Aeon Thana Sinsap (Thailand) Public Company Limited

56-1 ONE REPORT 2023/2024

For the year ended February 29, 2024

CONTENTS **Pages**

FY2023 Highlights 1
Milestone over the Year 2
Message from the Management 3

Part I Business Operation and Operating Results
Organizational structure and operation of the group of companies 5
Risk management 55
Business sustainability development 64
Management discussion and analysis (MD&A) 93
General information and other material facts 105

Part II Corporate Governance
Corporate governance policy 109
Corporate governance structure and material facts related to the board, sub-committees, executives, employees and others 126
Report on key operating results on corporate governance 147
Internal control and related party transactions 160

Part III Financial Statements
Financial statements and notes 168

Attachments
Attachment 1: Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision and the Company's secretary 276

Attachment 2: Details of the directors of subsidiaries 297

Attachment 3: Details of the Heads of the Internal Audit and Compliance Units 298

Attachment 4: Assets for business undertaking and details of asset appraisal 299

Attachment 5: Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company 300

Attachment 6: Report of the Audit Committee 301

Attachment 7: Report of the Board of Director's Responsibilities for the Financial Statements 302

Attachment 8: Report of the Risk Management Committee 303

Attachment 9: Report of the Corporate Governance Committee 304

Attachment 10: Internal Control Assessment Questionnaire 305

FY2023 Highlights

Customer Base		Member and Branch Network
Credit Card	3.39 million cards	101 branches nationwide
Member Card	6.70 million cards	73 ATMs
Total Card	10.09 million cards	More than 5,276 dealer shops

Fiscal Year	2021 As of February 28, 2022	2022 As of February 28, 2023	2023 As of February 29, 2024
Financial Status (Million Baht)			
Total assets	90,469	95,207	92,499
Account receivables	91,028	93,937	91,305
Allowance for doubtful accounts	10,951	10,125	8,288
Total liabilities	70,205	71,859	67,437
Borrowings and debentures	65,418	66,055	62,513
Total shareholders' equity	20,264	23,348	25,062
Total shareholders' equity attributable to owners of the parent	19,889	22,821	24,472
Financial Results (Million Baht)			
Total revenues	20,791	22,332	21,965
Operating and administrative expense	7,671	7,962	8,211
Directors and managements' remuneration	161	155	183
Expected credit loss	6,629	7,263	7,240
Finance cost	1,745	1,904	2,162
Other expenses	11	98	8
Operating income	4,574	4,950	4,161
Net income	3,553	3,815	3,259
Non-controlling interest	21	139	79
Financial Ratios			
Book value per share (Baht)	79.6	91.3	97.9
Earnings per share (Baht)	14.21	15.26	13.04
Return on assets	4.0%	4.1%	3.5%
Return on equity	19.2%	17.9%	13.8%
Dividend Payout Ratio	36.2%	36.0%	42.2%

Milestone over the Year

March 2023

- The Company has extended its channels for Personal Loan (under supervision) cards, Digital loans and credit cards to cover all sale and service channels, including digital via mobile phones and tablets and branches, as well as credit card application outreach activities and events with the leveraging of biometric technology, customer identity verification through eKYC and digital identity confirmation via National Digital ID (NDID). This initiative marks a significant milestone in our ongoing digital transformation journey, opening doors to crucial advancements in our digital transformation.

May 2023

- The Company introduced its first environmental-care financial product, which was the electric motorcycles hire purchase aligning with ESG principles, particularly focusing on environmental management aspects. Subsequently, the Company launched Solar cell loan, providing energy alternatives to interested customers.

June 2023

- The Company has collaborated with FWD Life Insurance PCL to offer an exclusive insurance product "FWD Max Protect", covering 50 critical illnesses and accidents comprehensively within a single policy. This was made to strengthen the sales at Big Care Booth.

October 2023

- The Company launched a new business venture: vehicle title loan, providing another financial flexibility option for customers. This financial product does not only strengthen the customer's financial resilience but also expands the customer base, enabling car owners to access financial services from stable, trustworthy and secure financial institution.

November 2023

- The Company has added Type 2 and Type 3 car insurance of Thai Paiboon Insurance PCL and LMG Insurance PCL through the Company's branches nationwide.

December 2023

- The Company have launched an exclusive campaign of the year, "Aeon Gift Y2024" by offering IPhone 15 Pro Max, IPhone 15 Pro, and e-voucher Starbucks voucher up to 33,000 baht for credit card customers.

January 2024

- The Company introduced the first Digital Credit Card "Aeon Next Gen" which came as virtual credit card and also implemented for new function "Scan to pay" in order to create more convenience for customer's payment with QR code via Aeon Mobile Application.
- The Company has supported FWD Life PCL's life insurance products by adding sales channels at AEON branches nationwide. The Company also offers comprehensive coverage that meets the increased needs of customers by introducing the FWD Big 3, which covers three critical illness groups: cancer, heart and blood vessel diseases, and brain and nervous system diseases.

Message from the Management

Dear Shareholders,

In the light of Thailand's economic resurgence, GDP 1.9% y-y, particularly in unevenly distributed benefits from the sole recovered tourism sector, which accounting of 18% of GDP, we, therefore, have remained our focus on managing credit and financial risks. Despite the persistent challenges posed by household debt, which is likely to cross 91% in 2024, our proactive risk mitigation measures have fortified our financial resilience, evidenced by the steady enhancement in asset quality from the reduction of Expected Credit Loss quarter over quarter. We remain resolute in our commitment to navigating these challenges ensuring the enduring strength and stability of our financial position.

In summary, for the fiscal year 2023 financial results, our loan receivables amounted to 91,305 million baht, with non-performing loan (NPL) ratio has gradually reduced to 5.0% from 5.7% in the previous year, accompanied by the reduction of Expected Credit Loss (ECL). The Company recorded a net profit attributed to owners of the parent at 3,259 million baht, translating to earnings per share at 13.04 baht. Moreover, the Company distributed an interim dividend of 2.55 baht per share on November 2, 2023, and approved final dividend of 2.95 baht per share to be paid on 17 July, 2024, resulting in a total dividend payout ratio equivalent to 42.2% for the fiscal year 2023.

In the coming year, we project a trajectory for our asset quality, and we are poised to concentrate on acquiring new customers with a focus on growing quality loan receivables. This will be achieved through the implementation of diverse marketing strategies, as well as the introduction of newly launched products in the past year. These include innovative offerings such as EV motorcycle hire purchase, solar cell loans, AEON Auto Quick Cash, which is our vehicle title loan and our groundbreaking AEON Digital NextGen Credit Card, which features advanced security solutions for enhanced customer protection. These products have been designed to address shifts in customer behavior, the evolving competitive landscape and the rapid pace of technological advancement.

Furthermore, our sustainability goals align closely with our mission to build a resilient and sustainable retail financial products and services, we can create long-term value for both our stakeholders and the communities we serve. We recognize the critical role that digitalization plays in enhancing operational efficiency, improving customer experiences, and driving sustainable growth via our digitalization strategy which harness the seamless integration of artificial intelligence (AI) aiming to optimize processes, mitigate risks, and deliver secure financial services for our customers.

Additionally, our sustainability objectives are in alignment with those of the AEON group, in Japan. We prioritize reducing our environmental footprint, aiming for Net Zero emissions by 2040. Furthermore, we are committed to minimizing our social impact by actively contributing to communities and societal welfare through initiatives supported by the AEON Thailand Foundation.

Together, we will navigate the challenges and seize the opportunities that lie ahead, positioning our company as one of leaders in retail financial service provider in Thailand and Mekong region. We want to express my gratitude to our stakeholders for their unwavering support.

Thank you for your trust and confidence in our company as always.

1

Business operation and operating results

1. Organizational structure and operation of the group of companies

1.1 Policy and business overview

Company 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.

After the Company became a Public Company Limited it changed its par value from 10 Baht to 5 Baht and increased its registered capital from 200 Million Baht to 250 Million Baht by issuing 10,000,000 ordinary shares designated for the public and its employees in the amount of 9,800,000 shares and 200,000 shares respectively, and additionally, it became a listed company on the Stock Exchange of Thailand in December 2001. Also, in 2004, the company cut its par value from 5 Baht to 1 Baht per share.

AEON Financial Service Co. Ltd., (AEON Financial Service), the major shareholder of the Company, was listed in the 1st 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 by establishing AFS Corporation to sepately manage the bank and non-bank businesses.

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

The financial services business in each region will focus on consumers in that area. Hence, these businesses do not have no conflict of interest.

Business Policy

The corporate mission of the Company is to provide benefits to our cardholders through a variety of financial services. The Company has operated business under a shared philosophy among the group of Japan and across Asia which is to enhance cardholders financial opportunities for spending in everyday life through financial services that provide the most benefits, focusing on customer needs as well as raising the standard of financial services.

Vision	Mission	Goal
The Company enhances quality of customer's daily living in Thailand and Mekong region by providing finance services which are necessary for their life.	We have defined our mission to earn customers trust in the financial services and adhering to a strict code of corporate ethics and engaging in activities that conserve the environment and contribute to the society.	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 in order to achieve the goal. Regarding to the 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.

Procedures 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 purpose 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.

Major changes and developments

Major changes and developments over the past 3 years

2021	March	• The company operates non-life & life insurance brokerage business of Face-to-Face Insurance at AEON Branches and Tele-Sales that was transferred from AEON Insurance Service (Thailand) since 1 March 2021 onwards. Co-partner with new partner (Lazada and foodpanda) for 365 days privileges, customer get 100 THB discount when purchasing through AEON Credit Card* by download discount code via AEON THAI MOBILE application during Mar 01, 2021 – Feb 28, 2022.
	June	• The Company changed the form of AEON member whereby all new customers will receive Digital YourCash instead of plastic cards. The virtual account can be used to withdraw cash via AEON Thai Mobile Application by scanning QR Code at AEON ATM and KBank ATM. • The company expanded e-Service for acquisition process to verify customers (eKYC) by using biometric technology under BOT's regulatory sandbox for apply credit and loans via Tablet at 20 AEON Branches nationwide (Bangkok and vicinity 16 Branches and Upcountry 4 Branches). The approval process gathering information from National Credit Bureaus (NCB), Identity verification and authentication through Customers Biometrics to match with photos by using Facial recognition technology to offer convenience, shorten operation process and provide the secure for the customers.
	August	• The company introduced a new cardless cash withdrawal channel called "Cardless Transfer via PromptPay" to increase convenience for credit cardholders as well as Digital YourCash and Digital YourCash-A members. Customers simply login to AEON THAI MOBILE Application, select their national ID number or phone number that linked to a PromptPay account, and instantly transfer from their credit line to the designated account." • The company got permission from Bank of Thailand to expand scope of test biometric technology under BOT's regulatory sandbox from Bank of Thailand from 20 Branches to 50 Branches (Bangkok and Vicinity 29 Branches and Upcountry 21 Branches).
	September	• The company operates non-life & life insurance brokerage business of Motor Insurance and Corporate Insurance that was transferred from AEON Insurance Service (Thailand) since 1 September 2021 onwards.
	November	The Company launched Happy Loan, a digital loan with fixed installments. Customers can provide alternative data such as utility bills (water/electricity), monthly phone bills, monthly internet bills, insurance bills, etc. as part of their loan application. Customers can withdraw cash via "AEON THAI MOBILE Application" by scanning QR Code at AEON ATM and KBank ATM.
	December	The company migrated plastic member cards to Digital YourCash for customers who have been using AEON Thai Mobile Application. Customers can withdraw cash via AEON Thai Mobile Application by scanning QR Code at AEON ATM and KBank ATM or transfer funds from their credit lines to a PromptPay account.

2022	January	The company got permission from Bank of Thailand to expand scope of test biometric technology under BOT's regulatory sandbox from Bank of Thailand from 50 Branches to 85 Branches (Bangkok and Vicinity 30 Branches and Upcountry 55 Branches).
	February	• The company got permission from Bank of Thailand to expand scope of testing biometric technology under BOT's regulatory sandbox to mobile application platform (e-Service) for customer apply credit cards and loans through customers' device and customer can process e-KYC with NDID (National Digital ID) by using Public IDP service through the commercial bank which customer already eKYC. And customer also provide additional supporting document through e-Service application by More-Document feature to shorten process for customer. • The Company launched new segmentation Credit Card "AEON Wellness Platinum Credit Card", which aim for customer who are health conscious and looking for their wellbeing. This credit card offers various of privileges: 5% cashback when spending at hospital, 3% cashback at pharmacy, 1% cashback for insurance premiums, discount up to 15% or exclusively privileges at participated hospitals, pharmacy, wellness center and spa*, discount 10% for ambulance service* and every 0.1% of spending amount will be donated to "The Thai Red Cross Society".
	March	The Company launched the biggest lucky draw promotional campaign during Mar, 2022 – December, 2022 in celebration of Aeon's 30th Anniversary by giving prizes to the lucky wines who are Aeon's customers with total prize valued at 41 million baht which consisted of; Monthly Lucky Draw Prizes: In addition, in collaboration with new e-commerce business partners namely Shopee and Lazada, as well as food delivery service providers, namely Grabfood and Foodpanda, the Company launched promotional activities offering privileges to credit card customers in the "Aeon" promotion 365 Days of Happiness with Every Spending" where customers receive a 100 baht discount when spending via participating credit cards by receiving rights through AEON THAI MOBILE Application between 1 Mar 22 - 28 Feb 23.
	May	The Company collaborates with Big C Supercenter Public Company Limited, a retail store in the BJC group. To launch financial and insurance services at more than 150 new "Big Care" counters nationwide. Including Big C credit card Big-C Exclusive Card application. Along with a variety of insurance products such as car insurance, accident insurance and life insurance. To meet customer need for the financial flexibility. and looking for life and property protection plans.
	June	The Company collaborate with Shopee, the leading e-commerce platform in Southeast Asia and Taiwan, providing installment payment via online shopping. With an online installment program at Shopee 0% for up to 10 months, which is another option that increases convenience and safety in spending using "AEON Happy Pay" and "AEON Happy Plan", AEON credit card holders and AEON member card will receive many benefits and receive instant discounts when spending according to participating conditions.
	July	The Company added new channels for purchasing online insurance through AEON MOBILE application and customer can pay by 0% installments for up to 10 months.
	August	- Company terminated 300 units of NCR ATMs for cost saving due to the Promptpay service taking the majority of cash out volume from our customers. - Board of Directors resolved to approve the Employee Joint Investment Program (EJIP) in accordance with the announcement of the SEC, which is the Company's periodically share purchase investment program as a form of remuneration for employees, to retain talent employees to work with the Company in the long term by managing employee benefits through the joint stock accumulation program with the Company as well as promoting ideas and participation of employees in joint ownership of the business with other shareholders of the Company.
	September	The Company have successfully passed the experiment in a BOT regulatory sandbox of using biometric technology for electronic Know your Customer (e-KYC) to apply Credit card, Personal loan under supervision and digital lending by expansion service to 102 Branches.
	October	The Company collaborates with Bangkok Bank launch the "Cardless Cash Withdrawal" service via the AEON MOBILE app at every Bangkok Bank ATM to increase convenience for credit card holders and AEON member cards.

	December	The Company have launched “Aeon Gift Y2023” which was the biggest spending campaign of company by offer Iphone 14 Pro Max, Iphone 14 Pro, Iphone 14 and Big C gift voucher up to 20,000 baht for credit card customers who spend reach up to certain amount.

2023	January	Company merged eService Mobile application for applying credit card, loan under supervision and digital of using biometric technology for e-KYC to AEON MOBILE APP to achieve a better customer experience. We adjust the interest ceiling of Hire-Purchase (UHP, MHP, BHP) according to the OCPB announcement.
	February	• The Company expands collaboration with Siam Commercial Bank with service "Cardless Cash Withdrawal" via the AEON MOBILE app at over 10,000 Siam Commercial Bank ATMs nationwide in order to increase convenience for credit card holders and AEON member cards. • The company succeeded in offering unsubordinated debentures No. 1/2023, unsecured and with debenture holder representative, offering to institutional investors and high net worth investors (II/HNW). There are 2 tranches, consisting of 2-year debentures with an interest rate of 2.99% per annum in the amount of 1,000 million baht and 3-year debentures with an interest rate of 3.18% per annum in the amount of 1,700 million baht, total issuing amount of 2,700 million baht. The bond issuance date was on February 24, 2023.
	March	The Company expanded to service of E-Acquisition to all acquisition channels for that customer can apply Credit card, Personal loan under supervision and digital lending application through tablet at Branch, Direct Sales, Booth and event by using biometric technology for electronic Know your Customer (e-KYC) with National Digital ID (NDID).
	May	The company launch new hire-purchase service “MTC EV” hire-purchase for motorcycle EV. is providing credit services to customers in the form of renting goods with certain payment conditions. Customers can pay for products in installments starting from 24, 30, 36 months during the period that customers pay for products in installments with the company. When the customer has paid for the product and has completely complied with the conditions specified in the hire-purchase agreement. Ownership of such products will then completely belong to the customer.
	June	The company has collaborated with FWD Life Insurance to offer life insurance product via The Big Care counter in Big C. The life insurance product from FWD called FWD Max Protect, which comprehensively covers 50 serious illnesses and accidents, all within a single policy
	October	The company launch new business “AEON AUTO QUICK CASH” loan for car registration book. Receive a maximum credit limit of 100% of the appraised value. Quick approval within 30 minutes, installments up to 60 months, interest starting at 0.69% per month and receive money transferred into the account on the day you apply for the loan and receive immediate approval. Another option to enhance financial liquidity. It is also an expansion of the customer base to cover those who own cars and have access to stable, reliable and safe financial services.
	November	The company has expanded the sales channels for Type 2 and Type 3 car insurance of Thai Paiboon Insurance Public Company Limited and LMG Insurance Public Company Limited through all 101 branches nationwide.
	December	The Company have launched “Aeon Gift Y2024” which was the biggest spending campaign of company by offer IPhone 15 Pro Max, IPhone 15 Pro, and e-voucher Starbucks voucher up to 33,000 baht for credit card customers who spend reach up to certain amount.

2024	January	• The Company Launched first Digital Credit Card “Aeon Next Gen” which came as virtual credit card (no physical card) by offer 5% cash back for on-line transaction and also implemented for new function “Scan to pay” in order to create more convenience for customer’s payment with QR code via Aeon Mobile Application. • The company has expanded the channels for selling life insurance products of FWD Life Insurance Public Company Limited by adding sales channels at branches of AEON nationwide. The company also offers comprehensive coverage that meets the increased needs of customers by introducing the FWD Big 3, which covers three critical illness groups: cancer, heart and blood vessel diseases, and brain and nervous system diseases. Additionally, FWD Easy Cancer provides coverage for all types of cancer. All FWD products can also be used for tax deductions.

As of February 29, 2024, the Company has a total of 101 branches, of which 29 branches are in Bangkok and the vicinity while the remaining 72 branches are distributed nationwide (Please see details of the branches in Properties to be used for business operation). Moreover, the Company has 5,276 Electronic Data Capture machines at hypermarkets and dealers to facilitate the clients. There are also 73 ATMs which is located 39 ATMS in Bangkok and 34 ATMs in provincial areas.

Regulatory changes that impact business operation.

Bank of Thailand notification No. SorNorSor.13/2560 and No. SorNorSor. 15/2560 were issued to improve regulations, procedures, and conditions for conducting credit card and personal loan under supervision business on July 17, 2017, and became effective on September 1, 2017 and announcement of measures to help small debtors affected by covid-19 phase 2 on June 19, 2020, and became effective on August 1, 2020. The changes are as follows:

1. Credit card loan

1.1) Establish credit limits based on their monthly income as deemed appropriate for their debt repayment capability for credit card applicant.
- Credit limit must not exceed 1.5 times of monthly income for applicants earning less than 30,000 Baht.
- Credit limit must not exceed 3.0 times of monthly income for applicants earning more than 30,000 Baht but less than 50,000 Baht.
- Credit limit must not exceed 5.0 times of monthly income for applicants earning 50,000 Baht or more.

Credit card interest rate reduced from 18% to 16% per annum.

2. Personal loan under supervision

2.1) Establish credit limits based on their monthly income as deemed appropriate for their debt repayment capability for personal loan applicants.
- Credit limit must not exceed 1.5 times of monthly income and shall not obtain personal loan from more than three providers for applicants earning less than 30,000 baht per month.
- Credit limit must not exceed 5.0 times of monthly income with no limitation on number of loan providers for applicants earning more than 30,000 baht per month.

2.2) Personal loan interest rate reduced from 28% to 25% per annum.

3. Car and Motorcycle Hire Purchase

Car and motorcycle hire purchase business is a form of credit financial service. The Cabinet has approved a draft royal decree regulating car hire purchase and leasing businesses under the Financial Institutions Act by authorizing the Bank of Thailand to supervise and inspect to prevent the car and motorcycle hire-purchase business from charging interest rates that are too high for customers' ability to repay. This will result in the hire purchase business being a business under the supervision of the Bank of Thailand upon the announcement of the Royal Decree. In addition, the committee on contracts announced that the car and motorcycle hire-purchase business are contract-controlled businesses and the interest rate charging must be in effective rate in which;
- The effective interest rate for new car must not exceed 10% per annum
- The effective interest rate for used car must not exceed 15% per annum
- The effective interest rate for motorcycle must not exceed 23% per annum

However, the mentioned regulations have been announced in the Royal Gazette and effective from January 10, 2023.

4. Vehicle Title Loan

In refence to the announcement of the Bank of Thailand in 2020 Por.Nor.Sor. (01) Wor. 24/2020, subject: Submitting the announcement of the Bank of Thailand on the determination of criteria, methods, and conditions for conducting personal loan business under supervision, to encourage business operators of personal loans under supervision to have good governance principles in their business operations and and to reduce the maximum total rate of interest, penalties, fines, service charges, and any fees in which the financial institution and business operators of personal loan under supervision that are not financial institutions may charge debtors at a rate of 25 percent per year (effective rate) , and for vehicle title loan under supervision at a rate of 24 percent per year (effective rate). The Bank of Thailand has the power to set relevant criteria as appropriate to the economic situation.

Credit Relief Measures to affected customer from the impact of COVID-19.

A coronavirus (COVID-19) pandemic started in early 2020 in Thailand and countries of 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.

Credit relief measures to relieve impacts of the COVID-19 in FY2023

1. The Company maintained its minimum payment rates for credit cards and personal loans under supervision of the terms and conditions regulated by the Bank of Thailand.
2. The Company extended assistance to individual debtors affected by Covid-19 pandemic, specially for credit cards and revolving personal loans, allowing them to restructure their debts into installment loans with special interest rates.
3. The Company has established debt restructuring programs to different type of customers' statuses. Additionally, it has offered assistance to credit card customers impacted by the increase in minimum payment rates from 5% to 8%, effective since 1st January, 2024, as per the announcement by the Bank of Thailand.In conclusion, the Company provided assistance in restructuring debts amounting to 1.6 billion baht, which represents 2% of the total account receivables

AEON Care Loan

The Aeon Care Loan program is initiated to provide assistance to customers who are unable to meet their minimum debt obligations, possibly due to insufficient income or increased expenses. Customers can opt into the program from their current status, provided they are not more than 60 days delinquent. The program allows customers to consolidate their credit card and personal loan under supervision with an annual interest rate of 14%, facilitating faster debt relief in line with the Responsible Lending initiative of the Bank of Thailand.

