey’s suggestions with the Company’s business operations, for instance, the disclosure of the full version of the Company’s Code of Conduct which shareholders are able to check out on the Company’s website ([www.aeon.co.th/aeon/aeon-info/corporate-governance](http://www.aeon.co.th/aeon/aeon-info/corporate-governance)), the disclosure of responsibilities of the board which demonstrates transparency of the Company’s operations and build trust in stakeholders.

However, there were some issues that may not follow the CGR’s criteria which the explanations and the guidelines for amendment are as follow;

**1. The Board of Directors should consider and approve the establishment of the nomination and remuneration committee.**

The Board of Directors has already acknowledged the suggestion and the current process is ongoing to consider appointing the director to be a member of the nomination and remuneration committee. In the meantime, the processes to nominate new director and determine appropriate monetary and non-monetary remuneration are defining by the resolution of the Board of Directors with the suggestion from the executive of Human Resource Department.

**2. The Board of Directors should set the term for the Independent Director to hold the position for a maximum of 9 consecutive years since the date of appointment.**

Due to the Board of Directors prioritized on the independence and freedom of expression, also, the Independent Director was not considered only by competence and knowledge, but also by the definition of the Independent Director by Securities and Exchange Commission (SEC). However, there’s the only one Independent Director out of four that serves as the Independent Director for more than 9 consecutive years and still able to consistently maintain the qualification of the Independent Director. Therefore, the Board of Directors has the resolution that the current Independent Director is already suitable for the position.

**3. The Company’s free float portion should be larger than 40 percent of the registered shares.**

In 2019, the Company free float portion is 30%-40% of the registered shares. Although the Company’s free float portion is incompletely followed in the CGR criteria, the Company’s Board of Directors still take an important on liquidity of the Company’s shares. Therefore, the Board of Directors considered setting the Company’s free float to not less than 15%, which is in accordance with the Distribution of Minority Shareholdings regulation from the Stock Exchange of Thailand (SET).

**4. The Board of Directors should consider setting the limitation of the directorship in other Company not to be over than 5 companies.**

Although some of directors are holding the other Company’s directorship more than 5 companies, each director still outstandingly performs his/her duties and effectively gives an opinion or suggestions for the Board of Directors meeting. Furthermore, the Board of Directors’ average attendance was 92% which comply with the CGR criteria.

## RELATED PARTY TRANSACTION

The Fiscal Year ended on February 29, 2020, the Company had related party transactions with persons with a possibility of conflict of interest, as follows:

Person with possibility to cause conflict	Relationship	Nature/ Size of Transaction	Necessity and Reasonableness of Transactions
ACS Capital Corporation Ltd. ("ACS") A holding company to invest in related companies and operate car leasing business.	- A shareholder of AEONTS, holding 19.20% of shares - One common directors: Mr. Kazumasa Oshima	1. The Company provides management services to ACS with the fee charged as follows: <ul style="list-style-type: none"> <li>Computer service fee at the rate of 200,000 Baht per month and from January 2019 onwards, Finance and Accounting operation services fee charged at the rate of 130,000 Baht per month from September 2019 onwards,</li> <li>Collection service fee and legal service fee Service fee as agreed at market price</li> </ul> In FY2019, the Company has total revenue from service of 9,247,156 Baht, consist of Computer service 2,400,000 Baht, Finance and Accounting services 780,000 Baht, Outsource collection and Legal service 6,067,156 Baht. As of 29 February 2020, the Company has other receivables of 1,024,424 Baht. 2. In FY2019, the Company had paid the interim dividend and final dividend to ACS totally 230,400,000 Baht.	The Company provides service such as computer system services, and marketing support services. This is the normal business supporting transaction among the affiliated companies. The pricing policy is considered from cost of operation such as human resource cost, system developing cost, servicing time, promotion service through AEONTS networks as well as marketing research which based on the cost plus basis. (Approved by the Board of Director's meeting on March 21, 2019 and September 10, 2019)
AEON (Thailand) Co., Ltd. ("AEON") Retail business	- 5.23% of shares held by the Company - one common directors Mr. Noppun Muangkote	1. In 2019, the Company had expense with AEON of 24,626,270 Baht, consist of office rental of 5,002,612 Baht, advertising & promotion of 19,378,369 Baht and other expense of 245,289 Baht. As of February 29, 2020, the Company had accounts payable of 11,345,669 Baht.	The Company rents the space for ATM machine with AEON, which the rental fee is in the normal course of business and based on general market price.



Person with possibility to cause conflict	Relationship	Nature/ Size of Transaction	Necessity and Reasonableness of Transactions
AEON Financial Service Co., Ltd. (“AEON Financial Service”) Retail Finance	- A major shareholder of AEONTS, holding 35.12% of shares - One common director: Mr. Hideki Wakabayashi	1. In 2019, the Company has the expense with AEON Finance Service of 101,725,415 Baht, consist of technical assistant fee of 91,554,675 Baht and personnel expense of 10,170,740 Baht. As of February 29, 2020, the Company has other receivables of 1,065,154 Baht, and other payables of 45,438,202 Baht and financial cost of 2,411,555 Baht. 2. In 2019, the Company has paid the interim dividend and final dividend to AEON Financial Service totally 421,440,000 Baht.	AEON Financial Service provides the technical assistant to the Company as AEON Financial Service needs to support other AEON Financial Service companies' group under the same direction. Therefore, they provide management support, staff, technical, marketing strategies and computer system for cost efficiency.  AEON Financial Service has charged the technical assistance fee for all oversea listed companies in AEON Financial Service companies' group.  The technical assistance fee is paid to AEON Financial Service as stated in the agreement. However, the value of transaction is unable to declare with any market price, the value of transaction is then determined on time consume basis among the oversea listed companies in AEON Financial Service companies' group and based on the cost plus basis.  (Approved by the Board of Director's meeting on July 5, 2019)
AEON Credit Service Co., Ltd. (“AEON Credit Service”) Retail Finance	- Common ultimate holding company	1. In FY2019, the Company paid personnel expense to AEON Credit Service of 44,189,976 Baht. 2. As of February 29, 2020, the Company had other receivables of 60,117 Baht and other payables of 7,024,036 Baht.	AEON Credit Service provides the personnel support to the Company as AEON Financial Service needs to support other AEON Financial Service companies' group under the same direction. Therefore, they encourage AEON Credit Service to provide skilled personnel support to other AEON Financial Service companies' group.  The value of transaction is determined on the actual cost occurred.

Person with possibility to cause conflict	Relationship	Nature/ Size of Transaction	Necessity and Reasonableness of Transactions
AEON Bank Ltd. ("AEON Bank") Banking Business	- Common ultimate holding company	<p>1. In FY2019, the Company paid personnel expense to AEON Bank of 8,847,682 Baht. As of February 29, 2020, the Company had other receivables of 81,640 Baht, and other payables of 1,846,949 Baht.</p> <p>2. The Company had long term loan from AEON Bank. In FY2019, the Company had interest expense of 8,415,684 Baht. As of February 29, 2020, the Company had long term loan of 732,928,432 baht.</p>	<p>AEON Bank provides the personnel support to the Company as AEON Financial Service needs to support other AEON Financial Service companies' group under the same direction. Therefore, they encourage AEON Bank to provide skilled personnel support to other AEON Financial Service companies' group.</p> <p>The value of transaction is determined on the actual cost occurred.</p> <p>The Company has long term loan from AEON Bank, which the Condition is based on general market interest rate and in the normal course of business.</p>
AEON Credit Service Systems (Philippines) Inc. ("AEON Philippines") System Development	- Common ultimate holding company	<p>1. In FY2019, the Company paid service fee in developing system of 6,167,999 Baht.</p> <p>2. As of February 29, 2020 the Company had other payables of 1,619,452 Baht.</p>	<p>The Company receives system development service from AEON Philippines for the same standard among affiliated companies under AEON Financial Service companies' group. The service agreement to develop system between the Company and AEON Philippines is also fair and comparable to the similar market price charged by other outsourcers which providing the same services.</p> <p>(Approved by the Board of Director's meeting on January 10, 2019)</p>

Note: - Revenues relating to securitization transactions are determined by the Company and the related company in accordance with securitization project (see Notes to Financial Statements No.27 and 32)

### To Shareholders of AEON Thana Sinsap (Thailand) Public Company Limited

The Audit Committee consists of three independent directors who possess all the required qualifications according to the Securities and Exchange Commission's regulations of Thailand. The Audit Committee had completely performed the duties and responsibilities, as assigned by the Board of Directors, including the review of the financial statements, internal control system, internal auditing, risk management and compliance with applicable laws and regulations which are defined in the Audit Committee's Charter and complied with the Securities and Exchange Commission's regulations and the Notification of the Stock Exchange of Thailand.

For the fiscal year ended February 29, 2020, eight Audit Committee meetings were held. All three Audit Committee members attended in eight meetings. In the meetings, the management, executives, external auditors and internal auditors had attended when appropriate.

The meetings had considered and discussed financial statements presentation as well as reliability, correctness, completeness and disclosure of the Company's quarterly financial statements, the annual financial statements and the consolidated financial statements as well as any changes to and new accounting standards. The Audit Committee agreed with the external auditors that the Company's financial statements and its consolidated financial statements and subsidiaries were correctly and completely presented and disclosed in accordance with Thai Financial Reporting Standards.

In addition, the meetings had considered and recommended the transactions with related parties which may result in a conflict of interest and their disclosure to comply with the regulations of the Stock Exchange of Thailand (SET) and the Office of the Securities and Exchange Commission (SEC). The Audit Committee had also reviewed the Company's operation with regard to compliance with relevant laws and regulations relating to the Company's business. The Audit Committee had also considered and approved the annual plan of the Internal Audit Department as well as reviewed the operation information and the internal control system, to evaluate the sufficiency, appropriateness and effectiveness of the internal control system to achieve business goal, by reviewing the internal control system together with the internal auditors.

The Audit Committee had considered the appointment of external auditors and their remuneration based on their professional competency, past performance with knowledge, audit fee and their independent status. For the fiscal year ended February 28, 2021, the Audit Committee selected and proposed Mrs. Nisakorn Songmanee, Certified Public Accountant Registration No. 5035, Mr. Chavala Tienpasertkij, Certified Public Accountant Registration No.4301, and Mr. Yongyuth Lertsurapibul, Certified Public Accountant Registration No.6770 as the Company's external auditors to the Board of Directors for further approval from the Annual General Meeting of Shareholders.

Audit Committee was of the opinion that for fiscal year ended February 29, 2020, the Company accurately and adequately disclosed financial and operation information, had appropriate and effectiveness internal control and internal audit, complied with laws and regulations, disclosed the transactions with related parties correctly, and performed duties in compliance with the Good Corporate Governance principles, with adequacy, transparency and reliability.



(Mr. Noppun Muangkote)

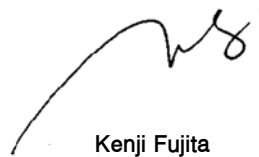
Chairman of the Audit Committee

## REPORT OF THE BOARD OF DIRECTOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Board of Director is responsible for the Company's financial statements and the consolidated financial statements that are disclosed in the Annual Report. The financial statements for the year ended February 29, 2020 have been prepared in accordance with Thai Financial Reporting Standards with appropriate accounting policies applied on a conservative and consistent basis. Judgment and estimates were made with reasonable considerations, and adequate disclosures have been made in the notes to the financial statements. Moreover, these financial statements have been audited by Deloitte Touche Tohmatsu Jaiyos Co., Ltd. which is independent certified auditor who had given their unqualified opinions.

The Board of Director has also adopted appropriate and effective systems of risk management. In this regard, the Board of Directors has appointed an Audit Committee, which comprises three independent directors who are responsible for reviewing the quality of financial reporting, the internal control systems as well as complete and appropriate disclosure of connected transactions. The opinion of the Audit Committee with regard to these matters appears in the Report of the Audit Committee which is presented in this Annual Report.

The Board of Director has opinion that the overall internal control system of the Company is adequate and appropriate and can reasonably assure the reliability of the Company's financial statements and the consolidated financial statements for the year ended February 29, 2020.



**Kenji Fujita**

Vice Chairman of the Board and Managing Director

The Company financial statements FY2019 for the year ended February 29, 2020, which were audited by Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. The consolidated and separate financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2017) "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2018 onwards, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding "The Preparation and Submission of Financial Statements and Reports for the Financial Position and Results of Operations of the Listed Companies B.E. 2560" and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statements (No. 2) B.E. 2559" dated October 11, 2016.

### Overview

According to the Bank of Thailand and Office of the National Economic and Social Development Board data (NESDB), Thai economy in 2019 expanded by 2.4%, decreased from 4.2% in previous year. This was because the global economic uncertainty caused by the trade war between US and China, the conflicts in the Middle East and the unpredictability of the political situation in Europe. These factors have impacted to Thailand, particularly in the export sector, the tourism sector, slowdown of private consumption and investment as well as the Baht's ongoing appreciation. In 2020, Thailand economic growth will likely slowdown. There are risks from internal and external factors such as severe droughts, a rise in unemployment and household debt as well as the global outbreak of the Coronavirus (COVID-19) since early 2020. However, the Company also complies with the Bank of Thailand to provide the relief measurements to assist our customers by reducing minimum payment for credit card and personal loan as well as providing a grace period for all products. These measures would be complied in the first quarter of 2020.

The growth of credit card business and personal loan business in Thailand was still growing strongly despite the economic slowdown. According to the Bank of Thailand data, at the end of December 2019, the credit card industry reported the total numbers of credit card industry amounted to 23.6 million cards, has grown by 8% more than last year. Credit Card receivable was 457,090 million baht, with the growth of 9% from the same period last year. For personal loan industry, the numbers of account of personal loan under supervision amounted to 16.2 million accounts, 21% more than last year. Personal loan receivable was 579,911 million baht, with the growth of 51% from the same period last year, due to include the car title loan since February 2019 onwards.

The new Thai Financial Reporting Standards (TFRS9) which would be effective on January 1, 2020. This standard establishes the principle in relation to the classification and measurement of financial instruments based on the consideration of the contractual cash flow characteristics and the Company's business model, the calculation of impairment using the expected credit loss method and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. Thai Financial Reporting Standards which was effective for the Company's financial statements with fiscal years beginning on March 1, 2020.

As of February 29, 2020, the Company's total cards reached 9 million cards, increased by 6% from the end of fiscal year 2018 (including 2.85 million credit cards, increased by 9% from the end of last year and 6.15 million member cards, increased by 4% from the end of last year). The Company has active customers more than 2 million IDs, mainly from Bangkok 31%, and in up-country 69%. Covering networks nationwide, the Company has 105 branches, 413 ATMs, and 6,631 dealer members to provide a quality of financial services to AEON cardholders. In addition, in 2019 The Company opened a new platform branch with our first Flagship Store at Central World Shopping Center. This raised our financial services to a digital platform that has facilitated our customers by performing their own transactions through our virtual teller machine (VTM). For overseas business in Cambodia, Myanmar and Laos, they have active customers more than 348,000 customers, increased by 33% from last year, and representing 13% of active customers of the Company.

## Summary of Consolidated Financial Results

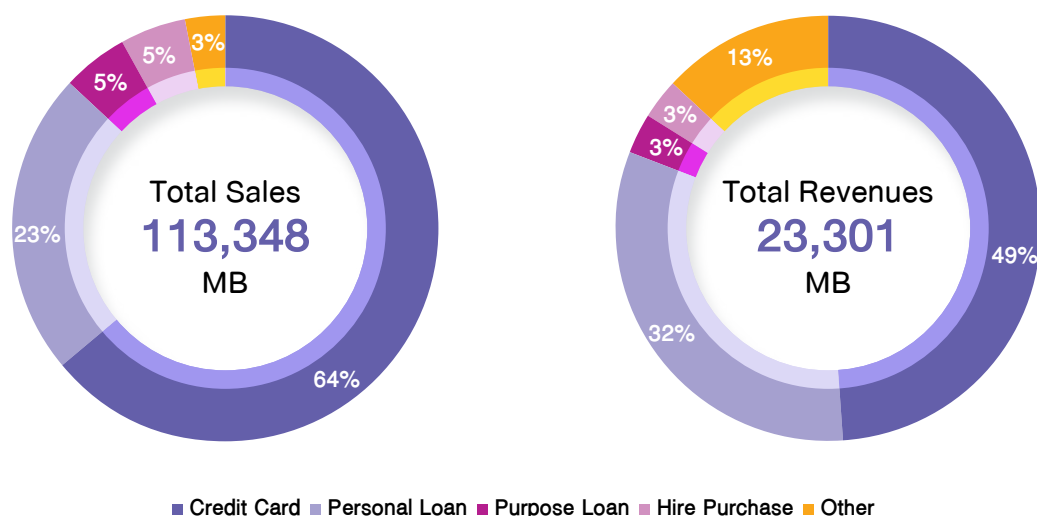
### 1. Operating Results

Profit and Loss Statement (Consolidated) Unit : Million Baht	3Q/62	4Q/61	4Q/62	%QoQ	%YoY	FY61	FY62	%YoY
Credit card income	1,897	1,844	1,878	-1%	2%	7,490	7,529	1%
Loan income	3,048	2,790	3,077	1%	10%	10,723	12,065	13%
Hire-purchase income	192	130	241	26%	85%	431	754	75%
Other income	841	542	969	15%	79%	1,998	2,953	48%
<b>Total Revenues</b>	<b>5,979</b>	<b>5,306</b>	<b>6,165</b>	<b>3%</b>	<b>16%</b>	<b>20,642</b>	<b>23,301</b>	<b>13%</b>
Operating and administrative expenses and others	2,353	2,318	2,360	0.3%	2%	8,753	9,289	6%
Bad debts and doubtful accounts	1,786	1,418	1,872	5%	32%	5,285	6,646	26%
Finance costs	549	532	560	2%	5%	2,175	2,209	2%
<b>Total Expenses</b>	<b>4,688</b>	<b>4,268</b>	<b>4,793</b>	<b>2%</b>	<b>12%</b>	<b>16,213</b>	<b>18,145</b>	<b>12%</b>
Profit before tax income	1,284	1,040	1,369	7%	32%	4,434	5,144	16%
Income tax expenses	257	202	271	5%	34%	868	1,024	18%
<b>Net profit for the period</b>	<b>991</b>	<b>817</b>	<b>1,056</b>	<b>6%</b>	<b>29%</b>	<b>3,506</b>	<b>3,975</b>	<b>13%</b>
<b>Earning Per Share (Baht per share)</b>	<b>3.96</b>	<b>3.27</b>	<b>4.22</b>	<b>7%</b>	<b>29%</b>	<b>14.03</b>	<b>15.90</b>	<b>13%</b>

### Revenues

In the fiscal year ended February 29, 2020, the total consolidated revenues were 23,301 million baht, showing an increase of 2,659 million baht or 13% y-y. For the fourth quarter of 2019, the Company's revenues were 6,165 million baht, showing an increase of 859 million baht or 16% y-y and 3% q-q. The revenue increase was mainly from continued growth in core business revenues that increased by 9% y-y, especially in personal loan and hire purchase products as well as continued growth from bad debt recovery by 32% y-y. The revenue from overseas subsidiaries grew by 63% y-y. In addition, in the fourth quarter of 2019, the Company recorded the other incomes from gain on sales of bad debt at the amount of 329 million baht. Details of each business can be described as follows:

#### Sales and Revenues Structure for FY2019



## - Credit Card

For the fiscal year 2019, credit cards turnover accounted 64% of total turnovers with revenue of 7,529 million baht, showing an increase of 39 million baht or 1% y-y. For the fourth quarter of 2019, credit card revenue was 1,878 million baht, an increase of 34 million baht or 2% y-y. However, the Company continued to collaborate with exiting and new business partners in order to offer more benefits and to expand our customer base. The Company also launched the marketing campaigns throughout the year. For example, AEON Gift 2020 campaign and AEON shop plus 2019 campaign to redeem the premiums and vouchers, AEON Shop Smart campaign and other privileges with leading shopping malls. For subsidiary in overseas, in the fiscal year of 2019, AEON Specialized Bank (Cambodia) Plc had credit card revenue of 74 million baht, grew by 91% y-y.

## - Loans

For the fiscal year 2019, loans shared 28% of total turnovers with the revenue of 12,065 million baht, an increase of 1,342 million baht or 13% y-y. For the fourth quarter of 2019, loans revenue was 3,077 million baht, an increase of 287 million baht or 10% y-y and 1% q-q. In 2019, the Company expanded more service channels to facilitate customers and reduce the Company's operation cost through our Digital Your Cash Service. This is a new category of our personal loan service that launched a card less withdrawal. A credit line of a virtual account which customers can cash withdrawal through our AEON Thai Mobile Application and scan QR code at ATMs of AEON and KBank. For the Cardless transactions currently accounted for 17% of total personal loan sales. Moreover, loan income from AEON Microfinance (Myanmar) Company Limited in the fiscal year of 2019 grew by 48% y-y and AEON Specialized Bank (Cambodia) Plc grew by 83% y-y.

## - Hire Purchase

For the fiscal year of 2019, motorcycle and used car hire purchase in Thailand and hire purchase of electrical appliances, mobile phone and others in oversea subsidiaries, with the revenues of 754 million baht, increasing by 323 million baht or 75% y-y, resulted of auto loan business expansion and hire purchase sales from overseas business grew by 60% y-y, especially from business in Cambodia grew by 79% y-y. For the fourth quarter of 2019, the Company had hire purchase revenue of 241 million baht, an increase of 111 million baht or 85% y-y and 26% q-q drove by auto loans business expansion. The Company also launched Motorcycle Big Bike Hire Purchase in September 2019, which covers more than 200 dealers nationwide.

## - Others

For the fiscal year of 2019, other incomes were 2,953 million baht, showing an increase of 955 million baht or 48% y-y and represented 13% of total revenues. The increase was mainly from the continued growth of bad debt recovery that increased by 36% y-y caused by increased the internal legal staff to expedite the legal process. In 2019, the Company recorded gain on sales of bad debt at the amount of 577 million baht. For the fourth quarter of 2019, other incomes were 969 million baht, increasing by 427 million baht or 79% y-y, due to bad debt recovery increased by 32% y-y and 6% q-q. In addition, the Company has other incomes from bad debt selling in the fourth quarter of 2019 at the amount of 329 million baht. Moreover, the income for the fiscal year of 2019 of Company's subsidiaries in Thailand, the Company had commission income of 531 million baht from AEON Insurance Service (Thailand) Co., Ltd. and collection service income of 268 million baht from ACS Servicing (Thailand) Co., Ltd.



## Expenses

The Company's expenses mainly consist of operating and administrative expenses, bad debt and doubtful accounts and finance cost. The Company had total consolidated expenses for the fiscal year of 2019 of 18,145 million baht, an increase of 1,932 million baht or 12% y-y. For the fourth quarter of 2019, the consolidated expenses were 4,793 million baht, an increase of 525 million baht or 12% y-y. Details of expenses are shown as follows:

### - Operating and Administrative Expenses

For the fiscal year of 2019, the consolidated operating and administrative expense were 9,289 million baht, increasing by 6% y-y and representing of 40% of total revenues. The increasing of expenses came from marketing expense which increased 10% y-y and administrative expense increased 12% y-y. For the fourth quarter of 2019, the consolidated operating and administrative expenses were 2,360 million baht, increasing by 2% y-y and representing of 38% of total revenues, which was lower than last year at 44% of total revenues. However, the Company was able to effective control the operating and administrative expenses. In 2019, the Company has developed AEON Thai Mobile Application to add more functions. The Company also launched the E-statements service and introduced the kiosk concept at some of branches in order to reduce our operation cost.

### - Bad debt and Doubtful accounts

The consolidated bad debts and doubtful accounts for the fiscal year of 2019 amounted to 6,646 million baht, increasing by 26% y-y. For the fourth quarter of 2019, the Company recorded bad debts and doubtful accounts of 1,872 million baht, increasing by 32% y-y. The increase of bad debt and doubtful accounts was mainly from continued growth of total portfolio and also negatively impacted from the economic slowdown and increasing of household debt as well as new regulations of debt collection. Meanwhile, the Company has implemented the new collection system under "Pooling Concept" to further improve its debt collection performance.

### - Finance Cost

The Company recorded consolidated finance cost for the fiscal year of 2019 amount of 2,209 million baht, increasing by 2% y-y. For the fourth quarter of 2019, the finance cost was 560 million baht, increasing by 5% y-y and accounted for 9% of total revenues. The average funding cost in the fourth quarter of 2019 was at 2.92% decreased from 3.07% last year, due to a reducing trend of market interest rate and the replacement long term loan with lower rate.

## Net Profit

For the fiscal year of 2019, consolidated total operating income was reported at 5,144 million baht, showing an increase of 710 million baht or 16% y-y. The Company recorded net profit attributed to owners of the parent of 3,975 million baht, showing an increase of 469 million baht or 13% y-y, and earning per share was 15.90 baht. For the fourth quarter of 2019, the Company had consolidated operating income of 1,369 million baht, an increase of 329 million baht or 32% y-y and 7% q-q. The Company reported net profit attributed to owners of the parent of 1,056 million baht, an increase of 239 million baht or 29% y-y, 6% q-q and earning per share was 4.22 baht. Key drivers were mainly from an increase in total sales, core business revenues and bad debt selling. The bad debt recovery and total portfolio continued to grow, together with a strong growth of both domestic and overseas subsidiaries. In addition, the Company efficiently managed the selling, general and administrative expense and funding cost.

## 2. Financial Status

Statement of Financial Position Unit : Million Baht	February 28, 2019	February 29, 2020	Change %YoY
Accounts Receivable	82,512	90,232	9%
Total Assets	87,121	95,396	9%
Total Borrowing	63,741	69,437	9%
Total Liabilities	68,733	74,271	8%
Total Equities	18,388	21,125	15%
ROE	20.8%	20.5%	-1%
ROA	4.2%	4.4%	5%
D/E Ratio	3.8	3.6	-5%

### Total Assets

As of February 29, 2020, consolidated total assets were 95,396 million baht, an increase of 8,275 million baht or 9% from 87,121 million baht as of February 28, 2019. The main assets were attributed to the portfolio of net accounts receivable which shared 90% of total assets.

#### - Accounts Receivable

As of February 29, 2020, the Company has gross accounts receivable of 90,232 million baht, increasing 9% from as of February 28, 2019. This can be categorized by business type as follows: credit card receivable of 36,892 million baht, increasing by 1% y-y; loans receivable of 47,988 million baht, increasing by 10% y-y; hire purchase receivable of 5,186 million baht, increasing by 145% y-y which largely came from the expansion of auto loan portfolio, and others receivable of 165 million baht.

#### - Allowance for doubtful accounts

As of February 29, 2020, the Company provided allowance for doubtful accounts of 3,962 million baht or 4.39% of total accounts receivable, comparing to that of 2,880 million baht or 3.49% of total accounts receivable at the end of previous fiscal year. The percentage account receivable 3 month's overdue or non-performing loan ratio was 3.67%, increased from 2.77% at the end of last year. The coverage ratio of allowance for doubtful accounts to accounts receivable overdue more than 3 months (NPLs) was 119% at February 29, 2020.

### Total Liabilities

The consolidated liabilities of the Company as of February 29, 2020, totaled 74,271 million baht, an increase of 5,538 million baht or 8% from 68,733 million baht at the end of fiscal year 2018. This was a result of both short-term and long-term borrowings increased by 9% from the end of last year to 69,437 million baht. The portion of long-term borrowings was 43,509 million baht or represented 63% of total borrowings, decreasing from 75% of fiscal year 2018.

To manage risk that might occur from the fluctuation in currency and interest rate of long-term a debenture in foreign currencies, the Company has entered into cross currency interest rate swap contracts to hedge its debt. However, the Company has unused unsecured revolving credit facilities as of February 29, 2020 totaling 3,000 million baht and unused uncommitted facilities with foreign banks totaling 9.9 billion baht, which is enough to drive the Company's operation. The Company also has the debentures totaling 4,600 million baht that will mature in 2020, which the Company can issue the replacement debentures or use a working capital to repay those debentures.

## Shareholders' Equity

As of February 29, 2020, total shareholders' equity amounted to 21,125 million baht, an increase of 2,737 million baht or 15% over the end of fiscal year 2018. Consequently, book value as of February 29, 2020 was 82.9 baht per share, increased from 72.2 baht per share as of February 28, 2019.

Debt to Equity ratio as of February 29, 2020 at 3.6 times decreased from 3.8 times at the end of 2018. Return on Equity (ROE) and Return on Asset (ROA) for the fiscal year 2019 were 20.5% and 4.4%, respectively.

In addition, the Board of Directors' meeting has approved the final dividend payment for the fiscal year ended February 29, 2020, at the rate of 2.55 baht per share, which will be paid after being approved from AGM on June 24, 2020. The Company already paid the interim dividend of 2.45 baht per share on November 4, 2019. The total dividend for FY2019 will be 5.00 baht per share or 31.4% payout ratio. The Company has set the record date on May 14, 2020 to determine the shareholders entitled to receive dividends (XD will be posted on May 13, 2020).

- **Financial Liquidity**

As at February 29, 2020, the Company and subsidiaries recorded cash balance of 4,994 million baht, Increase by 926 million baht from previous year, which can be categorized as follows:

- Net cash used in operating activities of 2,579 million baht mainly resulted from an increase of accounts receivable.
- Net cash used in investing activities of 646 million baht mainly resulted from purchasing of leasehold improvement and equipment and intangible assets.
- Net cash provided by financing activities of 4,168 million baht mainly from long-term loans and short-term loans from financial institutions.

Combined the net decrease in cash and cash equivalents of 943 million baht and increase in exchange differences on transactions financial statement of foreign operations of 18 million baht with beginning cash balance of 4,068 million baht, the Company had ending cash balance at the end of the fiscal year 2019 in the amount of 4,994 million baht accordingly.

# DETAILS OF DIRECTORS, MANAGERMENTS, PERSONS WITH MANAGERIAL AUTHORITY AND COMPANY SECRETARY

## Mr. Hideki Wakabayashi<sup>1</sup> (Age 62 year)

**Position** Chairman of the Board (Authorized Director)

**Appointed effective on** June 12, 2014

**Shareholding (%) (29/02/20)** None

**Family Relationship with Directors and Executives** None

**Education Background** - Bachelor Degree of Faculty of law Sophia University, Japan

**Training/Seminar**

- AFS Compliance Awareness-raising Training
- AEON Top Seminar
- AFS Group Director and Management Training Programme 2019

### Working Experience for the last 5 years

AEON Group		
2010 - Present	Director	AEON Financial Service Co., Ltd. / Retail Finance <sup>2</sup>
2012 - 2013	Director	ACS Credit Management Co., Ltd. / Debt Collection Service
2011 - 2014	Auditor	AEON Credit Card (Taiwan) Co., Ltd. / Credit Card Business
2011 - 2014	Auditor	AEON Credit Service (Taiwan) Co., Ltd. / Hire Purchase Business
2012 - 2013	Director	AEON Housing Loan Service Co., Ltd. / Mortgage business
2010 - 2013	Auditor	AEON S.S. Insurance Co., Ltd. / Small Amount and Short Term Insurance Business
2013 - 2014	Auditor	AEON Product Finance Co., Ltd. / Credit Guarantee Business
2013 - 2018	Director	AEON Credit Service Co., Ltd. / Retail Finance <sup>3</sup>
2014 - Present	Chairman of the Board	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2018 - Present	Director	AEON Insurance Service Co., Ltd.

## Mr. Kenji Fujita<sup>4,1</sup> (Age 50 year)

**Position** Vice Chairman of the Board and Managing Director (Authorized Director)

**Appointed effective on** June 21, 2019

**Shareholding (%) (29/02/20)** None

**Family Relationship with Directors and Executives** None

**Education Background**

- Bachelor of Arts (Humanity) Yamaguchi University, Japan
- Master of Business Administration International University of Japan, Japan

**Training**

- AEON Top Seminar
- AFS Group Director and Management Training Programme 2019

### Working Experience for the last 5 years

AEON Group		
2013 - 2014	Executive Director	AEON Credit Service (M) Berhad
2014 - 2019	Managing Director	AEON Credit Service (M) Berhad
2014 - 2019	Non-Executive Director	AEON Credit Service (India) Private Limited
2014 - 2019	Commissioner Chairman of the Board	PT.AEON Credit Service Indonesia
March 2019 - June 2019	Non-Executive Director	AEON Thana Sinsap (Thailand) PLC Company Limited
June 2019 - Present	Vice Chairman of the Board and Managing Director	AEON Thana Sinsap (Thailand) Public Company Limited
2019 - Present	Chairman of the Board	ACS Servicing (Thailand) Co., Ltd. / Collection Servicer
2019 - Present	Chairman of the Board	AEON Specialized Bank (Cambodia) PLC / Specialized Bank

**Mrs. Suporn Wattanavekin (Age 56 year)****Position** Director**Appointed effective on** February 18, 2000**Shareholding (%) (29/02/20)** 0.0800**Family Relationship with Directors and Executives** None**Education Background** - Master Degree in Business Administration, National Institute of Development Administration

**Training**

- Director Diploma Examination / IOD
- Director Certification Program (DCP) / IOD
- Capital Market Academy Greater Mekong Subregion Program
- Ultra Wealth Program
- AFS Group Director-Management Training Programme 2019
- Advanced Master of Management Program (AMM)

**Working Experience for the last 5 years****AEON Group**

2000 - Present	Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2005 - Present	Director	AEON Insurance Service (Thailand) Co., Ltd. / Insurance and Life Insurance Broker
2007 - Present	Vice Chairman	AEON Thailand Foundation / Foundation

**Other non-listed company**

December 2016 - Present	Director	The Ultrawealth Group Co., Ltd
-------------------------	----------	--------------------------------

**Mr. Nuntawat Chotvijit (Age 50 year)****Position** Director**Appointed effective on** June 12, 2014**Shareholding (%) (29/02/20)** None**Family Relationship with Directors and Executives** None**Education Background** - Master of Business Administration, Griffith University, Australia**Training** - AFS Group Director-Management Training Programme 2019**Working Experience for the last 5 years****AEON Group**

2009 - 2010	Senior Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2011 - 2014	Senior Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2014 - Present	Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2015 - 2016	Non-Executive Director	AEON Credit Service (M) Berhad. / Retail Finance
2016 - Present	Chairman of the Board	AEON Leasing Service (Lao) Company Limited / Leasing
2018 - Present	Board of Member	ACS Trading Vietnam Co., Ltd / Retail Finance

**Other non-listed company**

2010 - 2011	Marketing	Director Focus Media Communication Co., Ltd. / CCTV
-------------	-----------	---

### Mr. Masanori Kosaka (Age 64 year)

**Position** Director

**Appointed effective on** June 28, 2017

**Shareholding (%) (29/02/20)** 0.0400

**Family Relationship with Directors and Executives** None

**Education Background** - Bachelor Degree of Faculty of law Kyoto Sangyo University, Japan

**Training** - AFS Group Director-Management Training Programme 2019

#### Working Experience for the last 5 years

AEON Group		
2011 - 2012	Director	AEON Credit Service Co., Ltd. / Retail Finance
2013 - 2015	Managing Director	AEON Credit Holdings (Hong Kong) Co., Ltd.
2013 - 2014	Chairman of the Board	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2015 - 2014	Audit Division	AEON Financial Service Co., Ltd. / Retail Finance
2017 - Present	Managing Director	ACS Servicing (Thailand) Co., Ltd. / Collection Servicer
2017 - Present	Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2017 - 2018	Chairman of the Board	AEON Microfinance(Myanmar) Co.,Ltd. / Retail Finance
2018 - 2019	Chairman of the Board	AEON Specialized Bank (Cambodia) PLC / Specialized Bank
Feb 2019 - Present	Chairman of the Board	AEON Microfinance(Myanmar) Co.,Ltd. / Retail Finance
March 2019 - June 2019	Vice Chairman of the Board	AEON Thana Sinsap (Thailand) PLC / Retail Finance

### Ms. Suriporn Thammawatid (Age 52 year)

**Position** Director

**Appointed effective on** June 22, 2018

**Shareholding (%) (29/02/20)** None

**Family Relationship with Directors and Executives** None

**Education Background** - Master of Management Srinakharinwirot University

**Training** - AFS Group Director-Management Training Programme 2019

#### Working Experience for the last 5 years

AEON Group		
2004 - 2006	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2006 - 2007	Senior Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2007 - Present	Director	ACS Servicing (Thailand) Co., Ltd. / Collection Servicer
2010 - 2018	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2018- Present	Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance

Mr. Kazumasa Oshima (Age 40 year)	
<b>Position</b>	Director and Chief Financial Officer (CFO)
<b>Appointed to be CFO, effective on</b>	December 1, 2018
<b>Appointed to be Director, effective on</b>	June 21, 2019
<b>Shareholding (%) (29/02/20)</b>	None
<b>Family Relationship with Directors and Executives</b>	None
<b>Education Background</b>	- Master of Business Administration (Finance) National Institute of Development Administration
<b>Training</b>	- AFS Group Director-Management Training Programme 2019 - Business Analyst through Financial Statements / Federation of Accounting Professions - TLCA CFO Professional Development Program / Thai Listed Companies Association - TFRS version2019 &2020:Practical Implication / Deloitte Touche Tohmatsu Jaiyos Co., Ltd.

#### Working Experience for the last 5 years

AEON Group	AEON Group	
2014 - Present	Director	ACS Capital Corporation Limited
2015 - June 2018	Director	AEON Leasing Service (Lao) Company Limited
2016 - 2018	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2018 - Present	Corporate Auditor	AEON Leasing Service (Lao) Company Limited
2018 - Present	Board of Member	ACS Trading Vietnam Co., Ltd. / Retail Finance
2018 - Present	Chief Financial Officer	AEON Thana Sinsap (Thailand) PLC / Retail Finance
June 2019 - Present	Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance

Mr. Chatchaval Jiaravanon (Age 58 year)	
<b>Position</b>	Director
<b>Appointed effective on</b>	February 18, 2000
<b>Shareholding (%) (29/02/20)</b>	5.8800
<b>Family Relationship with Directors and Executives</b>	None
<b>Education Background</b>	- Bachelor of Science in Business Administration,University of Southern California, USA
<b>Training</b>	- Director Accreditation Program (DAP) / IOD - Corporate Governance for Capital Market Intermediaries (CGI) / IOD

#### Working Experience for the last 5 years

AEON Group		
2000 - Present	Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2007 - Present	Director	AEON Thailand Foundation / Foundation
Other listed company		
1993 - Present	Director & Managing Director	TRUE Corporation PLC / Telecommunication
2001 - Present	Independent Director and Audit Committee Member	TICON Industrial Connection PLC / Property & Construction
2013 - Present	Chairman	Finansia Syrus Securities PLC / Securities Business
2014 - Present	Director	WP Energy PLC / Resources
2017 - Present	Independent Director and Audit Committee Member	SVI PLC / Technology
Other non-listed company		
2000 - Present	President and CEO	Telecom Holding Co., Ltd. / Holding Company



## Mr. Noppun Muangkote (Age 72 year)

**Position** Independent Director and Chairman of Audit Committee

**Appointed effective on** August 7, 2001

**Shareholding (%) (29/02/20)** None

**Family Relationship with Directors and Executives** None

**Education Background** - Master Degree in Law New York University, USA

**Training**

- Director Accreditation Program (DAP) / IOD
- Sustainable Business in Digital Era / EY Company Limited

### Working Experience for the last 5 years

<b>AEON Group</b>		
2015 - Present	Director	AEON Fantasy (Thailand) Co., Ltd. / Amusement park
2001 - Present	Independent Director and	
2005 - Present	Chairman of Audit Committee	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2005 - Present	Director	AEON Holdings (Thailand) Co., Ltd. / Holding
	Director	AEON Thailand Foundation / Foundation
<b>Other listed company</b>		
1990 - Present	Director and Vice Chairman	Sahakol Equipment PLC / Construction Contractor / Energy
2001 - Present	Independent Director and	
	Audit Committee Member	
	Chairman Remuneration and	
	Nomination Committee	Amata Corporation PLC / Property Development
<b>Other non-listed company</b>		
1981 - Present	Chairman	International Business Lawyers Co., Ltd. / Legal Advisor
2005 - Present	Director	PF Controls Group Co., Ltd. / Water Treatment
2007 - Present	Independent Director and	
	Chairman of Audit Committee	Charoensin Asset Co., Ltd. / Property Development

## Dr. Sucharit Koontanakulvong (Age 65 year)

**Position** Independent Director and Audit Committee

**Appointed effective on** June 17, 2010

**Shareholding (%) (29/02/20)** None

**Family Relationship with Directors and Executives** None

**Education Background**

- Bachelor Degree in Chemical Engineering
- Master in Agricultural Engineering (Civil)
- Doctor in Agricultural Engineering (Civil) KYOTO University, Japan

**Training**

- Director Certification Program (DCP) / IOD
- Independent Director Forum 2017 Updated COSO Enterprise
- Risk Management: Integrating with Strategy and Performance / Thai Institute of Directors Association

### Working Experience for the last 5 years

<b>AEON Group</b>		
2010 - May 2017	Independent Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
May 2017 - Present	Independent Director and	
	Audit Committee Member	AEON Thana Sinsap (Thailand) PLC / Retail Finance
<b>Other listed company</b>		
2009 - Present	Independent Director and	
	Audit Committee Member	Siam Steel Service Center PLC / Steel
<b>Other non-listed company</b>		
1996 - Present	Associate Professor,	
	Faculty of Engineering,	Chulalongkorn University / University

**Mr. Kenji Hayashi (Age 69 year)****Position** Independent Director**Appointed effective on** June 17, 2016**Shareholding (%) (29/02/20)** None**Family Relationship with Directors and Executives** None**Education Background** - Bachelor Degree in German Language Tokyo University of Foreign Studies, Japan**Working Experience for the last 5 years**

<b>AEON Group</b>		
2015 - Present	Outside Director	AEON Credit Service Co., Ltd. / Retail Finance <sup>4</sup>
2016 - Present	Independent Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2016 - Present	Independent Director	AEON Credit Service (Asia) Co., Ltd. / Retail Finance
<b>Other non-listed company</b>		
2007 - 2014	President & CEO	Sigma Base Capital Corporation
2014 - Present	Adviser	Institute of Corporate Governance, Japan
2017 - Present	Outside Director	XTIA Inc.

**Dr. Mongkon Laoworrapong (Age 50 year)****Position** Independent Director and Audit Committee**Appointed to be the Independent Director effective on** June 22, 2018**Appointed to be the Audit Committee effective on** June 21, 2019**Shareholding (%) (29/02/20)** None**Family Relationship with Directors and Executives** None**Education Background** - Ph.D. of Business Administration (Accounting), Thammasat University

<b>Training</b>	<ul style="list-style-type: none"> <li>- Director Accreditation Program (DAP) / IOD</li> <li>- Director Certification Program (DCP) / IOD</li> <li>- Audit Committee Program (ACP) / IOD</li> <li>- Monitoring the Internal Audit Function (MIA) / IOD</li> <li>- Successful Formulation &amp; Execution of Strategy (SFE) / IOD</li> <li>- How to Measure the Success of Corporate Strategy (HMS) / IOD</li> <li>- Chartered Director Class (CDC) / IOD</li> <li>- Boardroom Success through Financing and Investment (BFI) / IOD</li> <li>- Thai Standard on Auditing</li> <li>- Thai Financial Reporting Standard</li> <li>- Internal Control and Internal Audit</li> </ul>
-----------------	--

**Working Experience for the last 5 years**

<b>AEON Group</b>		
June 2018 - June 2019	Independent Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
June 2019 - Present	Independent Director and Audit Committee Member	AEON Thana Sinsap (Thailand) PLC / Retail Finance
<b>Other listed company</b>		
2011 - Present	Independent Director and Audit Committee Member	CPL Group Public Company Limited
2015 - Present	Independent Director and Audit Committee Member	Sahakol Equipment Public Company Limited
2016 - Present	Independent Director,	
2017 - 2018	Chairman of Audit Committee and Risk Management Committee	
	Member Applied	DB Public Company Limited
	Chief Financial Officer	Bestistics Public Company Limited
<b>Other non-listed company</b>		
2015 - Present	Independent Director, Audit Committee and Risk Management Committee Member	Charoensin Asset Co., Ltd.

## Management Profile

### Ms. Supanee Asawasuwat (Age 52 year)

**Position** Senior Executive Vice President (Company Secretary)

**Appointed effective on** September 21, 2009

**Shareholding (%) (29/02/20)** 0.0025

**Family Relationship with Directors and Executives** None

**Education Background**

- Master of Business Administration, Eastern Michigan University, USA
- Bachelor Degree of Accounting Assumption University
- Certified Public Accountant (CPA)

**Training**

- Advance for Corporate Secretary Program

#### Working Experience for the last 5 years

<b>AEON Group</b>	2005 - 2009	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
	2009 - Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
<b>Other non-listed company</b>			
	1997 - 2001	Senior Analyst	The Stock Exchange of Thailand

### Mr. Somsak Hempiam (Age 55 year)

**Position** Senior Executive Vice President - Auto Finance Department

**Appointed effective on** October 1, 2015

**Shareholding (%) (29/02/20)** None

**Family Relationship with Directors and Executives** None

**Education Background**

- Bachelor's degree in Computer Tokyo Computer, Japan

#### Working Experience for the last 5 years

<b>AEON Group</b>			
	2015 - Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
<b>Other non-listed company</b>			
	2010 - 2015	Senior Vice President Corporate	Planning & Support/Summit Capital Leasing Co., Ltd./Leasing

**Ms. Ryoko Yaoi (Age 45 year)****Position** Senior Executive Vice President - Contact Center Department**Appointed effective on** March 1, 2012**Shareholding (%) (29/02/20)** None**Family Relationship with Directors and Executives** None**Education Background** - Diploma / Department of Literature St. Agnes College, Japan**Working Experience for the last 5 years****AEON Group**

2005 - 2009	Assistant Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2009 - 2012	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2012 - Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2014 - Present	Director	ACS Servicing (Thailand) Co., Ltd. / Collection Servicer

**Mr. Manavudhi Mingvanich (Age 52 year)****Position** Senior Executive Vice President - System Development Department**Appointed effective on** August 21, 2013**Shareholding (%) (29/02/20)** None**Family Relationship with Directors and Executives** None**Education Background** - Bachelor Degree / Computer Science Ramkhamhaeng University**Working Experience for the last 5 years****AEON Group**

2004 - 2010	Assistant Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2010 - 2013	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2013 - Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance

### Mr. Witchasorn Suwannakindra (Age 56 year)

**Position** Senior Executive Vice President - Business Control Management Department

**Appointed effective on** March 1, 2013

**Shareholding (%) (29/02/20)** 0.00008

**Family Relationship with Directors and Executives** None

**Education Background** - Master's Degree (Public Administration) University of New Haven, USA

#### Working Experience for the last 5 years

AEON Group		
2009-2011	Assistant Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2011-2013	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2013- Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance

### Mr. Junichi Iwakami (Age 60 year)

**Position** Senior Executive Vice President - I.T and System Department

**Appointed effective on** July 5, 2016

**Shareholding (%) (29/02/20)** None

**Family Relationship with Directors and Executives** None

**Education Background** - Bachelor of Economics Waseda University, Japan

#### Working Experience for the last 5 years

AEON Group		
2016 - Present	Non Executive Director	AEON Credit Service Systems (Philippines) Inc.
2016 - Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
Other non-listed company		
1998-2016	Executive sales department manager	IBM Japan Co., Ltd.

**Mr. Tawatchai Peechapat (Age 49 year)****Position** Senior Executive Vice President - I.T. Department**Appointed effective on** April 1, 2018**Shareholding (%) (29/02/20)** None**Family Relationship with Directors and Executives** None**Education Background** - Bachelor of Science (Applied Statistics), King Mongkut's Institute of Technology,  
Chaokhunthaharn Ladkrabang Campus**Working Experience for the last 5 years**

<b>AEON Group</b>		
2004 - 2006	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2006 - 2015	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
2018 - Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
<b>Other listed company</b>		
2015 - 2017	Senior Vice President	Bank of Ayudhya / Bank
<b>Other non-listed company</b>		
2017 - 2018	Partner	J Ventures Co., Ltd. / Software development and investment

**Mr. Sitthipong Kanaraksunti (Age 47 year)****Position** Head of Accounting (Chief Accountant)**Appointed effective on** October 1, 2018**Shareholding (%) (29/02/20)** None**Family Relationship with Directors and Executives** None**Education Background** - Master Degree in Accounting, Thammasat University
**Training**

- Digitalization and challenge to accountant 4.0
- Understanding TFRS for security analytic
- Get ready for Robotic Process Automation(RPA) for digital accountant

<b>AEON Group</b>		
Jun 2016 - Oct 2018	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
Oct 2018 - Present	Head of Accounting (Chief Accountant)	AEON Thana Sinsap (Thailand) PLC / Retail Finance
<b>Other non-listed company</b>		
2013 - Jun 2016	Manager	Isuzu Motors International Operation (Thailand) Co., Ltd.

Note : <sup>1</sup> The authorized signatory of the Company is Mr. Hideki Wakabayashi or Mr. Kenji Fujita with affixing the Company's seal. There is no family relationship between each director and the management.

<sup>2</sup> AEON Credit Service Co., Ltd. changed its name to AEON Financial Service Co., Ltd. since 1<sup>st</sup> of April, 2013.

<sup>3</sup> Aeon Credit Service Co., Ltd. is established on 29<sup>th</sup> of November, 2012 and became 100% subsidiary company of AEON Financial Service Co., Ltd. on 1<sup>st</sup> April, 2013.

<sup>4</sup> Mr. Kenji Fujita was appointed as the Vice Chairman of the Board and Managing Director with effect on June 21, 2019.

Issuer of Securities	
Company Name	AEON Thana Sinsap (Thailand) Public Company Limited
Business	Credit Card, Personal Loan and Hire Purchase
Address	388 Exchange Tower, 27 <sup>th</sup> Floor, Sukhumvit Road Khwaeng Klongtoey, Khet Klongtoey, Bangkok 10110
Registration Number	0107544000078
Home Page	<a href="http://www.aeon.co.th">http://www.aeon.co.th</a>
Tel.	0-2302-4400 (Call Center 0-2665-0123)
Fax.	0-2302-4470
Authorized share capital	Ordinary shares 250,000,000 baht
Issued and paid up share capital	Ordinary shares 250,000,000 baht
Par Value of share	1 baht

Juristic person which the Company has more than 10% of ownership

AEON Insurance Service (Thailand) Co., Ltd. (100% of ownership)	
Business	Life and Non-life Insurance Brokerage Services
Address	159/22 Sermmitr Tower Building, 14 <sup>th</sup> Floor, Sukhumvit 21 (Asok) Road, Khlong Toey Nua, Watthana, Bangkok 10110
Tel.	0-2689-7111
Fax.	0-2689-7141-2
Home Page	<a href="https://www.aeoninsurance.co.th">https://www.aeoninsurance.co.th</a>
Authorized share capital	Ordinary shares 100,000,000 baht
Issued and paid up share capital	Ordinary shares 100,000,000 baht
Par Value of share	10 baht

**ACS Servicing (Thailand) Co.,Ltd. (100% of ownership)**

<b>Business</b>	Debt Collection Service and Legal Service
<b>Address</b>	699 Modernform Tower Building, 11 <sup>th</sup> Floor, Si Nakharin Road, Khwaeng Pattanakarn, Khet Suan Luang, Bangkok 10250
<b>Tel.</b>	0-2769-1700
<b>Fax.</b>	0-2722-8262
<b>Authorized share capital</b>	Ordinary shares 148,000,000 baht
<b>Issued and paid up share capital</b>	Ordinary shares 148,000,000 baht
<b>Par Value of share</b>	10 baht

**AEON Leasing Service (Lao) Company Limited (100% of ownership)\***

<b>Business</b>	Leasing Business
<b>Address</b>	ASEAN Road, 1 <sup>st</sup> & 3 <sup>rd</sup> Floors, Building S 16, Sky City Project, Unit 10, Sibounheuang Village, Chanthabouly District, Vientiane Capital, Lao PDR
<b>Tel.</b>	856 (0) 21-225333
<b>Fax.</b>	-
<b>Authorized share capital</b>	LAK 28,000,000,000
<b>Issued and paid up share capital</b>	LAK 28,000,000,000
<b>Par Value of share</b>	LAK 10,000

**AEON Microfinance (Myanmar) Company Limited (100% of ownership)**

<b>Business</b>	Microfinance Business
<b>Address</b>	Room No. (210-212), Building (D), 2 <sup>nd</sup> Floor, Pearl Condo, Kabaraye Pagoda Road, Bahan Township, Yangon, Myanmar
<b>Tel.</b>	95-9-969712111
<b>Fax.</b>	95-1-430653
<b>Authorized share capital</b>	MMK 17,021,811,000
<b>Issued and paid up share capital</b>	MMK 17,021,811,000
<b>Par Value of share</b>	MMK 1,000



### AEON Specialized Bank (Cambodia) PLC (50% of ownership)\*\*

<b>Business</b>	Specialized Bank Business
<b>Address</b>	6 <sup>th</sup> Floor (S603) of Diamond Twin Tower, Street Sopheak Monkul, Corner of Koh Pich, Sangkat Tonle Basak, Khan Chamkar Mon, Phnom Penh, Cambodia.
<b>Tel.</b>	855-23-988-555
<b>Fax.</b>	855-23-988-711
<b>Authorized share capital</b>	USD 20,000,000
<b>Issued and paid up share capital</b>	USD 20,000,000
<b>Par Value of share</b>	USD 1

### ATS Rabbit Special Purpose Vehicle Company Limited (48.75% of ownership)\*\*\*

<b>Business</b>	Special Purpose Vehicles (SPV) under the Royal Enactment on Special Purpose Juristic Persons for Securitization
<b>Address</b>	388 Exchange Tower, 27 <sup>th</sup> Floor, Sukhumvit Road Khwaeng Klongtoey, Khet Klongtoey, Bangkok 10110
<b>Tel.</b>	0-2302-4780
<b>Authorized share capital</b>	Ordinary shares 39,800 baht, Preferred shares 200 baht
<b>Issued and paid up share capital</b>	Ordinary shares 39,800 baht, Preferred shares 200 baht
<b>Par Value of share</b>	100 baht

### ACS Trading Vietnam Co., Ltd. (20% of ownership)

<b>Business</b>	Retail Business by Installment Payment of Household Consumer Durables
<b>Address</b>	246 Cong Quynh, Pham Ngu Lao Ward, District 1, Ho Chi Minh City, Vietnam
<b>Tel.</b>	84-8-54453800
<b>Fax.</b>	84-8-54453801
<b>Authorized share capital</b>	VND 50 Billion
<b>Issued and paid up share capital</b>	VND 50 Billion

\*The Company holds shares indirectly through ACS Servicing (Thailand) Company Limited and AEON Insurance Service (Thailand) Company Limited with 3.71% and 3.71% shareholding, respectively.