1.2 Nature of Business

Income Structure

Overview of the company's business

The Company's business activity mainly is the provider of a variety of retail finance services, including credit card, personal loan, hire purchase, Life insurance broker business, Non-Life insurance business, debt collection and others.

The core business, which generated most revenues for the Company in the past year, is credit card and personal loan business, representing 36% and 45% of total revenues, respectively, while the hire purchase business represented 5% of total revenues.

As of February 29, 2024, the Company provides credit services through a variety of financial services such as credit card loans, personal loan and hire purchase loan. The Company has 3.39 million ready-to-use credit cards and 6.70 million membership cards for personal loans.

Income Structure (Consolidated)

Fiscal Year	**2021**			**2022**			**2023**		
Business	Amount (MB)	%	Growth %	Amount (MB)	%	Growth %	Amount (MB)	%	Growth %
1.Credit Card	6,462	31	0.2	7,642	34	18	7,819	35	2
2.Loan	10,367	50	(7)	10,385	46	0.2	9,950	45	(4)
3.Hire Purchase	1,073	5	6	1,029	5	(4)	998	5	(3)
4.Commission income	682	3	34	689	3	1	643	3	(7)
5.Collection service income	210	1	(15)	225	1	7	221	1	(2)
6.Others	1,997	10	2	2,362	11	18	2,334	11	(1)
Total	**20,791**	**100**	**(2)**	**22,332**	**100**	**7**	**21,965**	**100**	**(2)**

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

Product information

Product information of each business line

Retail Finance Business

Nature of Service

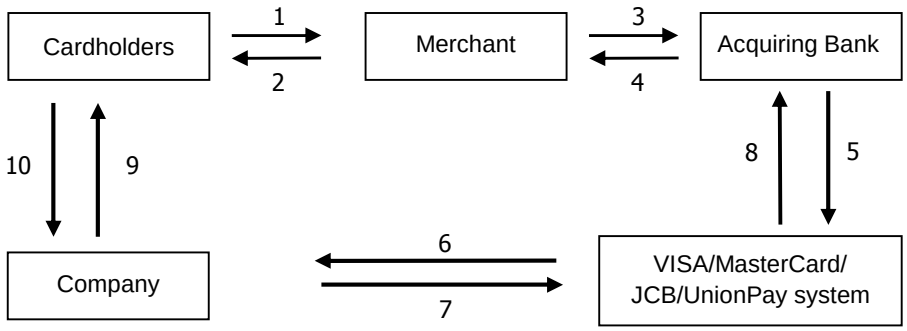
1) Credit Card

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 and UnionPay card.

The picture show servicing of buying products via credit card.

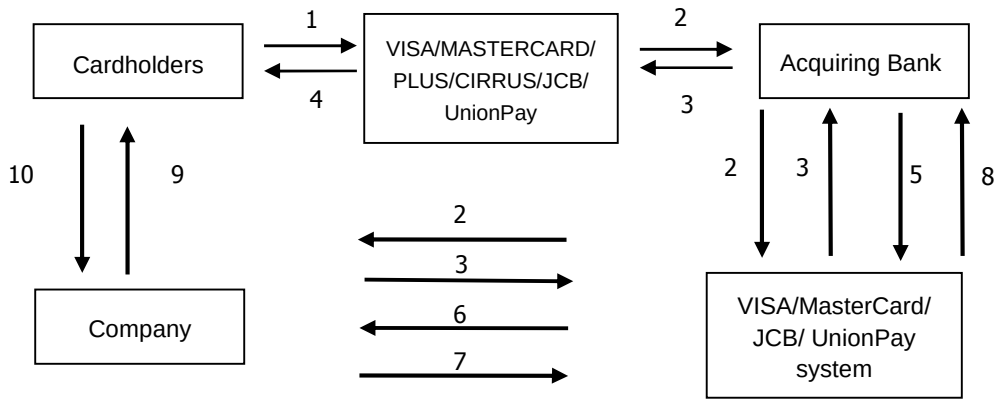


(1) Cardholder request payment by credit card for goods and services
(2) Goods or services received
(3) Sending the sales slip or sales data to Acquiring Bank
(4) Acquiring Bank pay amount of goods and services to merchant
(5) Acquiring Bank settlement amount through VISA / MasterCard / JCB / UnionPay system
(6) VISA / MasterCard / JCB / UnionPay system settlement amount through the Company
(7) The Company pay settlement amount
(8) VISA / MasterCard / JCB/ UnionPay system pay amount to Acquiring Bank
(9) The Company send payment advice to the cardholder
(10) Payment made by the cardholder

(b) Cash Advance

Besides credit purchase, the Company's credit card member can also make cash advance at branches or through the Company's cash dispensing machine. The Company has 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 VISA/MASTERCARD/PLUS/CIRRUS/JCB and UnionPay from both domestic and international ATMs.

The diagram below depicts Cash Advance

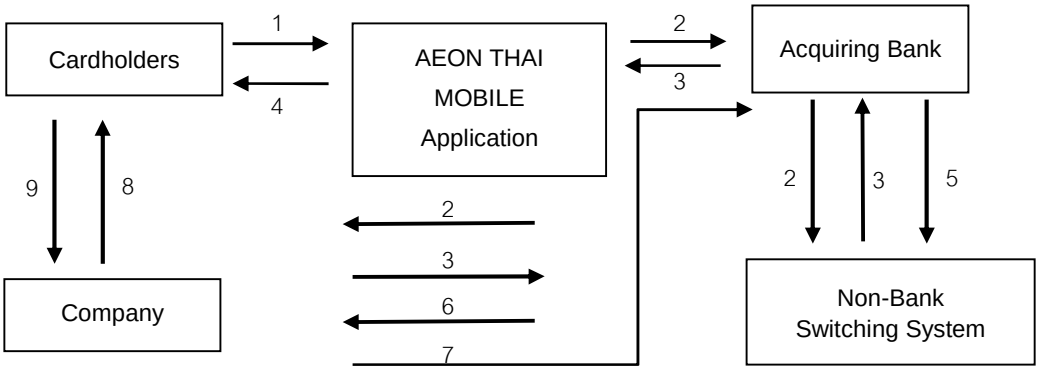


(1) Cardholder insert card into cash dispensing machine with sign VISA/MASTERCARD/PLUS/CIRRUS/JCB/ UnionPay
(2) Transaction has been sent through Acquiring, VISA/MASTERCARD/PLUS/CIRRUS/JCB/ UnionPay system to the Company, checking the cardholder's credit limit available
(3) The Company sending the approval
(4) Cash has been dispense to cardholder
(5) Acquiring Bank settlement amount through VISA/MASTERCARD/PLUS/CIRRUS/JCB/ UnionPay
(6) VISA/MASTERCARD/PLUS/CIRRUS/JCB/ UnionPay -system settlement amount through the Company
(7) The Company pay settlement amount
(8) VISA/MASTERCARD/PLUS/CIRRUS/JCB/ UnionPay system pay amount to Acquiring Bank
(9) The Company sent payment advice to the cardholder
(10) Payment made by the cardholder

(c) Cardless Cash Advance

In addition to normal cash advance transactions, customers can do Cardless withdrawal by using "AEON THAI MOBILE Application" to scan QR code at AEON ATMs or Partner Bank ATMs

<u>The diagram below depicts Cardless Cash Advance</u>

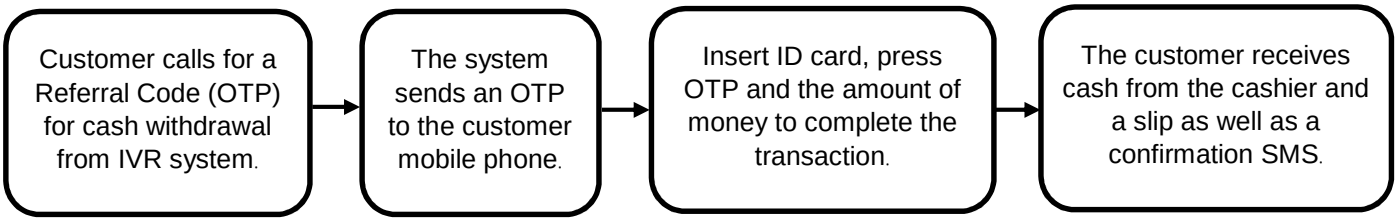


(1) Cardholder logs in and selects "Cardless Cashing" via AEON THAI MOBILE Application.
(2) The company checks the remaining balance of the cardholder.
(3) The non-bank switching system sends a transaction approval.
(4) The cardholder receives cash through the ATMs.
(5) The acquiring bank sends a payment transaction through the non-bank switching system
(6) The non-bank switching system sends transactions through the payment system to the card issuer.
(7) The company makes a payment based on the collection transaction to the card acquiring bank.
(8) The company sends a bill to the cardholder.
(9) The cardholder makes payment to the company.

(d) Cardless Cash Advance @Counter Service via the IVR system

The Company expanded the cash withdrawal service "Cardless Cash Advance". To increase convenience for credit cardholders, they can make a transaction via the IVR system and receive an OTP via SMS to present at Counter Service at 7-Eleven.

<u>The diagram depicts Cardless Cash Advance at Counter Service via the IVR system</u>



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, the AEON JCB Card, AEON-UnionPay Platinum Card co-branded with MasterCard Worldwide, VISA Worldwide JCB International Company Limited and UnionPay International respectively. MasterCard credit cards, VISA credit cards, JCB credit cards and UnionPay Credit Card 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, the AEON JCB Card and AEON UnionPay Card for cash advances via the VISA/MASTERCARD/PLUS/CIRRUS and JCB networks worldwide.

2. International Co-branded Cards

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

As at February 29, 2024, 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 VISA International (Thailand) Co., Ltd JCB International (Thailand) Co., Ltd	National Carrier Business Credit Card Business Credit Card
Big C World Mastercard Card Big C Platinum payWave Card	Big C Supercenter PCL Mastercard (Thailand) Co., Ltd VISA International (Thailand) Co., Ltd	Retail business Business Credit Card Business Credit Card
AEON J-Premier Platinum Card	JCB International (Thailand) Co., Ltd	Business Credit Card
AEON M Gen Visa Card	Major Cineplex Group PLC. VISA International (Thailand) Co., Ltd	Cinema and Entertainment Business Credit Card
B-Quik VISA Card	B-Quik Co, Ltd VISA International (Thailand) Co., Ltd	Auto parts Service provider Business Credit Card
Club Thailand VISA/MasterCard/JCB	Atlas Trading and Properties (Thailand) Co, Ltd Mastercard (Thailand) Co., Ltd VISA International (Thailand) Co., Ltd JCB International (Thailand) Co., Ltd	Card Servicing business Business Credit Card Business Credit Card Business Credit Card
AEON Rabbit Platinum Card	Bangkok Smartcard System Company Limited (BSS) Mastercard (Thailand) Co., Ltd	E-Money Business Credit Card
AEON-UnionPay Platinum Card	UnionPay International Co., Ltd.	Business Credit Card

The Company offer special privilege to AEON cardholders under the campaign "365 Days Privilege of AEON Credit card" with potential online partners such as; Lazada and Shopee, get 100 baht discount when spending 500 baht (exclude delivery cost) while Foodpanda and GrabFood, get 100 baht discount when spending 300 baht (exclude delivery cost). Furthermore, the Company also co-operate with other potential partners e.g., Maxvalu Supermarket and Maxvalu Tanjai as well as organizing campaigns cash back and privilege when spending via Aeon credit card as specified by the Company.

In the fiscal year of 2023, the Company launched new segmentation Credit Card "AEON Wellness Platinum Credit Card", which aim for customer who are health conscious and looking for their wellbeing. This credit card offers various of privileges: 5% cashback when spending at hospital, 3% cashback at pharmacy, 1% cashback for insurance premiums, discount up to 15% or exclusively privileges at participated hospitals, pharmacy, wellness center and spa*, discount 10% for ambulance service* and every 0.1% of spending amount will be donated to "The Thai Red Cross Society".

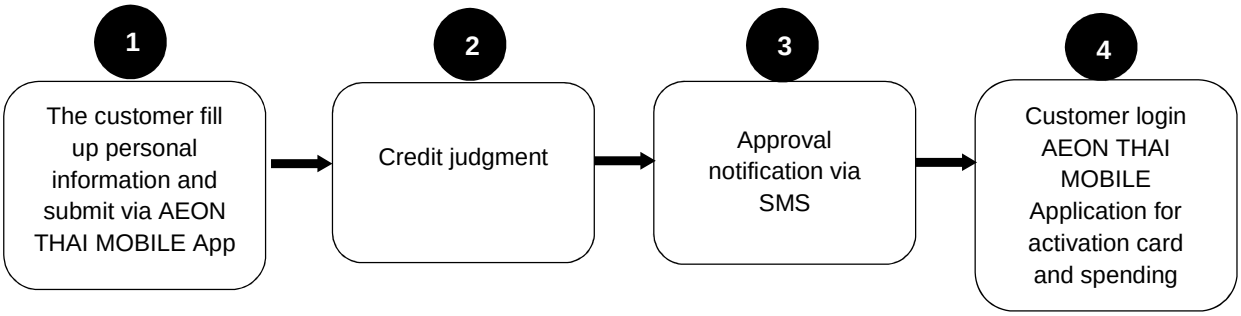
Launch New Product & Service

- Aeon Next Gen

The Company had newly launched first virtual Digital Credit Card “Aeon Next Gen” on January 30, 2024. This credit card came up as virtual credit card (no physical card) while offer the core benefit 5% cash back for on-line spending transaction.

This card offer convenient of cashless payment from their mobile phone by simply scanning a Mastercard QR Code and use instantly online.

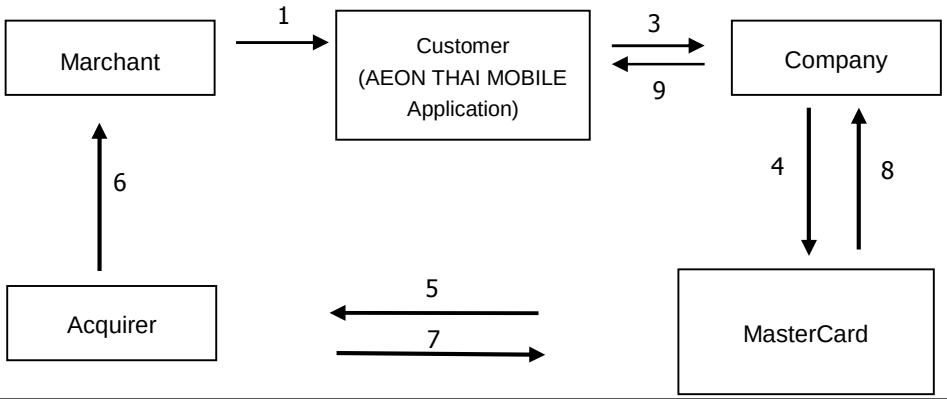
The picture show procedure of servicing for “AEON Next Gen” customer



- Scan to Pay

On the same day, the company also implemented new function “Scan to Pay” with mobile payment solution that enables consumers to make fast, secure payment to merchant for goods and services by scanning Mastercard QR codes via AEON THAI MOBILE Application.

The diagram below depicts for “Scan to Pay”



(1) The merchant presents their Mastercard QR code and transaction amount to customer
(2) Using AEON THAI MOBILE Application to scans the QR code
(3) AEON THAI MOBILE Application sends the data to the Company system verifies that the funding is available.
(4) The Company sends a Payment API Request to Mastercard
(5) Mastercard sends a Payment Transaction Request to the Network to route to acquirer for approval. The acquirer approves or declines the payment.
(6) If approved, the Receiving Institution credits the merchant and notifies them of the payment.
(7) The Acquirer sends a Payment Transaction Response to Mastercard.
(8) Mastercard sends a Payment API Response to the Company
(9) The Company notifies the consumer of the payment outcome via AEON THAI MOBILE Application.

Income from credit card consists of interest, revolving fee, collection fee and other fees such as the annual fee, cash advance fees, merchant discount fees from participating stores; etc.

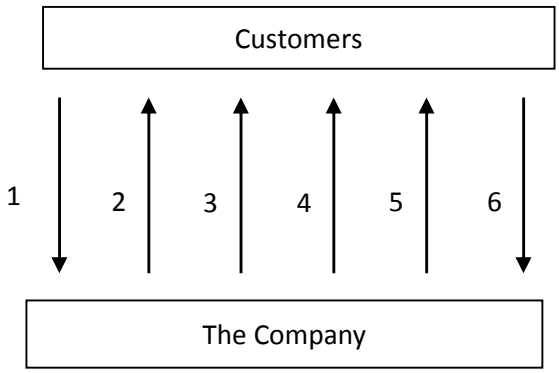
2) Personal Loan

The Company has provided "Your Cash" or a revolving loan service to customers in which the customer can withdraw cash or installment payment/service following their credit line.

2.1) The Company offers cash withdrawal service at AEON and major bank ATM machines, Counter service at all branches of 7-Eleven stores nationwide.

2.2) The Company also offers installment service or AEON Happy Pay service at AEON dealer's shops.

The diagram shows the procedures of Personal Loan business

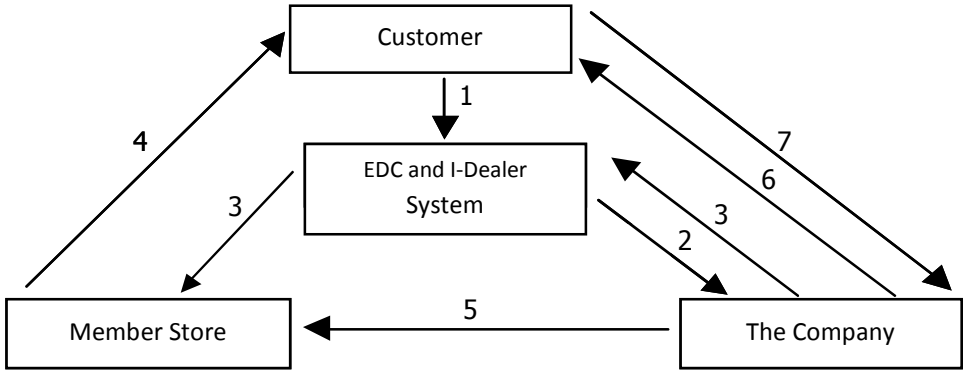


(1) Application from the customer in demand for cash.
(2) Data screening and judgment from the customer's credit status.
(3) Approval notification.
(4) The Company hands over loans to the customer who gets credit approval which the customers gain credit line through the credit cards. Also, the customer is also able to withdraw the money from the Company's Automated Teller Machines or another bank's Automated Teller Machines.
(5) Payment advice sent to the customer.
(6) Payment made by the customer.

Personal Loan is a form of finance for lending cash to customers. The amount will be approved and available to the customers in the form of revolving credit ("Your Cash") through AEON Member Cards. The customers can apply member card at the Company's office, Card Recruit Booth or AEON online. The Company's revenues generated from Personal Loan product comprise of 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 including Motocycle EV, gold, home decorative items, office equipment, mobile phones, IT products, Solar Cell etc. and pay for such products by using revolving credit limit through AEON Member Cards. Transactions are processed via EDC machines at over 6,325 AEON dealers' shops nationwide.

Happy Pay service is installment products and services with revolving loan ("Your Cash") through AEON Member Card in which the 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.

The diagram shows the procedures of Installment Loan business (AEON Happy Pay)

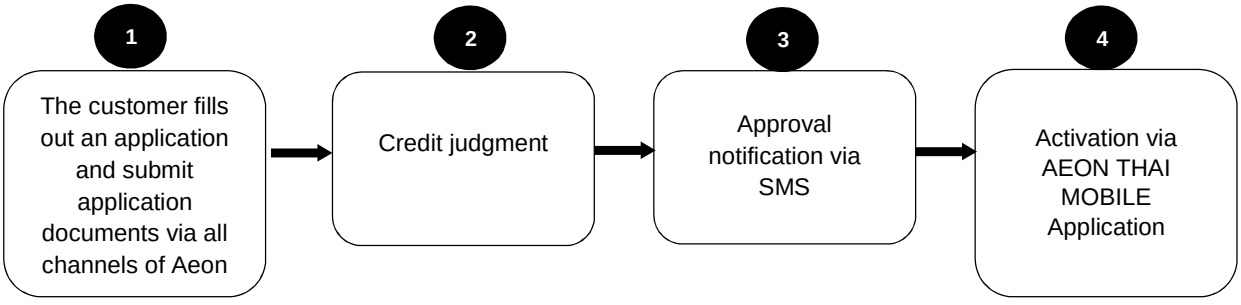


(1) Credit/Member Card swiping card via EDC or inform customer's information to do transaction via i-Dealer System at member store to buy goods.
(2) Customer's data sent to the Company for credit judgment.
(3) Approval notified via EDC or i-Dealer.
(4) Deliver the goods.
(5) The Company pay settlement amount.
(6) Payment advice sent to the customer.
(7) Payment made by the customer.

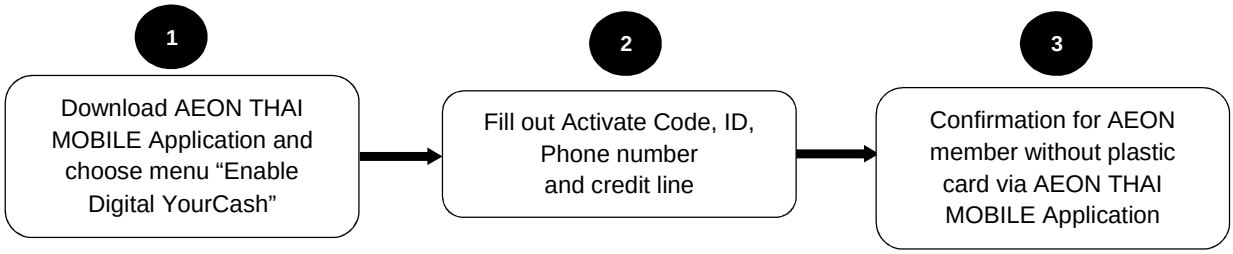
2.3) Personal Loan without the Plastic card (Digital Yourcash) and (Digital Yourcash -A)

The Company provides "Digital YourCash" service, 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. Upon the loan approval, the loan will be available for customers to withdraw in cash amount equivalent to approved credit line. The customers can also activate their Digital YourCash via AEON Thai MOBILE Application in order to facilitate our customers; this service offers more convenience and faster service.