\*\*The Board of Director approved to waive the pre-emptive rights to subscribe the additional issuance of AEON Specialized Bank (Cambodia) PLC. The proportion of shareholding of the Company decreased from 80% to 50%. This transaction was approved by the National Bank of Cambodia and registered the increase of authorized shares capital since April 24, 2018, accordingly.

\*\*\*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.

Reference	
Securities Registrar	<b>Thailand Securities Depository Company Limited</b> <b>The Stock Exchange of Thailand Building</b> 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand
Tel.	0-2009-9000
Fax.	0-2009-9991
Auditor	<b>Deloitte Touche Tohmatsu Jaiyos Audit Company Limited</b> AIA Sathorn Tower, 23 <sup>rd</sup> - 27 <sup>th</sup> Floor, 11/1 South Sathon Road, Yannawa, Sathon, Bangkok 10120
Tel.	0-2009-9000
Fax.	0-2009-9991

## สาขา BRANCH NETWORK

ภาค / สาขา Region / Branch	ที่อยู่ Address	โทรศัพท์ Telephone No.	โทรสาร Fax No.
<b>กรุงเทพฯและปริมณฑล / Bangkok and Vicinity</b>			
1 เซ็นทรัลพลาซ่า พระราม 9 CentralPlaza Rama 9	เลขที่ 9/9 ชั้น 5 ห้อง 510 ถนนพระราม 9 แขวงห้วยขวาง เขตห้วยขวาง กรุงเทพฯ 10310	0-2430-5750	0-2430-5751
2 ห้างมาค ทาวน์ เซ็นเตอร์ Huamark Town Center	177 ชั้น G ถนนรามคำแหง แขวงห้วยขวาง เขตบางกะปิ กรุงเทพฯ 10240	0-2430-5710	0-2430-5711
3 เดอะมอลล์ ท่าพระ The Mall Thapra	129 ชั้น 3 ห้อง 3S-C2-A1, 3S-C2-B1 ถนนรัชดาภิเษก (ท่าพระ-ตากสิน) แขวงบุคคโล เขตธนบุรี กรุงเทพฯ 10600	0-2430-5820	0-2430-5821
4 เทสโก้ โลตัส บางกะปิ Tesco Lotus Bangkapi	3109 ชั้น 2 ถนนลาดพร้าว แขวงคลองจั่น เขตบางกะปิ กรุงเทพฯ 10240	0-2430-5720	0-2430-5721
5 เดอะมอลล์ บางกะปิ The Mall Bangkapi	3522 ชั้น 3 ห้อง 3S-C9B, 3A-C10-11, 3S-C12-13, ถนนลาดพร้าว แขวงคลองจั่น เขตบางกะปิ กรุงเทพฯ 10240	0-2430-5715	0-2430-5716
6 เซ็นทรัลพลาซ่า รัตนาธิเบศร์ CentralPlaza Rattanaibet	562, 566 ชั้น 2 ห้อง 265 ถนนรัตนาธิเบศร์ ตำบลบางกระสอ อำเภอเมืองนนทบุรี จังหวัดนนทบุรี 11000	0-2430-5635	0-2430-5636
7 ฟิวเจอร์พาร์ค รังสิต Future Park Rangsit	94 ชั้น 2 ห้อง PLZ.2.SHP 020 ถนนพหลโยธิน ตำบลประชาธิปัตย์ อำเภอธัญบุรี จังหวัดปทุมธานี 12130	0-2430-5610	0-2430-5611
8 แฟชั่นไอส์แลนด์ Fashion Island	587, 589, 589/7-9 ชั้นใต้ดิน (BF) ห้อง EDU01 ถนนรามอินทรา แขวงคันนายาว เขตคันนายาว กรุงเทพฯ 10230	0-2430-5645	0-2430-5646
9 เทสโก้ โลตัส รังสิต Tesco Lotus Rangsit	801 ชั้น 1 หมู่ 2 ถนนพหลโยธิน ตำบลประชาธิปัตย์ อำเภอธัญบุรี จังหวัดปทุมธานี 12130	0-2430-5615	0-2430-5616
10 เทสโก้ โลตัส หลักสี่ Tesco Lotus Laksi	52 ชั้น 2 หมู่ 3 ถนนพหลโยธิน แขวงอนุสาวรีย์ เขตบางเขน กรุงเทพฯ 10220	0-2430-5650	0-2430-5651
11 บิ๊กซี สะพานควาย Big C Saphankwai	618/1 ชั้น B ห้อง BCR002-5 ถนนพหลโยธิน แขวงสามเสนใน เขตพญาไท กรุงเทพฯ 10400	0-2430-5745	0-2430-5746
12 เดอะมอลล์ งามวงศ์วาน The Mall Ngamwongwan	408, 410, 412, 414, 416, 418, 420, 422, 424, 426, 428, 430, 430/1 ห้องเลขที่ OP-514 ชั้นที่ 5 ถนนงามวงศ์วาน ตำบลบางเขน อำเภอเมืองนนทบุรี จังหวัดนนทบุรี 11000	0-2430-5630	0-2430-5631
13 เทสโก้ โลตัส ปทุมธานี Tesco Lotus Pathumthani	21/49 ชั้น 1 ถนนปทุมสามโคก ตำบลบางปรอก อำเภอเมือง จังหวัดปทุมธานี 12000	0-2430-5620	0-2430-5621
14 เทสโก้ โลตัส นวนคร Tesco Lotus Navanakorn	98/103 ชั้น 2 หมู่ 13 ตำบลคลองหนึ่ง อำเภอคลองหลวง จังหวัดปทุมธานี 12120	0-2430-5625	0-2430-5626
15 เซ็นทรัลพลาซ่า พระราม 2 CentralPlaza Rama 2	160 ชั้นที่ 3 ห้อง 329 ถนนพระรามที่ 2 แขวงสามเตา เขตบางขุนเทียน กรุงเทพฯ 10150	0-2430-5825	0-2430-5826
16 โรบินสัน สมุทรปราการ Robinson Samutprakan	789 ชั้นที่ 3F ห้อง 3F-RR-B312 หมู่ 2 ตำบลท้ายบ้านใหม่ อำเภอเมืองสมุทรปราการ จังหวัดสมุทรปราการ 10280	0-2430-5835	0-2430-5836
17 ซีคอนสแควร์ Seacon Square	55 ชั้นที่ 3 ห้อง 30571 ถนนศรีนครินทร์ แขวงหนองบอน เขตประเวศ กรุงเทพฯ 10250	0-2430-5725	0-2430-5726
18 อิมพีเรียล สำโรง Imperial Samrong	999 ชั้น 2F ห้อง S2FIS-049 หมู่ 1 ถนนสุขุมวิท ตำบลสำโรงเหนือ อำเภอเมือง จังหวัดสมุทรปราการ 10270	0-2430-5840	0-2430-5841
19 บิ๊กซี ราชดำริ Big C Ratchadamri	97/11 ชั้น 3 ห้อง 3CR312-313 ถนนราชดำริห์ แขวงลุมพินี เขตปทุมวัน กรุงเทพฯ 10330	0-2430-5740	0-2430-5741
20 เซ็นทรัลพลาซ่า ปิ่นเกล้า CentralPlaza Pinklao	เลขที่ 7/222 ชั้น 4 ห้องเลขที่ 424 ถนนบรมราชชนนี แขวงอรุณอมรินทร์ เขตบางกอกน้อย กรุงเทพฯ 10700	0-2430-5830	0-2430-5831

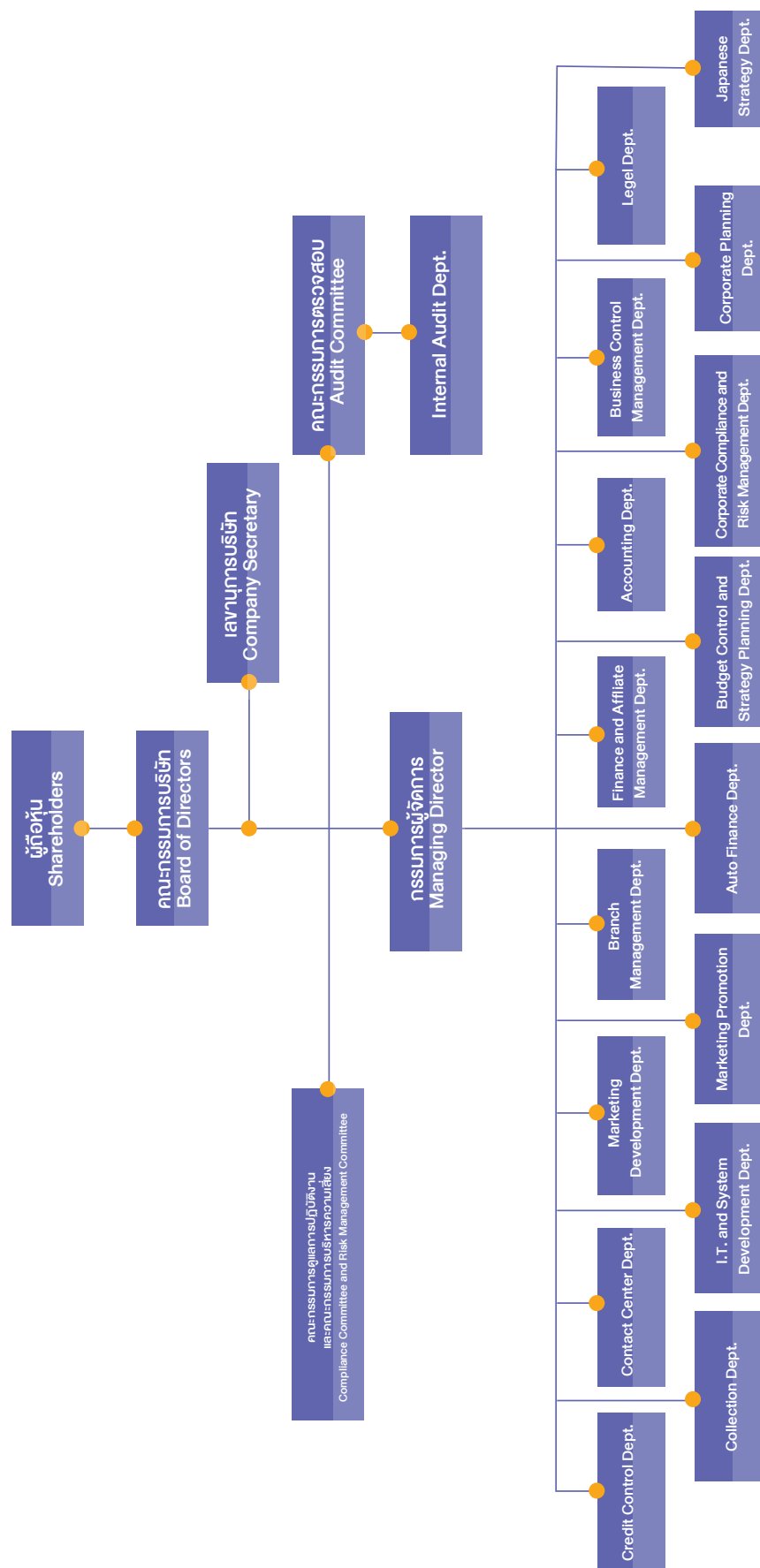
ภาค / สาขา Region / Branch	ที่อยู่ Address	โทรศัพท์ Telephone No.	โทรสาร Fax No.
21 มาร์เก็ต วิลเลจ สุวรรณภูมิ Market Village Suvarnabhumi	99/29 ชั้นที่ 3 ห้องเลขที่ S309 หมู่ที่ 1 ตำบลราชาเทวะ อำเภอบางพลี จังหวัดสมุทรปราการ 10540	0-2430-5855	0-2430-5856
22 เดอะมอลล์ บางแค The Mall Bangkae	518 ชั้น 3 ห้อง 3S-L6 หมู่ 1 ถนนเพชรเกษม แขวงบางแคเหนือ เขตบางแค กรุงเทพฯ 10160	0-2430-5810	0-2430-5811
23 เมกา บางนา Mega Bangna	39 ชั้น 1 ห้อง 1632/6 หมู่ 6 ถนนบางนา-ตราด กม.8 ตำบลบางแก้ว อำเภอบางพลี จังหวัดสมุทรปราการ 10540	0-2430-5850	0-2430-5851
24 สิลม คอมเพล็กซ์ Silom Complex	191 ชั้น 4 ห้อง 429 ถนนสีลม แขวงสีลม เขตบางรัก กรุงเทพฯ 10500	0-2430-5755	0-2430-5756
25 เซ็นทรัล เวิลด์ Central World	4, 4/1-2, 4/4 ชั้น 4 ห้อง B402 ถนนราชดำริห์ แขวงปทุมวัน เขตปทุมวัน กรุงเทพฯ 10330	0-2430-5735	0-2430-5736
26 แม็กซ์แวลู หลักสี่ MaxValu Laksi	78 ชั้น 1 ถนนแจ้งวัฒนะ แขวงอนุสาวรีย์ เขตบางเขน กรุงเทพฯ 10220	0-2430-5655	0-2430-5656
27 เซ็นทรัลพลาซ่า เวสต์เกต Central Plaza Westgate	199,199/1,199/2 ชั้น 3 ห้อง 339 หมู่ที่ 6 ตำบลเสาธงหิน อำเภอบางใหญ่ จังหวัดนนทบุรี 11140	0-2430-5640	0-2430-5641
28 บิ๊กซี สุขสวัสดิ์ Big C Suksawat	94 ชั้น 2 ห้อง 2CR207 หมู่ที่ 18 ตำบลบางพึ่ง อำเภอพระประแดง จังหวัดสมุทรปราการ 10130	0-2430-5815	0-2430-5816
29 บิ๊กซี บางพลี Big C Bangphli	89 เลขที่ศูนย์ GCN007-GCN010 ชั้น G-IN หมู่ที่ 9 ถนนเทพารักษ์ กม.13 ตำบลบางพลีใหญ่ อำเภอบางพลี จังหวัดสมุทรปราการ 10540	0-2430-5860	0-2430-5861
30 บิ๊กซี พระราม 4 Big C Rama 4	2929 ห้องเลขที่ 2CN003, 2CN006 ชั้นที่ 2 ถนนพระราม 4 แขวงคลองตัน เขตคลองเตย กรุงเทพฯ 10110	0-2430-5760	0-2430-5761
31 โรบินสัน ลาตครบั้ง RobinsonLardkrabang	308/1 ห้องเลขที่ RLK-2F-SA-265 ชั้นที่ 2 ถนนลาดกระบัง แขวงลาดกระบัง เขตลาดกระบัง กรุงเทพฯ 10520	0-2430-5845	0-2430-5846
32 บิ๊กซี รัชดาภิเษก Big C Ratchada	125 ห้องเลขที่ 2CO002 ชั้นที่ 2 ถนนรัชดาภิเษก แขวงดินแดง เขตดินแดง กรุงเทพฯ 10400	0-2430-5730	0-2430-5731
<b>ภาคเหนือ / Northern</b>			
33 แอร์พอร์ต บิสซิเนส พาร์ค เชียงใหม่ (โอเปอเรชั่น เซ็นเตอร์) Airport Business Park Chiangmai (Operation Center)	90 ชั้น 3-4 ถนนมหิตล ตำบลหายยา อำเภอเมืองเชียงใหม่ จังหวัดเชียงใหม่ 50100	(052) 135-500	(052) 135-501
34 เซ็นทรัลพลาซ่า เชียงใหม่ แอร์พอร์ต Central Plaza Chiangmai Airport	เลขที่ 2 ถนนมหิตล, 252-252/1 ชั้น 3 ห้อง 382 ถนนวิลาัย, ตำบลหายยา อำเภอเมือง จังหวัดเชียงใหม่ 50100	(052) 135-800	(052) 135-801
35 บิ๊กซี ลำพูน Big C Lamphun	200 ชั้น1 ห้อง GCR1138 หมู่ที่ 4 ตำบลบ้านกลาง อำเภอเมืองลำพูน จังหวัดลำพูน 51000	(052) 039-630	(052) 039-631
36 เทสโก้ โลตัส คำเที่ยง Tesco Lotus Kamthiang	19 ชั้น 1 ถนนตลาดคำเที่ยง ตำบลป่าตัน อำเภอเมือง จังหวัดเชียงใหม่ 50000	(052) 135-810	(052) 135-811
37 เซ็นทรัลพลาซ่า เชียงราย Central Plaza Chiangrai	99/9 ชั้น 2 ห้อง 231-232 หมู่ 13 ตำบลรอบเวียง อำเภอเมืองเชียงราย จังหวัดเชียงราย 57000	(052) 029-250	(052) 029-251
38 บิ๊กซี ลำปาง Big C Lampang	เลขที่ 65 ชั้น 2 ห้อง 2CR206/2 ถนนไฮเวย์ลำปาง-งาว ตำบลสบตุ๋ย อำเภอเมืองลำปาง จังหวัดลำปาง 52100	(054) 019-950	(054) 019-951
39 วี-สแควร์ พลาซ่า นครสวรรค์ V-Square Plaza Nakhonsawan	320/11 ชั้นที่ 1 ห้องเลขที่ R109-R110 ถนนสวรรค์วิถี ตำบลปากน้ำโพ อำเภอเมือง จังหวัดนครสวรรค์ 60000	(056) 009-240	(056) 009-241
40 เทสโก้ โลตัส ตาก Tesco Lotus Tak	18 ชั้น 1 ห้อง 101 ถนนพหลโยธิน ตำบลระแหง อำเภอเมืองตาก จังหวัดตาก 63000	(055) 039-200	(055) 039-201
41 บิ๊กซี เพชรบูรณ์ Big C Phetchabun	939 ชั้น 1 ห้อง GCR107 หมู่ 2 ตำบลสะเดียง อำเภอเมือง จังหวัดเพชรบูรณ์ 67000	(056) 029-205	(056) 029-206
42 บิ๊กซีแพร่ Big C Phrae	600 ชั้น 1 ห้อง GCR 117-120 หมู่ 9 ถนนเจริญเมือง ตำบลนาจักร อำเภอเมือง จังหวัดแพร่ 54000	(054) 069-700	(054) 069-701

ภาค / สาขา Region / Branch	ที่อยู่ Address	โทรศัพท์ Telephone No.	โทรสาร Fax No.
43 เดอะฮาร์โมนี ฟิชญ์โลก (สำนักงานสาขาภูมิภาค) The Harmony Phitsanulok (Regional Office)	268/24-25 ถนนพิชัยสงคราม ตำบลในเมือง อำเภอเมือง จังหวัดพิษณุโลก 65000	(055) 009-350	(055) 009-351
44 เซ็นทรัลเฟสติวัล เชียงใหม่ CentralFestival Chiangmai	99, 99/1 และ 99/2 ชั้น 3 ห้อง 335 หมู่ 4 ตำบลฟ้าฮ่าม อำเภอเมืองเชียงใหม่ จังหวัดเชียงใหม่ 50000	(052) 135-805	(052) 135-806
45 บิ๊กซี ฟิชญ์โลก Big C Phitsanulok	939 ชั้น 2 ห้อง 2CR207 ถนนพิชัยสงคราม ตำบลในเมือง อำเภอเมืองพิษณุโลก จังหวัดพิษณุโลก 65000	(055) 009-355	(055) 009-356
46 บิ๊กซี กำแพงเพชร Big C Kamphaengphet	613/1 ชั้นที่ 2 ห้องเลขที่ 2CR212 ถนนเจริญสุข ตำบลในเมือง อำเภอเมืองกำแพงเพชร จังหวัดกำแพงเพชร 62000	(055) 029-500	(055) 029-501
47 บิ๊กซี สุโขทัย Big C Sukhothai	68 หมู่ที่ 2 ชั้นที่ 1 ห้องเลขที่ GCR148 ตำบลบ้านกล้วย อำเภอเมืองสุโขทัย จังหวัดสุโขทัย 64000	(055) 019-305	(055) 019-306
48 เทสโก้ โลตัส อุดรดิต Tesco Lotus Uttaradit	2, 2/1, 2/2, 2/4 ถนนศรีขาววัง ตำบลท่าอิฐ อำเภอเมืองอุดรดิต จังหวัดอุดรดิต 53000	(055) 049-800	(055) 049-801
49 ท็อปส์ พลาซ่า พะเยา Tops Plaza Phayao	500 ชั้นที่ 1 ห้องเลขที่ RT113 หมู่ที่ 12 ตำบลท่าวังทอง อำเภอเมืองพะเยา จังหวัดพะเยา 56000	(054) 079-250	(054) 079-251
50 ท็อปส์ พลาซ่า พิจิตร Top Plaza Phichit	332 ชั้นที่ 1 ห้องเลขที่ RI128 หมู่ที่ 3 ตำบลคลองคะเชนทร์ อำเภอเมืองพิจิตร จังหวัดพิจิตร 66000	(056) 039-810	(056) 039-811
51 บิ๊กซี น่าน Big C Nan	708 ชั้นที่ 1 ห้องเลขที่ GCN074-GCN075 หมู่ที่ 4 ตำบลไชยสถาน อำเภอเมืองน่าน จังหวัดน่าน 55000	(054) 059-700	(054) 059-701
<b>ภาคกลาง / Central</b>			
52 สุขอนันต์ ปาร์ค สระบุรี Suk Anan Park Saraburi	179/5 ชั้น 1 ถนนสุตบรรทัด ตำบลปากเพรียว อำเภอเมือง จังหวัดสระบุรี 18000	(036) 679-810	(036) 679-811
53 บิ๊กซี ลพบุรี Big C Lopburi	เลขที่ 2 ชั้น 2 ห้องเลขที่ 2 CR207 หมู่ 1 ตำบลท่าศาลา อำเภอเมืองลพบุรี จังหวัดลพบุรี 15000	(036) 689-250	(036) 689-251
54 เซ็นทรัลพลาซ่า ระยอง CentraPlaza Rayong	99, 99/1 ชั้น 2 ห้องเลขที่ 268 ถนนบางนา-ตราด ตำบลเชิงเนิน อำเภอเมืองระยอง จังหวัดระยอง 21000	(033) 012-600	(033) 012-601
55 แปซิฟิก พาร์ค ชลบุรี Pacific Park Chonburi	เลขที่ 90 ชั้น 4 F-402-3 ถนนสุขุมวิท กม.118 ตำบลศรีราชา อำเภอศรีราชา จังหวัดชลบุรี 20110	(033) 048-700	(033) 048-701
56 เทสโก้ โลตัส พัทยา เนือ Tesco Lotus Pattaya Nua	221/19 ชั้น 1 หมู่ 5 ถนนพญาเหือ ตำบลนาเกลือ อำเภอบางละมุง จังหวัดชลบุรี 20150	(033) 048-705	(033) 048-706
57 เทสโก้ โลตัส อมตะนคร Tesco Lotus Amata Nakorn	700/75 ชั้น 1 หมู่ 5 ตำบลคลองตำหรุ เมืองชลบุรี จังหวัดชลบุรี 20000	(033) 048-710	(033) 048-711
58 บิ๊กซี ชลบุรี Big C Chonburi	49/1 ชั้น 1 ห้อง GCR115 หมู่ที่ 3 ตำบลห้วยกะปิ อำเภอเมืองชลบุรี จังหวัดชลบุรี 20000	(033) 048-715	(033) 048-716
59 เทสโก้ โลตัส จันทบุรี Tesco Lotus Chanthaburi	25/4 ชั้น 1 ถนนพระยาตรัง ตำบลวัดใหม่ อำเภอเมือง จังหวัดจันทบุรี 22000	(039) 609-950	(039) 609-951
60 โรบินสัน ฉะเชิงเทรา Robinson Chachoengsao	910 ชั้น 2 ห้อง 2F-RR-B202 ถนนฉะเชิงเทรา-บางปะกง ตำบลหน้าเมือง อำเภอเมือง จังหวัดฉะเชิงเทรา 24000	(033) 050-350	(033) 050-351
61 อยุธยา ซิตี้ ปาร์ค Ayutthaya City Park	126 ชั้น 2 ห้อง F-20 หมู่ 3 ตำบลคลองสวนพลู อำเภอพระนครศรีอยุธยา จังหวัดพระนครศรีอยุธยา 13000	(035) 902-455	(035) 902-456
62 โฮมโปร นครปฐม HomePro Nakhonpathom	เลขที่ 752/3 ชั้น 1 ห้อง SC 105 ถนนเพชรเกษม ตำบลห้วยจรเข้ อำเภอเมืองนครปฐม จังหวัดนครปฐม 73000	(034) 109-920	(034) 109-921
63 เทสโก้ โลตัส ราชบุรี Tesco Lotus Ratchaburi	8/4 ชั้น 1 ถนนคาธาร ตำบลหน้าเมือง อำเภอเมือง จังหวัดราชบุรี 70000	(032) 919-500	(032) 919-501
64 บิ๊กซี มหาชัย Big C Mahachai	79 ชั้น1 ห้อง GCR150 หมู่ที่ 8 ตำบลท่าทราย อำเภอเมือง สมุทรสาคร จังหวัดสมุทรสาคร 74000	(034) 114-380	(034) 114-381
65 บิ๊กซี เพชรบุรี Big C Phetchaburi	130 ชั้นที่ 1 ห้องเลขที่ GCR0114 หมู่ที่ 1 ตำบลต้นมะม่วง อำเภอเมืองเพชรบุรี จังหวัดเพชรบุรี 76000	(032) 899-800	(032) 899-801

ภาค / สาขา Region / Branch	ที่อยู่ Address	โทรศัพท์ Telephone No.	โทรสาร Fax No.
66 เทสโก้ โลตัส สุพรรณบุรี Tesco Lotus Suphanburi	293 ชั้น 1 หมู่ 5 ถนนสุพรรณบุรี-ชัยนาท ตำบลท่าระหัด อำเภอเมืองสุพรรณบุรี จังหวัดสุพรรณบุรี 72000	(035) 969-780	(035) 969-781
67 หัวหิน มาร์เก็ต วิลเลจ Huahin Market Village	234/1 ชั้นที่ 3 ห้อง S320 ถนนเพชรเกษม ตำบลหัวหิน อำเภอหัวหิน จังหวัดประจวบคีรีขันธ์ 77110	(032) 906-010	(032) 906-011
68 โรบินสัน กาญจนบุรี Robinson Kanchanaburi	110 ชั้น 2F ห้อง 2F-B-221 หมู่ 9 ตำบลปากแพรก อำเภอเมือง จังหวัดกาญจนบุรี 71000	(034) 919-850	(034) 919-851
69 บิ๊กซี สมุทรสงคราม Big C Samutsongkhram	2/19 ชั้น 1 ห้อง GCR103 หมู่ 1 ตำบลบางแก้ว อำเภอเมืองสมุทรสงคราม จังหวัดสมุทรสงคราม 75000	(034) 129-630	(034) 129-631
70 เซ็นทรัลพลาซา ศาลายา Central Plaza Salaya	99/19, 99/20 ชั้นที่ 3 ห้อง 333 หมู่ 2 ตำบลบางเตย อำเภอสสามพราน จังหวัดนครปฐม 73210	(034) 109-925	(034) 109-926
71 โรบินสัน ปราจีนบุรี Robinson Prachinburi	72 ชั้น 2 ห้อง 2F-B-223 หมู่ 3 ตำบลบางบริบูรณ์ อำเภอเมืองปราจีนบุรี จังหวัดปราจีนบุรี 25000	(037) 625-500	(037) 625-501
72 อีออน ศรีราชา ช็อปปิง เซ็นเตอร์ Aeon Sriracha Shopping Center	165/133 ชั้น 1 ห้อง B101/4-1 หมู่ 10 ตำบลสุรศักดิ์ อำเภอศรีราชา จังหวัดชลบุรี 20110	(033) 048-720	(033) 048-721
73 เทสโก้ โลตัส อ่างทอง Tesco Lotus Ang Thong	73 ถนนเลี้ยวเมือง 1 ตำบลโพละ อำเภอเมืองอ่างทอง จังหวัดอ่างทอง 14000	(035) 949-910	(035) 949-911
74 ท็อปส์ พลาซ่า สิงห์บุรี Tops Plaza Singburi	150 ชั้นที่ 1 ห้องเลขที่ RI128 หมู่ที่ 1 ตำบลบางมัญ อำเภอเมืองสิงห์บุรี จังหวัดสิงห์บุรี 16000	(036) 699-540	(036) 699-541
<b>ภาคตะวันออกเฉียงเหนือ / North-Eastern</b>			
75 เซ็นทรัลพลาซา ขอนแก่น Central Plaza Khonkaen	99 ชั้น 2 ห้อง 269-271 ถนนศรีจันทร์ ตำบลในเมือง อำเภอเมือง จังหวัดขอนแก่น 40000	(043) 041-300	(043) 041-301
76 บิ๊กซี ร้อยเอ็ด Big C Roi Et	320 ชั้น 2 ห้อง 2CR204 หมู่ 10 ตำบลเหนือเมือง อำเภอเมืองร้อยเอ็ด จังหวัดร้อยเอ็ด 45000	(043) 039-200	(043) 039-201
77 บิ๊กซี นครพนม Big C Nakhonphanom	9/2 ชั้น 1 ห้อง GCR108 ซอยร่วมมิตร ถนนนิตโย ตำบลหนองญาติ อำเภอเมืองนครพนม จังหวัดนครพนม 48000	(042) 199-850	(042) 199-851
78 สุนีย์ ทาวเวอร์ อุบลราชธานี Sune Tower Ubonratchathani	เลขที่ 512/8 ชั้น 1 ห้องเลขที่ 104 ชั้นที่ 1 ถนนชยางกูร ตำบลในเมือง อำเภอเมืองอุบลราชธานี จังหวัดอุบลราชธานี 34000	(045) 959-050	(045) 959-051
79 เดอะมอลล์ นครราชสีมา The Mall Nakhonratchasima	1242/2 ชั้น B ห้อง BB-10 ถนนมิตรภาพ ตำบลในเมือง อำเภอเมืองนครราชสีมา จังหวัดนครราชสีมา 30000	(044) 082-040	(044) 082-041
80 บิ๊กซี สุรินทร์ Big C Surin	เลขที่ 8 ชั้น G-IN ห้องเลขที่ GCR 115/1 ถนนหลักเมือง ตำบลในเมือง อำเภอเมือง จังหวัดสุรินทร์ 32000	(044) 069-580	(044) 069-581
81 บิ๊กซี ชัยภูมิ Big C Chaiyaphum	99 ชั้นที่ 1 ห้อง GCR126 หมู่ 1 ตำบลปรางค์ อำเภอเมืองชัยภูมิ จังหวัดชัยภูมิ 36000	(044) 109-150	(044) 109-151
82 บิ๊กซี บุรีรัมย์ Big C Buriram	เลขที่ 150 ชั้น 1 ห้อง GCR146 หมู่ 7 ตำบลอิสาน อำเภอเมืองบุรีรัมย์ จังหวัดบุรีรัมย์ 31000	(044) 119-150	(044) 119-151
83 บิ๊กซี ศรีสะเกษ Big C Sisaket	29/49 ห้องเลขที่ GCR0102-GCR0103 ชั้นที่ 1 หมู่ที่ 11 ตำบลหน้าป่าล้อม อำเภอเมืองศรีสะเกษ จังหวัดศรีสะเกษ 33000	(045) 969-580	(045) 969-581
84 อัสววรรณ ช็อปปิง คอมเพล็กซ์ 1 หนองคาย Asawann Shopping Complex 1 Nongkhai	304 ชั้น 1 ห้อง A-03 หมู่ 10 ถนนมิตรภาพ ตำบลโพธิ์ชัย อำเภอเมืองหนองคาย จังหวัดหนองคาย 43000	(042) 089-800	(042) 089-801
85 เสริมไทย คอมเพล็กซ์ มหาสารคาม Sermthai Complex Mahasarakham	76/1-7 ชั้น 1 ห้อง R101 ถนนนครสวรรค์ ตำบลตลาด อำเภอเมืองมหาสารคาม จังหวัดมหาสารคาม 44000	(043) 029-750	(043) 029-751
86 เซ็นทรัลพลาซา อุดรธานี Central Plaza Udonthani	277/1-3,271/5 ชั้น 3 ห้อง A307 ถนนประจักษ์ศิลปาคม ตำบลหมากแข้ง อำเภอเมืองอุดรธานี จังหวัดอุดรธานี 41000	(042) 180-270	(042) 180-271
87 บิ๊กซี มุกดาหาร Big C Mukdahan	77/11 ชั้น 2 ห้อง 2CR207 ถนนชยางกูร ตำบลมุกดาหาร อำเภอเมืองมุกดาหาร จังหวัดมุกดาหาร 49000	(042) 049-800	(042) 049-801
88 บิ๊กซี เลย Big C Loei	114 ชั้น G ห้อง GCR120/1 หมู่ 9 ถนนมลิวรรณ ตำบลนาอาน อำเภอเมืองเลย จังหวัดเลย 42000	(042) 039-620	(042) 039-621

ภาค / สาขา Region / Branch	ที่อยู่ Address	โทรศัพท์ Telephone No.	โทรสาร Fax No.
89 โรบินสัน สกลนคร Robinson Sakonnakhon	88/8 ชั้น 2F ห้อง 2F-RR-201/3 ถนนนิตโย ตำบลธาตุเชิงชุม อำเภอเมืองสกลนคร จังหวัดสกลนคร 47000	(042) 099-370	(042) 099-371
90 บิ๊กซี กาฬสินธุ์ Big C Kalasin	101/2-3 ชั้น 1 ห้อง GCR 104 ถนนถีนานนท์ ตำบลกาฬสินธุ์ อำเภอเมืองกาฬสินธุ์ จังหวัดกาฬสินธุ์ 46000	(043) 019-200	(043) 019-201
91 เซ็นทรัลพลาซา นครราชสีมา CentralPlaza Nakhonratchasima	990,998 ห้องเลขที่ 358-359 ชั้นที่ 3 ถนนมิตรภาพ-หนองคาย ตำบลในเมือง อำเภอเมืองนครราชสีมา จังหวัดนครราชสีมา 30000	(044) 082-045	(044) 082-046
<b>ภาคใต้ / Southern</b>			
92 บิ๊กซี หาดใหญ่ 2 (เอ็กซ์ตรา) Big C Hatyai 2 (Extra)	677 ห้องเลขที่ MCR109 และ MCR109/1 ชั้นที่ M ถนนเพชรเกษม ตำบลหาดใหญ่ อำเภอหาดใหญ่ จังหวัดสงขลา 90110	(074) 859-405	(074) 859-406
93 เทสโก้ โลตัส สุราษฎร์ธานี Tesco Lotus Suratthani	9/1 ชั้น 3 หมู่ 3 ถนนเลี้ยวเมือง ตำบลมะขามเตี้ย อำเภอเมืองสุราษฎร์ธานี จังหวัดสุราษฎร์ธานี 84000	(077) 954-260	(077) 954-261
94 สหไทยพลาซ่า นครศรีธรรมราช Sahathai Plaza Nakhonsithamarat	1392 ชั้น 1 ห้อง S-06,S-07,S-08 ถนนศรีปราชญ์ ตำบลท่าวัง อำเภอเมืองนครศรีธรรมราช จังหวัดนครศรีธรรมราช 80000	(075) 845-250	(075) 845-251
95 เซ็นทรัลเฟสติวัล ภูเก็ต CentralFestival Phuket	เลขที่ 74-75 ชั้น 4 ห้อง 433 หมู่ 5 ตำบลวิชิต อำเภอเมืองภูเก็ต จังหวัดภูเก็ต 83000	(076) 683-730	(076) 683-731
96 โรบินสัน ตรัง Robinson Trang	138 ชั้น 2F ห้อง RTR-2F-RR-207 ถนนพัทลุง ตำบลทับเที่ยง อำเภอเมืองตรัง จังหวัดตรัง 92000	(075) 829-800	(075) 829-801
97 โอเชียน คอมเพล็กซ์ ชุมพร Ocean Complex Chumphon	58 ชั้นที่ 2 ห้องเลขที่ B-04 ถนนกรมหลวงชุมพร ตำบลท่าตะเภา อำเภอเมืองชุมพร จังหวัดชุมพร 86000	(077) 979-300	(077) 979-301
98 เทสโก้ โลตัส กระบี่ Tesco Lotus Krabi	191 ชั้น 1 หมู่ 12 ตำบลกระบี่น้อย อำเภอเมืองกระบี่ จังหวัดกระบี่ 81000	(075) 817-350	(075) 817-351
99 เซ็นทรัลพลาซ่า สุราษฎร์ธานี CentralPlaza Suratthani	88 ชั้น 3 ห้อง 307 หมู่ 10 ตำบลวัดประตู่ อำเภอเมืองสุราษฎร์ธานี จังหวัดสุราษฎร์ธานี 84000	(077) 954-255	(077) 954-256
100 บิ๊กซี สตูล Big C Satun	959 ชั้น 1 ห้อง GCR105 หมู่ 7 ถนน 406 ตำบลคลองขุด อำเภอเมืองสตูล จังหวัดสตูล 91000	(074) 839-905	(074) 839-906
101 บิ๊กซี หาดใหญ่ (คลองแห) Big C Hatyai (Klonghae)	111/19 ชั้น 2 ห้อง 2CR252 หมู่ 4 ตำบลคลองแห อำเภอหาดใหญ่ จังหวัดสงขลา 90110	(074) 859-410	(074) 859-411
102 พีซี ทาวเวอร์ สุราษฎร์ธานี (สำนักงานสาขามัณฑนวิทยา) P.C.Tower Suratthani (Regional Office)	91/1 ชั้น 4 ห้อง 403 หมู่ 1 ถนนกาญจนาภิเษก ตำบลบางกุ้ง อำเภอเมืองสุราษฎร์ธานี จังหวัดสุราษฎร์ธานี 84000	(077) 954-250	(077) 954-251
103 เทสโก้ โลตัส เอ็กซ์ตรา สงขลา Tesco Lotus Extra Songkhla	64 ชั้น 1 หมู่ 2 ตำบลเขารูปช้าง อำเภอเมืองสงขลา จังหวัดสงขลา 90000	(074) 859-400	(074) 859-401
104 เซ็นทรัลเฟสติวัล หาดใหญ่ CentralFestival Hatyai	1518,1518/1-2 ชั้น 3 ห้อง 332 ถนนกาญจนาภิเษก ตำบลหาดใหญ่ อำเภอหาดใหญ่ จังหวัดสงขลา 90110	(074) 859-415	(074) 859-416
105 เทสโก้ โลตัส สมุย Tesco Lotus Samui	1/7 หมู่ที่ 6 ตำบลบ่อผุด อำเภอเกาะสมุย จังหวัดสุราษฎร์ธานี 84320	(077) 954-265	(077) 954-266

## โครงสร้างบริษัท ORGANIZATION CHART





## MAJOR GROUP COMPANIES

### Pure holding company

- AEON CO., LTD.

### General Merchandise Store Business

- AEON Retail Co., Ltd.
- AEON Hokkaido Corporation
- SUNDAY CO., LTD.
- AEON KYUSHU CO., LTD.
- AEON SUPERCENTER Co., Ltd.
- AEONBIKE CO., LTD.
- AEON Bakery Co., Ltd.
- AEON LIQUOR CO., LTD.
- AEON RYUKYU CO., LTD.
- ORIGIN TOSHU CO., LTD.
- Shimizu Shoji Co., Ltd.
- TOPVALU COLLECTION CO., LTD.
- Bon Belta Co., Ltd.

### Supermarket Business

- MINISTOP CO., LTD.
- United Super Markets Holdings Inc.
- Maxvalu Nishinihon Co., Ltd.
- Maxvalu Tohoku Co., Ltd.
- Maxvalu Tokai Co., Ltd.
- Maxvalu Chubu Co., Ltd.
- Maxvalu Hokkaido Co., Ltd.
- Maxvalu Kyushu Co., Ltd.
- A \* Colle Co., LTD.
- AEON SAVEUR Co., Ltd.
- AEON BIG CO., LTD.
- AEON MARKET CO., LTD.
- KASUMI CO., LTD.
- KOHYO CO., LTD.
- SANYO MARUNAKA CO., LTD.
- The Dalei, Inc.
- Bio C' Bon Japan CO., LTD.
- BIG-A CO., LTD.
- My Basket CO., LTD.
- MAXVALU KANTO CO., LTD.
- MAXVALU NAGANO CO., LTD.
- MAXVALU HOKURIKU CO., LTD.
- MAXVALU MINAMI TOHOKU CO., LTD.
- The Maruetsu, Inc.
- marunaka CO., LTD.
- Red Cabbage Co., Ltd.

### Health & Wellness Business

- WELCIA HOLDINGS CO., LTD.
- AEON FOREST CO., LTD.

- AEON BODY Co., Ltd.
- WELCIA YAKKYOKU Co., Ltd.
- Cosmeme CO., LTD.
- SHIMIZU YAKUHIN CO., LTD.
- MARUDAI SAKURAI PHARMACY CO., LTD.
- B.B.ON Co., Ltd.
- MASAYA Co., Ltd.
- R.O.U CO., LTD.

### Financial Services Business

- AEON Financial Service Co., Ltd.
- AEON CREDIT SERVICE (ASIA) CO., LTD.
- AEON THANA SINSAP (THAILAND) PLC.
- AEON CREDIT SERVICE (M) BERHAD
- AEON BANK, LTD.
- AEON CREDIT SERVICE CO., LTD.
- AEON HOUSING LOAN SERVICE CO., LTD.
- AEON Product Finance Co., Ltd.
- AEON INSURANCE SERVICE CO., LTD.
- AEON Reit Management Co., Ltd.
- FeliCa Pocket Marketing Inc.
- AEON Financial Service (Hong Kong) Co., Ltd.
- AFS Corporation Co., Ltd.

### Shopping Center Development Business

- AEON Mall Co., Ltd.
- AEON TOWN Co., Ltd.
- OPA CO., LTD.

### Services & Specialty Store Business

#### (Service Business)

- AEON DELIGHT CO., LTD.
- AEON Fantasy Co., Ltd.
- ZWEI CO., LTD.
- AEON Eaheart Co., LTD.
- AEON ENTERTAINMENT CO., LTD.
- AEON CULTURE CO., LTD.
- AEON COMPASS CO., LTD.
- AEON LIFE CO., LTD.
- KAJITAKU Co., Ltd.
- Reform Studio Co., Ltd.

#### (Specialty Store Business)

- GFOOT CO., LTD.
- COX CO., LTD.
- Abilities JUSCO Co., Ltd.
- AEON PET CO., LTD.
- Claire's Nippon Co., Ltd.
- Talbots Japan Co., Ltd.
- Branches Co., Ltd.

- PRESTIGE SHOES CO., LTD.
- MIRAIYA SHOTEN CO., LTD.
- Mega Sports Co., Ltd.
- MEGA PETRO Co., Ltd.

### International Business

#### (China)

- AEON (CHINA) CO., LTD.
- AEON Stores (Hong Kong) Co., Limited
- AEON EAST CHINA (SUZHOU) CO., LTD.
- AEON (HUBEI) CO., LTD.
- AEON South China Co., Limited.
- BEIJING AEON CO., LTD.
- GUANGDONG AEON TEEM CO., LTD.
- QINGDAO AEON DONGTAI CO., LTD.

#### (ASEAN)

- AEON ASIA SDN.BHD.
- AEON CO. (M) BHD.
- AEON BIG(M) SDN.BHD.
- AEON CAMBODIA Co., Ltd.
- AEON ORANGE COMPANY LIMITED
- AEON (Thailand) CO., LTD.
- AEON VIETNAM Co., LTD.
- DONG HUNG INVESTMENT DEVELOPMENT CONSULTANCY JOINT STOCK COMPANY LIMITED
- PT.AEON INDONESIA
- FIRST VIETNAM INVESTMENT JOINT STOCK COMPANY

### Shared Function Companies and Other

- AEON Integrated Business Service Co., Ltd.
- AEON AGRI CREATE Co., Ltd.
- AEON GLOBAL SCM CO., LTD.
- AEON TOPVALU CO., LTD.
- AEON.com CO., LTD.
- AEON FOOD SUPPLY Co., Ltd.
- AEON MARKETING CO., LTD.
- Cordon Vert CO., LTD.
- Research Institute For Quality Living Co., Ltd.
- AEON TOPVALU (CHINA) CO., LTD.
- AEON TOPVALU (Hong Kong) CO., LIMITED.
- AEON TOPVALU MALAYSIA SDN.BHD.
- AEON TOPVALU (THAILAND) CO., LTD.
- AEON TOPVALU VIETNAM COMPANY LIMITED
- Tasmania Feedlot Pty. Ltd.

Source: AEON Co., Ltd.



## FINANCIAL STATEMENTS 2019/2020

(FOR THE YEAR ENDED FEBRUARY 29, 2020)



**TO SUPPORT  
CUSTOMER'S  
LIFESTYLES**



บริษัท อีออน ธนสินทรัพย์ (ไทยแลนด์) จำกัด (มหาชน)  
AEON Thana Sinsap (Thailand) Public Company Limited

## REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

**TO THE SHAREHOLDERS AND BOARD OF DIRECTORS  
AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED**

### **Opinion**

We have audited the consolidated financial statements of AEON Thana Sinsap (Thailand) Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of AEON Thana Sinsap (Thailand) Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at February 29, 2020, and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of AEON Thana Sinsap (Thailand) Public Company Limited and its subsidiaries and of AEON Thana Sinsap (Thailand) Public Company Limited as at February 29, 2020, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

### **Basis for Opinion**

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

## Key Audit Matters

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

Key Audit Matters	Audit Responses
<p><b>Allowance for doubtful accounts</b></p> <p>The allowance for doubtful accounts represents management's estimation of loss that would occur from the Company's loan portfolios as at the end of period.</p> <p>The Company calculated allowance for doubtful accounts on trade receivables based on a collective approach by classifying a group of loans having similar credit risk characteristics and using the historical loss experience including considering macroeconomic factors which might have an effect on the ability to repay the debt of the loan groups, for estimation of allowance for doubtful accounts of each loan group. The Company's allowance for doubtful accounts shall not be less than allowance for doubtful accounts fully provided for all receivables over 3 installments contractually past due in order to comply with the notification of the Office of the Securities and Exchange Commission.</p> <p>The allowance for doubtful accounts is a key audit matter as there are management's judgment and assumption applied to the calculation of allowance for doubtful accounts.</p> <p>The allowance for doubtful accounts is presented as deductive amount of trade receivables. Accounting policy and detail of allowance for doubtful accounts were disclosed in Note 3.3 and Note 5 to the financial statements, respectively.</p>	<p>Key audit procedures included</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the Company's design of internal controls over credit approval, source data used in calculation of allowance for doubtful accounts and calculation of allowance for doubtful accounts</li> <li>• Evaluated the design and implementation and performed operating effectiveness testing of key internal controls over credit approval, source data used in calculation of allowance for doubtful accounts and calculation of allowance for doubtful accounts</li> <li>• Evaluated the design and implementation and performed operating effectiveness testing of key General Computer Controls over the IT processing environment for retail finance system with the involvement of IT specialists</li> <li>• Tested application controls with the involvement of IT specialists over the completeness and accuracy of the reports generated from retail finance system relevant to source data used in the calculation of allowance for doubtful accounts</li> <li>• Assessed the adequacy of allowance and appropriateness of methodology, significant input and assumption used in calculation of allowance for doubtful accounts to determine if they are in compliance with the accounting standards and regulatory requirements and have been consistently applied</li> <li>• Tested calculation of allowance for doubtful accounts</li> <li>• Performed analysis of the Company's allowance for doubtful accounts by comparing to historical data and considering related macroeconomic factors.</li> </ul>

## Other Information

Management is responsible for the other information. The other information comprises information in the annual report, which is expected to be made available to us after the date of this auditor's report.

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

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

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

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

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

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

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

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

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

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

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

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

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

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



Nisakorn Songmanee  
Certified Public Accountant (Thailand)  
Registration No. 5035

BANGKOK  
April 22, 2020

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

# STATEMENT OF FINANCIAL POSITION

AS AT FEBRUARY 29, 2020

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		February 29,	February 28,	February 29,	February 28,
		2020	2019	2020	2019
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	4,993,557	4,068,052	3,462,432	2,792,584
Trade and other current receivables					
Trade receivables	5	81,307,074	77,800,975	78,306,046	75,412,204
Other receivables	6	942,044	689,337	833,052	587,932
Seller loan in Special Purpose Vehicle					
for securitization	10	-	-	235,074	199,920
Receivables per currency swap contracts	19 and 21	151,056	35,908	151,056	35,908
Current tax assets		-	15,745	-	-
Other current assets		75,641	146,437	39,028	37,818
Total Current Assets		87,469,372	82,756,454	83,026,688	79,066,366
NON-CURRENT ASSETS					
Trade receivables	5	4,962,730	1,831,381	2,085,728	486,446
Fixed deposits at banks under obligations	7	39,283	42,139	-	-
Long-term loan to a related party	8	-	-	125,858	-
Investment in an associate	9.1 and 9.2	25,431	38,096	16,819	16,819
Investments in subsidiaries	9.2	-	-	1,206,645	1,028,011
Other long-term investments					
Related companies	9.3	19,072	20,072	19,072	20,072
Subordinated lendings	11.1	-	-	84,074	84,074
Leasehold improvement and equipment	12	885,495	956,829	725,045	803,219
Intangible assets	13	646,481	529,593	511,377	413,635
Receivables per currency swap contracts	19 and 21	210,072	118,875	210,072	118,875
Deferred tax assets	14	926,002	621,650	896,851	600,052
Other non-current assets	15	211,673	206,448	181,773	180,220
Total Non-current Assets		7,926,239	4,365,083	6,063,314	3,751,423
TOTAL ASSETS		95,395,611	87,121,537	89,090,002	82,817,789

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



## STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT FEBRUARY 29, 2020

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		February 29,	February 28,	February 29,	February 28,
		2020	2019	2020	2019
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings					
from financial institutions	16	7,211,233	7,100,203	3,400,056	4,690,163
Trade and other current payables					
Trade payables		522,088	517,370	371,514	183,274
Other payables	17	1,690,368	1,501,998	1,568,907	1,480,055
Current portion of long-term liabilities					
Liabilities under finance lease agreements	18	-	911	-	-
Long-term borrowings	19	11,445,597	6,071,921	10,960,296	5,974,076
Long-term debentures	21	7,298,784	2,980,813	7,298,784	2,980,813
Current income tax payable		655,977	467,872	587,564	434,002
Payables per currency swap contracts	19 and 21	526,253	441,278	526,253	441,278
Other current liabilities		256,469	234,293	301,981	227,072
Total Current Liabilities		29,606,769	19,316,659	25,015,355	16,410,733
NON-CURRENT LIABILITIES					
Long-term borrowings	19	33,814,014	34,546,943	33,116,395	34,025,106
Long-term borrowings under securitization project	20	-	-	1,662,552	1,652,515
Long-term debentures	21	9,489,182	12,957,807	8,016,100	11,484,725
Payables per currency swap contracts	19 and 21	867,341	1,543,443	867,341	1,543,443
Subordinated borrowings	11.2	84,074	84,074	-	-
Provisions for employee benefit	22	393,419	271,321	352,594	242,534
Other non-current liabilities		15,665	12,927	291	457
Total Non-current Liabilities		44,663,695	49,416,515	44,015,273	48,948,780
TOTAL LIABILITIES		74,270,464	68,733,174	69,030,628	65,359,513

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

# STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT FEBRUARY 29, 2020

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at February 29, 2020	As at February 28, 2019	As at February 29, 2020	As at February 28, 2019
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY	23				
SHARE CAPITAL					
Authorized share capital					
250,000,000 ordinary shares of Baht 1 each		250,000	250,000	250,000	250,000
Issued and paid-up share capital					
250,000,000 ordinary shares of Baht 1 each, fully paid		250,000	250,000	250,000	250,000
SHARE PREMIUM ON ORDINARY SHARES		478,000	478,000	478,000	478,000
RETAINED EARNINGS					
Appropriated					
Legal reserve		25,000	25,000	25,000	25,000
Reserve for business expansion		4,850,000	4,850,000	4,850,000	4,850,000
Unappropriated		15,302,773	12,574,005	14,456,374	11,855,276
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY					
Exchange differences on translating financial statements of foreign operations	26	(177,795)	(123,078)	-	-
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		20,727,978	18,053,927	20,059,374	17,458,276
NON-CONTROLLING INTERESTS		397,169	334,436	-	-
TOTAL SHAREHOLDERS' EQUITY		21,125,147	18,388,363	20,059,374	17,458,276
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		95,395,611	87,121,537	89,090,002	82,817,789

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

# STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED FEBRUARY 29, 2020

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
<b>REVENUES</b>					
Credit card income		7,528,918	7,489,675	7,821,814	7,795,067
Loan income	27	12,065,440	10,722,749	11,576,150	10,455,531
Hire-purchase income		754,005	431,258	170,422	65,825
Other income					
Bad debt recovery		1,038,355	763,808	1,038,355	763,808
Gain on sale of written-off accounts receivable	38.4 and 38.5	577,133	-	577,133	-
Collection service income		267,670	265,920	1,125	3,021
Commission income		531,266	513,372	-	-
Dividend income		-	-	264,180	200,384
Others		538,165	454,919	152,963	145,263
Total other income		2,952,589	1,998,019	2,033,756	1,112,476
Total Revenues		23,300,952	20,641,701	21,602,142	19,428,899
<b>EXPENSES</b>					
Operating and administrative expenses		9,091,228	8,520,879	8,056,550	7,603,809
Directors and managements' remuneration	28	171,906	182,487	101,516	115,166
Bad debts and doubtful accounts		6,646,262	5,284,541	6,352,815	5,087,827
Loss on impairment of investment and assets		-	44,913	-	44,913
Loss on sale of investment		539	-	539	-
Loss on sale and write-off of leasehold improvement and equipment and intangible assets		25,393	5,528	24,866	3,946
Finance costs		2,209,172	2,174,724	2,354,969	2,358,075
Total Expenses	30	18,144,500	16,213,072	16,891,255	15,213,736
Share of profit (loss) from investment in an associate	9.1	(12,665)	5,614	-	-
PROFIT BEFORE INCOME TAX		5,143,787	4,434,243	4,710,887	4,215,163
INCOME TAX EXPENSE	31	1,023,556	867,619	866,138	777,335
<b>NET PROFIT FOR THE YEAR</b>		<b>4,120,231</b>	<b>3,566,624</b>	<b>3,844,749</b>	<b>3,437,828</b>
<b>NET PROFIT ATTRIBUTABLE TO :</b>					
Owners of the parent		3,975,357	3,506,487	3,844,749	3,437,828
Non-controlling interests		144,874	60,137	-	-
		4,120,231	3,566,624	3,844,749	3,437,828
<b>BASIC EARNINGS PER SHARE</b>	<b>BAHT</b>	<b>15.90</b>	<b>14.03</b>	<b>15.38</b>	<b>13.75</b>
<b>WEIGHTED AVERAGE NUMBER OF</b>					
<b>ORDINARY SHARES</b>	<b>SHARES</b>	<b>250,000,000</b>	<b>250,000,000</b>	<b>250,000,000</b>	<b>250,000,000</b>