The picture shows the procedures of servicing for AEON member without plastic cards. "Digital YourCash"



The picture shows the procedures of application for AEON member without plastic card via AEON Thai MOBILE Application

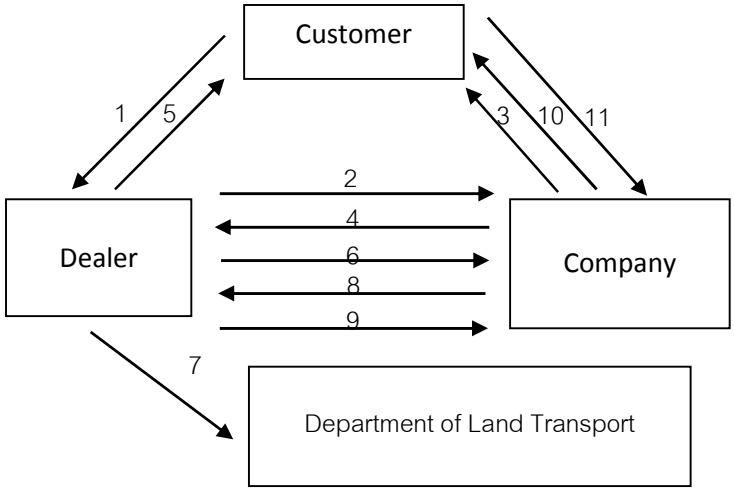


3) Motorcycle Hire Purchase

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 24, 30, 36, 42, 48 months term-loan for motorcycle price less than 150,000 Baht and from 6 months to 72 months term-loan for motorcycle price more than 150,000 Baht. The ownership of merchandise belongs to the Company during the period of hire and when the payment conditions of the contract already are completely met, the ownership of the merchandise would be transferred 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.

The picture shows the procedures of motorcycle hire purchase business.



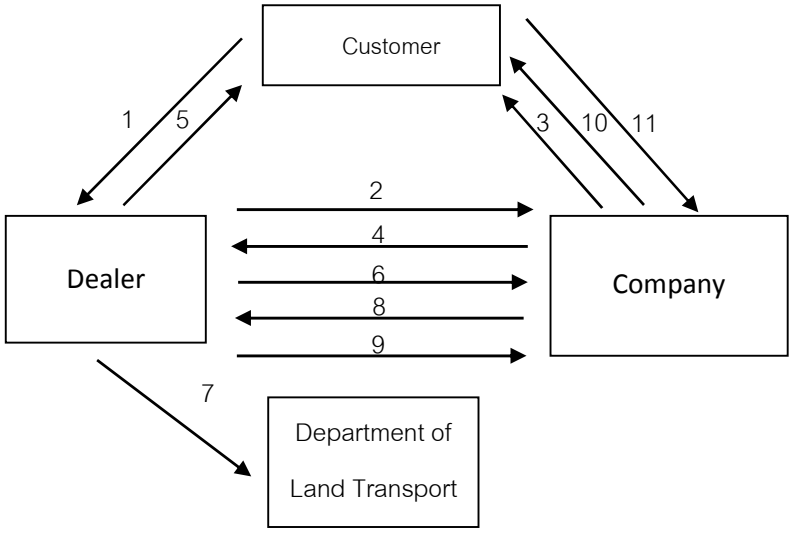
(1) The loan applicant submit loan application form to a dealer to purchase products.
(2) The dealer send the loan application form of the loan applicant to the company to consider loan approval.
(3) The company check the qualifications of loan applicants in order to consider loans.
(4) The company notify the results of loan approval/rejection to the dealer.
(5) Dealer delivers products to loan applicants who have received loan approval.
(6) Dealer sends product invoices to the company.
(7) Dealer brings the registration documents to register at the Department of Land Transport/transport office in the area.
(8) The company pays for products to dealer.
(9) The dealer delivers the registration book to the company.
(10) The company sends installment invoices to customers.
(11) The customer pays installments to the company.

4) Motorcycle EV hire-purchase

Electric motorcycle hire purchase loans (EV) is providing credit services to customers in the form of renting goods with certain payment conditions. Customers can pay for products in installments starting from 24, 30, 36 months during the period that customers pay for products in installments with the company. Ownership of the products will remain with the Company. And when the customer has paid for the product and has completely complied with the conditions specified in the hire-purchase agreement. Ownership of such products will then completely belong to the customer.

In this regard, the income of the company Received from the hire purchase loan business consists of interest income from installment payments for products and fines from payment defaults. After the product has been delivered to the customer. Partner stores will then send invoices to the company to receive payment for the next product.

Picture showing the procedures of the Motorcycle EV hire purchase business

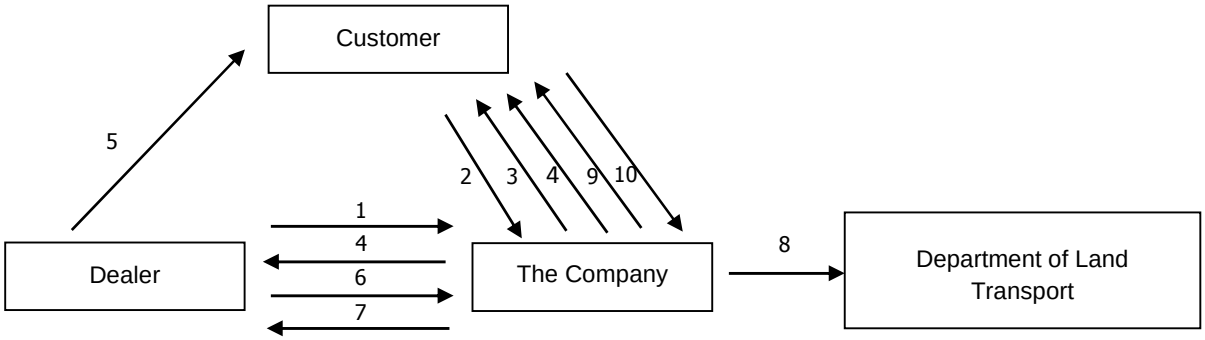


1) The loan applicant submits a loan application form to a dealer to purchase products.
2) The dealer sends the loan application form of the loan applicant to the company to consider loan approval.
3) The company checks the qualifications of loan applicants in order to consider loans.
4) The company notifies the results of loan approval/rejection to the dealer.
5) Dealer delivers products to loan applicants who have received loan approval.
6) Dealer sends product invoices to the company.
7) Dealer brings the registration documents to register at the Department of Land Transport/transport office in the area.
8) The company pays for products to partner stores.
9) The dealer delivers the registration book to the company.
10) The company sends installment invoices to customers.
11) The customer pays installments to the company.

5) Used Car Hire Purchase

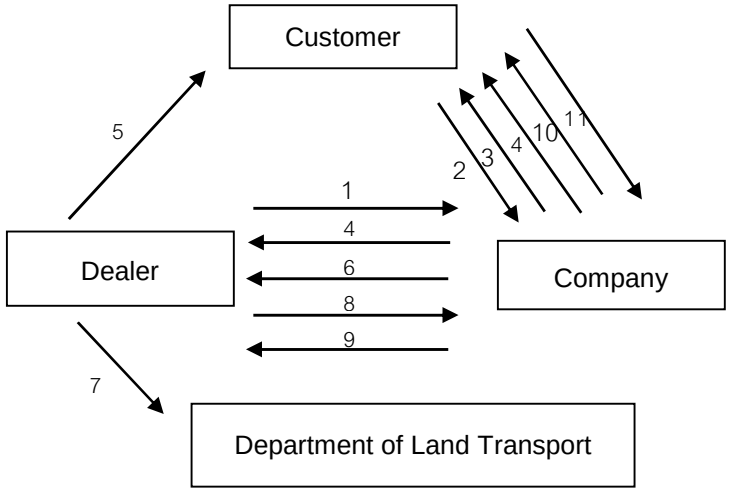
Hire purchase is a form of used car finance whereby ownership of the merchandise is vested in the Company and the Company hires the merchandise to the borrower for a fixed term at the fixed rate interest which the Company offers from 48 months to 84 months term-loan. The ownership of merchandise belongs to the Company during the period of hire and when the payment conditions of the contract are met, the ownership of the merchandise would be transferred to the customer.

The picture shows the procedures of used car hire purchase for Bangkok and its vicinity.



(1) Dealer contacting the company to introduce customers who are interested in hire purchase a car with the company.
(2) The customers submit an application for hire purchase and a hire purchase contract for credit approval.
(3) The Company examines the qualifications of the customers for credit consideration.
(4) The Company notifies the results of the credit approval/rejection to the customers and dealers.
(5) Dealer delivers car to customers who have been approved for credit.
(6) Dealer sends the invoice to the company.
(7) The company pays for the car to dealer.
(8) The company takes the transfer the ownership at the Department of Land Transport / the local transport office.
(9) The Company sends an invoice for installment payment to the customer.
(10) Customers pay installments to the Company.

The picture shows the procedures of used car hire purchase in up-country areas.

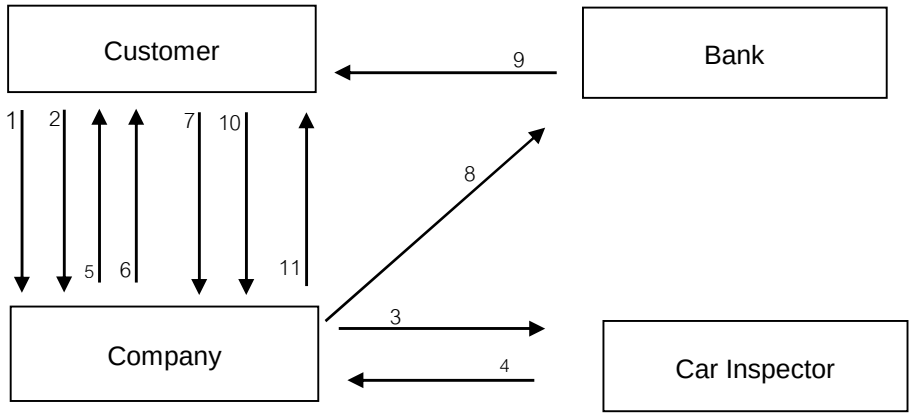


(1) Dealer contacting the company to introduce customers who are interested in hire purchase a car with the company.
(2) The customers submit an application for hire purchase and a hire purchase contract for credit approval.
(3) The Company examines the qualifications of the customers for credit consideration.
(4) The Company notifies the results of the credit approval/rejection to the customers and dealers.
(5) Dealer delivers cars to customers who have been approved for credit.
(6) The company provides documents supporting the transfer of ownership to the dealer.
(7) Dealer brings the ownership transfer document to transfer the ownership at the Department of Land Transport / Transport office in the area.
(8) Dealer sends invoice along with the registration book with the company.
(9) The company pays for the car to the dealer shop.
(10) The Company sends an invoice for installment payment to the customer.
(11) Customers pay installments to the Company.

6) AEON Auto Quick Cash (New Product)

Auto Quick Cash is a loan with vehicle registration as collateral means lending money to a person who is owner of the vehicle. The Company has received a vehicle registration manual book or arrange a contact, any other documents or evidence to transfer the car registration in advance as collateral for debt repayment or to arrange a contract documents or any other evidence so that the company can bring or process vehicle for sell or take any other action for the payment of such debt. The customer can still possess the vehicle and use it as normal.

The picture shows the procedures of Auto Quick Cash



(1) Customer contact the Company.
(2) Customer submit application for Auto Quick Cash and related documents for transfer car registration.
(3) The Company take photo by application of AI inspection and send it to car inspector for examines the condition of car.
(4) Car inspector check the condition of car and send certification with car grade to the company.
(5) The Company examines the qualifications of the customers for credit consideration.
(6) The Company notifies the results of the approval/rejection by SMS.
(7) Customer with approval contact the company to confirm transfer money and bring the registration book to plegde at the Company.
(8) The company give instruction to Bank to transfer money to customer.
(9) Bank send money to customer.
(10) The Company sends an invoice for installment payment to customer.
(11) Customer pay installment to the company.

7) Solar cell hire-purchase

Company has concern with Sustainability practices for the benefit of both the company and society as a whole. Then, we have collaborated with strategic partners to offer solar cell installment in order to offer more variety and flexibility to customer. As the Solar Cell is the product which is actively support the ESG (Environmental, Social, Governance) initiative. Customer can utilize the Happy Plan or Happy Pay services for installment payments and customers can choose installment term of 3, 6, or 10 months for credit cards, and 3, 6, 10, or 12 months for member cards

8) Insurance Brokerage Services Business

The Company operates insurance brokerage service business by offering non-life insurance product and life insurance product and as well provides a consulting service, gives advice to all kinds of customer both individuals customer and corporate customer i.e. corporative, government bodies through various sales channels e.g. Telemarketing, Face to Face and Online which in line with customer's lifestyle and following digitalization planning

Various insurance products are as follows:

Type of Insurance	Protection
1. Motor Insurance	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. Compulsory - Delivery	Car insurance is mandatory insurance law required all cars to be insured, to protect and assist victims of the car.
3. Golf Insurance	This is insurance provide in coverage for loss or damage resulting from accident playing golf.
4. Health Insurance	Health insurance provides coverage for medical expenses generally, including benefits of medical expenses.
5. Travel Insurance	Insurance provide in coverage for travel accident.
6. Personal Accident Insurance	Provide coverage for loss or damage from an accident over 24 hours.
7. Fire Insurance	Protect insured properties such as dwelling, furniture, and other assets caused by disasters.
8. SME Insurance	Cover damage to buildings and property of the SME such as restaurant, hotel restaurant, coffee shop, internet cafe, beauty salon and spa.
9. Group Insurance (Employee Benefits)	Cover Group Life & Health Insurance to corporate's employees which is additional from Compensation Fund and Social Security.
10. Individual Life Insurance	Cover death and pay to throw the switch to the beneficiaries as specified in the policy.
11. Marine Cargo Insurance	Provide coverage for loss or damage from accident and capacity for exporters and importers of goods between countries.
12. Miscellaneous Insurance	Such as; all risks to direct physical or damage to property insured arising from an external cause, 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 and other incomes such as income from advertising and marketing support.

9) Web Business Service

The company provides a variety of online services for AEON card customers to fulfill their online activities through the AEON website (www.aeon.co.th). Customers can browse the Company's information, products & services as well as transact the application for credit cards via online channels.

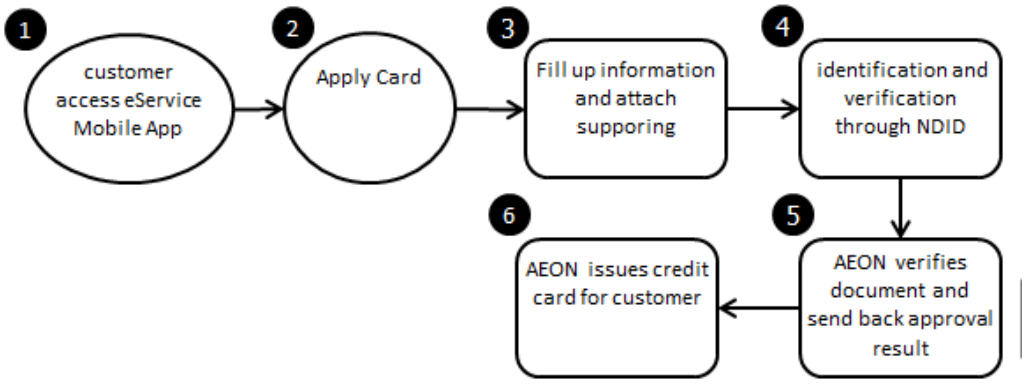
1) AEON MOBILE Application Service

The Company provides online services for customers through mobile application on smart phone name "AEON THAI MOBILE" which can be break down into two types as follows:

(A) Credit card and member card application service

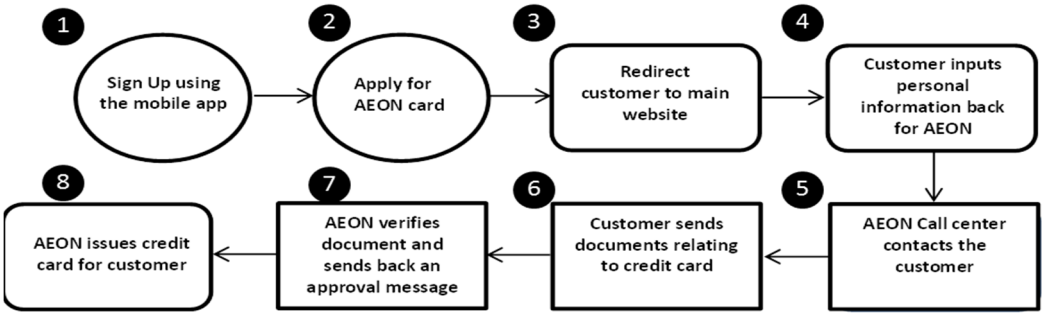
The Company has developed the channels for online self-service application that allow customer apply Credit card, Personal loan under supervision and digital lending application anyway and anytime through AEON THAI MOBILE Application by using biometric technology for electronic Know your Customer (e-KYC) with National Digital ID (NDID) the process is following:

Diagrams of system and details of servicing (e-KYC)



Foreigner customer can apply for AEON cards through the AEON THAI MOBILE Application in easy steps.

Diagrams of system and details of servicing



(B) AEON THAI MOBILE Service for AEON Members

- **Balance Inquiry**

This service provides card spending information including credit line, spending amount, and remaining balance along with payment history and agreement numbers with minimum payment amount and full payment amount. To facilitate the customers, all information will be displayed by card type so that customers can easily read the information and manage their monthly expenses.

- **Pay Now**

The customers can view payment statement in "Pay Now" feature by selecting the transaction and payment method either by deducting from Kasikorn Bank account, Bangkok Bank or PayAlert via PromptPay account linked to any bank. After successful payment, customers will receive payment notification message and referral code and will receive a revolved available credit limit which can be used instantly.

- **Unbilled Transaction**

This service serves customers who would like to view latest transactions that are not yet included in monthly statement. Customers may check details of the expenses and plan their monthly spending through this "Unbilled Activity" service menu.

- **Happy Plan (Monthly installment)**

"AEON Happy Plan" is an installment program, which can help customers control their spending easily. With this method, customers can select installment program up to 10 months.

- **E-Statement**

Customers can view or download their statements on their smart phones through AEON mobile app service. They are able to check statement history for the past six months. E-Statement can be viewed with bar codes to pay at every payment channel. Customers can choose to receive E-statement via AEON THAI MOBILE Application instead of the payment advice from post mail. It has automatic notifications to the registered e-mail before payment due date cycle.

- **AEON Happy Rewards**

AEON Credit Card customers can enjoy special privilege of earning points called Happy Point Rewards. They can view their outstanding point balance and redeem for premium products and services online. Not only instantly redeemed for discount or privileges at participating merchants with instant AEON Happy Reward, but customers can also enjoy the redemption for products and services 24 hours at AEON THAI MOBILE Application. Further, they are able to check Point expiration date or donate those reward points to AEON Thailand Foundation via AEON's mobile application and can verify the redemption history for the reference.

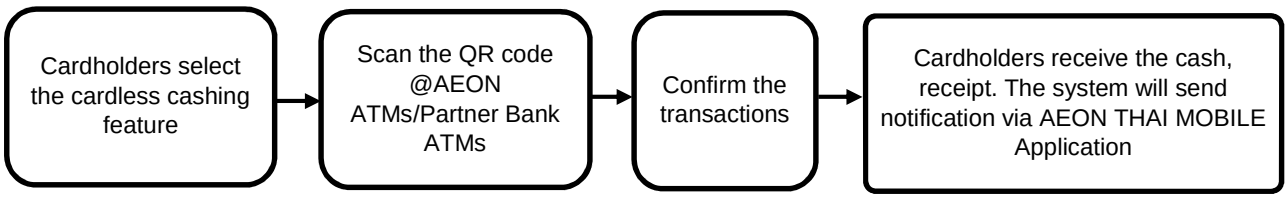
- **News Alert**

"News Alert" is an additional channel that communicates promotions that AEON collaborates with merchants to the cardholders. It also provides news and notifications regarding Aeon.

- **Cardless Cashing**

"Cardless Cashing" is a cardless withdrawal services that allow AEON member card and AEON credit card (except corporate card) holders to withdraw cash from their credit limit via AEON THAI MOBILE Application before scanning a QR code that appears on the Company's and bank partners' ATMs.

Diagrams of Cardless Cashing



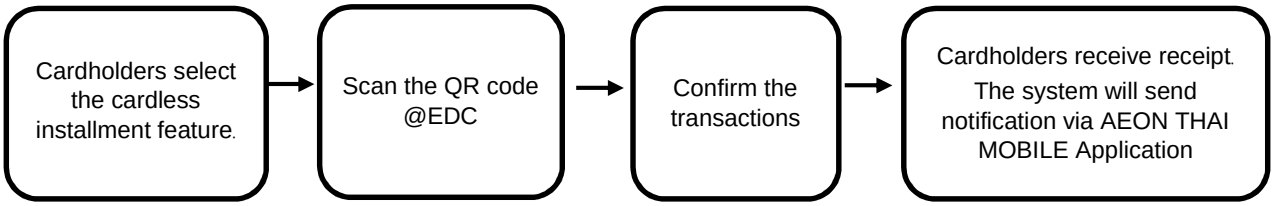
- **E-Coupon Service**

E-Coupon is electronic coupon providing through AEON THAI MOBILE Application to redeem product and service with participated merchants without printing physical coupon.

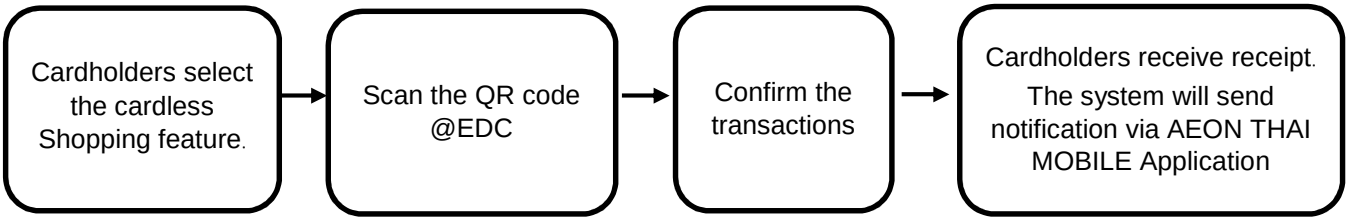
- **Cardless Installment/Shopping**

" Cardless Installment/Shopping" is a cardless payment service for installment plan or full payment without physical cards. All types of AEON credits (except corporate credit cards) are eligible. The Your Cash card holder could make transactions through AEON THAI MOBILE Application to scan QR Code on EDCs at AEON merchants.

Diagrams of Cardless Installment



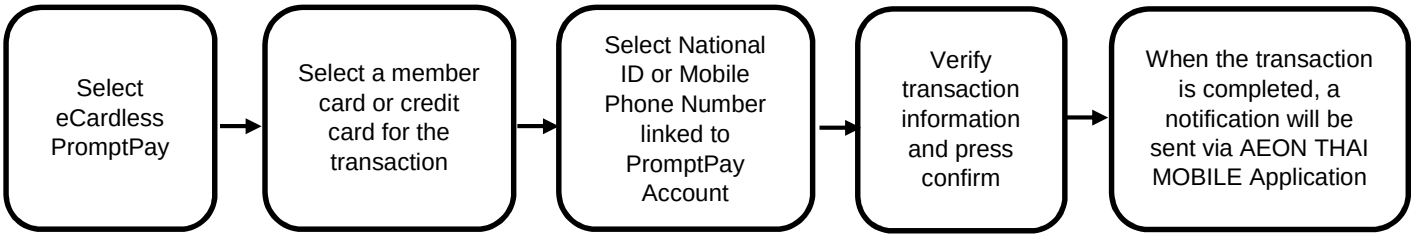
Diagrams of Cardless Shopping



- **Cardless Transfer via PromptPay**

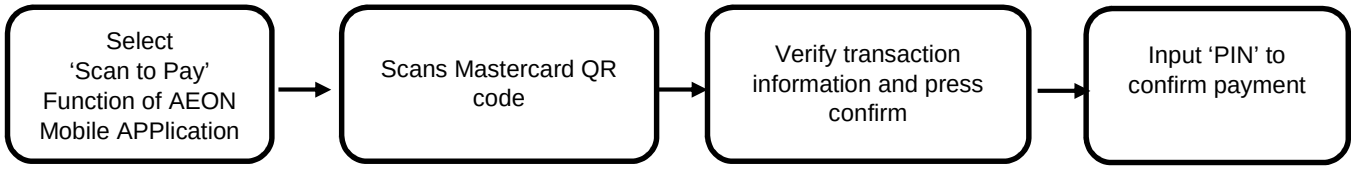
"Cardless Transfer via PromptPay" is a cardless cash withdrawal channel for credit cards and member cards whereby funds are transferred from credit lines to PromptPay accounts that are linked to customers' national ID numbers or phone numbers.

Diagrams of Cardless Transfer via PromptPay



- **Scan to Pay**

'Scan to Pay' is cashless payments by simply scanning a Mastercard QR Code that offer convenience of cash and the security of a card payment.



- **Online Insurance**

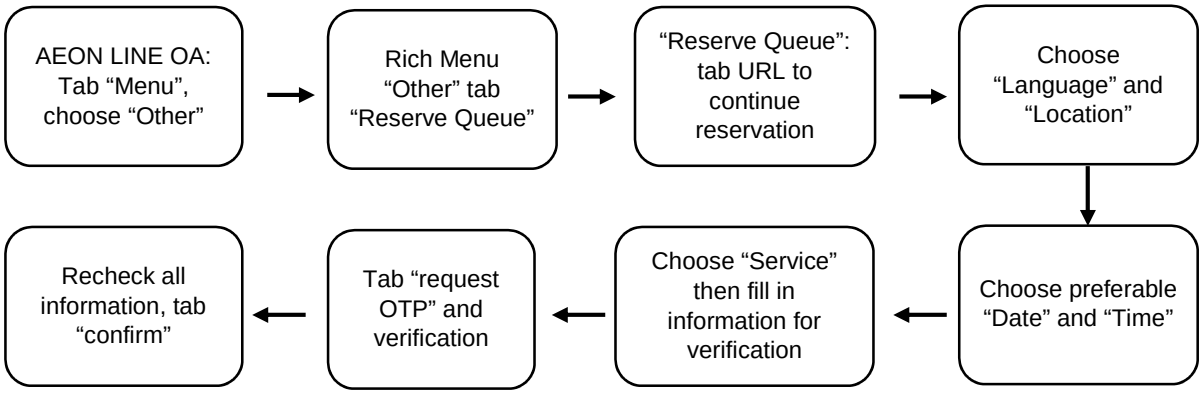
AEON customers can easy purchase insurance through AEON THAI MOBILE Application by comparing competitive insurance premium and insurance company.

2) Online service via AEON LINE OA for AEON Customers

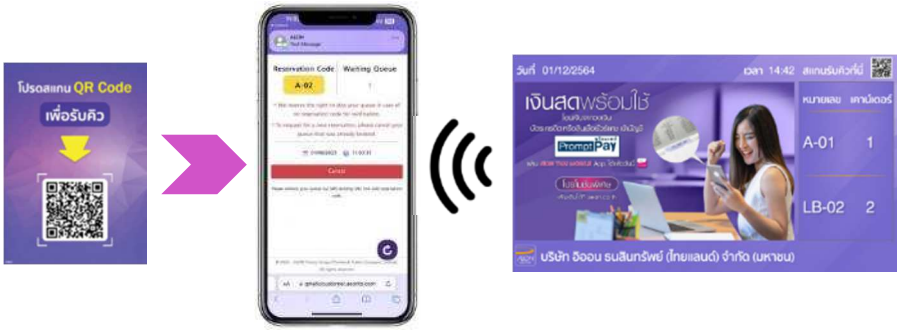
- **Online Queue Reservation (Digital Q-Matic) instead of Queue Stand**

"Digital Q-Matic System" is provided for support online queue service by separated into two channels: QR-Code Scan for on-site service and LINE OA for support queue reservation in advance. Customers can choose preferable location, transaction, date and time in advance from 1 hours to 7 days.

Diagrams of Digital Q-Matic via LINE OA



In order to fulfill customer satisfaction, the company had implementation of Voice Calling System for Queue number to facilitate customers to notify queue calling from Q-Matic Screen at branch. Also, the adjustment of pop-up queue control from branch staff to provide a better queue operation.



Once the queue is arrived; the queue number will be shown on the top row of Q-Matic Screen at branch with voice calling queue and number of service counter.

10) Debt Collection Service Business

ACS Servicing (Thailand) Co., Ltd (ACSS) provides debt collection service under the Debt Collection Act B.E. 2015, Regulations of the Bank of Thailand, “Debt Collection Supervisory Committee” which were enforced since November 21, 2019 as well as Personal Data Protection Act B.E. 2562 as well as the collection policy required by clients. The collection service of ACSS includes phone collection, field service, and legal service.

Currently, ACSS has more than 900 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 comply 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 ISO/IEC27001 whereas our quality management system is certified by ISO 9001 as well as the environmental management policy which is certified by ISO14001 from Bureau Veritas Certification (Thailand). These policies are applied to all operation sites including head office and collection center nationwide.

11) AEON Asset Management (Thailand) Co.,Ltd

AEON Asset Management (Thailand) Company Limited (the Company) is a subsidiary of AEON Thana Sinsap (Thailand) Public Company Limited, which holds 99.9999% of shares, and ACS Servicing (Thailand) Company Limited, which holds 0.0001% of shares. The company was established on August 2, 2022 with an initial registered capital of 25 million baht and increased the registered capital to 100 million baht with paid-up capital 50 million baht on September 21, 2023.

The company operates the business by acquiring Non-Performing Loans (NPLs) from financial institutions and financial Business Operators in accordance with the Emergency Decree on Asset Management Company and other related laws. To be managed by giving advice and conducting negotiations to help debtors and restructure debt. The company has a vision to be part of solving the NPLs problems of debtors with financial institutions with the purpose that their financial credit status can return to normal and they are back in the financial system and society in a sustainable way. On April 11, 2024, AEON AMC has been completely granted a license to operate an Asset Management business from the Bank of Thailand (BOT).

12) Digital Lending Business

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

Subsequently, on February 22, 2024, the Extraordinary General Meeting of Shareholders of Rabbit Cash Company Limited had a resolution to approve the increase of registered share capital amount of Baht 400 million and the Company has increased the share capital to maintain the proportion of shareholding at 18%. With the experience of Aeon Thana Sinsap (Thailand) Public Company Limited, it can provide support in debt collection to enable future business expansion.

13) Overseas Business

The Company places great emphasis on overseas investments, especially in the CLM countries, Cambodia, Laos, Myanmar which a group of economic with growth potential, an average economic growth rate in 2024 is expected at 2.6-7.4% per year, the most are working population at the age of 20-30 years who have a relatively high demand for financial loans. Therefore, the Company sees it as great opportunities in expansion to the CLM countries, thus the affiliates' business is likely to continue growing in the future.

In the midst of economic volatility from several pressues in 2023, such as financial market volatility and the global economic slowdown from rising interest rates, inflation and energy price crises, and political tensions within the country affecting the growth of the global economy and the economy of the CLM countries. Details of the performance of each country are as follows;

(1) 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 car & motorcycle hire purchase. The Company holds 50% of its share and AFS Corporation holds another 50%. At present, ASB Cambodia has 16 branches located in Phnom Penh, Stueng meanchey, Siem Reap, Battambang, AEON Mall Phnom Phen, Kampong Cham, Takeo, Banteay Meanchey, Pochentong, Sihanoukville, AEON Mall Sen Sok, Chbar Ampov, Kampong Speu, AEON Mall Mean Chey, Kampong Thom and Kampot. Aeon Mall Mean Chey is a large shopping mall and being the third Aeon Mall in Cambodia in which ready to serve more than 250 tenants and ready to provide full entertainment services to customers under the concept of “Edutainment Mall”. AEON Mall Mean Chey was officially opened since December 2022.

For fiscal year 2023, ASB Cambodia generated revenues of 1,197 million baht, increased by 2% y-y and net profit of 146 million baht, increased by 18% from net profit of last year.

(2) Business in Myanmar

AEON Microfinance (Myanmar) Co., Ltd. (“AEON Myanmar”) started to operate in 2013 with 100% of its shares held by the Company. Its head office located in Yangon City, which is a commercial hub and logistics in Myanmar.

For fiscal year 2023, AEON Myanmar was impacted by the intense political tension in the country, resulting in cessation of lending for new loans, but the Company continues the debt collection of outstanding debts as usual. However, the subsidiary has suspended loan disbursement starting from February 24, 2024.

In 2023, AEON Myanmar generated revenue of 32 million baht, increased by 88% from the previous year. Net profit of 57 million baht.

(3) Business in Laos

AEON Leasing Service (Lao) Co., Ltd. (“ALSL”) has operated hire purchase business since 2013 with 100% of its shares held by the Company. ALSL provides diversified hire purchase products eg. car, motorcycle, gold, electric appliance, etc. At present, ALSL has 2 service branches in Vientiane and Pakse.

For fiscal year 2023, ALSL generated revenues of 122 million baht, increased by 9% y-y and net profit of 21 million baht, increased by 65% from last year.

Marketing and Competitive Condition

1) Customer characteristics

The Company has operated retail credit business as a non-bank institution, undersupervision of the Bank of Thailand, which providing customers a wide range of financial services. The basic qualifications required for our retail finance customers are to be aged 20 years old and over and to have regular income and possess of a secure job and etc. However, according to the Office of the National Economic and Social Development Council (NESDB), it was found that 40.4 million people were in the total labor force (ready to work), consisting of 39.9 million people who were employed; 0.1 million people were the seasonally inactive labor force; and 0.4 million people were unemployed or represented 0.98% unemployment rate. Mostly, the employed were in the service sector, agricultural sector and production sector at 49%, 30% and 22% of employed people respectively.

In 2023, there were 28.5 million foreign tourists, 151.13% growth from 11.2 million foreign tourists in the previous year, which is an important factor in increasing business and household income. Despite, the growth of economy or the country's gross domestic product index figure indicates growth of 1.9%, it was below expectation due to the decline in the government consumption and investment. The NESDB estimates that the overall Thai economy will continue to grow at a rate of 2.2-3.2% in 2024. However, in the past year 2023, the economic growth has not been fully resumed due to the k-shape recovery and the ending of moratorium program for customers who were impacted by the pandemic. Moreover, the household debt to gross domestic product rose to 90.9% in the fourth quarter, which subsequently affected the overall asset quality of the financial sector, which causing the financial operators and the Bank of Thailand to be cautious.

2) Competitive Conditions

Credit Card Competitive Condition

The credit card business is having several service providers in the industry, in which can be categorized into bank players and non-bank players and being undersupervision of the BOT.

Credit Card Industry Overview

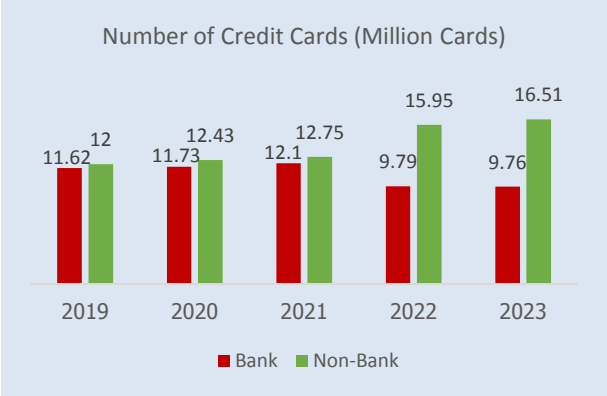
Since the outbreak of COVID-19, consumer behavior has changed abruptly towards purchasing of goods and services through online channels. There is an expansion and emergence of various online platforms including technology development for spending and making payments via cards being more convenient for consumers, causing the total amount of spending on cards via online channels continues to grow steadily.

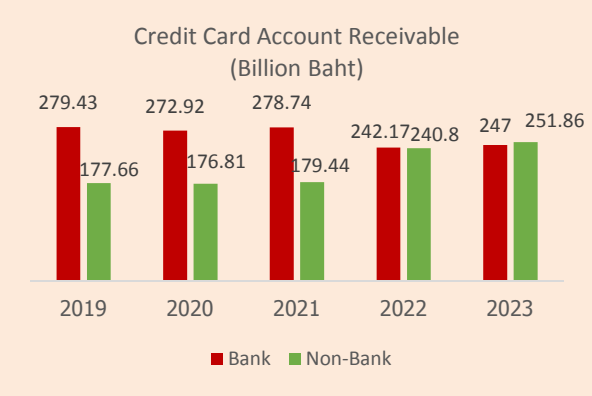
At the end of 2023, the total number of credit card accounts of commercial banks and non-bank credit card companies grew by 2.10% from the end of the previous year, representing an increase of approximately 0.54 million accounts from the previous year. At the end of 2023, there were 26.28 million credit card accounts, divided into 16.51 million credit cards issued by non-bank credit card companies, a growth of 3.51% from the previous year, and 9.76 million credit cards of commercial banks or a decrease of 0.31% from the previous year. The outstanding balance of credit cards from non-bank companies amounted to 251.86 billion baht, an increase of 4.59% from the previous year. In the same period, the outstanding balance of commercial banks' credit card outstanding amounted to 247 billion baht, or decreased. 1.99% from the previous year. The non-bank credit card accounted for 62.82% by number of cards, and accounted for 50% by outstanding loans, increased from 39% of 2021. The incident is due to a large commercial bank's credit card business and unsecured personal loan business have been transferred to non-bank company which was established to support the restructuring of the bank.

Table of the number of Credit Card and Credit Outstanding in Thailand

Number of Account (million accounts)	2019	2020	2021	2022	2023
Commercial Banks	11.62	11.73	12.10	9.79	9.76
Non-Bank	12.00	12.43	12.75	15.95	16.51
Total	**23.62**	**24.16**	**24.85**	**25.74**	**26.28**

Credit Card Outstanding (billion baht)	2019	2020	2021	2022	2023
Commercial Banks	279.43	272.92	278.74	242.17	247.00
Non-Bank	177.66	176.81	179.44	240.80	251.86
Total	**457.09**	**449.73**	**458.18**	**482.97**	**498.86**





Source: Bank of Thailand

Note: - 'Total number of accounts means the number of credit card service accounts with outstanding credit balances at the end of the reporting month.'
- 'Credit Outstanding' refers to the outstanding balance as a result of purchases, accrued interest, fees, and cash advances as at end of the reference month.

Credit card industry competition

According to BOT source, at the end of year 2023, the credit card industry has total cards of 26.28 million cards, increased 2.1% from the end of year 2022, and outstanding account receivable of 498.86 billion baht, while the Company's credit card receivable outstanding was 41.16 billion baht, decreased from 43.47 billion baht or decreased by 5% from last year, approximately representing by 8.3% of industry credit card outstanding.

Personal Loan Competitive Condition

The Personal Loan business is having several service providers in the industry, in which can be categorized into bank players and non-bank players and being undersupervision of the BOT.

Personal Loan Business Overview

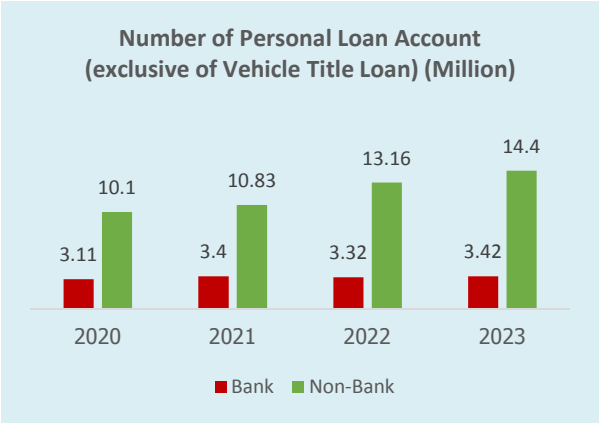
In 2023, the personal loan accounts (not inclusive of vehicle title loan) increased by 8.1% from 16.49 million accounts in previous year to 17.82 million accounts; 3.42 million accounts were from commercial banks registered in Thailand, increased by 3.0% y-y and 14.40 million accounts were from non-banks sector, increased by 9.4% y-y. In addition, total personal loans (not inclusive of vehicle title loan) outstanding of industry at the end of 2023 increased by 1.30% from the end of the previous year to 505.68 billion baht which can be attributed to commercial banks registered in Thailand constantly at the amount of 183.48 billion baht, similar to the previous year and non-banks in the amount of 322.20 billion baht, or increased of 2.0% y-y. The non-bank shares segmentation in number of loan account and outstanding of 81% and 64%, respectively.

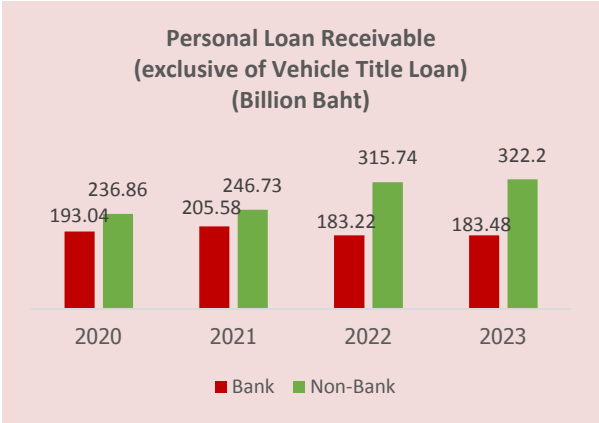
Table of the Number of Account and Outstanding of Personal Loan (not inclusive of Vehicle Title

Loan) under supervision in Thailand

No. of Account (million accounts)	2020	2021	2022	2023
Commercial Banks	3.11	3.40	3.32	3.42
Non-Bank	10.10	10.83	13.16	14.40
Total	**13.21**	**14.23**	**16.49**	**17.82**

Personal loan Outstanding (billion baht)	2020	2021	2022	2023
Commercial Banks	193.04	205.58	183.22	183.48
Non-Bank	236.86	246.73	315.74	322.20
Total	**429.90**	**452.30**	**498.96**	**505.68**





Source: Bank of Thailand

Personal loan industry competition

According to BOT source, at the end of year 2023, the personal loan industry reported the total outstanding of personal loan (not inclusive of vehicle title loan) under supervision amounted to 505.68 billion baht, increased by 1.3% from the previous year, while the Company has total personal loan outstanding at the end of fiscal year 2023 amounted 43.42 billion baht, decreased from 44.88 billion baht or 3% from the previous fiscal year and shared approximately 8.6% of the industry's personal loan (not inclusive of vehicle title loan).

Motorcycles Hire Purchase Competitive Condition

Car and Motorcycle Hire Purchase business is a form of financial service. At present, the Cabinet has approved a draft Royal Decree governing car hire-purchase and leasing businesses to be under the Financial Institutions Act and authorizing the Bank of Thailand for their supervision and inspection power, which the main objective is to prevent the car hire-purchase business from overcharging interest rates than customers' ability to repay debt. This will result in the hire purchase business being a business under the supervision of the Bank of Thailand upon the announcement of the Royal Decree. In addition, the contract committee announced the car hire-purchase business and motorcycles are contract-controlled businesses by controlling the effective interest rate not over 10% for new car hire-purchase, not over 15% for second-hand car hire-purchase and not over 23% for motorcycles hire-purchase contracts. However, the new regulation has been announced in the Royal Gazette and effective from January 10, 2023.

Currently, the Company has focused on providing motorcycle hire purchase loans. The target customers are general individuals with low to medium income levels using motorcycles as a vehicle by emphasizing on hire-purchase loans for motorcycles that are popular in the market such as Honda, Yamaha, Suzuki and Kawasaki. The company also extended the hire-purchase business by adding Big Bike motocycles in the mentioned brands, Triumpsh and Royal Endfield brands. In addition, in 2023, in response to the Company's sustainable development policy, which considering the importance of environmental impacts. It, therefore, added electric motorcycle (EV) hire purchase loans to help reducing the carbon emissions.

According to the statistics from the Land Transportation Department, the number of newly registered motorcycles was 2.07 million increased from 1.97 million in the previous year, equivalent to 4.58% growth. In 2023, the motorcycle market was stable with slow growth due to the credit tightening

of loan approval by financial institutions in regards to the high household debt. The export and manufacturing sectors performed lower than expected which affecting the purchasing power of the main consumer groups in the motorcycle market. However, the growth of electric motorcycles continues to grow at a high level, reflecting the customer's interest and needs towards vehicles that use alternative energy.

Used Car Hire Purchase Competitive Condition

Used car hire purchase business it is classified as a form of financial service, in which the contract committee announced the car hire-purchase business and motorcycles are contract-controlled businesses by controlling the effective interest rate not over 15% for second-hand car hire-purchase and announced in the Royal Gazette, effective from January 10, 2023. The target customers are ordinary individuals with a middle-income level who use a car as a vehicle.

For the year 2023, overall, the used car market has decreased in price, significantly due to the large quantity of used cars from the resumption of production of new models in 2022, resulting in more replacements for new models, the booming of electric vehicles (EVs), the regulation to control loan-to-collateral value (LTV) ratios, as well as the credit tightening of leasing loans by financial institutions due to the increase in bad debt rates in leasing loans and the economic situation in the country that is gradually recovering but still not comprehensive. The Company has maintained its used car loan business with caution in managing the quality of the loans. In additons, the Company continues to develop digital transaction channels to enhance convenience for customers. The use of AI technology will be adopted in the process to investigate the car's condition for loan approval to ensure customer's confidence.