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

# STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED FEBRUARY 29, 2020

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
Net profit for the year		4,120,231	3,566,624	3,844,749	3,437,828
Other comprehensive 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	(54,717)	(33,137)	-	-
- Non-controlling interests		(40,235)	(1,118)	-	-
Components of other comprehensive income that will not be reclassified to profit or loss					
Loss on remeasurements of defined benefit plans		(46,594)	(6,062)	(43,656)	(7,193)
Other comprehensive loss for the year, net of tax		(141,546)	(40,317)	(43,656)	(7,193)
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>3,978,685</b>	<b>3,526,307</b>	<b>3,801,093</b>	<b>3,430,635</b>
<b>TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :</b>					
Owners of the parent		3,874,046	3,467,288	3,801,093	3,430,635
Non-controlling interests		104,639	59,019	-	-
		<b>3,978,685</b>	<b>3,526,307</b>	<b>3,801,093</b>	<b>3,430,635</b>

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

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED FEBRUARY 29, 2020

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS							
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Appropriated Reserve for business expansion	Unappropriated	Other components of shareholders' equity	Total owners of the parent	Total shareholders' equity
<b>Beginning balance as at March 1, 2018</b>		250,000	478,000	25,000	4,850,000	10,223,575	(89,941)	15,736,634	15,821,801
Changes during the year									
Increase in share capital from non-controlling interests in a subsidiary	9.2	-	-	-	-	-	-	-	235,547
Dividend paid	23.1	-	-	-	-	(562,498)	-	(562,498)	(607,795)
Interim dividend paid	23.2	-	-	-	-	(587,497)	-	(587,497)	(587,497)
Net profit for the year		-	-	-	-	3,506,487	-	3,506,487	3,566,624
Other comprehensive loss		-	-	-	-	(6,062)	(33,137)	(39,199)	(40,317)
<b>Ending balance as at February 28, 2019</b>		250,000	478,000	25,000	4,850,000	12,574,005	(123,078)	18,053,927	18,388,363
<b>Beginning balance as at March 1, 2019</b>		250,000	478,000	25,000	4,850,000	12,574,005	(123,078)	18,053,927	18,388,363
Changes during the year									
Dividend paid	23.3	-	-	-	-	(587,497)	-	(587,497)	(629,403)
Interim dividend paid	23.4	-	-	-	-	(612,498)	-	(612,498)	(612,498)
Net profit for the year		-	-	-	-	3,975,357	-	3,975,357	4,120,231
Other comprehensive loss		-	-	-	-	(46,594)	(54,717)	(101,311)	(141,546)
<b>Ending balance as at February 29, 2020</b>		250,000	478,000	25,000	4,850,000	15,302,773	(177,795)	20,727,978	21,125,147

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

# STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE YEAR ENDED FEBRUARY 29, 2020

UNIT : THOUSAND BAHT

	Notes	SEPARATE FINANCIAL STATEMENTS					
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Appropriated Reserve for business expansion	Unappropriated	Total shareholders' equity
<b>Beginning balance as at March 1, 2018</b>		250,000	478,000	25,000	4,850,000	9,574,636	15,177,636
Changes during the year							
Dividend paid	23.1	-	-	-	-	(562,498)	(562,498)
Interim dividend paid	23.2	-	-	-	-	(587,497)	(587,497)
Net profit for the year		-	-	-	-	3,437,828	3,437,828
Other comprehensive loss		-	-	-	-	(7,193)	(7,193)
<b>Ending balance as at February 28, 2019</b>		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>11,855,276</u>	<u>17,458,276</u>
<b>Beginning balance as at March 1, 2019</b>		250,000	478,000	25,000	4,850,000	11,855,276	17,458,276
Changes during the year							
Dividend paid	23.3	-	-	-	-	(587,497)	(587,497)
Interim dividend paid	23.4	-	-	-	-	(612,498)	(612,498)
Net profit for the year		-	-	-	-	3,844,749	3,844,749
Other comprehensive loss		-	-	-	-	(43,656)	(43,656)
<b>Ending balance as at February 29, 2020</b>		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>14,456,374</u>	<u>20,059,374</u>

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

# STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED FEBRUARY 29, 2020

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before income tax		5,143,787	4,434,243	4,710,887	4,215,163
Adjustments for:					
Share of (profit) loss from investment in an associate		12,665	(5,614)	-	-
Bad debts and doubtful accounts		6,646,262	5,284,541	6,352,815	5,087,827
Loss on impairment of investment and asset		-	44,913	-	44,913
Loss on sale of investment		539	-	539	-
Depreciation of leasehold improvement and equipment		373,519	391,697	303,585	311,504
Amortization of intangible assets		175,051	161,961	146,640	135,059
Loss on sale of leasehold improvement and equipment		5,005	3,345	5,136	2,223
Loss on write-off of leasehold improvement and equipment		658	532	-	72
Loss on write-off of intangible assets		19,730	1,651	19,730	1,651
Employee benefit expense		66,635	113,978	58,141	102,062
Gain on sales of written-off receivables		(577,133)	-	(577,133)	-
Unrealized gain on translating long-term loan to a related company		-	-	(5,252)	-
Interest income		(13,497,307)	(12,108,226)	(11,761,469)	(10,933,376)
Dividend income		-	-	(264,180)	(200,384)
Finance costs		2,209,172	2,174,724	2,354,969	2,358,075
		578,583	497,745	1,344,408	1,124,789
Operating assets (increase) decrease					
Trade and other current receivables		(14,213,892)	(11,668,530)	(11,695,831)	(10,045,119)
Other current assets		70,652	(113,816)	(1,210)	2,612
Other non-current assets		(6,181)	(10,661)	(1,553)	(8,140)
Operating liabilities increase (decrease)					
Trade and other current payables		194,956	106,198	275,413	(131,052)
Other current liabilities		23,716	63,590	15,796	83,567
Other non-current liabilities		3,183	2,225	(166)	(572)
Cash paid for operations		(13,348,983)	(11,123,249)	(10,063,143)	(8,973,915)
Proceeds from interest income		14,058,434	12,077,077	12,370,667	10,943,403
Dividend received		-	-	264,180	196,132
Finance costs paid		(2,158,141)	(2,254,072)	(2,305,158)	(2,427,798)
Income tax paid		(1,127,227)	(986,804)	(998,462)	(910,634)
Employee benefits paid		(2,778)	(2,165)	(2,650)	(2,028)
Net cash used in operating activities		(2,578,695)	(2,289,213)	(734,566)	(1,174,840)

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

**STATEMENT OF CASH FLOWS (CONTINUED)**

FOR THE YEAR ENDED FEBRUARY 29, 2020

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Cash paid for fixed deposits at banks under obligations		(14)	(12,631)	-	-
Cash paid for long-term loan to a related company		-	-	(120,606)	-
Cash paid for investment in a subsidiary		-	-	(178,634)	-
Proceeds from sale of investment in a related company		460	-	460	-
Cash paid for purchase of leasehold improvement and equipment	4.2	(302,132)	(455,881)	(219,310)	(445,607)
Proceeds from sale of leasehold improvement and equipment		1,108	328	604	260
Cash paid for purchase of intangible assets	4.2	(345,267)	(194,713)	(291,431)	(178,215)
Proceeds from sale of intangible assets		31	-	-	-
Net cash used in investing activities		(645,814)	(662,897)	(808,917)	(623,562)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Proceeds from bank overdrafts and short-term borrowings from financial institutions	4.4	111,745,474	75,902,324	93,143,937	73,690,121
Cash repayments for bank overdrafts and short-term borrowings from financial institutions	4.4	(111,466,769)	(72,651,633)	(94,434,044)	(71,819,958)
Cash paid for liabilities under finance lease agreements	4.4	(924)	(9,973)	-	-
Proceeds from long-term borrowings	4.4	10,373,864	12,889,520	9,659,825	12,889,520
Cash repayments for long-term borrowings	4.4	(6,484,366)	(13,727,072)	(6,391,230)	(13,727,072)
Proceeds from long-term borrowings under securitization project	4.4	-	-	933,373	1,052,373
Cash repayments for long-term borrowings under securitization project	4.4	-	-	(798,373)	(806,947)
Proceeds from long-term debentures issuance	4.4	3,800,000	3,032,512	3,800,000	2,800,000
Cash repayments for long-term debentures	4.4	(2,971,860)	(1,687,850)	(2,971,860)	(1,687,850)
Proceeds from subordinated borrowings	4.4	-	12,917	-	-
Proceeds from sales of written-off receivables		412,585	123,055	471,698	123,055
Proceeds from ordinary shares issued of a subsidiary		-	235,547	-	-
Cash paid for dividend		(627,664)	(607,795)	(587,497)	(562,498)
Cash paid for interim dividend		(612,498)	(587,497)	(612,498)	(587,497)
Net cash provided by financing activities		4,167,842	2,924,055	2,213,331	1,363,247
Net increase (decrease) in cash and cash equivalents		943,333	(28,055)	669,848	(435,155)
Exchange differences on translating foreign currencies		(17,828)	6,305	-	-
Cash and cash equivalents at the beginning of the year		4,068,052	4,089,802	2,792,584	3,227,739
<b>Cash and cash equivalents at the end of the year</b>	4.1	<b>4,993,557</b>	<b>4,068,052</b>	<b>3,462,432</b>	<b>2,792,584</b>

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



**NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED FEBRUARY 29, 2020

**1. OPERATIONS OF THE COMPANY**

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

As at February 29, 2020 and February 28, 2019, the Company has head office and branches totaling 105 locations and 104 locations, respectively.

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

The Company has subsidiaries which are under its control in finance and operations and an associate which the Company has significant influence, but no control or joint control, over the financial and operating policies as mentioned in Note 2.4, Note 9.1 and Note 9.2.

**2. BASIS FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS**

- 2.1 The Group and the Company maintain its accounting records in Thai Baht and prepare their statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
- 2.2 The Group's and the Company's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2018) "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2019 onwards, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding "The Preparation and Submission of Financial Statements and Reports for the Financial Position and Results of Operations of the Listed Companies B.E. 2560" and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statements (No. 2) B.E. 2559" dated October 11, 2016.
- 2.3 The consolidated financial statements for the years ended February 29, 2020 and February 28, 2019 included the accounts of the Company and its subsidiaries and interest in equity-accounted in an associate. Significant transactions and balances between the Company and its subsidiaries have been eliminated.

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

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

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

- 2.3.2 An associate is an entity in which the Company has significant influence, but no control or joint control, over the financial and operating policies.

Interest in the associate is accounted for using the equity method. It is recognized initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investee, until the date on which significant influence ceases.

- 2.4 For the years ended February 29, 2020 and February 28, 2019, the subsidiaries included in the consolidated financial statements are as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%)	
				2020	2019
ACS Servicing (Thailand) Company Limited	Collection servicer	Thailand	March 13, 2007	100.00	100.00
AEON Insurance Service (Thailand) Company Limited	Non-life insurance broker and life insurance broker	Thailand	July 1, 2013	100.00	100.00
AEON Specialized Bank (Cambodia) Plc. <sup>(3)</sup>	Retail finance business	Cambodia	October 5, 2011	50.00	50.00
AEON Microfinance (Myanmar) Company Limited	Retail finance business	Myanmar	November 2, 2012	100.00	100.00
AEON Leasing Service (Lao) Company Limited <sup>(1)</sup>	Retail finance business	Laos	January 11, 2013	100.00	100.00
ATS Rabbit Special Purpose Vehicle Company Limited <sup>(2)</sup>	Special purpose juristic person in securitization projects	Thailand	March 20, 2015	48.75	48.75

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

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

(3) The Company has the power to control over AEON Specialized Bank (Cambodia) Plc. in accordance with the requirement of TFRS No.10 (Revised 2018) "Consolidated Financial Statements".

For the years ended February 29, 2020 and February 28, 2019, the consolidated financial statements include equity interest in an associate as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%)	
				2020	2019
ACS Trading Vietnam Company Limited	Retail finance business	Vietnam	May 26, 2008	20.00	20.00

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

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

	The date of the end of the reporting period in preparation of the consolidated financial statements For the years ended	
	February 29, 2020	February 28, 2019
<b>Subsidiaries</b>		
ACS Servicing (Thailand) Company Limited	December 31, 2019	December 31, 2018
AEON Insurance Service (Thailand) Company Limited	December 31, 2019	December 31, 2018
AEON Specialized Bank (Cambodia) Plc.	December 31, 2019	December 31, 2018
AEON Microfinance (Myanmar) Company Limited	December 31, 2019	December 31, 2018
AEON Leasing Service (Lao) Company Limited	December 31, 2019	December 31, 2018
<b>Associate</b>		
ACS Trading Vietnam Company Limited	December 31, 2019	December 31, 2018

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

During the year, the Group and the Company have adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any material impact on the Group's and the Company's financial statements.

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

The Federation of Accounting Professions has issued the Notification regarding Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretation and Thai Financial Reporting Standard Interpretation, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The Group's and the Company's management will adopt such TFRSs in the preparation of the Group's and the Company's financial statements when it becomes effective. The Group's and the Company's management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any material impact on the financial statements of the Group and the Company in the period of initial application, except the financial reporting standards as follows:

Group of Financial Instruments Standards

**Thai Accounting Standards (“TAS”)**

TAS 32 Financial Instruments: Presentation

**Thai Financial Reporting Standards (“TFRS”)**

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

**Thai Financial Reporting Standard Interpretations (“TFRIC”)**

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

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

The Group's and the Company's management are in the process to assess the impact of these Financial Instruments Standards on the financial statements of the Group and the Company in the period of initial application.

### Thai Financial Reporting Standards No. 16 “Leases”

This TFRS provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.

This TFRS will supersede the following lease Standards and Interpretations upon its effective date, which are Thai Accounting Standard No.17 “Leases”, Thai Accounting Standard Interpretation No.15 “Operating Lease - Incentives”, Thai Accounting Standard Interpretation No.27 “Evaluating the Substance of Transactions involving the Legal Form of a Lease” and Thai Financial Reporting Standard Interpretation No.4 “Determining whether an Arrangement contains a Lease”.

For lessee accounting, there are significant changes to lease accounting in this TFRS by removing the distinction between operating and finance leases under TAS 17 and requiring a lessee to recognize a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. However, the lessor accounting treatment continues to require a lessor to classify a lease either as an operating lease or a finance lease, using the same concept as TAS 17.

The Group’s and the Company’s management are in the process to assess the impact of this TFRS on the financial statements of the Group and the Company in the period of initial application.

## **SIGNIFICANT ACCOUNTING POLICIES**

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

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

Cash and cash equivalents are cash on hand, deposits at financial institutions’ savings accounts, current accounts and fixed accounts with original maturities within 3 months, investment in securities - bills of exchange with original maturities within 3 months and excluding deposits at financial institutions used as collateral.

### **3.2 Trade receivables**

Trade receivables are stated at the outstanding contract price after deducting unearned financing income and allowance for doubtful accounts.

Trade receivables of insurance broker business are stated at total amount of premium to be collected from customers for forwarding to insurance companies including the portion of the Company’s commission.

### 3.3 Allowance for doubtful accounts and bad debts

The Company calculated allowance for doubtful accounts on trade receivables based on a collective approach by classifying a group of loans having similar credit risk characteristics and using the historical loss experience including considering macroeconomic factors which might have an effect on the ability to repay the debt of the loan groups, for estimation of allowance for doubtful accounts of each loan group. The Company's allowance for doubtful accounts shall not be less than allowance for doubtful accounts fully provided for all receivables over 3 installments contractually past due in order to comply with the notification of the Office of the Securities and Exchange Commission (the "SEC").

The Company and subsidiaries have written-off debts that are determined to be irrecoverable.

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

### 3.4 Troubled debt restructuring

For the debt restructuring by the modification of term of repayment to the debtor, the Company determines the loss arising from the revaluation of the book value of the debtor on the basis of the present value of the future cash flows to be received under the new conditions, using the minimum interest for prime customers in discounting. Amount by which the newly determined book value is lower than the previous book value, including interest receivable, is recorded as a loss from restructuring in the statement of profit or loss.

Losses from troubled debt restructuring arising from reductions of principal and interest are included in the statement of profit or loss.

### 3.5 Securitization transactions

Securitization Project which was approved by the SEC on October 2, 2015

The Company has adopted the "Guideline on Accounting regarding Derecognition of Financial Assets and Liabilities" issued by the FAP for securitization transactions under the Project which was approved by the SEC on October 2, 2015 for ATS Rabbit Special Purpose Vehicle Company Limited.

The financial assets will be derecognized when the contractual rights to the cash flows from the assets expire, or when the Company transfers the financial assets and substantially all the risks and rewards of ownership of the assets to another party with no control over the transferred assets. If the transferred assets do not qualify for derecognition, the Company will continue to recognize the financial assets in its entirety and recognize an associated liability or collateralized borrowing for the amount it may have to pay. These financial assets and an associated liability or collateralized borrowing will be separately presented.

If the transferred assets are qualified for derecognition, the difference between the financial assets' carrying amount and the consideration received will be recognized in the statement of profit or loss.

### 3.6 Investments

Equity securities which are not marketable, and are not subsidiaries and associates are classified as other long-term investments and are stated at cost, less allowance for impairment (if any).

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

Investment in an associate in the consolidated financial statements is accounted for using the equity method. Investment in an associate in the separate financial statements is accounted for using the cost method, less allowance for impairment (if any).

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

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

### 3.7 Leasehold improvement and equipment

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

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

### 3.8 Intangible assets

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

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

### 3.9 Assets and liabilities in foreign currencies

#### 3.9.1 Functional currency and presentation currency

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

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



### 3.9.2 Translation of foreign currency transaction

Transactions denominated in foreign currencies are translated into the functional currency at the rates of exchange prevailing at the transaction dates.

At the reporting date, balances of monetary assets and liabilities are translated at the exchange rate as of the reporting date. Balances of non-monetary assets and liabilities are translated at the exchange rate prevailing at the transaction dates or exchange rate at the date when the fair value was determined.

Gains (losses) on foreign currency trading and foreign currency translation are presented as gains (losses) on trading and foreign exchange transactions.

### 3.9.3 Translation of financial statements of foreign operations

The translation of financial statements of a foreign operation into Baht for the purpose of preparing the consolidated financial statements is determined by using the following rates:

- Assets and liabilities are translated at the exchange rate prevailing at the reporting date.
- Shareholders' equity is translated at the exchange rate prevailing on the transaction dates.
- Revenues and expenses are translated at the average exchange rate during the year.

Gains (losses) on translation of financial statements of foreign operations are shown as other components of equity under shareholders' equity.

Intercompany transactions are translated at the exchange rate prevailing on the dates of transactions and, upon elimination, at the exchange rate prevailing on the consolidation date.

## 3.10 Financial instruments

The Company entered into Interest Rate Swap Contracts and Cross Currency Swap Contracts in asset and liability management activities to control exposure to fluctuations in interest and foreign exchange rates.

Income or expense from Interest Rate Swap Contracts used to manage interest rate exposures is recognized as adjustments to interest income or expense in the statement of profit or loss.

Gains or losses on Cross Currency Swap Contracts designated as hedges of existing assets and liabilities is recognized as income or expense in the statement of profit or loss.



Amounts to be paid and received on such agreements are classified as a non-current asset or a non-current liability if the remaining maturity of the agreements are more than 12 months and as a current asset or a current liability if the remaining maturity of the agreements are less than 12 months.

The Group and the Company have no policy to speculate in or engage in the trading of any derivative financial instruments.

### 3.11 Lease agreements

#### Finance lease agreements

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

#### Operating lease agreements

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

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

### 3.12 Recognition of revenues and expenses

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

The Company has stopped recognizing income from debtors who are over 3 consecutive installments contractually past due by stopping income recognition of such receivables since the 4<sup>th</sup> installment, in accordance with the notification of the SEC dated April 30, 2004 regarding “The Opinion on Provision for Doubtful Accounts for Consumer Finance Business”.

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

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

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

Other income and expenses are recognized on an accrual basis.

### 3.13 Employee Benefits

#### 3.13.1 Provident Fund

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

#### 3.13.2 Post-employment benefits

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

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

### 3.14 Deferred revenue from customer loyalty programs

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

### 3.15 Income tax expense

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

#### 3.15.1 Current tax

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

### 3.15.2 Deferred tax

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

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

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

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

### 3.16 Basic earnings per share

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

### 3.17 Fair value measurements

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

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

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

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

### 3.18 Use of management's judgments and key sources of estimation uncertainty

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

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires the Group's and the Company's management to exercise various judgments in applying accounting policies that can significantly affect the recognition and disclosures in the financial statements. Significant judgments in applying accounting policies are as follows:

##### (1) Allowance for doubtful accounts

The Company determines allowance for doubtful accounts on trade receivables based on a collective approach which requires the management to exercise judgments in classifying a group of loans having similar credit risk characteristics and using the historical loss experience including considering macroeconomic factors which might have an effect on the ability to repay the debt of the loan groups, for estimation of allowance for doubtful accounts of each loan group.

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

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

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

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

The Group and the Company determine the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the provisions for employee benefits. In determining the appropriate discount rate, the Group and the Company consider the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related provisions. Additional information is disclosed in Note 22.

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

### 3.18.2 Key sources of estimation uncertainty

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

#### Fair value measurements and valuation processes

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

Information about valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 35.5.

## 4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

4.1 Cash and cash equivalents as at February 29, 2020 and February 28, 2019, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	February 29,	February 28,	February 29,	February 28,
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
Cash	1,313,506	1,231,759	1,273,999	1,210,669
Deposits at bank - call deposits	3,680,051	2,836,293	2,188,433	1,581,915
Cash and cash equivalents	<u>4,993,557</u>	<u>4,068,052</u>	<u>3,462,432</u>	<u>2,792,584</u>

- 4.2 Cash paid for purchase of leasehold improvement and equipment and intangible assets for the years ended February 29, 2020 and February 28, 2019, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Leasehold improvement and equipment				
Liabilities recorded - brought forward	28,930	28,400	28,673	25,232
Purchase of leasehold improvement and equipment	316,634	456,411	231,151	477,364
	<u>345,564</u>	<u>484,811</u>	<u>259,824</u>	<u>502,596</u>
<u>Less</u> Liabilities relating to transferred employees (see Note 22)	-	-	-	(28,316)
<u>Less</u> Cash paid for purchase of leasehold improvement and equipment	<u>(302,132)</u>	<u>(455,881)</u>	<u>(219,310)</u>	<u>(445,607)</u>
Liabilities recorded - carried forward	<u>43,432</u>	<u>28,930</u>	<u>40,514</u>	<u>28,673</u>
Intangible assets				
Liabilities recorded - brought forward	28,891	11,017	28,890	11,017
Purchase of intangible assets	317,948	212,587	264,112	196,088
	<u>346,839</u>	<u>223,604</u>	<u>293,002</u>	<u>207,105</u>
<u>Less</u> Cash paid for purchase of intangible assets	<u>(345,267)</u>	<u>(194,713)</u>	<u>(291,431)</u>	<u>(178,215)</u>
Liabilities recorded - carried forward	<u>1,572</u>	<u>28,891</u>	<u>1,571</u>	<u>28,890</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 year ended February 29, 2020, such sale was settled by increasing the Seller loan Account of Baht 35.15 million, and during the year ended February 28, 2019 by increasing the Subordinated lendings Account and the Seller loan Account of Baht 12.92 million and Baht 160.83 million, respectively, instead of cash receipt.

4.4 Changes in liabilities arising from financing activities for the years ended February 29, 2020 and February 28, 2019 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS						
	Beginning balance as at March 1, 2019 Baht '000	Financing cash flows Cash received Baht '000		Non-cash changes Differences on translating foreign currencies Baht '000		Others Baht '000	Ending balance as at February 29, 2020 Baht '000
Bank overdrafts and short-term borrowings from financial institutions	7,100,203	111,745,474	(111,466,769)	(167,675)	-		7,211,233
Liabilities under finance lease agreements	911	-	(924)	-	13		-
Long-term borrowings	40,618,864	10,373,864	(6,484,366)	731,919	19,330		45,259,611
Long-term debentures	15,938,620	3,800,000	(2,971,860)	7,888	13,318		16,787,966
Subordinated borrowings	84,074	-	-	-	-		84,074
	CONSOLIDATED FINANCIAL STATEMENTS						
	Beginning balance as at March 1, 2018 Baht '000	Financing cash flows Cash received Baht '000		Non-cash changes Differences on translating foreign currencies Baht '000		Others Baht '000	Ending balance as at February 28, 2019 Baht '000
Bank overdrafts and short-term borrowings from financial institutions	3,952,399	75,902,324	(72,651,633)	(102,887)	-		7,100,203
Liabilities under finance lease agreements	10,884	-	(9,973)	-	-		911
Long-term borrowings	40,788,123	12,889,520	(13,727,072)	654,269	14,024		40,618,864
Long-term debentures	14,593,173	3,032,512	(1,687,850)	(19,705)	20,490		15,938,620
Subordinated borrowings	71,157	12,917	-	-	-		84,074
	SEPARATE FINANCIAL STATEMENTS						
	Beginning balance as at March 1, 2019 Baht '000	Financing cash flows Cash received Baht '000		Non-cash changes Differences on translating foreign currencies Baht '000		Others Baht '000	Ending balance as at February 29, 2020 Baht '000
Bank overdrafts and short-term borrowings from financial institutions	4,690,163	93,143,937	(94,434,044)	-	-		3,400,056
Long-term borrowings	39,999,182	9,659,825	(6,391,230)	789,584	19,330		44,076,691
Long-term borrowings under securitization project	1,652,515	933,373	(798,373)	-	(124,963)		1,662,552
Long-term debentures	14,465,538	3,800,000	(2,971,860)	7,888	13,318		15,314,884

	SEPARATE FINANCIAL STATEMENTS					Ending balance as at February 28, 2019 Baht '000
	Beginning balance as at March 1, 2018 Baht '000	Financing cash flows		Non-cash changes		
		Cash	Cash	Differences	Others	
		received	paid	on translating		
		foreign currencies Baht '000	Baht '000	Baht '000	Baht '000	
Bank overdrafts and short-term borrowings from financial institutions	2,820,000	73,690,121	(71,819,958)	-	-	4,690,163
Long-term borrowings	40,164,026	12,889,520	(13,727,072)	658,684	14,024	39,999,182
Long-term borrowings under securitization project	1,366,167	1,052,373	(806,947)	-	40,922	1,652,515
Long-term debentures	13,352,603	2,800,000	(1,687,850)	(19,705)	20,490	14,465,538

## 5. TRADE RECEIVABLES

5.1 Trade receivables as at February 29, 2020 and February 28, 2019, consist of the following:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	February 29, 2020 Baht '000	February 28, 2019 Baht '000	February 29, 2020 Baht '000	February 28, 2019 Baht '000
Trade receivables	88,568,952	80,859,809	82,553,942	77,052,776
Trade receivables under securitization project				
- ATS Rabbit Special Purpose Vehicle Company Limited	1,662,552	1,652,515	1,662,552	1,652,515
Total	90,231,504	82,512,324	84,216,494	78,705,291
<u>Less</u> Allowance for doubtful accounts	(3,961,700)	(2,879,968)	(3,824,720)	(2,806,641)
<b>Total trade receivables</b>	<b>86,269,804</b>	<b>79,632,356</b>	<b>80,391,774</b>	<b>75,898,650</b>
Trade receivables due within 1 year	81,307,074	77,800,975	78,306,046	75,412,204
Trade receivables due after 1 year	4,962,730	1,831,381	2,085,728	486,446
<b>Total trade receivables</b>	<b>86,269,804</b>	<b>79,632,356</b>	<b>80,391,774</b>	<b>75,898,650</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 the “Guideline on Accounting regarding Derecognition of Financial Assets and Liabilities” issued by the Federation of Accounting Professions, the Company continues to recognize the full carrying amount of these receivables and uses them as collateral for long-term borrowings under the securitization project (see Note 5.5).