Debt Collection Service Business Competitive Condition

The Company operates debt collection business under ACS Services (Thailand) Company Limited. The debt collection business is highly competitive both from large collection company and local collection company. However, ACSS can its competency in terms of quality of service, data security, expertized collector, coverage of collection center in strategic location, and credential of clients which all of them are key factor for clients to select outsource collection partner. Moreover, ACSS also have economy of scale advantage from the number of clients in the collection service.

Insurance Brokerage Services Business Competitive Condition

The recovery of economic activity is a supporting factor for continued insurance business growth in 2023 at a rate of 4.0-5.0 percent, along with the reduction in price competition, the number of insurance service providers has decreased due to the impact of the COVID-19 outbreak. The car insurance is the main insurance product that drives business growth. In addition, the General Insurance Association estimates the growth of general insurance in 2024 at approximately 5.0-7.0 percent.

In addition, the market behavior has changed towards online channels. The turnover of online channels in insurance is growing rapidly. The Company has adjusted a strategy to align with the market change, which is to implement the online insurance sales strategy via AEON THAI MOBILE to serve AEON card customers. Moreover, it has focused on various technologies development, which may increase efficiency and effectiveness in sales to maintain its competitiveness. For corporate customers, the Company also has significant growth. The Company has been trusted by leading corporates, including government organizations which select the Company's services. The Company also provide consultations and advices on the warranty and claim services to customers.

Overseas Business Competitive Condition

The Company has focused on expanding business overseas, especially to neighbor countries in CLM namely Cambodia, Laos and Myanmar which having potential economic growth upto 6-7% per year. Besides, most of population has average age only 20-30 years old, which is working age and has high demand of financial credit service. In addition, the consumers' currently changing lifestyles as well as the integration of ASEAN causing important financial collaboration such as encouraging the use of local currency in payment of goods and services and investment, retail payment link and electronic money transfers across the country are good opportonities for expanding business to these countries and this company group is likely to constantly grow. However, it also attracts more international competitors.

Web Business Service Competitive Condition

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.

3) Competitive Strategies

The Company's competitive strategies consist of:

1. Utilization of Customers' databases

The Company has established a customer database which classifies 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 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 and UnionPay which located inside or outside the country including making an installments payment loan transaction via the company website channel, 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 center 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.

4) 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, while in compliance with the supervised regulations. In addition, the Company does not have a pricing policy to dispute market price for maximum benefit of customers.

5) 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 centers and department stores. Furthermore, Customers are able to apply for credit card and member card via AEON THAI MOBILE Application in order to facilitate customers.

2. Member Stores and Merchants

Besides the member stores and merchant partners of the Company, 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, 2024, the Company has provided refined services at 101 branches; 29 branches in Bangkok and 72 branches in the provinces, with more than 5,276 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 146 ATMs in Bangkok and provincial area.

4. Advertising

The company has the strategy to advertise our product and service such as credit card, personal loan in various media channels on online and to reduce the use of some traditional media. In current situation, the media that are highly active are, for instance, Social Media (Facebook, Google, Youtube), leaflet and other media such as BTS, MRT as well as AEON THAI MOBILE Application.

5. Promotional Activities

The Company regularly arranges promotion campaigns through its own activities and also joins with partnership such as Trade Show, Event & Exhibition to support the promotional activities and direct to the target customer.

Supply of Products and Services

1. Source of Funds

The Company's source of funds as of February 29, 2024 can be summarized as follows:

Type of credit	Currency	Amount (Million)
Overdraft and Short-term loans	USD THB LAK	54 500 193,392
Current portion of long-term loan and debenture	JPY USD THB	2,504 140 13,952
Long-term loans and debenture (see risk factors section)	JPY USD THB MMK	26,399 537 14,400 6,719
Shareholders' equity	**THB**	25,062

Note: The amounts shown for short-term and long-terms loan represented loan outstanding amount, and not net settled by loan issuance cost of 39 million baht and debenture issuance cost of 29 million baht.

Securitization

In order to build a strengthen financial structure by reducing debt leverage, enhancing return on equity, reducing funding cost and diversify a new source of long term fund.

The company started the securitization contract under the Receivables Sale and Purchase Agreement since 2004 to 2015. On March 20, 2015, ATS Rabbit Special Purpose Vehicle Company Limited, has registered as a special purpose company for securitization project under the Civil and Commercial Code of Thailand with a registered capital of Baht 40,000, consisting of 2 preferred shares with a par value of Baht 100 per share and 398 ordinary shares with a par value of Baht 100 per share. The Company invested in ordinary shares and preferred share of ATS Rabbit Special Purpose Vehicle Company Limited in the amount of Baht 19,500. Such company got an approval for the securitization project from the SEC on October 2, 2015

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 Securities and Exchange Commission of Thailand ("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.

Under the agreement, the purchase price of the Initial Receivables equal to the net book value of receivables as of October 29, 2015 of Baht 456.08 million. As at October 29, 2015, the Company received cash proceeds of Baht 433.28 million and the remaining balance of Baht 22.80 million were paid by entering into a subordinated loan agreement of Baht 25.04 million. The revolving sale and purchase period of Future Receivables and Additional Receivables commenced from October 30, 2015 and will be terminated in October 2025, approximately.

In addition, ATS Rabbit also appointed the Company to act as the service provider, which is responsible for collection payments from the customers under the Receivable Sale and Purchase Agreement and Servicing Agreement.

The key financial information of Special Purpose Vehicle Companies for the year ended February 29, 2024 and February 28, 2023 are summarized as follows:

ATS Rabbit	FY2022 As at February 28, 2023 000·Baht	Fy2023 As at February 29, 2024 000·Baht
Statements of Financial Position		
Total assets	2,020,410	1,203,939
Total liabilities	2,020,366	1,199,827
Total shareholders· equity	44	4,112
Statement of Income		
Total income	348,025	326,209
Bad debts and doubtful accounts	152,567	134,252
Other operating expenses	92,634	81,500
Interest expenses	95,959	95,550
Income tax expense	1,373	2,982
Net profit	5,492	11,926

2. 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.

A. Policy of credit limit approval

For the initial qualification of the applicant, they must be at least 20 years old with monthly fixed income, working status and also have contact phone number etc. For credit approval process, the Company focuses on the point whether the customers have the capabilities to go on making repayment in the future.

In addition, to avoid the Company's risk caused by many credit approvals for one customer, the Company grants credit limit amount up to customer's categories based on the qualification of each customer. Those credit granting is controlled by Credit Scoring System. Then, customers' information will be recorded in customer base via on-line computer system linking data with all branches nationwide.

Credit Scoring System is used to evaluate the creditability of the applicants by analyzing their basic information. The information obtained from Credit Scoring will be used as a benchmark for credit control staff to be able to judge the applicants more quickly and appropriately in line with the Company's credit policy. Information such as customer information, will be proved by credit control staff before processing by the system. The system will score each applicant by his or her information. This score grading will be used to calculate the credit limit for each applicant.

Currently, the Company has started to adopt AI technology to develop the Credit Scoring model to accurately assess the risks before credit approval and can adjust variables in accordance with economic conditions and current market situation quickly.

B. The main process for approving credit limit

1. Application process for credit services

Our staff or our dealers will initially verify the data in the application and documents to comply with the company policy and the related regulations, and also pre-check the fulfillment and credibility of documents.

2. Data and supporting documents investigating process

The Credit Control staffs start their credit investigating process by firstly checking the correctness of the data on the application, and also check the sufficiency of supporting documents The Credit Control staffs will check the customers' information from database in company's computer system and also verify the customer information via appropriate channel. Then, the staffs will analyze for the credit limit according to the terms and conditions specifying in the policy of credit approval process including checking credit bureau.

3. Credit limit approval process

On this step, processing system plays a role in analyzing data based on the analysis of the staff and then the said system will summarize the maximum credit limit for each applicant in the form of scores or Credit Scoring System, which is an efficient system that can standardize facilitate the staff in approving the limit.

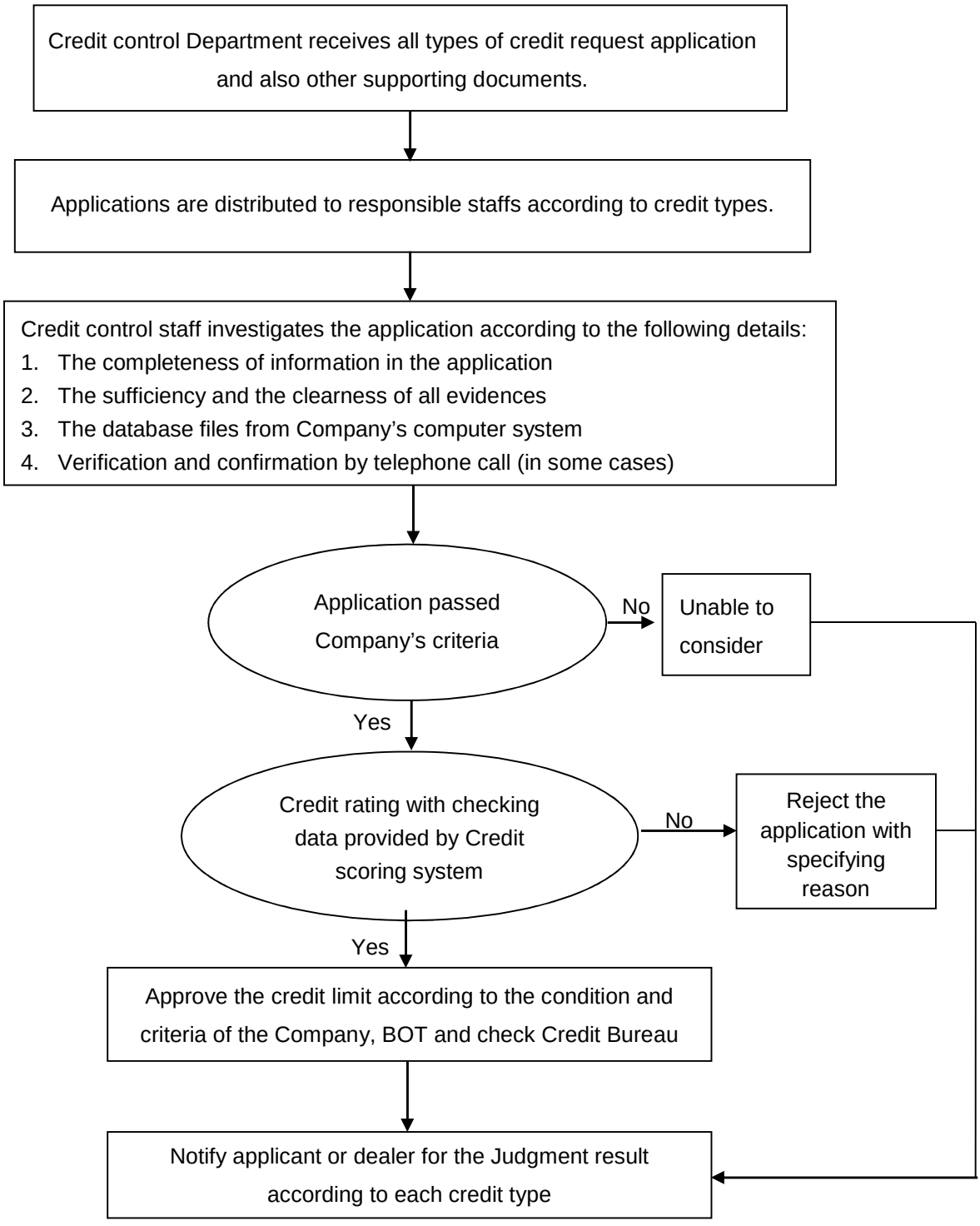
Normally, the Company's approval period depends on types of credit, channel for applying for credit and also types of customers. The Company's members approval period has shorten compared to new customers as the Company has their information in the database.

For credit card, the criterion of cardholder has to comply with Rules, Procedures and Conditions to Undertake Credit Card Business. And for Hire Purchase and Personal 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.

4. Process after the credit approval

After the credit approval, the staff will notify the result to the applicant. Also, the method of notification depends on the type of credit services that the applicant applies for.

The scope of credit approval process



C. Debt Collection Business

Regarding to pre-write off account receivable managed under the team which consists of management and staff for totally 1,100 persons the key component in Retail 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 both Hardware and Software with auto dial to manage its customer database as online with Data Centralized concept in relation to customer risk level. Then, the assignment case to staff as POOLING strategy.

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 as real time. Bangkok Center is centralized for all databases of collection performance from each branch and regional center. This information is examined and evaluated by the management who has authorized for making decisions to improve and solve problems immediately. In addition, four centralized centers could support the business continuity by each center and act as backup recovery sites among other things.

3. Collection Procedure

The Company has several collection activities. Once a debtor starts being default, the collection staffs separated by type of loan and delinquent status, will promptly perform their job. The principal way is to make phone calls to the debtor and the company also do automated collection activity of SMS or IVR. All activities will be recorded in customer database. If the staff is unable to contact the debtor, company will send a survey staff to investigate or check more information of the debtor. The collection activity will be performed until closing period.

In addition, the Company's collection procedure is carefully implemented under Debt Collection Act, B.E. 2558 (2015), which were enforced on 2nd September, 2015 and "Debt Collection Supervisory Committee", no.of time to contact customer for collection activities , which were enforced on 21st, November 2019 and the Company has changed the expenses of Collection fees that under the Debt Collection Supervisory committee regarding the determination of fees or any expenses in debt collection which were enforced on 12th September, 2021.

4. Customers' payment

The customer's statements, calculated by the Company and require to pay within Date 2nd by AEON THAI MOBILE application, Mobile Banking application, cash at Counter Services, mPAY STATIONs, Lotus and Pay at Post. In addition, the payment can be made by bank account auto-payment.

For Happy Loan, 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 12 months. Monthly installments for Motorcycle hire purchase are 6 to 48 months and Auto Loan maximum installments are 84 months. For personal loans and credit card, the customer may either pay the full balance at one time 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.

3. Liquidity Management Policy

As the Company's core business is to provide credits to customers, therefore, the Company needs to find sufficient source of funds to be in line with the growth of its loan portfolio. Annually, the Company has to accommodate source of fund in advance according to the Company's forecast prepared by its management. The Company's major source of fund is bank loan in both THB and other currencies, including bond issuing, in which the Company has policy to keep appropriate ratio between short-term and long-term loans and efficiency in management of funding cost. The Company will more diversify on its source of fund in order to manage its fund more efficiently and strengthen working capital.

Moreover, the Company has a policy to seek fore variety sources of funding in consideration of minimum cost of fund

Properties to be used for business operation

Office

The Company leases the working areas for all business operation including head office, located on 388 Exchange Tower, Sukhumvit Road, Khwaeng Klongtoey, Khet Klongtoey, Bangkok 10110, and 7 operation centers in Bangkok, Chiangmai, Khonkaen, Hat Yai and Sriracha. The details of the office rental location can be summarized as follows:

Office	Location
Head Office	388 Exchange Tower, 26th-27th floor, Sukhumvit Road, Khwaeng Klongtoey, Khet Klongtoey, Bangkok, 10110
Bangkok Center	699 Modernform Tower, 12th, 14th, 16th, 18th-21st Floor, Srinakarin Road, Khwaeng Pattanakarn, Khet Suanluang, Bangkok, 10250
Hatyai Center	599 Moo 1 CP Tower, 1nd-6rd, 5thFloor, Airport-Lopburiramet Road, Kuanglung, Hatyai, Songkhla, 90110
Chiangmai Center	90 Airport Business Park (Tower A) 3rd - 4th Floor, and 92/1 Airport Business Park (Tower B) 3rd Floor, Mahidol Road, Haiya, Muang, Chiangmai, 50100
Khonkaen Center	356/1 Moo 12 CP Tower Khon Kaen, 4th-6th and 8th-10th Floor, Mittraphap Road, Muang Kao, Muang, Khon Kaen, 40000
Sriracha Center	15/79 Moo 4 Natchaya Building, 1st-6th Floor, Sukhumvit Road, Surasak, Sriracha, Chonburi, 20110
Sermmit Center	159/8, 159/11, 159/16, 159/18 sermmitr Tower, 2nd 11th 14th floor, Road (Asok) ,Khwaeng Khlong Toei Nuea, Khet Watthana,Bangkok 10110

In addition, as of February 29, 2024, the Company has a total of 101 branches: 29 branches are in Bangkok and the vicinity, and 72 branches are in provincial area. The details are as follows:

Bangkok and Vicinity Branches (29)		
1. Huamark Town Center	11. Lotus's Navanakorn	21. Maxvalu Laksi
2. The Mall Lifestore Thapra	12. Central Rama 2	22. Central Westgate
3. The Mall Bangkapi	13. Robinson Samutprakan	23. Big C Suksawat
4. Future Park Rangsit	14. Seacon Square	24. Big C Bang Phli
5. Fashion Island	15. Big C Ratchadamri	25. Big C Rama 4
6. Lotus's Rangsit	16. Central Pinklao	26. Robinson Lat Krabang
7. Lotus's Laksi	17. Market Village Suvarnabhumi	27. Big C Ratchadaphisek
8. Big C Saphankwai	18. The Mall Bangkhae	28. Central Ladprao
9. The Mall Ngamwongwan	19. Mega Bangna	29. Lotus's Bangpu
10. Lotus's Pathumthani	20. Centralworld	

Provincial Branches (72)			
30. Airport Business Park (Operation Center)	51. Lotus's Amata Nakhon	72. The Mall Nakhonratchasima	93. Big C Satun
31. Central Chiangmai Airport	52. Big C Chonburi	73. Big C Surin	94. Big C Hatyai (Khlonghae)
32. Big C Lamphun	53. Central Chanthaburi	74. Big C Chaiyaphum	95.Lotus's Songkhla
33. Lotus's Khamthieng	54. Robinson Prachinburi	75. Big C Buriram	96.Lotus's Ranong
34. Central Chiangrai	55. Ayutthaya City Park	76. Big C Si Sa Ket	97.. Big C Sa Kaeo
35. Big C Lampang	56. Homepro Nakhonpathom	77. Asawann Shopping Complex 1 Nongkhai	98.. Robinson Thalang
36. V-Square Plaza Nakhonsawan	57. Lotus's Ratchaburi	78. Sermthai Complex Mahasarakham	99. Lotus's Phetchaboon
37. Lotus's Tak	58. Big C Mahachai	79.Central Udon	100. Robinson Roi Et
38. Big C Phrae	59. Lotus's Suphanburi	80. Robinson Mukdahan	101. Robinson Phetchaburi
39. Big C Chiangmai	60. Hua Hin Market Village	81. Big C Loei	
40. Big C Phitsanulok	61. Robinson Kanchanaburi	82. Robinson Sakonnakhon	
41.Big C Kamphaengphet	62. Big C Samutsongkhram	83. Central Hatyai	
42. Big C Sukhothai	63. Central Salaya	84. Lotus's Samui	
43. Lotus's Uttaradit	64. Robinson Saraburi	85. Big C Hatyai 2	
44. Tops Plaza Phayao	65. Central Si Racha	86. Lotus's Suratthani	
45. Tops Plaza Phichit	66. Lotus's Ang Thong	87. Central Nakhon Si	
46. Big C Nan	67. Tops Plaza Sing Buri	88. Central Phuket Festival	
47. Big C Lopburi	68. Big C Kalasin	89. Robinson Trang	
48. Central Rayong	69. Central Khonkaen	90. Ocean Complex Chumphon	
49. Robinson Chachoengsao	70.Big C Nakhonphanom	91. Lotus's Krabi	
50. Lotus's North Pattaya	71. Sunee Tower Ubonratchathani	92. Central Suratthani	

Other Assets

Apart from the Company's office which is used for business operation, the Company also has other operating assets including office renovation, computers, cash dispensing machines, and office equipment. The net book values of those assets as of February 29, 2024 were summarized as follows:

Items	Cost (Unit:MB)	Accumulated Depreciation (Unit:MB)	Net Book Value (Unit:MB)
Office Renovation			
- Head Office	169	146	23
- Branch Offices	591	484	107
Computers	1,896	1,666	230
Cash Dispensing Machines	66	64	2
Other Office Equipment	272	232	40
Total	2,994	2,592	402

Account Receivables

Account receivables are considered as core assets of the Company since the Company's business is to provide various types of loans to the customers. As of February 29, 2024, the Company and subsidiaries had the proportion of net account receivables of 90% of the total assets. Net account receivables are stated at the outstanding contract price deducted by unearned financing income and allowance for doubtful accounts.

Details of the net account receivables

Unit: MB	FY2021		FY2022		FY2023	
	Amount	%	Amount	%	Amount	%
Loan receivable	39,416.62	49.22	38,877.93	46.39	38,330.18	46.17
Credit card receivable	35,443.55	44.26	39,849.60	47.55	38,449.09	46.31
Hire purchase receivable	5,099.28	6.37	5,011.21	5.98	6,164.01	7.43
Receivable from rendering the collection service	15.20	0.02	4.35	0.01	12.87	0.02
Receivable from insurance broker business	101.75	0.13	68.63	0.07	60.53	0.07
Total	**80,076.40**	**100.00**	**83,811.72**	**100.00**	**83,016.68**	**100.00**

Revenue Recognition Policy

- Interest income and fee income from purposed loan, hire-purchase receivable, and credit card receivable and personal loan are recognized on an accrual basis using the effective interest method.
- Commission income is recognized on the issue date of the policy.
- Collection service income is recognized on an accrual basis when service has been provided or upon satisfaction of performance obligations.
- Bad debt recovery is recorded as other income in the statement of profit or loss when received.
- Dividend income is recognized on the date the Company's right to receive payments is established.
- Other income is recognized on an accrual basis.

Policy for measurement and recognition of expected credit loss

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

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

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

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

Policy for Allowance of Doubtful Accounts

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

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

(See Note 3.2.2 in the Company Financial Statements).