As at February 29, 2020 and February 28, 2019, details of trade receivables are as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
As at February 29, 2020			As at February 28, 2019			
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	1,527,316	4,546,011	6,073,327	913,412	1,392,049	2,305,461
<u>Less</u> Unearned financing income	<u>(315,130)</u>	<u>(572,138)</u>	<u>(887,268)</u>	<u>(74,191)</u>	<u>(112,917)</u>	<u>(187,108)</u>
	1,212,186	3,973,873	5,186,059	839,221	1,279,132	2,118,353
<u>Less</u> Allowance for doubtful accounts	<u>(196,086)</u>	<u>-</u>	<u>(196,086)</u>	<u>(54,309)</u>	<u>-</u>	<u>(54,309)</u>
Hire-purchase and accrued interest receivable - net	1,016,100	3,973,873	4,989,973	784,912	1,279,132	2,064,044
<b>Loans receivable</b>						
Loans and accrued interest receivable	46,998,764	988,857	47,987,621	43,037,869	552,249	43,590,118
<u>Less</u> Allowance for doubtful accounts	<u>(2,343,755)</u>	<u>-</u>	<u>(2,343,755)</u>	<u>(1,728,606)</u>	<u>-</u>	<u>(1,728,606)</u>
Loans and accrued interest receivable - net	44,655,009	988,857	45,643,866	41,309,263	552,249	41,861,512
<b>Credit card receivable</b>						
Credit card and accrued interest receivable	36,892,388	-	36,892,388	36,623,244	-	36,623,244
<u>Less</u> Allowance for doubtful accounts	<u>(1,421,531)</u>	<u>-</u>	<u>(1,421,531)</u>	<u>(1,096,147)</u>	<u>-</u>	<u>(1,096,147)</u>
Credit card and accrued interest receivable - net	35,470,857	-	35,470,857	35,527,097	-	35,527,097
<b>Receivable from rendering the collection service</b>						
Receivable from rendering the collection service	11,786	-	11,786	11,360	-	11,360
<u>Less</u> Allowance for doubtful accounts	<u>(328)</u>	<u>-</u>	<u>(328)</u>	<u>(906)</u>	<u>-</u>	<u>(906)</u>
Receivable from rendering the collection service - net	11,458	-	11,458	10,454	-	10,454
<b>Receivable from insurance broker business</b>						
	153,650	-	153,650	169,249	-	169,249
<b>Total trade receivables</b>	<b>81,307,074</b>	<b>4,962,730</b>	<b>86,269,804</b>	<b>77,800,975</b>	<b>1,831,381</b>	<b>79,632,356</b>

SEPARATE FINANCIAL STATEMENTS

	As at February 29, 2020			As at February 28, 2019		
	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	822,445	2,657,434	3,479,879	251,154	570,270	821,424
<u>Less</u> Unearned financing income	(315,130)	(572,138)	(887,268)	(74,191)	(112,917)	(187,108)
	507,315	2,085,296	2,592,611	176,963	457,353	634,316
<u>Less</u> Allowance for doubtful accounts	(127,587)	-	(127,587)	(21,491)	-	(21,491)
Hire-purchase and accrued interest receivable - net	379,728	2,085,296	2,465,024	155,472	457,353	612,825
<b>Loans receivable</b>						
Loans and accrued interest receivable	45,289,937	432	45,290,369	41,788,870	29,093	41,817,963
<u>Less</u> Allowance for doubtful accounts	(2,289,386)	-	(2,289,386)	(1,696,792)	-	(1,696,792)
Loans and accrued interest receivable - net	43,000,551	432	43,000,983	40,092,078	29,093	40,121,171
<b>Credit card receivable</b>						
Credit card and accrued interest receivable	36,333,514	-	36,333,514	36,253,012	-	36,253,012
<u>Less</u> Allowance for doubtful accounts	(1,407,747)	-	(1,407,747)	(1,088,358)	-	(1,088,358)
Credit card and accrued interest receivable - net	34,925,767	-	34,925,767	35,164,654	-	35,164,654
<b>Total trade receivables</b>	<u>78,306,046</u>	<u>2,085,728</u>	<u>80,391,774</u>	<u>75,412,204</u>	<u>486,446</u>	<u>75,898,650</u>

## 5.2 Quality of assets

Trade receivables as at February 29, 2020 and February 28, 2019, classified by aging, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2020 Baht '000	As at February 28, 2019 Baht '000	As at February 29, 2020 Baht '000	As at February 28, 2019 Baht '000
Less than 3 months	86,915,769	80,229,545	81,017,602	76,487,508
3 months up	3,315,735	2,282,779	3,198,892	2,217,783
Total	90,231,504	82,512,324	84,216,494	78,705,291
<u>Less</u> Allowance for doubtful accounts	(3,961,700)	(2,879,968)	(3,824,720)	(2,806,641)
<b>Total trade receivables</b>	<u>86,269,804</u>	<u>79,632,356</u>	<u>80,391,774</u>	<u>75,898,650</u>

### 5.3 Troubled debt restructuring

For the years ended February 29, 2020 and February 28, 2019, the Company had recognized interest income on restructured debts totaling Baht 152.41 million and Baht 206.27 million, respectively.

The Group and the Company had outstanding balances of credit card receivable, hire-purchase receivable and loans receivable as at February 29, 2020 and February 28, 2019, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at February 29, 2020		As at February 28, 2019	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	35,896	1,432,794	38,939	1,405,855
Non-restructured trade receivables	3,292,108	88,633,274	3,334,476	80,925,860
Total	3,328,004	90,066,068	3,373,415	82,331,715

	SEPARATE FINANCIAL STATEMENTS			
	As at February 29, 2020		As at February 28, 2019	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	35,873	1,429,317	38,904	1,398,483
Non-restructured trade receivables	2,885,335	82,787,177	3,027,374	77,306,808
Total	2,921,208	84,216,494	3,066,278	78,705,291

As at February 29, 2020 and February 28, 2019, the Company had no commitment to provide additional loans to its restructured debtors after debt restructuring.

### 5.4 Allowance for doubtful accounts

Allowance for doubtful accounts as at February 29, 2020 and February 28, 2019, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2020	As at February 28, 2019	As at February 29, 2020	As at February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	2,879,968	2,415,692	2,806,641	2,356,958
Bad debts and doubtful accounts	6,646,262	5,284,541	6,352,815	5,087,827
Gain on devaluation of long-term borrowings under securitization project	-	-	160,116	132,828
Written-off bad debts	(5,564,530)	(4,820,265)	(5,494,852)	(4,770,972)
Ending balance	3,961,700	2,879,968	3,824,720	2,806,641

## 5.5 Transfers of financial assets

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

Details of aforementioned sales of receivables are summarized as follows:

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

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

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

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

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

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

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

	ATS Rabbit*	
	As at February 29, 2020 Baht '000	As at February 28, 2019 Baht '000
<b>Statements of financial position</b>		
Total assets	1,974,821	1,933,420
Total liabilities	1,974,777	1,933,376
Total shareholders' equity	44	44
	For the years ended	
	February 29, 2020 Baht '000	February 28, 2019 Baht '000
<b>Statements of profit or loss</b>		
Total revenues	466,850	411,045
Bad debts and doubtful accounts	160,116	132,828
Other operating expenses	117,493	103,622
Interest expenses	84,476	80,334
Income tax expense	20,953	18,852
Net profit	83,812	75,409

\* ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit) is the Company's subsidiary (see Notes 2.4 and 9.2).

For the years ended February 29, 2020 and February 28, 2019, transactions relating to the transfers of financial assets under the securitization projects are summarized as follows:

	For the years ended	
	February 29, 2020	February 28, 2019
	Million Baht	Million Baht
Transfers of future receivables and additional receivables (at book value)		
- Loans receivable (ATS Rabbit)	969	1,226
	<u>969</u>	<u>1,226</u>
Cash collection on behalf of Special Purpose Vehicles		
- Loans receivable (ATS Rabbit)	1,265	1,216
	<u>1,265</u>	<u>1,216</u>
Servicing income on cash collection from Special Purpose Vehicles		
- Loans receivable (ATS Rabbit)	93	81
	<u>93</u>	<u>81</u>

## 6. OTHER RECEIVABLES

Other receivables as at February 29, 2020 and February 28, 2019, consist of the following:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Other receivables - related companies (see Note 32.2.1)	2,231	3,861	83,623	107,912
Other receivables - other companies	641,719	434,998	615,233	365,878
Prepaid expenses	172,254	150,751	133,690	113,554
Advance payment	37,432	30,665	506	588
Accrued income	21,177	17,576	-	-
Refundable corporate income tax	67,231	51,486	-	-
Total	<u>942,044</u>	<u>689,337</u>	<u>833,052</u>	<u>587,932</u>

## 7. FIXED DEPOSITS AT BANKS UNDER OBLIGATIONS

As at February 29, 2020 and February 28, 2019, 4 subsidiaries have fixed deposits at banks under obligations as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at	As at
	February 29, 2020	February 28, 2019
	Baht '000	Baht '000
Pledge as collateral for bank's letters of guarantee issued for debt collection service	1,583	1,569
Reserve in accordance with insurance regulations	3,000	3,000
Legal reserve of the foreign subsidiaries	34,700	37,570
<b>Total</b>	<b>39,283</b>	<b>42,139</b>

## 8. LONG-TERM LOAN TO A RELATED PARTY

As at February 29, 2020, the Company has long-term loan to a subsidiary amounting to USD 4.0 million or equivalent to Baht 125.86 million which will be due in 2026. The loan is unsecured and has interest rate at 8.5% per annum (see Note 32.2.1) (As at February 28, 2019 : Nil).

## 9. INVESTMENTS IN AN ASSOCIATE AND SUBSIDIARIES AND LONG-TERM INVESTMENTS IN RELATED COMPANIES

Investments in an associate and subsidiaries and long-term investments in related companies consist of:

### 9.1 Investment in an associate in the consolidated financial statements

As at February 29, 2020 and February 28, 2019, the Company had investment in an entity, which is an associate, and is accounted for using the equity method in the consolidated financial statements as follows:

		CONSOLIDATED FINANCIAL STATEMENTS			
		As at February 29, 2020		As at February 28, 2019	
		Paid-up capital	Ownership %	Cost method	Equity method
				Baht '000	Baht '000
<b>Investment in an associate</b>					
ACS Trading Vietnam Company Limited	VND 50,000 million		20.00	16,819.3	25,430.9
<b>Total investment in an associate</b>				<u>16,819.3</u>	<u>25,430.9</u>

The summarized financial information of an associate used for preparation of the consolidated financial statements are as follows:

**ACS Trading Vietnam Company Limited**

	<b>As at February 29, 2020 Baht '000</b>	<b>As at February 28, 2019 Baht '000</b>
Total assets	<u>1,763,267</u>	<u>1,796,521</u>
Total liabilities	<u>1,678,237</u>	<u>1,634,982</u>
	<b>For the years ended February 29, 2020 Baht '000</b>	<b>February 28, 2019 Baht '000</b>
Total revenues	<u>553,628</u>	<u>683,985</u>
Net profit (loss)	<u>(63,325)</u>	<u>28,068</u>

The consolidated statements of profit or loss for the years ended February 29, 2020 and February 28, 2019, recognized share of profit (loss) from investment in an associate according to the proportion of the ownership interest in an associate as follows:

	<b>CONSOLIDATED FINANCIAL STATEMENTS For the years ended</b>	
	<b>February 29, 2020 Baht '000</b>	<b>February 28, 2019 Baht '000</b>
<b>Share of profit (loss) from investment in an associate</b>		
ACS Trading Vietnam Company Limited	<u>(12,665)</u>	<u>5,614</u>



Reconciliation of the above summarized financial information to the carrying amount of the interest in an associate recognized in the consolidated financial statements for the years ended February 29, 2020 and February 28, 2019, are as follows:

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	
<b>For the years ended</b>	
<b>February 29, 2020</b>	<b>February 28, 2019</b>
<b>Baht '000</b>	<b>Baht '000</b>
Net assets of an associate	85,030
Proportion of the ownership interest in an associate (%)	20.00
	17,006
Goodwill	-
Other adjustments	-
- Exchange differences on acquisition date	8,425
Carrying amount of the investment in an associate	25,431
	32,308
	5,788
	38,096

## 9.2 Investments in an associate and subsidiaries in the separate financial statements

As at February 29, 2020 and February 28, 2019, the Company had investments in an associate and subsidiaries which are accounted for using the cost method in the separate financial statements as follows:

	SEPARATE FINANCIAL STATEMENTS			
	As at February 29, 2020		As at February 28, 2019	
	Ownership	Cost	Ownership	Cost
	%	Baht '000	%	Baht '000
<b>Investment in an associate and subsidiaries</b>				
Investment in an associate (see Note 32.1)				
ACS Trading Vietnam Company Limited	20.00	16,819.3	20.00	16,819.3
<b>Total investment in an associate</b>		<u>16,819.3</u>		<u>16,819.3</u>
Investments in subsidiaries (see Note 32.1)				
ACS Servicing (Thailand) Company Limited	100.00	175,349.1	100.00	175,349.1
AEON Insurance Service (Thailand) Company Limited	100.00	149,224.3	100.00	149,224.3
AEON Specialized Bank (Cambodia) Plc.	50.00	323,580.0	50.00	323,580.0
AEON Microfinance (Myanmar) Company Limited	100.00	455,403.3	100.00	276,769.1
AEON Leasing Service (Lao) Company Limited	92.58	103,069.1	92.58	103,069.1
ATS Rabbit Special Purpose Vehicle Company Limited	48.75	19.5	48.75	19.5
<b>Total investments in subsidiaries</b>		<u>1,206,645.3</u>		<u>1,028,011.1</u>
<b>Total investments in an associate and subsidiaries</b>		1,223,464.6		1,044,830.4

- (1) On February 26, 2018, the Shareholders' Meeting of AEON Specialized Bank (Cambodia) Plc., which is a subsidiary of the Company, had a resolution to approve the issuance of 7,500,000 new ordinary shares at USD 1 per share for business expansion responding to the minimum capital requirement by the National Bank of Cambodia ("NBC") to existing shareholders based on existing share proportion. However, the Board of Directors' Meeting of the Company had a resolution to waive the rights to purchase the increased shares of the subsidiary. Subsequently, on March 7, 2018, AEON Financial Service Co., Ltd., which is the Company's major shareholder and another shareholder of the subsidiary, paid for the capital injection to such subsidiary in the amount of USD 7.50 million. The subsidiary registered the increased share capital on April 24, 2018. After the completion of increased share capital registration, the proportion of the Company's shareholding in the subsidiary decreased from 80% to 50%. However, the Company has retained the power to control over the subsidiary in accordance with the requirement of TFRS No.10 (Revised 2017) "Consolidated Financial Statements".

In addition, the Shareholders' Meeting of the subsidiary had a resolution to approve the declaration of dividend payment for the fiscal year 2017 in the amount of USD 0.092 per share from total retained earnings as at December 31, 2017, to the shareholders based on shareholders' structure at that time (prior to the change in shareholders' structure). The dividend would be paid after getting approval from the NBC. Subsequently, on June 14, 2018, the subsidiary obtained an approval from the NBC on dividend payment totaling USD 1.15 million or equivalent to Baht 36.77 million, which was paid to the shareholders on June 29, 2018.

- (2) On July 5, 2019, the Board of Director's meeting of the Company had a resolution to approve the capital injection to AEON Microfinance (Myanmar) Co., Ltd., which is a subsidiary of the Company, amounting to USD 5.80 million. Subsequently, the Company paid for such additional capital injection in the subsidiary on July 31, 2019.

9.3 Long-term investments in related companies as at February 29, 2020 and February 28, 2019, consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at February 29, 2020		As at February 28, 2019	
	% of Ownership	Cost Baht '000	% of Ownership	Cost Baht '000
<b>Long-term investments in related companies</b>				
AEON (Thailand) Co., Ltd. (340,000 shares of Baht 100 each, Baht 25 called up)	5.23	8,500	5.23	8,500
PT. AEON Credit Service Indonesia (173 shares of IDR 30 million each, par value of IDR 30 million, fully paid)	2.59	19,072	2.59	19,072
AEON Credit Service Systems (Philippines) Inc. (100,000 shares of PHP 100 each, par value of PHP 100, fully paid)	-	-	3.33	7,645
		27,572		35,217
<u>Less</u> Allowance for impairment of investment		(8,500)		(15,145)
<b>Total long-term investments in related companies</b>		<b>19,072</b>		<b>20,072</b>

On July 5, 2019, the Board of Director's meeting of the Company had a resolution to approve the sale of 100,000 shares of AEON Credit Service Systems (Philippines) Inc. to AEON Financial Service Co., Ltd. (the "buyer") at the amount of Baht 460,301. Subsequently, the Company entered into a Deed of Assignment and received cash from the buyer on August 1, 2019.

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

Seller loan in Special Purpose Vehicle for securitization as at February 29, 2020 and February 28, 2019, are as follows:

	SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2020	As at February 28, 2019
	Baht '000	Baht '000
Seller loan in Special Purpose Vehicle for securitization (see Note 32.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	235,074	199,920
<b>Total Seller loan in Special Purpose Vehicle for securitization</b>	<b>235,074</b>	<b>199,920</b>

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 sale 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.

## 11. SUBORDINATED LENDINGS AND SUBORDINATED BORROWINGS

11.1 Subordinated lendings to Special Purpose Vehicle as at February 29, 2020 and February 28, 2019, are as follows:

	SEPARATE FINANCIAL STATEMENTS	
	As at	As at
	February 29, 2020	February 28, 2019
	Baht '000	Baht '000
Subordinated lendings (see Note 32.2.1)		
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 for the sales of rights in loans receivables.

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

11.2 Subordinated borrowings of Special Purpose Vehicle as at February 29, 2020 and February 28, 2019, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at	As at
	February 29, 2020	February 28, 2019
	Baht '000	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.

## 12. LEASEHOLD IMPROVEMENT AND EQUIPMENT

Leasehold improvement and equipment as at February 29, 2020 and February 28, 2019, consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2020 Baht '000	As at February 28, 2019 Baht '000	As at February 29, 2020 Baht '000	As at February 28, 2019 Baht '000
Cost	4,019,359	3,826,638	3,276,104	3,126,972
<u>Less</u> Accumulated depreciation	<u>(3,133,864)</u>	<u>(2,869,809)</u>	<u>(2,551,059)</u>	<u>(2,323,753)</u>
<b>Total leasehold improvement and equipment</b>	<b>885,495</b>	<b>956,829</b>	<b>725,045</b>	<b>803,219</b>

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

	CONSOLIDATED FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2019 Baht '000	Additions Baht '000	Disposals/ Write-off Baht '000	Transfer in (out) Baht '000	Exchange differences on translating financial statements Baht '000	Ending balance as at February 29, 2020 Baht '000
<b>Cost</b>						
Leasehold improvement	1,151,311	44,838	(48,885)	28,213	(5,537)	1,169,940
Furniture and office equipment	2,605,802	176,405	(57,760)	128,594	(11,731)	2,841,310
Assets under installation	69,525	95,391	-	(156,807)	-	8,109
Total	3,826,638	316,634	(106,645)	-	(17,268)	4,019,359
<b>Accumulated depreciation</b>						
Leasehold improvement	(819,378)	(139,115)	42,966	-	2,838	(912,689)
Furniture and office equipment	(2,050,431)	(234,404)	56,908	-	6,752	(2,221,175)
Total	(2,869,809)	(373,519)	99,874	-	9,590	(3,133,864)
<b>Total leasehold improvement and equipment</b>	<b>956,829</b>					<b>885,495</b>

CONSOLIDATED FINANCIAL STATEMENTS						
	Beginning balance as at March 1, 2018 Baht '000	Additions Baht '000	Disposals/ Write-off Baht '000	Transfer in (out) Baht '000	Exchange differences on translating financial statements Baht '000	Ending balance as at February 28, 2019 Baht '000
<b>Cost</b>						
Leasehold improvement	1,118,522	52,170	(44,100)	27,421	(2,702)	1,151,311
Furniture and office equipment	2,352,885	255,850	(51,539)	53,756	(5,150)	2,605,802
Assets under installation	2,311	148,391	-	(81,177)	-	69,525
Total	3,473,718	456,411	(95,639)	-	(7,852)	3,826,638
<b>Accumulated depreciation</b>						
Leasehold improvement	(700,506)	(161,519)	41,301	-	1,346	(819,378)
Furniture and office equipment	(1,872,717)	(230,178)	50,134	-	2,330	(2,050,431)
Total	(2,573,223)	(391,697)	91,435	-	3,676	(2,869,809)
<b>Total leasehold improvement and equipment</b>	<u>900,495</u>					<u>956,829</u>

SEPARATE FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2019 Baht '000	Additions Baht '000	Disposals/ Write-off Baht '000	Transfer in (out) Baht '000	Ending balance as at February 29, 2020 Baht '000
<b>Cost</b>					
Leasehold improvement	946,694	11,354	(30,767)	28,213	955,494
Furniture and office equipment	2,110,754	124,406	(51,252)	128,594	2,312,502
Assets under installation	69,524	95,391	-	(156,807)	8,108
Total	3,126,972	231,151	(82,019)	-	3,276,104
<b>Accumulated depreciation</b>					
Leasehold improvement	(676,238)	(110,302)	25,364	-	(761,176)
Furniture and office equipment	(1,647,515)	(193,283)	50,915	-	(1,789,883)
Total	(2,323,753)	(303,585)	76,279	-	(2,551,059)
<b>Total leasehold improvement and equipment</b>	<u>803,219</u>				<u>725,045</u>

SEPARATE FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2018 Baht '000	Additions Baht '000	Disposals/ Write-off Baht '000	Transfer in (out) Baht '000	Ending balance as at February 28, 2019 Baht '000
<b>Cost</b>					
Leasehold improvement	898,020	61,958	(40,706)	27,422	946,694
Furniture and office equipment	1,824,988	267,015	(35,005)	53,756	2,110,754
Assets under installation	2,311	148,391	-	(81,178)	69,524
Total	2,725,319	477,364	(75,711)	-	3,126,972
<b>Accumulated depreciation</b>					
Leasehold improvement	(581,382)	(133,214)	38,358	-	(676,238)
Furniture and office equipment	(1,504,023)	(178,290)	34,798	-	(1,647,515)
Total	(2,085,405)	(311,504)	73,156	-	(2,323,753)
<b>Total leasehold improvement and equipment</b>	<u>639,914</u>				<u>803,219</u>

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Depreciation	373,519	391,697	303,585	311,504

As at February 29, 2020 and February 28, 2019, costs of fully depreciated leasehold improvement and equipment still in use are as follows:

	As at February 29, 2020 Baht '000	As at February 28, 2019 Baht '000
Consolidated financial statements	2,154,179	1,753,369
Separate financial statements	1,923,894	1,604,085

### 13. INTANGIBLE ASSETS

Intangible assets as at February 29, 2020 and February 28, 2019, consist of the following:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Cost	4,131,463	3,896,184	3,666,871	3,467,402
<u>Less</u> Accumulated amortization	(3,484,982)	(3,321,678)	(3,155,494)	(3,008,854)
Allowance for impairment	-	(44,913)	-	(44,913)
<b>Total intangible assets</b>	<b>646,481</b>	<b>529,593</b>	<b>511,377</b>	<b>413,635</b>

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

CONSOLIDATED FINANCIAL STATEMENTS						
	Beginning balance as at March 1, 2019 Baht '000	Additions Baht '000	Disposals/ Write-off Baht '000	Transfer in (out) Baht '000	Exchange differences on translating financial statements Baht '000	Ending balance as at February 29, 2020 Baht '000
<b>Cost</b>						
Computer software	3,771,331	174,349	(6,211)	107,012	(11,782)	4,034,699
Computer software under installation	124,853	143,599	(64,674)	(107,012)	(2)	96,764
<b>Total</b>	<b>3,896,184</b>	<b>317,948</b>	<b>(70,885)</b>	<b>-</b>	<b>(11,784)</b>	<b>4,131,463</b>
<b>Accumulated amortization</b>						
Computer software	(3,321,678)	(175,051)	6,211	-	5,536	(3,484,982)
<b>Allowance for impairment</b>						
Computer software under installation	(44,913)	-	44,913	-	-	-
<b>Total intangible assets</b>	<b>529,593</b>					<b>646,481</b>

CONSOLIDATED FINANCIAL STATEMENTS						
	Beginning balance as at March 1, 2018 Baht '000	Additions Baht '000	Disposals/ Write-off Baht '000	Transfer in (out) Baht '000	Exchange differences on translating financial statements Baht '000	Ending balance as at February 28, 2019 Baht '000
<b>Cost</b>						
Computer software	3,566,318	100,912	(261)	107,531	(3,169)	3,771,331
Computer software under installation	122,361	111,675	(1,651)	(107,531)	(1)	124,853
<b>Total</b>	<b>3,688,679</b>	<b>212,587</b>	<b>(1,912)</b>	<b>-</b>	<b>(3,170)</b>	<b>3,896,184</b>
<b>Accumulated amortization</b>						
Computer software	(3,161,175)	(161,961)	261	-	1,197	(3,321,678)
<b>Allowance for impairment</b>						
Computer software under installation	-	(44,913)	-	-	-	(44,913)
<b>Total intangible assets</b>	<b>527,504</b>					<b>529,593</b>



	SEPARATE FINANCIAL STATEMENTS				
	Beginning	Additions	Disposals/	Transfer	Ending
	balance		Write-off	in (out)	balance
	as at				as at
	March 1,				February 29,
	2019				2020
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Cost</b>					
Computer software	3,344,116	146,383	-	91,640	3,582,139
Computer software under installation	123,286	117,729	(64,643)	(91,640)	84,732
Total	3,467,402	264,112	(64,643)	-	3,666,871
<b>Accumulated amortization</b>					
Computer software	(3,008,854)	(146,640)	-	-	(3,155,494)
<b>Allowance for Impairment</b>					
Computer software under installation	(44,913)	-	44,913	-	-
<b>Total intangible assets</b>	<u>413,635</u>				<u>511,377</u>