Table for allowance for doubtful accounts/allowance for expected credit loss categorized by types of credits

	FY2021 (Unit: Million Baht)	**FY2022** (Unit: Million Baht)	**FY2023** (Unit: Million Baht)
Credit Card			
Balance brought forward	4,050.36	3,880.17	3,624.75
Impact of adoption of TFRS 9	-	-	-
Add Bad debts and doubtful accounts	-	-	-
Add Expected credit loss	680.82	701.07	2,608.79
Less Written-off bad debts	(851.02)	(956.49)	(3,520.35)
Balance carried forward	3,880.17	3,624.75	2,713.19
Hire-Purchase			
Balance brought forward	872.38	792.11	499.89
Impact of adoption of TFRS 9	-	-	-
Add Bad debts and doubtful accounts	-	-	-
Add Expected credit loss	1,914.44	1,829.56	295.23
Less Written-off bad debts	(1,994.71)	(2,121.78)	(311.68)
Balance carried forward	792.11	499.89	483.44
Loans			
Balance brought forward	6,670.38	6,278.79	6,000.34
Impact of adoption of TFRS 9	-	-	-
Add Bad debts and doubtful accounts	-	-	-
Add Expected credit loss	4,397.27	5,230.94	4,855.32
Less Written-off bad debts	(4,788.87)	(5,509.39)	(5,764.38)
Balance carried forward	6,278.79	6,000.34	5,091.28
Collection Service			
Balance brought forward	0.10	0.39	0.28
Impact of adoption of TFRS 9	-	-	-
Add Bad debts and doubtful accounts (reversal)	-	-	-
Add Expected credit loss	0.29	(0.11)	(0.22)
Less Written-off bad debts	-	-	-
Balance carried forward	0.39	0.28	0.06
Total	**10,951,46**	**10,125.26**	**8,287.97**

Policy for investments in subsidiary and affiliated companies

As of February 29, 2024, the Company has investments in subsidiaries, associate and related companies, as follows:

Companies	Relationship	Types of Business	Proportion of Investment (%)	Amount of Investment (Baht)
1. ATS Rabbit Special Purpose Vehicle Company Limited.*	Subsidiary	Special Purpose Vehicles Co.	48.75	19,500
2. ACSI (Thailand) Co., Ltd. (formerly AEON Insurance Service (Thailand) Company Limited)	Subsidiary	Non-life and life insurance broker	100.00	149,224,316
3. ACS Servicing (Thailand) Co.,Ltd.	Subsidiary	Collection servicer	100.00	175,349,088
4. AEON Asset Management (Thailand) Co., Ltd. ****	Subsidiary	Non-performing assets management	99.99	49,999,900
5. AEON Specialized Bank (Cambodia) Plc. **	Subsidiary	Retail finance business in Cambodia	50.00	323,580,000
6. AEON Microfinance (Myanmar) Co.,Ltd.	Subsidiary	Retail finance business in Myanmar	100.00	455,403,307
7. AEON Leasing Service (Lao) Co.,Ltd.***	Subsidiary	Retail finance business in Laos	96.29	107,333,108
8. AEON (Thailand) Co., Ltd.	Related Holding shares and 2 common directors	Department Store	3.82	8,500,000
9. Rabbit Cash Co., Ltd.******	Related Company	Provide lending services through digital platform	18.00	216,000,000
10. PT. AEON Credit Service Indonesia	Related Holding shares and same group of major shareholders	Consumer finance in Indonesia	2.59	19,071,550
11. ACS Trading Vietnam Co., Ltd.	Related Holding shares and same group of major shareholders	Installments service in Vietnam	1.59	16,819,262.92

*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.

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

***The Company holds shares indirectly through ACS Servicing (Thailand) Company Limited and AEON Insurance Service (Thailand) Company Limited with 3.71%. On September 28, 2021, the meeting of the Board of Directors of AEON Insurance Service (Thailand) Company Limited, a subsidiary of the Company, approved the transfer of 104,000 shares of AEON Leasing Service (Laos) at a par value of 41 baht per share, totaling 4.26 million baht, to the Company. On December 3, 2021, such shares have been transferred. As a result, the investment proportion of AEON Leasing Service (Laos) held by the company increased from 92.58% to 96.29% and cost increased from 103.07 million baht to 107.33 million baht.

**** On January 4, 2022, AEON Insurance Service (Thailand) Company Limited, a subsidiary had returned the insurance

brokerage license to the Office of Insurance Commission and had registered the change of company name at the Department of Business Development, Ministry of Commerce as ACSI (Thailand) Company Limited, effective from January 4, 2022 onwards. On April 11, 2022, the meeting of the Board of Directors of ACSI (Thailand) Company Limited (“Subsidiary”) passed a special resolution approving the dissolution of the subsidiary. On April 28, 2022, the annual general meeting of shareholders of the subsidiary resolved to approve the dissolution of the subsidiary company. The subsidiary has registered its dissolution with the Department of Business Development, Ministry of Commerce on June 30, 2022 and as of February 29, 2024, the subsidiary is in the process of liquidation.

***** On August 2, 2022, the Company established a new subsidiary under the name "AEON Asset Management (Thailand) Company Limited" ("Subsidiary") in which the Company holds 98% of shares with the initial registered capital of 25 million. baht, which has been fully paid. The objective of the subsidiary is to purchase and manage non-performing assets and on August 25, 2023 the Company purchased 5,002 shares of AEON Asset Management (Thailand) Company Limited ("Subsidiary") from ACS Servicing (Thailand) Company Limited and non-controlling interests at the amount of Baht 100 per share. On September 8, 2023, the Extraordinary General Meeting of Shareholders of AEON AMC had a resolution to approve the increase of registered share capital by issuance of 750,000 new ordinary shares at par value of Baht 100, totaling Baht 75 million. AEON AMC has registered the increase of registered share capital with the Department of Business Development, Ministry of Commerce on September 22, 2023, of which 33.33% totaling Baht 25 million was called up from the Company in which the Company holds 99.99% of total shares registered and the Company holds shares indirectly in AEON Asset Management (Thailand) Co., Ltd. through ACS Servicing (Thailand) Co., Ltd. in the proportion of 0.01%.

****** On March 29, 2021, the Company has entered into a Joint Venture Agreement with BSS Holdings Company Limited (“BSS Holdings”) and Humanica Public Company Limited (“HUMAN”) to incorporate a Joint Venture Company under the name of “Rabbit Cash Company Limited”, whereas BSS Holdings, the Company and HUMAN holds 77%, 18% and 5%, respectively, of the shares. The initial registered capital is Baht 800 million. On February 22, 2024 the Extraordinary General Meeting of Shareholders of Rabbit Cash Company Limited had a resolution to approve the increase of registered share capital amount of Baht 400 million and the Company has increased the share capital to maintain the proportion of shareholding at 18%.

1.3 Shareholding Structure

Shareholders

A) List of the top 10 major shareholders from total shareholders (6,145 shareholders) as the share registered book closing date on February 29, 2024, are as follow:

	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 Holdings (Thailand) Co., Ltd.	22,000,000	8.80
4	Thai NVDR Co., Ltd.	17,500,346	7.00
5	MORGAN STANLEY & CO. INTERNATIONAL PLC[1]	7,000,000	2.80
6	Mr. Chatchaval Jiaravanon[1]	6,200,000	2.48
7	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	5,356,400	2.14
8	STATE STREET EUROPE LIMITED	4,761,378	1.90
9	TISCO Master Pooled Registered Provident Fund	4,248,700	1.70
10	SE ASIA (TYPE B) NOMINEES LLC	2,567,900	1.03

Note: [1]Morgan Stanley custodians 7,000,000 shares and UBS AG Singapore branch custodians 1,500,000 shares on behalf of Mr. Chatchaval Jiaravanon.

Source: Thailand Securities Depository Co., Ltd.

B) The ultimate shareholders of AEONTS's major controlling shareholders 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 Holdings (Thailand) Co., Ltd / Thailand.	AEON Co., Ltd. (Japan) is the major shareholder.	22,000,000	8.80
Total ultimate shareholders of the Company		**157,800,000**	**63.12**

Shareholding Structure in Subsidiaries and Affiliated Companies

The Company has investment in subsidiaries and other affiliated companies as of February 29, 2024 as follows;

Company	Business Type	Ownership (%)
Subsidiaries - Domestic		
1. ATS Rabbit Special Purpose Vehicle Company Limited[1]	Special purpose vehicles Co.	48.75
2. ACSI (Thailand) Co., Ltd. (formerly AEON Insurance Service (Thailand) Company Limited)[2]	Non-life and life insurance broker	100.00
3. ACS Servicing (Thailand) Co., Ltd	Collection servicer	100.00
4. AEON Asset Management (Thailand) Co.,Ltd[5]	Non-performing assets management	98.00
Subsidiaries - Overseas		
5. AEON Specialized Bank (Cambodia) PLC	Retail finance business in Cambodia	50.00
6. AEON Microfinance (Myanmar) Co., Ltd	Retail finance business in Myanmar	100.00
7. AEON Leasing Service (Lao) Co., Ltd[3]	Retail finance business in Laos	96.29
Other Affiliated Companies		
8. AEON (Thailand) Co., Ltd.	Department Store	3.82
9. PT. AEON Credit Service Indonesia	Consumer finance in Indonesia	2.59
10. ACS Trading Vietnam Co., Ltd	Installments service in Vietnam	1.59
11. Rabbit Cash Co., Ltd[4]	Provide lending services through digital platform	18.00

Note - [1]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.

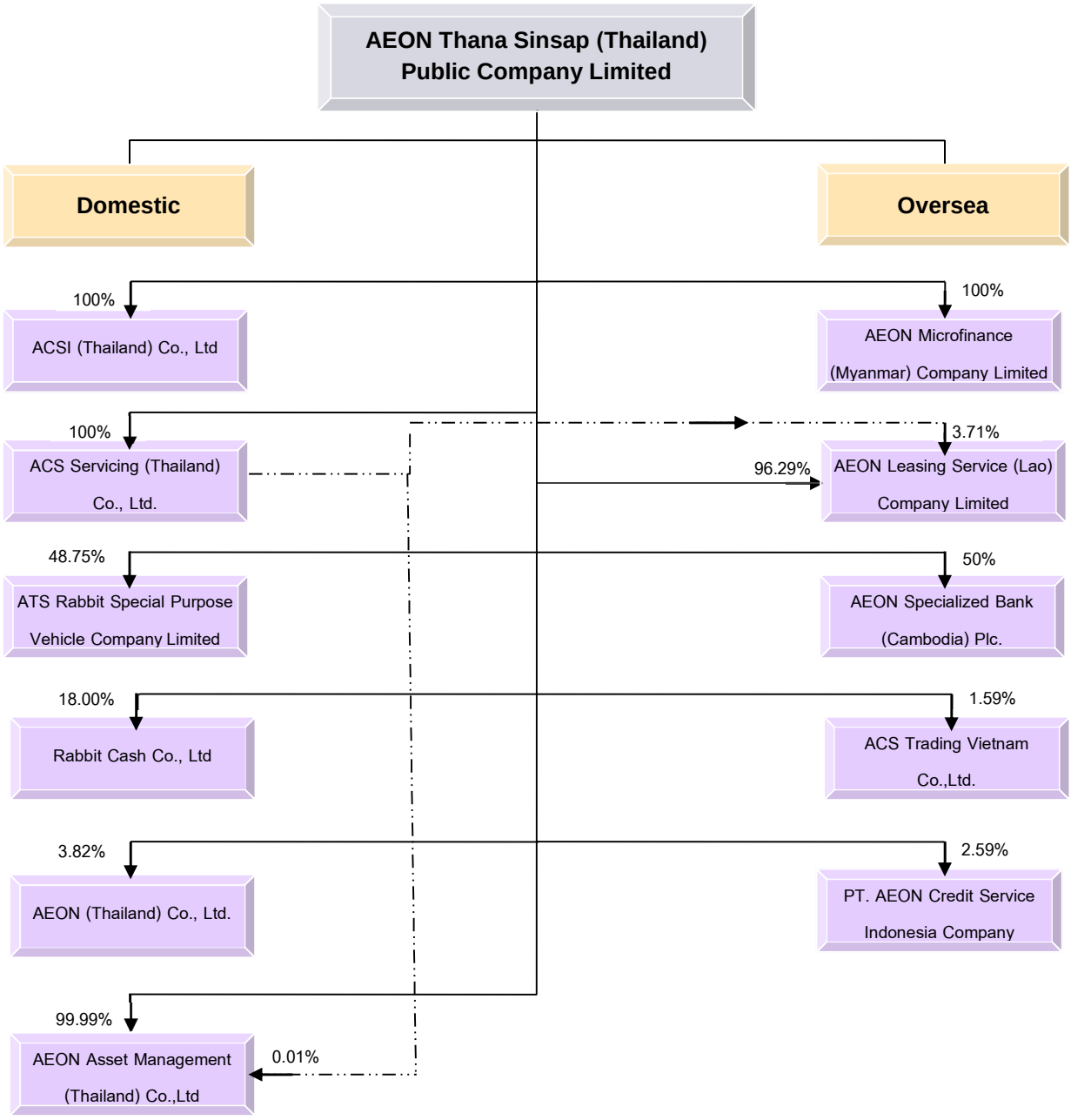
[2]ACSI (Thailand) Co., Ltd. (formerly AEON Insurance Service (Thailand) Company Limited), the Company's subsidiary has returned its insurance broker license to the Office of Insurance Commission on January 4, 2022 and on April 11, 2022, the Board of Directors' Meeting of ACSI (Thailand) Co., Ltd. had a special resolution to approve the Subsidiary's dissolution. The Subsidiary will register the dissolution with the Department of Business Development, Ministry of Commerce on June 30, 2022. As at February 29, 2024, the Subsidiary is in process of liquidation.

[3]The Company holds shares indirectly through ACS Servicing (Thailand) Company Limited and AEON Insurance Service (Thailand) Company Limited with 3.71% and On September 28, 2021, the Board of Directors' Meeting of ACSI (Thailand) Co., Ltd. (formerly Aeon Insurance Service (Thailand) Co., Ltd.), a subsidiary, had a resolution to approve the transfer of 104,000 shares of AEON Leasing Service (Lao) at par value of Baht 41 totaling Baht 4.26 million to the Company. Subsequently, on December 3, 2021, there was a transfer of shares, causing the percentage of ownership of AEON Leasing Service (Lao) held by the Company to increase from 92.58% to 96.29%, and cost from Baht 103.07 million to Baht 107.33 million.

[4]On March 29, 2021, the Company has entered into a Joint Venture Agreement with BSS Holdings Company Limited ("BSS Holdings") and Humanica Public Company Limited ("HUMAN") to incorporate a Joint Venture Company under the name of "Rabbit Cash Company Limited", whereas BSS Holdings, the Company and HUMAN holds 77%, 18% and 5%, respectively, of the shares. The initial registered capital is Baht 800 million. On February 22, 2024 the Extraordinary General Meeting of Shareholders of Rabbit Cash Company Limited had a resolution to approve the increase of registered share capital amount of Baht 400 million and the Company has increased the share capital to maintain the proportion of shareholding at 18%.

[5]On August 2, 2022, the Company has established a new subsidiary under the name "AEON Asset Management (Thailand) Company Limited" (the "Subsidiary"), whereas the Company holds 98% of the shares. The initial registered capital is Baht 25 million, which were fully paid. The objective of the Subsidiary is to purchase and manage non-performing assets. On August 25, 2023 the Company purchased 5,002 shares of AEON Asset Management (Thailand) Company Limited ("Subsidiary") from ACS Servicing (Thailand) Company Limited and non-controlling interests at the amount of Baht 100 per share. On September 8, 2023, the Extraordinary General Meeting of Shareholders of AEON AMC had a resolution to approve the increase of registered share capital by issuance of 750,000 new ordinary shares at par value of Baht 100, totaling Baht 75 million. AEON AMC has registered the increase of registered share capital with the Department of Business Development, Ministry of Commerce on September 22, 2023, of which 33.33% totaling Baht 25 million was called up from the Company in which the Company holds 99.99% of total shares registered and the Company holds shares indirectly in AEON Asset Management (Thailand) Co., Ltd. through ACS Servicing (Thailand) Co., Ltd. in the proportion of 0.01%.

Shareholding Structure chart



1.4 Amounts of registered capital and paid-up capital

Registered Capital 250 million baht, Paid-up Capital 250 million baht
common stock 250 million shares, Preferred stock - shares Par value 1 baht

1.5 Issuance of the securities

The Company issued debentures on February 29, 2024, details are as follows:

Information of Debenture	THB Debenture	JPY Debenture	JPY Debenture	THB Debenture	THB Debenture
Total Value	1,000 Million Baht	7,000 Million Yen	10,000 Million Yen	1,000 Million Baht	1,700 Million Baht
Type	Non-Guaranteed Debenture Nonconvertible	Guaranteed Debenture Nonconvertible	Guaranteed Debenture Nonconvertible	Non-Guaranteed Debenture Nonconvertible	Non-Guaranteed Debenture Nonconvertible
Total unit	1,000,000 units	70 units	100 units	1,000,000 units	1,700,000 units
Par Value Per Unit	1,000 THB	100,000,000 JPY	100,000,000 JPY	1,000 THB	1,000 THB
Remaining value as at February 29, 2024	1,000 Million Baht	7,000 Million Yen	10,000 Million Yen	1,000 Million Baht	1,700 Million Baht
Tenor	5 years	5 years	3 years	2 years	3 years
Issue date	15 November 2019	29 December 2021	29 November 2022	24 Februaru 2023	24 February 2023
Due date	15 November 2024	29 December 2026	28 November 2025	24 February 2025	24 February 2026
Redeemable option (Put/Call)	-None-	-None-	-None-	-None-	-None-
Collateral	-None-	-None-	-None-	-None-	-None-
Guarantor	-None-	Sumitomo Mitsui Banking Corporation, Tokyo	Sumitomo Mitsui Banking Corporation, Tokyo	-None-	-None-
Credit rating	A- (FitchRating)	-None-	-None-	A- (FitchRating)	A- (FitchRating)

Note: Details of Long Term Debentures are shown in Note to the Financial Statements No. 25

1.6 Dividend Policy

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 2023, the Board of Directors' meeting on October 6, 2023, resolved to pay interim dividend payment at 2.55 baht per share and paid the dividend to shareholders on November 2, 2023. In addition, the Board of Directors' meeting approved the final dividend payment for the Fiscal Year ended February 29, 2024, at the rate of 2.95 baht per share, which will be paid after being approved from AGM on June 21, 2024. The total dividend for FY2023 will be 5.50 baht per share or 42.19% payout ratio, totally 1,375 million baht. The Company has set the record date on April 23, 2024, to determine the shareholders entitled to receive dividends.

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

	FY2021 (Baht per share)	**FY2022** (Baht per share)	**FY2023** (Baht per share)
Interim Dividend	2.50	2.55	2.55
Final Dividend	2.65	2.95	2.95
Special Dividend	-	-	-
Total	**5.15**	**5.50**	**5.50**
Payout ratio	**36.24%**	**36.04%**	**42.19%**

2

Risk management

2. Risk Management

2.1 Risk management policy and plan

The Board of Director and all of the Management are well-aware about the importance of effective risk management. Therefore, the Company had established the process for identify the risk, manage the risk and evaluated the risk. In addition, methodology and tools for risk management is continuously improved to ensure that risk is managed effectively and efficiently. This will ensure that the Company is prepared for all type of risks. Material risk is shown as follow:

2.2 Risk factors on business operation

Operational Risk

Operational risk refers to the risk of loss arising from inadequate or failed internal processes, people, systems, information technology, and external events/factors. The operational risk usually arises from business activities and operation.

In order to manage the risk, the company has standard of procedure for each work flow/process. Employees shall be able to understand the process and operate effectively to meet with the company's standard. Moreover, Company developed many tools that support operational risk activities for identifying, assessing, monitoring, reporting and mitigating the operational risk issue of all internal process and activities. The methodology and tools that Company applies are shown as follow:

Self-control risk assessment (RCSA) and Key risk indicator (KRI)

The Risk and Control Self-Assessment (RCSA), which is conducted by all departments, must be reviewed yearly. Inherence risk, residual risk and current control must all be taken into account throughout the risk assessment. The results of the risk assessment are ranked according to the company's top risk, before presenting the annual risk management action plans to reduce risk and make sure residual risk is within an acceptable level. Furthermore, company set up Key Risk Indicators (KRI) tracks all of the major risks on a monthly basis.

Incident Management

The Company has established a process for reporting and tracking incident. All incident need to be meticulously documented. From the summary of the events, their effects, financial and non-financial losses incurred, including corrective actions and preventive actions to prevent recurring. The incident information will be utilized to develop and enhance the control. This enables even more successful future risk management.

Business Continuity Plan

Company recognized the important of business continuity under crisis situation. Thus, Company develop Business Continuity Plan (BCP) to facilitate operations under a variety of crisis scenarios, such as natural disaster and pandemic. The company be able to consistently serve customers or minimize downtime to a reasonable level. Every year, the plan is tested and amended with input from all departments. The core system and key company's operation are rehearsed annually to ensure the Company's ability to function efficiently in the event of crisis.

Outsourcing management

The Company has established a policy for managing outsourcing services including third parties to regulate the work that is outsourced. This ensure that their processes comply with operating standards set by the Company, applicable laws and other relevant regulations. Regarding this, the list of registered third parties and other external service providers for the company is also available through the outsource database under Risk Management department.

Company also embeds control in all aspects related to external service providers, such as, process of choosing an external service provider, Master Contracts (include subcontractors of external service providers), Management of the Company's customer information. Protecting customer data must be aligned with operational standards to ensure the accuracy and security. The Company also considers the risk management of external service providers as well as annual audit of third-party services to reduce risks and ensure the quality of service from outsource as well.

IT Risk

Company implement news technology to support many domains such as improve customer experience, increase service channel, raise productivity and reduce error in operation process. Thus, Company review and monitor IT risk closely. As the result, our system has high availability, integrity and confidentiality.

Company test all new systems and functions before implementation to ensure that all systems work properly, stable and safe. Example of test method are UAT (user acceptance test), system integration test (SIT) and penetration test.

On top of that, Company also prepared and reviewed IT disaster recovery plan on yearly basis. This will guarantee that our IT system always available especially during crisis situation.

Company use many IT outsource, therefore Company develops process to identify risk and evaluate the risk of outsource. This will reduce risk from outsource such as discontinuity of service provider, poor service quality from outsource or data leakage from third party.

Risk of Cyber Attack

In light of the current situation where cyber attacks are becoming more frequent and sophisticated, the company has reviewed and improved its cybersecurity measures, such as conducting vulnerability assessments, penetration testing, data encryption, intrusion detection systems and employee training. Additionally, the company has hired external experts to reduce the risk from cyber-attack.

The company has cyber drill exercise periodically to ensure that staff and related person can handle cyber attack on timely manner and effectively. Company's cyberattack guideline cover end-to-end process from detecting the incident until preventing incident from reoccurred.

The company is always aware that the cyber threat landscape is constantly evolving. Therefore, the company continuously monitors and remains vigilant in order to improve its cybersecurity measures to be appropriate and as effective as possible.

Fraudulent Risk

The Company is well aware of the risk from false statement provided by loan requestors (customers or contracted merchants) that could eventually lead to the company's loss, since the Company is not able to collect the debt from mentioned subjects. As a result, the Company might have to written off the debt. In addition, the Company might be faced with the potential fraud risk from the misconduct activity of the credit officer who will intentionally misjudge or approve credit line and/or credit limit to underqualified loan requestors.

To avoid the risk, the company has set up a standard procedure of data verification using in the credit approval process; by doing a data screening in compare with in-house databases, checking customer's credit records from National Credit Bureau (NCB), and going through other given information appeared on customer's application. In case, if there found of any suspicious information, company will have that information circulate to National Anti-Corruption Commission (NACC) to inspect further relevant information and to gather additional evidence (as appropriate).

The Company has also set up risk management plan, giving the role for Quality Control Division of the Credit Control Department, an independent unit, to conduct a random inspection of credit approval to ensure that it is in accordance with the Company's criteria. Furthermore, the Credit Control Department has to analyzed the quality and the detail of the delinquent customer to review and seek for the root cause so as to further improve our credit criteria.

Moreover, Company realized the risk from fraud activities at client side such as fraudster deceive victim for OTP (one time password), fraudster remote control victim device and fraudster deceive victim to transfer fund. As the result, Company promote customer awareness via various communication channel such as announcement at branch, company website, company Facebook. Although, Company improve mobile application's security according to related standard.

Risk of Data loss or information leakage

The Company is well-aware that business operation relies on huge confidential information which also include with the customer information and customer transaction. Hence, the risk might arise from information loss, including data leakage. Should there be any incident, error of operation, report on action that is not align with the procedure manual or manual is not update, or there are intentionally destroy, copy, or leak of the information that may also cause significant adverse effects to the Company's reputation and operation.

Therefore, the Company is more concern on securing information, such that information must be store in secure place and disclose to only authorized person (as appropriate) to their responsibility. An 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. Furthermore, Company apply multi-factor authentication for access to IT system.

Risk of the Economic Situation

Nevertheless, things with COVID-19 are generally getting better. Economic condition is not recovered as predicted due of 3 issues, which are 1) Export's volume is lower than projection because of 3 factors, which are 1) Export's volume is lower than expected 2) Chinese economic 3) High household debt.

As a result, the business modifies its credit approval standards based on each customer's debt servicing capability. particularly for the client base that is most adversely affected by the state of the economy. Additionally, the company reviews its collection procedures to minimize inefficiencies and strives to lower default and delinquent rates.

Risk of the Sustainability

Three factors are associated with the risk of sustainability: 1) the environment; 2) society and community Third: Governance. The business understands the value of sustainable growth. In order to carefully manage this risk, the company therefore periodically assesses sustainability risk using key risk indicators (KRIs).

Regarding the environment, the company trains staff about environmental conservation and updates working procedures in accordance with ISO-14000 standard. Furthermore, the company assesses the effects of its operations on the surrounding environment.

For social and community aspect, the company always considers and minimizes any potential detrimental effects on society while developing new products and/or implementing new procedures. Aeon Foundation Thailand was also founded by the company. The goals are environmental preservation, social development, and assistance for underprivileged individuals. Scholarships, medical supplies, and donations to underprivileged people are a few examples.

In terms of governance, employees report supervisor misconduct through a whistleblower route to a centralized team for investigation, keeping the reporter's identity confidential. The findings of the investigation will be forwarded to the relevant committee to guarantee that the issue is addressed appropriately.

Emerging Risks

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 Center to upcountry Centers or work from home instead. 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.

Risk from Geopolitical

Due to the Company having a joint venture outside the country. Therefore, it is important to take this risk into account. Because it can occur in a variety of forms, such as political, economic, social problems, terrorism, threat of war, including the relationship between countries or regions, such as the Gaza war, etc. These factors may affect the global economy and exchange rate.

The company has held meetings with affiliated companies located in foreign countries regularly. To provide a platform for the risk management team to have a presentation, exchange information about situations related to the risks of each country.

2.3 Financial risk management and objectives

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

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

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

Market risk

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

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

Interest rate risk management

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

The Group's and the Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of Note 40.2.2.

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

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

See Note 40.2 for the information regarding cross currency and interest rate swap contracts and interest rate swap contracts as at February 29, 2024 and their related hedged items.

Foreign currency risk management

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

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

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

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

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

Liquidity risk

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

See Note 40.4.1 for detail the Group's and the Company's remaining contractual maturity for their non-derivative financial assets and financial liabilities with agreed repayment periods.

Credit risk

Note 5.4 and Note 9 provide details of the maximum exposure to credit risk, and Note 3.2.2 and Note 3.7 provide details of the measurement bases used to determine expected credit loss of the Group and the Company.

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

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

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

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. As at February 29, 2024, the Group's and the Company's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group and the Company due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group and the Company arise from the carrying amount of the respective recognized financial assets as stated in the consolidated and separate statement of financial position.

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

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

See note 40.3 for detail the credit quality of the Group's and the Company's financial assets, as well as the Group's and the Company's maximum exposure to credit risk by credit risk rating grades.

Capital risk

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

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

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

See Note 40.5 for gearing ratio as at February 29, 2024

Risk of Non-Compliance from the Government's Control

To ensure that the company's business operates legally and fairly to customers, company focuses on complying with laws and rules from both government and financial regulators such as the Bank of Thailand (BoT), Anti-Money Laundering Office (AMLO), Office of the Insurance Commission (OIC) including announcements from related agencies such as the Personal Data Protection Commission (PDC) and the Office of the Consumer Protection Board (PCB). Company takes both internal operations and service to customer into account.

For the non-compliance risk management, company verifies operation process and product to ensure fully compliance to regulation. In addition, company evaluates the non-compliance risk regularly. Especially, when related laws and regulations have significant update.

On top of that, company performs risk assessment during new product development process and product enhancement process. This guarantees that company's product and service are aligned with regulation to create compliance standard for customer

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.42.2)

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.

3

Business sustainability development

3. Business Sustainability Development

The Company operates business with regard to the environment, society and good governance (ESG; Environmental, Social and Governance) and adopts the Sustainable Development Goals (SDGs) of the United Nations as a part of driving and developing the organization continuously in order to meet the needs of customers and all groups of stakeholders and to be able to operate continuously under challenging circumstances. The Company has prepared and disclosed information and details about its sustainability management policy in the Company's 2023 Sustainability Report, which has been disclosed on the Company's website.

3.1. Sustainability Policy and Sustainability Goals

The Company prioritizes business growth while adhering to strong corporate compliance, effective risk management, and social responsibility. It is dedicated to enhancing the better living of the customer by responding to their lifestyle and satisfaction, practicing ethical business conduct, ensuring transparency, respecting human rights, and actively promoting social and environmental responsibility. This approach is more than just business, it is a commitment to earning and maintaining the trust of all stakeholders.

Objectives and Goals

- The company follows a clear guiding principle by committed to growing business through partnerships, customer relationships and societal impact. The company aims to foster long-term awareness of sustainable growth.
- In the economic aspect, the company provides digital innovation products and services that improve daily lives and well-being by facilitating access to financial products and services, in line with AEON principle of putting the “Customer-First”.
- On the social front, the company upholds good corporate governance, aligning with the AEON Code of Conduct. The company is committed to respecting human rights, valuing employees across all levels, making promises to customers regarding social responsibility, engaging in fair trade with partners, and showing respect for stakeholder opinions.
- In environmental matters, the company prioritizes a sustainable relationship between society and the environment by implementing a global standard environment management system that covers the entire organization.

3.2. Sustainability Management Framework

A	E	O	N
Accountability	**Efficiency**	**Operational Excellent**	**Network/Navigation Success**
AEON has a AEON code of Conduct as a guideline for business operations, outlining ethical principles for conducting business and treating stakeholders responsibly. It emphasizes responsible lending practices and provides financial literatures to stakeholders. (Responsible lending/provide financial literacy/responsible to customers/business ethics)	AEON is committed to resource management through thoughtful planning and efficient resource utilization to minimize environmental impact stemming from organizational operations. In addition to genuinely advancing towards the Net Zero target, this approach also creates additional business opportunities. (environmental resources management/air pollution management)	AEON places the utmost importance on maintaining customer data security, ensuring customers' confidence that the Company can safeguard their information in compliance with data protection laws. It adopts international quality standards as a framework for internal operations and has policies and risk management plans in place to address various potential scenarios. This includes managing human resources and ensuring human rights. (data security/risk management/occupational health and safety/human resource management/human right)	AEON has been a main supporter of social activities for the AEON Thailand Foundation continuously, together with volunteers, partners and other stakeholders whom regularly participate in social activities initiated by the AEON Thailand Foundation. (Community relations/stakeholder participation)

3.3. Business Value Chain

The Company emphasizes continuous development of its products and services to ensure satisfaction among all stakeholder group. The Company conducts thorough analyses of stakeholder expectations across all activities and work processes throughout the entire business value chain. This approach is aimed at effectively managing and fulfilling stakeholder expectations as follows;

Primary Activities		
Unsecured Loan / Secured Loan		
Capital Procurement ● Investment from shareholder ● Profit from company operations ● Domestic and International Banks ● Debentures	**Product Development and Digital Strategy** ● Conduct interesting Innovation Research in the financial sector, both domestically and internationally ● Conduct team brainstorming and group research ● Present project to the management ● Collect requirements from relevant departments after management approval. ● Present to the Board for budget approval ● Set up a meeting with relevant departments within the organization to finalize the requirements. ● Ensure alignment with established operational frameworks and budget ● Conduct system testing in a simulated environment prior to customer deployment ● Launch the project and monitor actual customer utilization	**Marketing Activities** ● Enhance customer responsiveness to meet their needs more effectively ● Improve competitive capabilities against other industry rivals ● Acquire new customers while retaining existing customers. ● Enhance customers access through technology ● Expand product diversity to meet customer demands ● Increase company profits ● Design customer journey to adapt to evolve customer needs ● Develop services to meet customer's needs, technological advancement and current market situation.
Primary Activities		

<table>
<tr><th colspan="3">Unsecured Loan / Secured Loan</th></tr>
<tr>
<td>Loan Assessment (Credit assessment of the unsecured loan)

• Evaluate based on customers' contributions such as ability to pay debt by bureau credit score, occupation and age.
• Notify approval result to customer through SMS and increase online notification channels.
• Delivery of plastic credit card or virtual card on the AEON THAI MOBILE Application
• Provide after sales service information such as billing cut-off date, promotion, campaign or interest calculation and etc.</td>
<td rowspan="2">Payment and Debt Management

The Company shall follow the criteria set forth by the Bank of Thailand or in accordance with the Debt Collection Act, with performance evaluated against the following standards:

• Issuance of invoices to customers.
• Reminder calls for overdue payments.
• Utilization of third-party debt collectors if needed. (Outsource or subsidiaries that specialize regarding debt collection)
• Implementation of debt restructuring for customers.
• Pursuit of legal action for unpaid debts. (Both Unsecured/Secured loan)
• Handling product returns for secured loans. (Secured loan only)</td>
<td rowspan="2">Post-Acquisition Support

After-sales services provided include:

• Card activation through phone call or AEON THAI MOBILE application
• Account statement notifications via email or postal mail.
• Handling customer inquiries regarding promotions and campaigns through various channels such as branch visits, Facebook, other social media platforms, or by phone through the call center.
• Interest calculation.
• Providing additional information requested by customers.
• Customer Service Department collects customer satisfaction evaluations through various channels such as branch visits, social media platforms, or the call center.</td>
</tr>
<tr>
<td>Credit assessment of the secured loan

• Marketing Department analyzes marketing trends and propose to Credit Control Department for determine the conditions for secured loan assessment and approval criteria
• Consideration amount of loan based on Loan-to-Value (LTV) by evaluating the quality of the car and assessing the value.
• Creating a secured loan contract
• Credit Control Department notify Marketing Department regarding further actions such as issue a car registration book, contract processing or coordinate settlements with dealerships, etc.</td>
</tr>
</table>

The company’s core business focuses on offering retail finance services tailored to customer’s lifestyle, aiming to enhance satisfaction across different customer segments. This is achieved by

understanding each customer's usage needs and repayment capability, enabling the company to assign suitable credit limits accordingly. The financial services are consisting of, (1) Credit Card Loan including AEON Classic Card, AEON Gold Credit Card, AEON Royal Orchid Plus, AEON Wellness Credit Card, AEON Big C Credit Card, AEON Rabbit Credit Card, AEON M-Gen Credit Card, AEON B-Quick Credit Card, AEON Club Thailand Credit Card, AEON Union Pay Credit Card, AEON J-Premiere Credit Card and Corporate Credit Card, (2) Personal Loan, the cash revolving credit facility that provides convenience to customers by enables withdraw cash function at anywhere and anytime through Automatic Teller Machine, using either card or cardless transactions via AEON THAI MOBILE application, (3) Hire Purchase Loan consists of installment loans designed to accommodate a wide range of customer preferences and needs. For example, IT Products Loan, Mobile Phone Loan, Gold Loan, Motorcycle Loan, EV Motorcycle Loan, Used Car Loan and Solar Panel Installation Loan.

The Company prioritizes continuous improvement to enhance the accessibility of financial services for everyone. Consequently, the Company regularly develops new products and services, integrating digital technologies such as data analytics into products and operation processes. This approach tailor financial services and marketing strategies to meet the diverse needs of various customer demographics, ensuring satisfaction, confidence and well-being across all age groups.

The Company priorities responsible lending practices based on ethical principles. This involves a rigorous loan assessment processes that checks customer identities and evaluates their income, expenses, and existing debts to ensure that customers have the financial capacity to repay debt. This approach mitigates economic risks associated with default, reduces the need for debt recovery efforts, and fosters sustainable business growth, contributing to the overall economic stability of the country and enhancing the Company's long-term success.

In managing debt, the Company adheres to the guidelines set by the Bank of Thailand and the Debt Collection Act of 2015, ensuring compliance with regulations and protect the rights of debtors. This commitment is aimed at upholding fairness, minimizing any adverse impact, and fostering a sense of security and trust among debtors.

Furthermore, the Company is dedicated to transparency and customer satisfaction in all operations and services. It ensures accurate information is provided to customers, avoids misleading sales practices, and offers comprehensive guidance and clear benefits, prioritizing customer satisfaction and well-being.

Supporting Activities	
Procurement ● Procurement are carried out according to the plans of each department within the company. Categorized into three main types: computer-related procurement, non-computer-related procurement, and service procurement. ● Evaluation of suppliers and pricing is conducted according to the Company's procurement policy, with a focus on security, and environmental considerations, including other relevant standards such as ISO9001 or ISO14001.	**Technology Development** ● Develop the AEON THAI MOBILE application to meet customer needs, ensuring the information security and preventing data leakage of both employees and customers by implementing information security measurement. ● Develop systems/software to support the efficiency of employee workflow. ● Develop software, website, and applications that provide customers with quick and convenient access to the services. ● Improve the IT operations within the company and collaborate with external IT companies for better workflow.

Supporting Activities		
Human Resource Management ● The recruitment process ensures no discrimination based on gender or physical abilities. ● Employee development and training processes. ● Management of wages and benefits for employees. ● Handling of complaints and disciplinary actions in the workplace. ● Employee data management processes. ● Providing employees with knowledge of relevant laws and regulations related to company operations. ● Talent management and succession planning processes.	**Firm Infrastructure** 1. Investor Relations ● Dissemination of information to investors ● Analyst relations: Monitoring and tracking company stock prices ● Legal disclosure compliance ● Communication with investors and shareholders 2. Company Secretary Ensuring the Board of Directors implements comply with regulatory requirements as follows; ● Oversight of organizational structure ● Subsidiary board management ● Compliance with company bylaws and regulations ● Board development ● Shareholder meetings	**Occupational Safety, Health, and Environmental Security, and Building Management** ● Effective management of buildings, facilities, and environmental areas ensures workplace safety, in accordance with the Occupational Safety, Health, and Environmental Act of 2011. ● Provide training about safety to employees ● Stringent measures are implemented to control access to premises for employees, outsourced personnel, customers, and partners engaging in business activities with the company. All parties must adhere to data security requirements, as outlined in ISO 27001 standards.

The Company prioritizes the security of data pertaining to customers, employees, and stakeholders. To this end, the Company has adopted the Information Security Management System (ISO 27001), complies with the Personal Data Protection Act (PDPA) regulations, and integrates relevant criteria and requirements into its data security practices.

The Company regularly reviews and improves of work processes to enhance efficiency, safety, and environmental conditions within the workplace. Employees are encouraged to participate in this improvement effort by providing suggestions for enhancing work processes, and welcomes feedback from stakeholders to further enhance these processes.

In terms of employee well-being, the company promotes continuous learning and development, encouraging staff to maximize their capabilities according to their roles and responsibilities. The Company respects diversity without discrimination, provides a conducive working environment that ensures both physical and mental safety, and offers various amenities in compliance with the Occupational Safety, Health, and Environment Act of 2011.

3.4. Sustainability Materiality Assessment

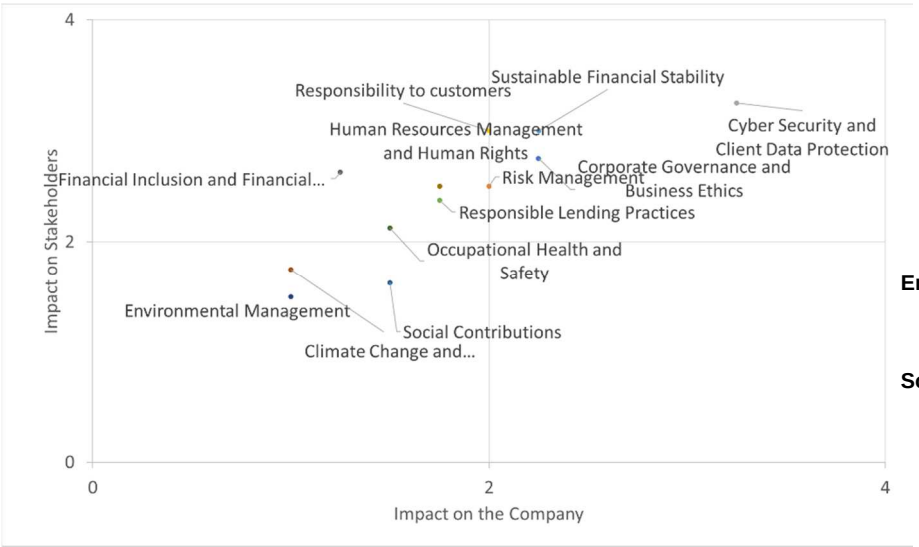
3.4.1 Sustainability Materiality Assessment Procedure

Step 1: Determine the scope of Sustainability Materiality Issues Assessment	The Sustainability Working Team, made up of members from every department, has gathered important issues on sustainability. These issues were identified by considering the company's activities and what stakeholders' care about, in line with the Global Reporting Initiative (GRI) standards and the United Nations' Sustainable Development Goals (SDGs). This also covers concerns specific to our industry and actions taken by our competitors.
Step 2: Assess and prioritize the most significant of the impacts	The Sustainability Working Team evaluates the importance of different issues by analyzing their impact on the economy, environment, and society in relation to our company. This assessment is based on how these issues affect decision-making and the perceptions of our stakeholders.
Step 3: Sustainability Assessment and Review	The Sustainability Working Team works together to ensure the accuracy of key issues and submits them to the Board of Directors for examination. This process verifies the correctness of assessments and the prioritization of sustainability concerns. Furthermore, it involves proposing management approaches for each issue to obtain approval prior to disclosing information in the 56-1 One Report and Sustainability Report.

3.4.2 Sustainability Materiality Assessment Result FY2023

The Company has collated results from the Sustainability Materiality Assessment that are relevant to stakeholders and regulatory requirements. This includes information from the Bank of Thailand, the Stock Exchange of Thailand, The Securities and Exchange Commission and other governmental agencies. In prioritizing issues that impact sustainable business practices, the Company considered factors such as organizational, economic, and operational risks, sustainability policies, and market analyses. This efforts align with the guidelines provided by the Global Reporting Initiative (GRI) guidelines.

Materiality Matrix



Economic and Corporate Governance Dimension

1. Corporate Governance and Business Ethics
2. Risk Management
3. Cyber Security and Customer Data Protection
4. Responsibility to Customers
5. Sustainable Financial Stability
6. Responsible Lending Practices

Environment Dimension

7. Environmental Management
8. Climate Change and Greenhouse Gas Emissions

Social Dimension

9. Financial Inclusion and Financial Literacy
10. Human Resources Management
11. Human Rights
12. Social Contributions
13. Occupational Health and Safety

3.5. Stakeholders Analysis

Stakeholders	Forms and Communication Channels	Requirement and Expectation	Company's Action toward expectations
Shareholders, Analyst and Investor • Board of Directors • Major/Minor shareholders • Major/Minor investors • Analyst Institution	• Annual General Meeting of Shareholders • Extraordinary General Meeting of Shareholders (when an event occurs) • Disclosure of Quarterly Performance • Hosted Analyst Meeting twice a year • Conference Meeting with investor both domestically and internationally • Quarterly press releases for effective communication with journalists and subsidiary investors. • Established investor relations contact channels	• Positive performance and sustainable growth. • Shareholders receive good returns from performance and enduring growth. • The Company maintains good governance, transparency, and sustainability in business operations. • The Company has a robust risk management system. • Communication is comprehensive, accurate, clear, and timely. • Communication channels are easily accessible and swift for shareholders, analysts, major investors, and minor investors. • Regular and consistent communication with investor relations is maintained.	• Conducting sustainable business operations under transparent corporate governance oversight is prioritized and regularly audited. • Effective, stringent, and comprehensive risk management practices are implemented. • Accurate and complete disclosure of information is ensured, with easy access to information channels provided. • Clear responses to inquiries are provided, along with organizing shareholder meetings and actively listening to feedback during such gatherings. • Analyst meetings and other communication channels to major and minor investors are regularly arranged.
Board of Directors • Subsidiary companies • Board of Directors • Management	• Organize Board meeting once per month	• Gain insight into managerial orientation or perspective of executives towards company • A corporate governance framework capable of fostering trust among stakeholders, encompasses both shareholders and investors	• Implement the policies and summaries to apply for review the financial strategies.

Stakeholders	Forms and Communication Channels	Requirement and Expectation	Company's Action toward expectations
Customers • Unsecured Loan Customers • Secured Loan Customers	• Branch services satisfaction survey • Customer Service Department satisfaction survey • Customer feedback through the Company's website. • Provide both online and offline media channels for customers to access services and communicate conveniently and efficiently. • Implement debt collection processes in accordance with the Debt Collection Act and the regulations of the Bank of Thailand (BOT). • Facilitate convenience and ensure security for customers.	• Provide financial products and services that meet customer needs, while continuously improving product and service quality. • Provide financial services responsibly and ethically. • Ensure data privacy and security. • Listen to and address customer feedback • Debt collection process is aligned with Debt Collection Act and regulation of the Bank of Thailand (BOT) • Provide helping to the customers in cases they unable to repay debts. • Obtain convenient, efficient, and secure service experiences at branches and company offices.	• Develop products and services to meet customer needs while adhering to responsible financial service standards and relevant laws, ensuring fairness and clear communication in financial transactions and credit provision. • Listen to and address customer complaints within the Service Level Agreement (SLA) timeframe. • Survey customer needs, track trends, and customer journeys to develop products or services that meet customer requirements. • Conduct customer satisfaction assessments. • Incorporate ISO27001 requirements for Information Security Management Systems (ISMS) and other relevant laws as frameworks for internal operations to ensure customer data protection, including Personal Data Protection Act (PDPA) compliance. • Propose debt restructuring options for customers facing difficulties in debt repayment. • Develop and improve employee service delivery to enhance customer experience. • Implement effective and secure measures to facilitate customer convenience in accessing building facilities, premises, parking, etc.