	SEPARATE FINANCIAL STATEMENTS				
	Beginning	Additions	Disposals/	Transfer	Ending
	balance		Write-off	in (out)	balance
	as at				as at
	March 1,				February 28,
	2018				2019
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
<b>Cost</b>					
Computer software	3,150,685	87,662	-	105,769	3,344,116
Computer software under installation	122,280	108,426	(1,651)	(105,769)	123,286
Total	3,272,965	196,088	(1,651)	-	3,467,402
<b>Accumulated amortization</b>					
Computer software	(2,873,795)	(135,059)	-	-	(3,008,854)
<b>Allowance for Impairment</b>					
Computer software under installation	-	(44,913)	-	-	(44,913)
<b>Total intangible assets</b>	<u>399,170</u>				<u>413,635</u>

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 29,	February 28,	February 29,	February 28,
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Amortization</b>	<u>175,051</u>	<u>161,961</u>	<u>146,640</u>	<u>135,059</u>

As at February 29, 2020 and February 28, 2019, costs of fully amortized computer software still in use are as follows:

	As at	As at
	February 29,	February 28,
	2020	2019
	Baht '000	Baht '000
Consolidated financial statements	<u>3,036,742</u>	<u>2,866,434</u>
Separate financial statements	<u>2,821,384</u>	<u>2,680,579</u>

#### 14. DEFERRED TAX ASSETS

Deferred tax assets as at February 29, 2020 and February 28, 2019, consist of the following:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	February 29,	February 28,	February 29,	February 28,
	2020	2019	2020	2019
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	775,917	567,388	764,944	561,328
Non-accrual of interest income	73,406	47,205	71,755	45,960
Allowance for impairment of investment and asset	6,900	19,012	6,900	19,012
Provisions for employee benefits	78,683	54,264	70,518	48,507
Deferred revenue from customer loyalty programs	59,373	48,870	59,373	44,351
Others	24,878	9,672	16,516	5,446
	<u>1,019,157</u>	<u>746,411</u>	<u>990,006</u>	<u>724,604</u>
<b>Deferred tax liabilities</b>				
Unrealized loss on exchange rate of				
currency swap contracts	93,155	124,552	93,155	124,552
Others	-	209	-	-
	<u>93,155</u>	<u>124,761</u>	<u>93,155</u>	<u>124,552</u>
<b>Deferred tax assets</b>	<u>926,002</u>	<u>621,650</u>	<u>896,851</u>	<u>600,052</u>

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

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

# CONSOLIDATED FINANCIAL STATEMENTS

	Beginning balance as at March 1, 2018 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at February 28, 2019 Baht '000
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	476,804	90,584	-	567,388
Non-accrual of interest income	34,573	12,632	-	47,205
Allowance for impairment of investment and asset	16,109	2,903	-	19,012
Provisions for employee benefits	30,386	22,362	1,516	54,264
Deferred revenue from customer loyalty programs	36,254	12,616	-	48,870
Others	1,155	8,517	-	9,672
	595,281	149,614	1,516	746,411
<b>Deferred tax liabilities</b>				
Unrealized loss on exchange rate of currency swap contracts	148,691	(24,139)	-	124,552
Others	-	209	-	209
	148,691	(23,930)	-	124,761
<b>Deferred tax assets</b>	446,590	173,544	1,516	621,650

# SEPARATE FINANCIAL STATEMENTS

	Beginning balance as at March 1, 2019 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Ending balance as at February 29, 2020 Baht '000
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	561,328	203,616	-	764,944
Non-accrual of interest income	45,960	25,795	-	71,755
Allowance for impairment of investment and asset	19,012	(12,112)	-	6,900
Provisions for employee benefits	48,507	11,098	10,913	70,518
Deferred revenue from customer loyalty programs	44,351	15,022	-	59,373
Others	5,446	11,070	-	16,516
	724,604	254,489	10,913	990,006
<b>Deferred tax liabilities</b>				
Unrealized loss on exchange rate of currency swap contracts	124,552	(31,397)	-	93,155
	124,552	(31,397)	-	93,155
<b>Deferred tax assets</b>	600,052	285,886	10,913	896,851

	SEPARATE FINANCIAL STATEMENTS			
	Beginning	Items as	Items as	Ending
	balance	recognized in	recognized	balance
	as at	profit	in other	as at
	March 1, 2018	or loss	comprehensive income	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	471,392	89,936	-	561,328
Non-accrual of interest income	33,885	12,075	-	45,960
Allowance for impairment of investment and asset	16,109	2,903	-	19,012
Provisions for employee benefits	21,039	25,670	1,798	48,507
Deferred revenue from customer loyalty programs	34,464	9,887	-	44,351
Others	-	5,446	-	5,446
	<u>576,889</u>	<u>145,917</u>	<u>1,798</u>	<u>724,604</u>
<b>Deferred tax liabilities</b>				
Unrealized loss on exchange rate of currency swap contracts	148,691	(24,139)	-	124,552
	<u>148,691</u>	<u>(24,139)</u>	<u>-</u>	<u>124,552</u>
<b>Deferred tax assets</b>	<u>428,198</u>	<u>170,056</u>	<u>1,798</u>	<u>600,052</u>

## 15. OTHER NON-CURRENT ASSETS

Other non-current assets as at February 29, 2020 and February 28, 2019, consist of the following:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Deposits	211,673	206,448	181,773	180,220
Total	<u>211,673</u>	<u>206,448</u>	<u>181,773</u>	<u>180,220</u>

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

Bank overdrafts and short-term borrowings from financial institutions as at February 29, 2020 and February 28, 2019, consist of the following:

CONSOLIDATED FINANCIAL STATEMENTS				
	As at February 29, 2020		As at February 28, 2019	
	Interest rate	Baht '000	Interest rate	Baht '000
	p.a. (%)		p.a. (%)	
Overdrafts in THB currency	1.45	56	1.95	640,163
Short-term borrowings in THB currency	1.17 - 2.40	3,400,000	1.85 - 2.30	4,050,000
Short-term borrowings in USD currency	2.52 - 6.05	2,229,481	3.24 - 3.78	1,141,518
Short-term borrowings in LAK currency	6.50 - 6.70	280,013	6.60 - 7.40	314,954
Short-term borrowings in MMK currency	11.70 - 12.50	1,301,683	11.70 - 12.50	953,568
Total		<u>7,211,233</u>		<u>7,100,203</u>

SEPARATE FINANCIAL STATEMENTS				
	As at February 29, 2020		As at February 28, 2019	
	Interest rate	Baht '000	Interest rate	Baht '000
	p.a. (%)		p.a. (%)	
Overdrafts in THB currency	1.45	56	1.95	640,163
Short-term borrowings in THB currency	1.17 - 2.40	3,400,000	1.85 - 2.30	4,050,000
Total		<u>3,400,056</u>		<u>4,690,163</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.

## 17. OTHER PAYABLES

Other payables as at February 29, 2020 and February 28, 2019, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at February 29, 2020	As at February 28, 2019	As at February 29, 2020	As at February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Other payable - related companies (see Note 32.2.1)	73,967	169,271	277,431	221,192
Other payable - other companies	425,034	258,978	125,696	190,633
Deferred revenue from customer loyalty programs	300,500	224,208	296,863	221,756
Interest payable	501,135	483,674	495,559	478,403
Accrued expenses	389,732	365,867	373,358	368,071
Total	<u>1,690,368</u>	<u>1,501,998</u>	<u>1,568,907</u>	<u>1,480,055</u>

## 18. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

As at February 29, 2020 and February 28, 2019, a subsidiary of the Company has liabilities under finance lease agreements as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	Minimum lease payment		Present value of minimum lease payment	
	As at	As at	As at	As at
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Within 1 year	-	925	-	911
<u>Less</u> Deferred interest	-	(14)	-	-
Total	-	911	-	911

Liabilities under finance lease agreements are liabilities arising from the leases of office equipment and copyrights for computer software. The contracts are for the period of 3 - 5 years, and the liabilities are repayable in monthly installments. At the end of the lease terms, the subsidiary has the rights to exercise a purchase option on the leased assets at the price as specified in the agreements. As at February 29, 2020, the installment payment has been completed.

## 19. LONG-TERM BORROWINGS

As at February 29, 2020 and February 28, 2019, the Company entered into various long-term borrowings agreements in THB and foreign currencies as follows:

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

CONSOLIDATED FINANCIAL STATEMENTS				
As at February 28, 2019				
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2019 - 2023	2.96 - 5.26	34,742.05	9,992,577
Borrowings in USD currency	2019 - 2023	2.26 - 3.38	608.49	19,272,103
Borrowings in THB currency	2019 - 2024	2.44 - 3.41	11,400.00	11,400,000
<u>Less</u> Borrowings issuance cost				(45,816)
				40,618,864
<u>Less</u> Current portion of long-term borrowings				(6,071,921)
Total long-term borrowings				34,546,943

# SEPARATE FINANCIAL STATEMENTS

As at February 29, 2020

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

# SEPARATE FINANCIAL STATEMENTS

As at February 28, 2019

	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2019 - 2023	2.96 - 5.26	34,742.05	9,992,577
Borrowings in USD currency	2019 - 2023	2.26 - 3.38	589.49	18,652,421
Borrowings in THB currency	2019 - 2024	2.44 - 3.41	11,400.00	11,400,000
<u>Less</u> Borrowings issuance cost				(45,816)
				39,999,182
<u>Less</u> Current portion of long-term borrowings				(5,974,076)
Total long-term borrowings				34,025,106

In the consolidated and separate financial statements as at February 29, 2020, the Company has long-term borrowings in JPY currency from a related company which is a bank in Japan amounting to JPY 2,500 million or equivalent to Baht 732.93 million with interest rate at 4.84% per annum which are unsecured and will be due in the year 2021 (see Note 32.2.1) (As at February 28, 2019: JPY 5,000 million or equivalent to Baht 1,436.33 million).

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

# CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

As at February 29, 2020

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

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**As at February 28, 2019**

	<b>Notional amount Baht '000</b>	<b>Carrying amount Within 1 year Baht '000</b>	<b>1 - 5 years Baht '000</b>	<b>Total Baht '000</b>
<b>Receivables per currency swap contracts</b>				
Cross Currency Swap Contracts				
JPY currency	5,197,000	-	107,338	107,338
USD currency	716,220	-	11,537	11,537
	<u>5,913,220</u>	<u>-</u>	<u>118,875</u>	<u>118,875</u>
<b>Payables per currency swap contracts</b>				
Cross Currency Swap Contracts				
JPY currency	5,111,250	(138,140)	(284,871)	(423,011)
USD currency	18,943,130	(277,386)	(741,080)	(1,018,466)
	<u>24,054,380</u>	<u>(415,526)</u>	<u>(1,025,951)</u>	<u>(1,441,477)</u>

**20. LONG-TERM BORROWINGS UNDER SECURITIZATION PROJECT**

As at February 29, 2020 and February 28, 2019, 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 (see Note 5.5) as long-term borrowings under securitization project in the separate financial statements in the amount of Baht 1,662.55 million and Baht 1,652.52 million, respectively.



## 21. LONG-TERM DEBENTURES

Long-term debentures represent unsubordinated and unsecured debentures as at February 29, 2020 and February 28, 2019, are as follows:

Issue date	Maturity date	No. of units	Currency	Par value per unit	Amount	Interest rate p.a. (%)	Term of interest payment	As at February 29, 2020 Baht '000	As at February 28, 2019 Baht '000
Company									
28/03/2014	28/03/2019	30	USD	1,000,000	30,000,000	USD-LIBOR 6M	Semi-annual	-	949,248
27/03/2015	27/03/2019	22	JPY	100,000,000	2,200,000,000	JPY-TIBOR 6M + 0.36	Semi-annual	-	632,768
25/03/2016	25/03/2020	70	USD	1,000,000	70,000,000	USD-LIBOR 6M + 0.65	Semi-annual	2,224,628	2,214,912
28/03/2016	27/03/2020	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.50	Semi-annual	476,706	474,624
22/08/2016	20/08/2021	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.85	Semi-annual	476,706	474,624
24/08/2016	30/07/2019	400,000	THB	1,000	400,000,000	2.50	Quarterly	-	400,000
21/12/2016	21/12/2019	1,000,000	THB	1,000	1,000,000,000	2.73	Quarterly	-	1,000,000
21/12/2016	21/12/2021	1,000,000	THB	1,000	1,000,000,000	3.48	Quarterly	1,000,000	1,000,000
30/12/2016	30/12/2021	30	USD	1,000,000	30,000,000	USD-LIBOR 6M + 0.65	Semi-annual	953,412	949,248
18/08/2017	18/08/2020	200,000	THB	1,000	200,000,000	2.50	Quarterly	200,000	200,000
14/09/2017	14/09/2020	300,000	THB	1,000	300,000,000	2.50	Semi-annual	300,000	300,000
21/09/2017	21/09/2020	100,000	THB	1,000	100,000,000	2.50	Semi-annual	100,000	100,000
15/12/2017	15/12/2020	2,000,000	THB	1,000	2,000,000,000	2.37	Semi-annual	2,000,000	2,000,000
15/12/2017	15/12/2022	1,000,000	THB	1,000	1,000,000,000	2.93	Semi-annual	1,000,000	1,000,000
15/11/2018	15/11/2020	2,000,000	THB	1,000	2,000,000,000	2.96	Semi-annual	2,000,000	2,000,000
15/11/2018	15/11/2021	800,000	THB	1,000	800,000,000	3.26	Semi-annual	800,000	800,000
15/11/2019	15/11/2022	2,800,000	THB	1,000	2,800,000,000	2.27	Semi-annual	2,800,000	-
15/11/2019	15/11/2024	1,000,000	THB	1,000	1,000,000,000	2.57	Semi-annual	1,000,000	-
								15,331,452	14,495,424
Less Debentures issuance cost								(16,568)	(29,886)
								15,314,884	14,465,538
Less Current portion of long-term debentures								(7,298,784)	(2,980,813)
Total long-term debentures in separate financial statements								8,016,100	11,484,725
ATS Rabbit Special Purpose Vehicle Company Limited									
29/09/2018	28/10/2025	1,473,082	THB	1,000	1,473,082,000	2.84	Monthly	1,473,082	1,473,082
Total long-term debentures in consolidated financial statements								9,489,182	12,957,807

- (1) On December 24, 2013, the Board of Directors' meeting passed the resolution for the issuance and offering of debentures of unsubordinated and unsecured debentures in USD currency to offer for sale to a bank in Japan. The amounts of debentures to be issued are derived from the remaining unissued balances of debentures from the resolution of the 2009 Annual General Meeting of Shareholders held on June 17, 2009 and the resolution of the 2012 Annual General Meeting of Shareholders held on June 14, 2012, totaling Baht 1,224 million. An issuing amount of the debentures is not to exceed Baht 1,200 million. Interest rate depends on market at time of offer and issuance. Authorized directors shall be empowered to consider conditions and other details for the issue and offering of the debentures.

On March 28, 2014, the Company issued and offered debentures amounting to USD 30 million to a bank in Japan with interest rate of USD - LIBOR 6 months per annum, payable on a semi-annual basis, and were due on March 28, 2019. Such debentures were guaranteed by the same bank.

- (2) On June 12, 2014, the Company's Annual General Meeting of shareholders of 2014 had the resolution for the Issuance and Offering of debentures. An issuing amount of the debentures is not to exceed Baht 8,000 million. The currency, tenor, interest rate and other conditions will be considered and approved by the Board of Directors' Meeting later when the Company is ready for the issuance and offering of debentures.

On September 26, 2014, the Company issued and offered debentures amounting to USD 15 million to a bank in Japan with interest rate of USD - LIBOR 6 months per annum, payable on a semi-annual basis, and were due on September 26, 2017. Such debentures were guaranteed by the same bank.

On March 27, 2015, the Company issued and offered debentures amounting to JPY 2,200 million to a bank in Japan with interest rate of JPY-TIBOR 6 months plus 0.36% per annum, payable on a semi-annual basis, and were due on March 27, 2019. Such debentures are guaranteed by the same bank.

On February 23, 2016, the Company issued and offered debentures amounting to Baht 200 million to a non-financial market mutual fund in Thailand with interest rate of 2.87% per annum, payable on a semi-annual basis, and were due on February 21, 2019.

On March 25, 2016, the Company issued and offered debentures amounting to USD 70 million to a bank in Japan with interest rate of USD - LIBOR 6 months plus 0.65% per annum, payable on a semi-annual basis, and were due on March 25, 2020. Such debentures are guaranteed by the same bank.

On March 28, 2016, the Company issued and offered debentures amounting to USD 15 million to a bank in Japan with interest rate of USD - LIBOR 6 months plus 0.50% per annum, payable on a semi-annual basis, and will be due on March 27, 2020. Such debentures are guaranteed by the same bank.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

During the years ended February 29, 2020 and February 28, 2019, the subsidiary issued and offered the long-term refinanced debentures which are unsubordinated and unsecured of Baht 1,473.08 million and Baht 1,473.08 million, respectively, for partial settlement of the transfer of rights in future receivables and additional receivables in accordance with conditions in the agreements.

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

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

Such debentures will be initially redeemed in 2023 and matured on October 28, 2025 with conditions to redeem before the maturity.

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

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

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

As at February 28, 2019

	Notional amount Baht '000	Within 1 year Baht '000	Carrying amount 1 - 5 years Baht '000	Total Baht '000
<b>Receivables per currency swap contracts</b>				
Cross Currency Swap Contracts				
JPY currency	596,860	35,908	-	35,908
	<u>596,860</u>	<u>35,908</u>	<u>-</u>	<u>35,908</u>
<b>Payables per currency swap contracts</b>				
Cross Currency Swap Contracts				
USD currency	5,605,900	(25,752)	(517,492)	(543,244)
	<u>5,605,900</u>	<u>(25,752)</u>	<u>(517,492)</u>	<u>(543,244)</u>

## 22. PROVISIONS FOR EMPLOYEE BENEFITS

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

For the years ended February 29, 2020 and February 28, 2019, amounts recognized in the statements of profit or loss in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Past service cost				
- For employees transferred from a subsidiary	-	9,140	-	9,140
- From plan amendment	-	62,960	-	56,630
- From loss on settlement of benefit paid	7	-	-	-
Current service cost	57,432	36,802	49,495	31,753
Interest cost	7,872	4,702	7,322	4,165
Loss on settlement	1,324	374	1,324	374
Total	<u>66,635</u>	<u>113,978</u>	<u>58,141</u>	<u>102,062</u>

For the years ended February 29, 2020 and February 28, 2019, amounts recognized in other comprehensive income in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
(Gain) loss on remeasurements of defined benefit plans				
- From financial assumptions changes	26,429	(3,790)	22,666	(3,510)
- From demographic assumptions changes	28,085	11,085	28,616	11,179
- From experience adjustments	3,727	283	3,287	1,322
Total	<u>58,241</u>	<u>7,578</u>	<u>54,569</u>	<u>8,991</u>

Movements in the present value of the provisions for post-employment benefits for the years ended February 29, 2020 and February 28, 2019 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	271,321	151,930	242,534	105,193
Past service cost				
- For employees transferred from a subsidiary	-	9,140	-	9,140
- From plan amendment	-	62,960	-	56,630
- From loss on settlement of benefit paid	7	-	-	-
Current service cost	57,432	36,802	49,495	31,753
Interest cost	7,872	4,702	7,322	4,165
Loss on settlement	1,324	374	1,324	374
Loss on remeasurements of defined benefit plans	58,241	7,578	54,569	8,991
Benefits transferred	-	-	-	28,316
Benefits paid	(2,778)	(2,165)	(2,650)	(2,028)
Ending balance	393,419	271,321	352,594	242,534

The significant actuarial assumptions used to calculate the provisions under the defined benefit plans as at February 29, 2020 and February 28, 2019, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at February 29, 2020	As at February 28, 2019
	% per annum	% per annum
Financial assumptions		
Discount rate	1.47 - 1.80	2.72 - 3.01
Expected rate of salary increase	5.0	5.0 - 7.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 30.0	0.0 - 31.0
	Subject to range of age of employees	Subject to range of age of employees
Daily staff	0.0 - 52.0	0.0 - 52.0
	Subject to range of age of employees	Subject to range of age of employees
Temporary staff	0.0 - 42.0	0.0 - 43.0
	Subject to range of age of employees	Subject to range of age of employees

# SEPARATE FINANCIAL STATEMENTS

	As at February 29, 2020 % per annum	As at February 28, 2019 % per annum
Financial assumptions		
Discount rate	1.69	3.01
Expected rate of salary increase	5.0	6.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 18.0	0.0 - 19.0
	Subject to range of age of employees	Subject to range of age of employees
Daily staff	0.0 - 52.0	0.0 - 52.0
	Subject to range of age of employees	Subject to range of age of employees

Sensitivity analysis on significant actuarial assumptions represents impact of change in the significant actuarial assumptions on present value of the provisions for post-employment benefits as at February 29, 2020 and February 28, 2019, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2020 Baht '000	As at February 28, 2019 Baht '000	As at February 29, 2020 Baht '000	As at February 28, 2019 Baht '000
Financial assumptions				
Discount rate				
- 1% increase	(57,051)	(38,675)	(51,992)	(35,204)
- 1% decrease	69,450	46,808	63,373	42,662
Expected rate of salary increase				
- 1% increase	61,737	41,918	56,371	38,173
- 1% decrease	(51,809)	(35,349)	(47,253)	(32,158)
Demographic assumptions				
Turnover rate				
- 1% increase	(60,470)	(41,663)	(55,016)	(37,877)
- 1% decrease	33,853	22,911	30,176	20,470

Maturity analysis of the benefit payments of the provisions for post-employment benefits, which are not discounted to present value, as at February 29, 2020 and February 28, 2019, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2020 Baht '000	As at February 28, 2019 Baht '000	As at February 29, 2020 Baht '000	As at February 28, 2019 Baht '000
Within 1 year	2,893	122	2,893	-
Over 1 to 5 years	33,920	15,179	23,690	12,434
Over 5 years	356,606	256,020	326,011	230,100
Total	393,419	271,321	352,594	242,534

On December 13, 2018, the National Legislative Assembly passed a resolution approving the draft of a new Labor Protection Act. This Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than 400 days at the employees' latest wage rate. The management of the Group and the Company judgmentally considered that the plan amendment has occurred and recognized past service cost as an expense when the National Legislative Assembly passed a resolution approving the draft of this Labor Protection Act. The Group and the Company have recorded the effect of such plan amendment and already recognized past service cost as an expense in the consolidated and separate statements of profit or loss for the year ended February 28, 2019 in the amount of Baht 62.96 million and Baht 56.63 million, respectively. Such Labor Protection Act has been announced in the Royal Gazette on April 5, 2019.

## **23. SHAREHOLDERS' EQUITY**

- 23.1 On June 22, 2018, the Annual General Meeting of shareholders had the resolutions to approve the declaration of final dividends for the year ended February 28, 2018 at the rate of Baht 2.25 per share, totaling Baht 562.50 million. The aforementioned shareholders included 1,000 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 562.50 million on July 20, 2018 in addition to the interim dividends which had been paid to all shareholders at Baht 1.60 per share, totaling Baht 399.99 million on November 6, 2017.
- 23.2 On October 5, 2018, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the year ended February 28, 2019 at the rate of Baht 2.35 per share to shareholders, totaling Baht 587.50 million. The aforementioned shareholders included 1,100 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 587.50 million on November 1, 2018.
- 23.3 On June 21, 2019, the Annual General Meeting of shareholders had the resolutions to approve the declaration of final dividends for the year ended February 28, 2019 at the rate of Baht 2.35 per share, totaling Baht 587.50 million. The aforementioned shareholders included 1,200 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 587.50 million on July 18, 2019 in addition to the interim dividends which had been paid to all shareholders at Baht 2.35 per share, totaling Baht 587.50 million on November 1, 2018.



- 23.4 On October 7, 2019, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the year ended February 29, 2020 at the rate of Baht 2.45 per share to shareholders, totaling Baht 612.50 million. The aforementioned shareholders included 1,000 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 612.50 million on November 4, 2019.
- 23.5 Under the Securitization project, the subsidiary has to pay dividend to its shareholders from all remaining amounts after deducting the required accumulated reserves and payment of all fees and expenses. The subsidiary appropriates interim dividends after the approval of Board of Directors' meeting on a monthly basis at each Monthly Purchase Date as an appropriation of net profit after income tax of each month.

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

## 24. LEGAL RESERVE

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

As at February 29, 2020 and February 28, 2019, the Company's legal reserve equals to 10% of the registered share capital.

## 25. CAPITAL MANAGEMENT

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

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

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

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

## 26. OTHER COMPONENTS OF SHAREHOLDERS' EQUITY

Other components of shareholders' equity as at February 29, 2020 and February 28, 2019, are as follows:

	CONSOLIDATED	
	FINANCIAL STATEMENTS	
	As at	As at
	February 29, 2020	February 28, 2019
	Baht '000	Baht '000
<b>Exchange differences on translating financial statements of foreign operations</b>		
Beginning balance	(123,078)	(89,941)
Decrease during the year	(54,717)	(33,137)
Ending balance	<u>(177,795)</u>	<u>(123,078)</u>

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

## 27. REVENUES RELATING TO SECURITIZATION TRANSACTION

For the years ended February 29, 2020 and February 28, 2019, the details of revenues from securitization transaction incurred from sales of loans receivable to ATS Rabbit Special Purpose Vehicle Company Limited are included in Loan Income for presentation as follows:

	SEPARATE	
	FINANCIAL STATEMENTS	
	For the years ended	
	February 29, 2020	February 28, 2019
	Baht '000	Baht '000
Loan income (see Note 32.2.2)		
Interest income from subordinated lendings	10,117	9,361
Revenue from seller loan in Special Purpose Vehicle	24,055	10,826
Dividend from investment in Special Purpose Vehicle	41,906	37,705
Collection servicing income	92,719	81,112
Total	<u>168,797</u>	<u>139,004</u>

## 28. DIRECTORS AND MANagements' REMUNERATION

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

For the years ended February 29, 2020 and February 28, 2019, directors and managements' remuneration are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 29, 2020 Baht '000	February 28, 2019 Baht '000	February 29, 2020 Baht '000	February 28, 2019 Baht '000
Short-term employee benefits				
Directors' remuneration	38,343	35,954	24,244	24,993
Managements' remuneration	127,493	138,763	73,551	83,078
Post-employment benefits	6,070	7,770	3,721	7,095
Total	<u>171,906</u>	<u>182,487</u>	<u>101,516</u>	<u>115,166</u>

For the years ended February 29, 2020 and February 28, 2019, directors' remunerations which were included in short-term employee benefits were approved by the Annual General Meeting of shareholders of the Company held on June 21, 2019 and June 22, 2018, respectively.

## 29. PROVIDENT FUND

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

For the years ended February 29, 2020 and February 28, 2019, the Company contributed to the provident fund and recorded as expenses, as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 29, 2020 Baht '000	February 28, 2019 Baht '000	February 29, 2020 Baht '000	February 28, 2019 Baht '000
Contributory provident fund	<u>60,085</u>	<u>51,297</u>	<u>51,215</u>	<u>41,940</u>

### 30. EXPENSES BY NATURE

Net profits for the years ended February 29, 2020 and February 28, 2019, have been derived after deducting the following significant expenses:

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Staff costs	3,037,922	2,892,092	2,195,486	2,159,308
Marketing expenses	1,831,226	1,690,400	1,773,777	1,602,215
Equipment expenses	649,360	631,440	526,837	560,698
Depreciation and amortization	548,570	553,658	450,225	446,563
Communication expenses	307,877	358,460	268,427	312,337
Premises' expenses	801,018	786,462	671,544	667,603
Outsource collection expenses	581,069	356,550	1,002,798	760,989
Special business tax and duty stamp	613,005	549,148	594,947	533,506
Printing material expenses	201,446	224,740	188,842	214,259
Transportation expenses	201,036	190,700	137,616	131,119
Fees and commissions	183,981	156,646	157,424	130,444
Other expenses	134,718	130,583	88,627	84,768
Directors and managements' remuneration	171,906	182,487	101,516	115,166
Bad debts and doubtful accounts	6,646,262	5,284,541	6,352,815	5,087,827
Loss on impairment of investment and assets	-	44,913	-	44,913
Loss on sale of investment	539	-	539	-
Loss on sale and write-off of leasehold improvement and equipment and intangible assets	25,393	5,528	24,866	3,946
Finance costs	2,209,172	2,174,724	2,354,969	2,358,075
Total Expenses	18,144,500	16,213,072	16,891,255	15,213,736

### 31. CORPORATE INCOME TAX

The Company and its local subsidiaries used tax rate of 20% for corporate income tax and deferred tax calculations for the years ended February 29, 2020 and February 28, 2019. The foreign subsidiaries used 20% - 25% for corporate income tax and deferred tax calculations for the years ended February 29, 2020 and February 28, 2019.

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

For the years ended February 29, 2020 and February 28, 2019, income tax expense consists of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense for the years	1,316,260	1,041,163	1,152,024	947,391
Deferred income tax revenue	(292,704)	(173,544)	(285,886)	(170,056)
Income tax expense per statements of profit or loss	<u>1,023,556</u>	<u>867,619</u>	<u>866,138</u>	<u>777,335</u>

Reconciliations of effective tax rates for the years ended February 29, 2020 and February 28, 2019, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
	Baht '000	Baht '000	Baht '000	Baht '000
Accounting profit before income tax	5,143,787	4,434,243	4,710,887	4,215,163
Permanent differences	(77,733)	(96,204)	(74,112)	(90,402)
Temporary differences	1,463,720	865,402	1,429,429	850,280
Income that is exempt from taxable	-	-	(306,086)	(238,088)
Taxable profit	<u>6,529,774</u>	<u>5,203,441</u>	<u>5,760,118</u>	<u>4,736,953</u>
Normal income tax rate (%)	20.00 - 25.00	20.00 - 25.00	20.00	20.00
Income tax for the period currently payable	1,316,260	1,041,163	1,152,024	947,391
Deferred tax from temporary differences	(292,704)	(173,544)	(285,886)	(170,056)
Income tax expense per statements of profit or loss	<u>1,023,556</u>	<u>867,619</u>	<u>866,138</u>	<u>777,335</u>
Effective tax rate (%)	19.90	19.57	18.39	18.44

## 32. TRANSACTIONS WITH RELATED PARTIES

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

### 32.1 Investments in an associate and subsidiaries (see Note 9.2) as at February 29, 2020 and February 28, 2019, are as follows:

SEPARATE FINANCIAL STATEMENTS							
Related parties	Relationship	As at February 29, 2020			As at February 28, 2019		
		Ownership	Paid-up capital	Cost	Ownership	Paid-up capital	Cost
		%	Baht’ 000	Baht ’000	%	Baht’ 000	Baht ’000
<b>Investments in an associate and subsidiaries</b>							
<b>Investment in an associate</b>							
ACS Trading Vietnam Company Limited	Associate	20.00	84,096.3	16,819.3	20.00	84,096.3	16,819.3
Total investment in an associate				16,819.3			16,819.3
<b>Investments in subsidiaries</b>							
ACS Servicing (Thailand) Company Limited	Subsidiary	100.00	175,349.1	175,349.1	100.00	175,349.1	175,349.1
AEON Insurance Service (Thailand) Company Limited	Subsidiary	100.00	149,224.3	149,224.3	100.00	149,224.3	149,224.3
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	50.00	643,720.4	323,580.0	50.00	643,720.4	323,580.0
AEON Microfinance (Myanmar) Company Limited	Subsidiary	100.00	455,403.3	455,403.3	100.00	276,769.1	276,769.1
AEON Leasing Service (Lao) Company Limited	Subsidiary	92.58	111,402.9	103,069.1	92.58	111,402.9	103,069.1
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	48.75	40.0	19.5	48.75	40.0	19.5
Total investments in subsidiaries				1,206,645.3			1,028,011.1
<b>Total investments in an associate and subsidiaries</b>				1,223,464.6			1,044,830.4

## 32.2 Business transactions with related parties

### 32.2.1 Balances with related parties as at February 29, 2020 and February 28, 2019, are as follows:

Related parties	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
		Baht '000	Baht '000	Baht '000	Baht '000
<b>Other receivables</b> (see Note 6)					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	31,673	59,931
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	1,089	2,135
AEON Financial Service Co., Ltd.	Major shareholder	1,065	1,081	215	187
AEON Credit Service Company Limited	Common ultimate holding company	60	-	-	-
ACS Capital Corporation Limited	Shareholder and one common director	1,024	887	1	17
AEON Leasing Service (Lao) Company Limited	Subsidiary	-	-	464	1,092
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	48,381	44,520
AEON Microfinance (Myanmar) Company Limited	Subsidiary	-	-	-	12
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	1,800	8
ACS Trading Vietnam Company Limited	Associate	-	30	-	10
AEON (Cambodia) Company Limited	Common ultimate holding company	-	72	-	-
AEON Mall (Cambodia) Company Limited	Common ultimate holding company	-	1,791	-	-
AEON Bank Ltd.	Common ultimate holding company	82	-	-	-
		<u>2,231</u>	<u>3,861</u>	<u>83,623</u>	<u>107,912</u>
<b>Long-term loan</b> (see Note 8)					
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	125,858	-
<b>Seller loan in Special Purpose Vehicle for securitization</b> (see Note 10)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	235,074	199,920
<b>Subordinated lendings</b> (see Note 11.1)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	84,074	84,074
<b>Long-term borrowings</b> (see Note 19)					
AEON Bank Ltd.	Common ultimate holding company	732,928	1,436,331	732,928	1,436,331

Related parties	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
		Baht '000	Baht '000	Baht '000	Baht '000
<b>Trade payables</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	80	610
<b>Other payables (see Note 17)</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	9,085	11,692
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	145,924	68,788
AEON (Thailand) Company Limited	Shareholder and two common directors	11,346	1,434	11,346	1,434
AEON Financial Service Co., Ltd.	Major shareholder	45,438	154,882	40,355	62,680
AEON Credit Service Company Limited	Common ultimate holding company	12,346	7,024	8,996	3,387
AEON Credit Service Systems (Philippines) Inc.	Holding shares	1,619	244	-	189
AEON Bank Ltd.	Common ultimate holding company	1,847	1,864	1,847	1,271
AEON Credit Service (Asia) Company Limited	Common ultimate holding company	-	3,630	-	-
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	59,878	71,558
AEON ASIA SDN. BHD.	Common ultimate holding company	-	193	-	193
AEON Insurance Service Company Limited (JP)	Common ultimate holding company	1,371	-	-	-
		<u>73,967</u>	<u>169,271</u>	<u>277,431</u>	<u>221,192</u>
<b>Long-term borrowing under securitization project (see Note 20)</b>					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	1,662,552	1,652,515
<b>Deposit Received</b>					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	4,163	5,266
<b>Deferred Revenue</b>					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	82,872	27,689



32.2.2 Transactions with related parties for the years ended February 29, 2020 and February 28, 2019, are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 29, 2020 Baht '000	February 28, 2019 Baht '000	February 29, 2020 Baht '000	February 28, 2019 Baht '000
<b>Sale promotion income</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	2,613	5,842
<b>Credit card income</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	366,645	344,070
<b>Revenue relating to securitization transaction (included in loan income) (see Note 27)</b>					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	168,797	139,004
<b>Collection income</b>					
ACS Capital Corporation Limited	Shareholder and one common director	2,708	3,631	-	-
<b>Dividend income</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	92,500	75,000
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	171,680	95,016
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	-	30,368
		<u>-</u>	<u>-</u>	<u>264,180</u>	<u>200,384</u>
<b>Other income</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	51,796	52,627
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	8,473	3,854
ACS Capital Corporation Limited	Shareholder and one common director	9,247	3,815	3,261	3,200
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	1,800	-
		<u>9,247</u>	<u>3,815</u>	<u>65,330</u>	<u>59,681</u>
<b>Operating and administrative expenses</b>					
<b>Collection service fee</b>					
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	446,887	416,457
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	8,807	10,165
		<u>-</u>	<u>-</u>	<u>455,694</u>	<u>426,622</u>
<b>Others</b>					
AEON Financial Service Co., Ltd.	Major shareholder	101,725	98,912	93,331	86,221
AEON Credit Service Company Limited	Common ultimate holding company	44,190	45,765	19,190	19,010
AEON Bank Ltd.	Common ultimate holding company	8,848	2,557	2,788	2,557
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	-	21,491

Related parties	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 29, 2020	February 28, 2019	February 29, 2020	February 28, 2019
		Baht '000	Baht '000	Baht '000	Baht '000
<b>Others (continued)</b>					
AEON (Thailand) Company Limited	Holding shares and two common directors	24,626	16,106	24,626	16,106
ACS Capital Corporation Limited	Shareholder and one common director	-	-	-	-
AEON Credit Service Systems (Philippines) Inc.	Holding shares	6,168	7,402	4,077	4,462
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	17,574	9,621
AEON Credit Service (Asia) Company Limited	Common ultimate holding company	1,814	2,387	-	-
AEON Insurance Service Company Limited (JP)	Common ultimate holding company	128	-	-	-
		<u>187,499</u>	<u>173,129</u>	<u>161,586</u>	<u>159,468</u>
<b>Finance costs</b>					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	440,108	391,178
AEON Bank Ltd.	Common ultimate holding company	8,416	11,227	8,416	11,227
AEON Financial Service Co., Ltd.	Major shareholder	<u>2,412</u>	<u>1,483</u>	<u>-</u>	<u>-</u>
		<u>10,828</u>	<u>12,710</u>	<u>448,524</u>	<u>402,405</u>
<b>Dividend paid</b>					
AEON Financial Service Co., Ltd.	Major shareholder	421,440	403,880	421,440	403,880
ACS Capital Corporation Limited	Shareholder and one common director	230,400	220,800	230,400	220,800
AEON Holding (Thailand) Limited	Common ultimate holding company	105,600	101,200	105,600	101,200
		<u>757,440</u>	<u>725,880</u>	<u>757,440</u>	<u>725,880</u>

- Other income for the years ended February 29, 2020 and February 28, 2019 include the computer fee charged to ACS Capital Corporation Limited, at the rates of Baht 1,000,000 per month until March 2018 and Baht 200,000 per month from April 2018 onwards, and charged to AEON Insurance Service (Thailand) Co., Ltd., and ACS Servicing (Thailand) Co., Ltd., at the rate of Baht 200,000 per month and Baht 200,000 per month, respectively, and from September 2019 onwards, Finance and Accounting operation services fee charged to ACS Capital Corporation Limited, AEON Insurance Service (Thailand) Limited, and ACS Servicing (Thailand) Limited at the rate of Baht 130,000 per month, Baht 550,000 per month and Baht 770,000 per month, respectively. The service fees are determined on a cost plus basis.
- Revenues relating to securitization transactions are determined by the Company and subsidiaries in accordance with securitization projects (see Note 5.5).
- Collection service fee paid to ACS Servicing (Thailand) Co., Ltd. is based on general market price and in the normal course of business.

- Management assistant fee is paid to AEON Financial Service Co., Ltd. as stated in the agreement.
- Pricing policy for other operating and administrative expenses are determined by the Company and related parties based on the cost plus basis.
- Computer programs purchasing price is paid to AEON Credit Service Systems (Philippines) Inc. as specified in the agreement.

### 33. LONG-TERM OPERATING LEASE AND SERVICE AGREEMENTS

As at February 29, 2020 and February 28, 2019, the Company has long-term operating lease and service agreements with third parties as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
Future minimum lease payments				
As at February 29, 2020		As at February 28, 2019		
Within 1 year	Over 1 to 5 years	Within 1 year	Over 1 to 5 years	
Baht '000	Baht '000	Baht '000	Baht '000	
Building	399,638	349,438	343,091	277,030
Office equipment	53,758	23,640	54,414	47,324
Vehicle	39,752	12,669	51,000	27,987

SEPARATE FINANCIAL STATEMENTS				
Future minimum lease payments				
As at February 29, 2020		As at February 28, 2019		
Within 1 year	Over 1 to 5 years	Within 1 year	Over 1 to 5 years	
Baht '000	Baht '000	Baht '000	Baht '000	
Building	353,075	301,221	308,763	250,563
Office equipment	52,956	23,436	53,994	46,778
Vehicle	24,955	11,304	35,407	24,937

### 34. SEGMENT INFORMATION

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

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

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

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

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

34.1 Operating result classified by business for the years ended February 29, 2020 and February 28, 2019, are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
For the year ended February 29, 2020					
	Retail finance services		Other business	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	20,739,996	1,424,508	1,136,448	-	23,300,952
Inter - segment revenues	693,709	5,252	436,250	(1,135,211)	-
	21,433,705	1,429,760	1,572,698	(1,135,211)	23,300,952
Expenses					
Operating and administrative expenses	8,054,941	656,849	1,230,499	(851,061)	9,091,228
Directors and managements' remuneration	101,516	38,300	32,090	-	171,906
Bad debts and doubtful accounts (reversal)	6,512,931	133,909	(578)	-	6,646,262
Loss on impairment of asset	539	-	-	-	539
(Gain) loss on sale and write-off of leasehold improvement and equipment and intangible assets	24,866	599	(72)	-	25,393
Finance costs	1,965,165	243,993	14	-	2,209,172
Total expenses	16,659,958	1,073,650	1,261,953	(851,061)	18,144,500
Share of loss from investment in an associate	-	-	-	(12,665)	(12,665)
Profit before income tax	4,773,747	356,110	310,745	(296,815)	5,143,787
Income tax expense	887,091	77,204	59,261	-	1,023,556
Net profit for the year	3,886,656	278,906	251,484	(296,815)	4,120,231

CONSOLIDATED FINANCIAL STATEMENTS					
For the year ended February 28, 2019					
	Retail finance services		Other business	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	18,677,559	878,438	1,085,704	-	20,641,701
Inter - segment revenues	612,415	-	510,709	(1,123,124)	-
	19,289,974	878,438	1,596,413	(1,123,124)	20,641,701
Expenses					
Operating and administrative expenses	7,606,532	521,998	1,326,228	(933,879)	8,520,879
Directors and managements' remuneration	115,166	39,792	27,529	-	182,487
Bad debts and doubtful accounts (reversal)	5,220,656	64,488	(603)	-	5,284,541
Loss on impairment of investment and assets	44,913	-	-	-	44,913
(Gain) loss on sale and write-off of leasehold improvement and equipment and intangible assets	3,946	168	(5,528)	6,942	5,528
Finance costs	2,027,042	147,320	362	-	2,174,724
Total expenses	15,018,255	773,766	1,347,988	(926,937)	16,213,072
Share of profit from investment in an associate	-	-	-	5,614	5,614
Profit before income tax	4,271,719	104,672	248,425	(190,573)	4,434,243
Income tax expense	796,188	23,617	47,814	-	867,619
Net profit for the year	3,475,531	81,055	200,611	(190,573)	3,566,624

34.2 Financial position classified by business as at February 29, 2020 and February 28, 2019, are as follows:

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

CONSOLIDATED FINANCIAL STATEMENTS					
As at February 28, 2019					
	Retail finance services		Other business	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Trade and other receivables	76,442,062	3,651,073	371,831	(143,273)	80,321,693
Leasehold improvement and equipment and intangible assets	1,216,854	203,495	74,045	(7,972)	1,486,422
Other assets	5,039,686	222,593	1,001,964	(950,821)	5,313,422
Total assets	82,698,602	4,077,161	1,447,840	(1,102,066)	87,121,537
Total liabilities	65,240,302	3,199,934	387,537	(94,599)	68,733,174

### 35. DISCLOSURE OF INFORMATION RELATING TO FINANCIAL INSTRUMENTS

The Company presents and discloses financial instruments in accordance with the Thai Accounting Standard No. 107 regarding "Presentation and Disclosure of Financial Instruments".

The Company entered into Interest Rate Swap Contracts and Cross Currency Swap Contracts in asset and liability management activities to control exposure to fluctuations in interest and foreign exchange rates. The Company does not hold derivatives for trading purposes.

#### 35.1 Accounting policies

Details of significant accounting policies are disclosed in Note 3.

## 35.2 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company and subsidiaries. Concentrations of the credit risk with respect to trade receivables are limited due to the large number of customers comprising the customer base, and their dispersion across different geographic regions. However, the Company and subsidiaries have adopted the policy to prevent this risk by performing credit analysis from customers' information and following up on customer status consistently.

In the case of recognized financial assets, the carrying amount of the assets recorded in the statement of financial position, net of a portion of allowance for doubtful accounts, represents the Company's maximum exposure to credit risk.

## 35.3 Interest rate risk

Interest rate risk arises from a potential for a change in interest rates to have an adverse effect on the Company and its subsidiaries in the current reporting period and in future years.

The Company did not anticipate any interest rate fluctuation risk which may have a material effect on the result of operations as all of the loans carrying floating interest rates have been hedged.

The subsidiaries did not have interest rate fluctuation risk as all of the loans carry fixed interest rates.

## 35.4 Foreign exchange risk

Foreign exchange risk arises from the change in foreign currency exchange rate to have an adverse effect on the Company in the current reporting period and in future years. The Company did not anticipate any foreign exchange risk which may have a material effect on the result of operations as all the transactions in foreign currency have been hedged by entering into cross currency swap contracts.

In addition, in order to manage risk from fluctuation in currency and interest rate, the Company has entered into various cross currency swap contracts to hedge its long-term debts as disclosed in Note 19 and Note 21.

## 35.5 Fair value measurements

35.5.1 Cash and cash equivalents, trade and other current receivables, short-term borrowings from financial institutions and trade and other current payables; the carrying values of outstanding balances approximate their fair values due to relatively short period to maturity.

Other long-term investments: based on amount recognized in the statement of financial position.

Subordinated lendings and subordinated borrowings: the management believes that the approximate fair value of subordinated lendings and subordinated borrowings are based on the amounts recognized in the statement of financial position because there are no equivalent subordinated lendings and subordinated borrowings in the market for reference.

- 35.5.2 The fair values of long-term borrowings and debentures are estimated based on the discounted cash flows using average current interest rate over the remaining period to maturity.

The transactions disclosed in the following table are considered that the carrying amounts of financial liabilities recognized in the consolidated and separate financial statements are different from their fair values.

	Carrying amount	Fair value	Fair value hierarchy
	Baht '000	Baht '000	
<b>As at February 29, 2020</b>			
<b>Consolidated financial statements</b>			
<b>Financial liabilities</b>			
Long-term borrowings bearing fixed interest rate	9,423,476	9,495,653	Level 2
Long-term borrowings bearing floating interest rate	35,836,135	35,854,083	Level 2
Long-term debentures bearing fixed interest rate	11,190,902	11,337,213	Level 2
Long-term debentures bearing floating interest rate	5,597,064	5,604,534	Level 2
<b>Separate financial statements</b>			
<b>Financial liabilities</b>			
Long-term borrowings bearing fixed interest rate	8,240,556	8,312,732	Level 2
Long-term borrowings bearing floating interest rate	35,836,135	35,854,083	Level 2
Long-term debentures bearing fixed interest rate	11,190,902	11,337,213	Level 2
Long-term debentures bearing floating interest rate	4,123,982	4,131,452	Level 2
<b>As at February 28, 2019</b>			
<b>Consolidated financial statements</b>			
<b>Financial liabilities</b>			
Long-term borrowings bearing fixed interest rate	8,819,673	8,863,671	Level 2
Long-term borrowings bearing floating interest rate	31,799,191	31,832,979	Level 2
Long-term debentures bearing fixed interest rate	8,790,951	8,809,307	Level 2
Long-term debentures bearing floating interest rate	7,147,669	7,168,506	Level 2
<b>Separate financial statements</b>			
<b>Financial liabilities</b>			
Long-term borrowings bearing fixed interest rate	8,199,992	8,243,990	Level 2
Long-term borrowings bearing floating interest rate	31,799,190	31,832,979	Level 2
Long-term debentures bearing fixed interest rate	8,790,951	8,809,307	Level 2
Long-term debentures bearing floating interest rate	5,674,587	5,695,424	Level 2

- 35.5.3 Estimated fair values of receivables and/or payables per cross currency swap contracts are estimated based on the discounted cash flows. Future cash flows are estimated based on relevant market price of hedged position, i.e. interest rate, foreign exchange rate, discounted at a rate that reflects the credit risk of various counterparties. Fair values of receivables and/or payables per cross currency swap contracts are determined at Level 2.

The carrying amount and estimated fair values of receivables and/or payables per cross currency swap contracts are as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS				
As at February 29, 2020				
	Carrying amount			Fair value
	Within	Over	Total	Assets
	1 year	1 - 5 years		(Liabilities)
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Receivables per currency swap contracts</b>				
Cross Currency Swap Contracts	151,056	210,072	361,128	(93,883)
<b>Payables per currency swap contracts</b>				
Cross Currency Swap Contracts	(526,253)	(867,341)	(1,393,594)	(2,233,795)

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS				
As at February 28, 2019				
	Carrying amount			Fair value
	Within	Over	Total	Assets
	1 year	1 - 5 years		(Liabilities)
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Receivables per currency swap contracts</b>				
Cross Currency Swap Contracts	35,908	118,875	154,783	(76,061)
<b>Payables per currency swap contracts</b>				
Cross Currency Swap Contracts	(441,278)	(1,543,443)	(1,984,721)	(2,545,252)

### 36. CREDIT FACILITIES AND LETTERS OF GUARANTEE

- 36.1 As at February 29, 2020 and February 28, 2019, the Company has unused committed and unsecured revolving credit facility agreements with some financial institutions totaling Baht 3,000 million.
- 36.2 As at February 29, 2020 and February 28, 2019, the Company has unused and unsecured overdraft facilities with various banks totaling Baht 3,090 million and Baht 2,440 million, respectively.
- 36.3 As at February 29, 2020 and February 28, 2019, 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.
- 36.4 As at February 29, 2020 and February 28, 2019, two subsidiaries have letters of guarantee issued by banks in the amounts of Baht 5.38 million and Baht 5.83 million, respectively.



### 37. SIGNIFICANT AGREEMENTS RELATING TO SECURITIZATION TRANSACTION

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

### 38. SALE OF WRITTEN-OFF RECEIVABLES

- 38.1 On February 22, 2018, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to two unrelated local companies (the “buyers”) with the purchase price of Baht 164.07 and Baht 15.07 million, respectively. At the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyers. The agreements 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 February 22, 2018, which is the closing date as specified in the agreements, the Company received the initial payment of Baht 41.02 million and Baht 15.07 million, respectively, from the buyers. One of the buyers has agreed to pay the remaining amount of purchase price amounting to Baht 123.05 million in three installments of Baht 41.02 million per each, on March 22, 2018, April 22, 2018 and on the delivery date, respectively. The Company has already recognized gain on sale of written-off receivables totaling Baht 179.14 million in the consolidated and separate statements of profit or loss for the year ended February 28, 2018, and recorded outstanding receivables of Baht 123.05 million as other receivables in the consolidated and separate statements of financial position as at February 28, 2018.

Subsequently, during the year ended February 28, 2019, the Company has already received cash proceeds of the remaining balance as specified in the agreement.

Under the Asset Sale and Purchase Agreement, if the buyer wished to sell or transfer loan 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 did not conclude within three months or the Company decided not to make a purchase, the buyer might sell such loan to a third party.

- 38.2 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 2.48 million and Baht 4.29 million as bad debt recovery in the consolidated and separate statements of profit or loss for the years ended February 29, 2020 and February 28, 2019, respectively, and recorded outstanding deferred revenue of Baht 24.75 million and Baht 27.23 million as other current liabilities in the separate statement of financial position as at February 29, 2020 and February 28, 2019, respectively.

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

- 38.3 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 0.93 million as bad debt recovery in the consolidated and separate statements of profit or loss for the year ended February 29, 2020 and recorded outstanding deferred revenue of Baht 57.83 million as other current liabilities in the separate statements of financial position as at February 29, 2020.

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.

- 38.4 On October 28, 2019, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the “buyer”) with the purchase price of Baht 247.94 million. On the same date, the Company entered into the “Asset Sale and Purchase Agreement” with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company’s rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On October 28, 2019, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. The Company has already recognized gain on sale of written-off receivables totaling Baht 247.94 million in the consolidated and separate statements of profit or loss for the year ended February 29, 2020.

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. The claim was to be settled with the final payment which the Company would receive from the buyer. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the year ended February 29, 2020. In addition, if the buyer wished to sell or transfer loan 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 did not conclude within three months or the Company decided not to make a purchase, the buyer might sell such loan to a third party.

- 38.5 On February 27, 2020, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the “buyer”) with the purchase price of Baht 329.19 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 February 27, 2020, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 164.65 million, from the buyer. The Company has already recognized gain on sale of written-off receivables totaling 329.19 Baht million in the consolidated and separate statements of profit or loss for the year ended February 29, 2020, and recorded outstanding receivables of Baht 164.54 million as other receivables in the consolidated and separate statements of financial position as at February 29, 2020.

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. The claim was to be settled with the final payment which the Company would receive from the buyer. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the year ended February 29, 2020. In addition, if the buyer wished to sell or transfer loan 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 did not conclude within three months or the Company decided not to make a purchase, the buyer might sell such loan to a third party.

### 39. RECLASSIFICATION

A reclassification has been made in the consolidated statement of financial position as at February 28, 2019, to conform to the classification used in the consolidated statement of financial position as at February 29, 2020. Such reclassification has no effect to previously reported net profit, total comprehensive income and shareholders' equity. The reclassification is as follows:

Account	Previous presentation	Current presentation	Amount Baht '000
Refundable corporate income tax	Current tax assets which presented under current assets	Other receivables which presented under current assets	51,486

### 40. EVENT AFTER THE REPORTING PERIOD

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

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

For the impact of COVID-19 to the financial statements for the year ended February 29, 2020, the Company and the Group consider this outbreak event to be a non-adjusting event after the reporting period.

Due to the uncertainties of COVID-19, the Company and the Group are in the process to closely monitor the pandemic and reasonably estimate the potential impact on the Company and the Group. The Company's and the Group's management believe that the Company and the Group will be able to continue as a going concern and meet their obligations as these fall due.

### 41. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved for issue by the Company's authorized director and the Audit Committee on April 22, 2020.



**บริษัท อีออน ธนสินทรัพย์ (ไทยแลนด์) จำกัด (มหาชน)**  
**ÆON Thana Sinsap (Thailand) Public Company Limited**



Planting Seeds of Growth  
We are ÆON