Stakeholders	Forms and Communication Channels	Requirement and Expectation	Company's Action toward expectations
Employee • Fulltime employees • Executive-level employees	• New employee orientation • Internal communication through various online and offline channels • Provide channels for feedback, suggestions, and complaints • Organize activities to foster employee engagement and satisfaction • Prepare training courses for employee development and communicate the Company's goals and guidelines through the SAP system and offline channel • Involve employees in product and service development • Monitor employee performance to ensure compliance with regulations set by the Bank of Thailand • Conduct training on building regulations and safe work practices • Encourage employee participation in building management and company security discussions and development.	• Consistent and fair performance evaluation and treatment • Fair and appropriate compensation • Continuous development of knowledge, skills, and necessary abilities • Training and awareness of company products to provide accurate and complete customer service • Safe and healthy work environment with suitable equipment • Ability to express opinions, needs, and complaints • Efficient work systems that meet employee needs for easier, convenient, and faster work • Importance of work-life balance • Attracting customer groups to use the company's products and services as specified • Customer commendations, product and service referrals, and maintaining a continuous customer base • Pride in working for a company with good ethics, sustainability in economic, social, and environmental aspects, and overall responsibility.	• Implementation of compliant processes, under the supervision of designated authorities, ensures adherence to regulations and laws. • Regular risk assessment, reporting, and mitigation strategies are in place to address potential issues effectively. • Ongoing communication and training initiatives ensure awareness and compliance with company regulations and relevant policies. • Human resources management is guided by principles of human rights, including hiring and dismissal, compensation, benefits, employee's development, and performance evaluation fairly without discriminating against gender, age, national origin, race, religion, language, disability, physical condition or health, personal status, economic and social status, education or political opinions. • Personnel development programs are tailored to foster sustainable growth and career advancement. • Provide safe work environments and appropriate equipment to safeguard employee well-being. • Adequate equipment and support channels are provided to facilitate efficient work performance and address any concerns promptly. • Engagement activities are organized to foster a sense of belonging, and whistleblower protection policies encourage transparency and accountability.
Competitors • Other financial institutions	• Meeting for exchange point of view and cooperating on various agendas.	• Operate the business and compete with transparency and fair treatment.	• Creating fair competitive conditions.

Stakeholders	Forms and Communication Channels	Requirement and Expectation	Company's Action toward expectations
Business Partners • The companies that have co-business development.	• Business partner selection and evaluation. • Provision of channels for collaborative business operations, such as accessing information through systems and implementing cutting-edge technology for joint operations. • Meetings, training sessions, and visits with partners to exchange ideas, discuss feedback, and consider suggestions. • Facilitate convenience for partners in contacting the Company, such as providing secure parking, security guards, and etc.	• Procurement processes with ethical, transparent, and verifiable. • Adherence to fair trade principles in all business dealings. • Seamless project execution in accordance with predefined plans, ensuring harmony. • Integration of up-to-date technology systems for collaborative operations and feedback provision. • Implementation of standardized and precise payment systems. • Provision of convenient and secure working conditions at both branch offices and the Company's premises.	• Establishment Business Partner's Code of Conduct. • Formulation of criteria and practices for partner selection and evaluation, incorporating with ESG considerations • Provide environmentally friendly procurement practices. • Communication of policies against corruption, including guidelines for gift-giving and entertainment, fostering and maintaining good relationships with partners. • Agreement on clear plans and compensation outcomes prior to project execution, ensuring adherence to schedules and fostering successful business partnerships. • Create and maintain good relationship with business partners. • Make a clear conclusion on an implementation plan and compensation to maintain good relation • Provide an up-to-date technology systems for collaborative operations and feedback incorporation to enhance operational efficiency through relevant units. • Implementation of standardized and accurate payment systems. • Implementation of security measures and facilitation of convenience for working at both branch offices and company premises.
Creditor • Owner's equity • Shareholders through the Board of Directors • Lending banks • Investors	• Disclosure of financial reports, relevant information, and preparation of reports according to specified timeframes. • Provide appropriate channels for communication and organizing continuous relationship-building activities.	• Received full and timely interest and principal payments. • Received accurate, comprehensive, and timely performance reports from the company. • Regularly engaged in activities and communication. • The Company efficiently manages finances, controlling expenses to increase profits.	• Responsible creditor practices include timely and complete repayment of interest and principal according to agreements, as well as diligent management of collateral under relevant contracts, along with prudent and efficient capital management. • Accurate and comprehensive financial and performance reports are provided without withholding information or facts that may harm creditors. • Activities are organized to enhance and maintain good relationships, with continuous communication. • The Company efficiently manages finances, controlling expenses to increase profits.

Stakeholders	Forms and Communication Channels	Requirement and Expectation	Company's Action toward expectations
Government Sector (Internal and External) • Government Sector that ensures business operations comply with requirements. These include the BOT, SET, TIA, IOD, NCB, Department of Labour Protection and Welfare, Department of Skill Development, Social Security Office, Department of Employment, AMLO, and Office of the Consumer Protection Board	• Internal regulatory meetings ensure product development compliance before customer service. • External regulatory agencies receive meeting summaries, document reviews, reports, and press releases.	• Develop products and conduct business in compliance with relevant regulations and laws. • Introduce new products without posing risks to the Company or customers. • Receive assessments meeting shareholder and investor standards equally. • Adhere to regulations, receiving consistent evaluations. • Company complies with regulations and regulations accurately. • Promote hiring practices.	• Develop products and conduct business in compliance with relevant regulations and laws. • Develop products without posing risks to the company or customers. • Provide channels for investor relations communication. • Establish operational processes aligned with government regulations. • Increase employee awareness and knowledge of regulatory compliance. • Promote equal employment opportunities.
Social and Environment • Community and Society • Residents in the community • Customers' companies • Universities	• Advance notification of activities through online and offline media channels, such as Social Media or local community branch publicity. • Ensuring community participation/benefits from organized activities. • Fostering good relationships with the community through social engagement activities. • Coordinating with customers' companies for verification during the credit approval process. • Fair employment opportunities and job expansion initiatives. • Implementing safe building management measures in compliance with the law, without causing disturbance to the community or society.	• Minimizing community resistance. • Enhancing the company's reputation through social engagement activities. • Achieving targeted customer acquisition goals. • Promoting and supporting various forms of social activities. • Helping in cases of community disaster or distress. • Contacting customers for information without affecting related companies, adhering to regulations, ensuring data accuracy, confidentiality, and non-disruption. • Employment opportunities from the Company. • Ensuring community safety and minimizing disturbance from business operations.	• Advance notification of the Company activities is provided. • Satisfaction or benefits are experienced from the organized activities. • Establish the AEON Thailand Foundation with consistent support for social and environmental development budgets. • Regulations are adhered to when contacting customers, ensuring no impact on their work status or related companies, and maintaining accurate and secure customer data usage. • Fair job opportunities are created through various recruitment channels such as job fairs at universities or social media job postings. • Strict compliance with the law ensures no disturbance to the community from the company's business operations.

3.6. Sustainability Management in Environment Dimension

3.6.1 Environmental Management Policy

The Company emphasizes the importance of conducting business with consideration for the environment across the organization, the Environmental Management System (ISO14001) has been implemented since 2010 and extended to all regional operation centers. This proactive initiative illustrates the organization's dedication to actively contributing to the ongoing mitigation of environmental challenges.

Operational plans and performance results of environmental management.

1. Paper and Plastic Card Usage Reduction

The Company has initiated to curtail the consumption of paper and plastic cards in business operations. For instance, the Company encourages clients to transition to electronic billing and offers electronic forms instead of paper. These initiatives are geared towards diminishing paper usage, streamlining processes, and fostering environmental sustainability.

Invoice Usage Quantity Data

Fiscal Year	Amount of Invoice Usage (Sheet)		
	Paper	Electronic Paper	Total
2020	33,770,685	-	33,770,685
2021	44,913,945	-	44,913,945
2022	25,318,399	44,171,001	69,489,000
2023	7,610,125	64,506,760	72,116,885

In 2023, the Company significantly reduced the use of paper invoices by transitioning to electronic invoices. This led to reduction of over 17,708,274 sheets, making a decrease of more than 70 percent compared to the paper invoice usage in 2022.

Workplace Paper Consumption

Fiscal Year	Amount of Paper Usage (Sheet)
2020	21,133,500
2021	21,077,070
2022	20,812,000
2023	12,983,500

The Company has adopted electronic platforms, such as SAP Success Factors, E-memo, Smart IT, among others, to streamline the submission and approval of various tasks, moving away from traditional paper-based processes. Furthermore, initiatives have been launched to encourage employees to minimize their paper consumption. As a result of this efforts, in 2023, the Company successfully reduced its internal office paper use by 38 percent compared to the year before.

Plastic Card Usage Data in Business Operations

Fiscal Year	Member card	Credit card	Total
2020	280,000	646,500	926,500
2021	190,000	398,700	588,700
2022	141,000	570,000	711,000
2023	162,657	617,446	780,103

The Company has implemented a policy aimed at reducing the issuance of plastic credit cards for financial transactions. This involves encouraging customers to adopt digital credit cards available through the AEON THAI MOBILE application. This alternative not only offers convenience to customers but also supports environmental conservation efforts. In 2023, more than 170,440 customers transitioned to using digital credit cards.

2. Waste and Disposal Management Practices

Since 2010, the Company has been actively managing waste by separating it into three categories: general waste, recyclable waste, and hazardous waste. This initiative, known as the Waste Separation Project, has been implemented across the Company's headquarters and all regional operation centers.

Results of Waste Separation Project 2021 - 2023

Fiscal Year	2020	2021	2022	2023
Project Objective	≥ 90.00%	≥ 90.00%	≥ 90.00%	≥ 95.00%
Implementation Result	96.77%	99.00%	99.18%	99.71%

In addition to its waste management practices, the Company also focuses on the responsible disposal and repurposing of electronic waste, such as computer equipment. The Company sends such waste to licensed disposal companies for proper and legally compliant disposal. Furthermore, the Company donates some of this equipment to organizations that can benefit from it. For instance, in the past year, 80 computers were donated to the Faculty of Architecture at Kasetsart University to support educational endeavors.

Moreover, in partnership with the AEON Thailand Foundation, the Company participates in the "Know Tree Me(ฉัน) Tag" project, a creative waste management initiative. This project involves recycling plastic bottle caps by turning them into tree name tags. These tags are then placed in Benchaitti Park, a central public park in Bangkok, contributing to both environmental conservation and educational efforts.

Fiscal Year	Amount of Waste and Disposal (Unit: Kilograms)			
	Waste and Disposables within the Office	Electronic Waste	Recyclable Waste and Disposables	Total
2020	00.00	259.20	00.00	259.20
2021	4,610.95	00.00	00.00	4,610.95
2022	14,844.05	31,258.25	3,000.00	49,102.30
2023	**17,613.30**	**1,661.89**	**0.00**	**19,275.19**

3. Sustainable Material Reutilization

Since 2019, the Company has hosted the "AEON Motorcycle Roadshow" more than 50 times. At each event, booths are set up to facilitate motorcycle sales, showcase promotion content on LCD screen, and offer motorcycle hire purchase loan. With a commitment to sustainable resource management, the Company repurposed materials in constructing these booths. Specifically, it uses thick compressed wood panels coated with laminate for their durability and reusability. These materials are chosen for their ability to withstand use in booth preparation for 150 times or more than 3 times of annual event, which is significantly higher than the annual frequency of the events.

In 2023, the Company also organized the 'AEON Thanks Day' event 10 occasions, employing structures designed for repeated use, incorporating sturdy material like steel frames and thick compressed wood panels. In an effort to conserve energy, LED tubes were used in place of fluorescent tubes, resulting in energy saving of over 80%. LED tubes are advantageous because they generate less heat, do not release mercury into the atmosphere, and are free from harmful UV radiation. Furthermore, the light they emit does not contain infrared (IR) or heat radiation, making it cooler.

Waste management at these events was rigorously monitored, with contractors required to follow industry-standard waste disposal procedures. This ensured that environmental integrity was maintained throughout the event.

4. Electricity and Water Management

Electricity Management

The Company actively encourages its employees to participate in ongoing energy conservation efforts through various activities and educational campaigns focused on reducing electricity usage and combating global warming. Some of the initiatives include:

- **Earth Hour:** In partnership with the Bangkok Metropolitan Administration, the Company participates in the global “Earth Hour” movement by encouraging employees to turn off electricity for one hour to help prevent global warming. Additionally, there’s an ongoing effort to motivate employees to switch off lights and electronic devices when not in use, such as during break times.
- **Hot Seat Area:** The Company has introduced a 'Hot Seat' concept, where employees do not have designated desks but can work from any available workspace. This supports flexible work arrangements and leads to reduced energy consumption within the office building. It also minimizes the need for transportation, thereby decreasing environmental pollution.
- **Solar Panel Project with AEON Thailand Foundation:** The Company supports the AEON Thailand Foundation in a project aimed at installing solar panels for schools and organizations in need. Over the past year, this initiative has led to the installation of solar panels in four locations, generating approximately 114,000 kilowatts of electricity annually. This effort not only saves over 477,000 baht in electricity costs each year but also contributes to reducing carbon dioxide emissions by more than 69.87 tons annually.

Fiscal Year	Electricity Consumption Data	
	Electricity Consumption (KW)	Expense (THB)
2020	9,802,856.00	43,345,288.38
2021	9,138,020.39	50,324,727.74
2022	7,813,311.33	46,682,194.94
2023	7,790,216.30	51,593,656.71

Over the past four years, the Company has observed a consistent decrease in electricity consumption. In 2023, this effort led to a significant achievement, with a reduction of more than 23,095.03 kilowatts in electricity usage.

Water Management

Fiscal Year	Water Consumption Data	
	Water Consumption (CBM)	Expense (THB)
2020	2,419.01	600,352.10
2021	1,855.64	583,260.65
2022	653.13	543,136.68
2023	442.01	532,482.81

In 2023, the Company continued to see a decrease in water consumption, achieving a reduction rate of 32%.

5. Fuel Energy Management

The Company promotes work-from-home initiatives and conducts online meetings to lessen the need for commuting. This approach helps in reducing carbon dioxide emissions, which are a major contributor in air pollution.

	Fuel Energy Consumption of the company (L)			
	2020	**2021**	**2022**	**2023**
Diesel Fuel	78,053.53	72,495.03	62,221.45	92,805.03
Gasoline	914,394.88	848,897.06	782,519.26	783,200.32

	Fuel Energy Expense of the company (THB)			
	2020	**2021**	**2022**	**2023**
Fuel Energy Expense	22,798,006.45	26,092,141.10	32,350,276.41	31,601,916.44

In 2023, the Company successfully reduced its fuel consumption by 17,565.02 liters. Building on this achievement, the Company plans to continue its effort to decrease fuel consumption. It will also consider the greater use of hybrid and electric vehicles as a strategy to reduce reliance on petrol and further enhance its commitment to environmental sustainability.

3.6.2 Greenhouse Gas Emission Reduction Policy

The Company has become part of a consortium spearheaded by AEON Financial Service Co. Ltd. in Japan, which focuses on tacking greenhouse gas emissions. By conducting thorough surveys and collecting data on energy consumption, the initiative seeks to analyze emission processes and develop specific action plans that are in line with sustainable business goals. This undertaking highlights the Company's dedication to environmental, social, and governance, aiming for the collective achievement of a Zero CO_2 Society.

AEON Co., Ltd, Japan has set objectives toward achieving a Zero CO_2 Society as following:

• Reduce by 35% by 2030.

• Achieve Zero CO_2 by 2040.

At the board meeting of AEON Financial Service Co., Ltd., Japan, on November 30, 2021, sustainable policies and practices were established to enhance collaboration across group companies. Moving forward, the Company will follow these group-wide guidelines to contribute to environmental sustainability.

The action plan for reducing greenhouse gas emissions includes:

1. Collect and analyze data on energy and resource consumption to develop policies aimed at reducing greenhouse gas emission within the organization.
2. Conduct training sessions to increase employee awareness of environmental conservation in both their personal lives and professional practices.
3. Encourage employees to contribute sustainable initiatives ideas to bolster the Company's environmental efforts.
4. Establish a policy specifically aimed at reducing the Company's greenhouse gas emissions.
5. Enforce the greenhouse gas emissions policy while challenging employees to comply and contribute feedback and suggestions for more efficient operations.

   Additionally, the Company commits to calculating and disclosing its greenhouse gas emissions, adhering to the standards set by the Thailand Greenhouse Gas Management Organization (Public Organization) in the fiscal year 2024.

3.7 Sustainability Management in Social Dimension

3.7.1 Financial Inclusion and Financial Knowledge Promoting

The Company places importance on the continuous development of product and service quality to support the daily life quality. The customers shall be able to access to the Company's products and services comfortably, convenient, equally and thoroughly. The company aims to provide financial services which enable customers to have a better quality of life and reducing their reliance on informal loans. In addition, the Company also promotes financial knowledge and understanding through the Company's online channels and website.

Financial Inclusion and Financial Knowledge Promoting Plans and Performances

1. Financial Inclusion

1) Develop communication channels to provide financial services, variety of news and updates for customers and those interested in all groups of the Company's products to be easily accessible, convenient and to receive accurate and complete information, resulting in reducing inequality to access the Company's financial products and services both offline and online channels through the Company's website (www.aeon.co.th) and the AEON THAI MOBILE application.
2) Develop loan products that support renewable energy to reduce the impact to environment, including EV motorcycle loans and solar cell loans.
3) Develop the Auto Quick Cash (vehicle title loan) product to expand opportunities for customers to have more access to credit line and reduce the social impacts.
4) Develop Digital AEON NextGen credit card product to enhance safety of credit card usage and reduce social impacts as well.

2. Financial Literacy Providing

1) Organizing training for employees on basic financial knowledge and how to provide information about financial products and services to customers and those interested via both offline and online channels.
2) Create media to provide basic financial knowledge, financial crimes and online warnings to customers and those interested via both offline and online channels.
3) Organize activities to provide basic financial knowledge, financial crimes and online warnings to customers and those interested via online channels specially.
4) Organize courses to provide financial and investment knowledge to employees regularly.

3.7.2 Human Resources Management and Development

The Company has designated the Human Resources Department to be responsible for human resource management in accordance with the operating standards ISO 27001(ISMS), ISO 9001(QMS), and the Skill Development Promotion Act, Labor Protection Act and policies regarding human resource management what aligns with international standards, does not violate the rights of employees, reduces various disputes that may cause harm to the Company. The policy covers important issues such as human resource management, human rights, and health and safety.

Human Resources Management and Development Plans and Performances

1. Human Resource Development 5-year Roadmap

The Company is very aware of the importance of personnel development. In order to be consistent with AEON's basic philosophy which stating that "The most important asset of AEON is AEON members. In order for AEON to achieve its goals and grow sustainably, it must always start with AEON personnel first.". Therefore, the Company has set a vision for employee learning and development for every single job position.

In 2023, the Company has organized annual employee training, according to the Company's human resource development roadmap by focusing on enhancing knowledge and understanding of the Company's practices and various knowledge to strengthen and develop the competency of employees, such as training in the use of technology, the Canva program for presentation, Chat GPT using generative AI to enhance efficiency in working process and less time consuming.

In 2023, the results of human resource development performance shown as the following table;

	2021	2022	2023
Training Hours/Employee (Hours/Person)	10.48	14.16	37.87
Employee Training Expense (Million Baht)	16.29	14.61	20.97

2. Company's Governance Principals and Code of Conduct Communication

The target group for the AEON Code of Conduct training is mandatory for all employees in the Company. The training is organized via online training (E-Learning Course) using video media, animations and all employees shall pass the tests.

3. Employee Engagement and Satisfaction

The Company provides employee engagement programs and activities as well as to regularly conducts employee satisfaction survey for further improvement. The Company also provides opportunities for employees to voice out and report information regarding the misbehavior or actions that conflict with rules and policies.

4. Personal Right and Data Protection

Since the operation of the Company are related to personal data, it is therefore highly aware of the problem of personal data abuse and adhere to the protection of privacy rights security of personal information Including the use of personal data to meet the purpose of collection under the legal framework.

The Company has policies and practices to protect personal information of all stakeholders. The Company has improved processes and practices following the Personal Data Protection Act in order to develop potential and create awareness among personnel in the organization. Therefore, we have provided company's personnel the training about guidelines of the personal data protection to be informed and prevent damage that may occur in the collection, usage and disclosure of personal information as well as the information is kept safe, confidential and will not be disclosed except required by law or with the consent of the service recipient. In addition, the control and security of customers' personal data are established to comply with all relevant regulations.

For personal data collection, the Company has provided a Privacy Policy Statement or a Privacy Notice for customers, shareholders, third parties and employees on the Company's website to notify the data owner of the purpose, duration, legal basis for data collection where information may be disclosed to third parties, including other details as required by law.

The Company also devotes attention to the legal rights of the data owner. Therefore, the appropriate channels for right exercising and receiving complaints are provided. The Company has a policy to investigate and deal with within a reasonable time.

In 2023, the company provided employees whose roles and responsibility are relating to personal data to participate in mandatory training on how to handle personal data in accordance with laws and international standards and they are required to pass the test;

Year	Number of Employees passed PDPA test (Persons)
2022	4,821
2023	3,893

5. Performance Assessment and Selection of the Talent and Succession Employees

In 2023, employee performances are better evaluated in a transparent and fair manner by using the KPI system to evaluate employee performance. Talent employees are carefully selected for further intensive trainings to become successors in order to ensure the business continuity.

6. Personnel Recruitment Process

The Company places importance on hiring female workers, the disabled and the underprivileged. In 2023, the company has employment in every region due to the importance to respect for persons and humanity in accordance to the human rights principles and corporate ethics without discrimination and provide equal opportunities for all races, skin colors, genders, religions, nationalities, or physical disabilities to be able to be a part of the Company. The Company has total 3,927 employees in 2023, which consisting of 24 disabilities and elderly employees, representing 0.6 percent of the total number of employees.

3.7.3 Human Right Policy

Business and Human Rights

The Company has been maintaining importance in human rights as a basic principles covering stakeholders from the company's business value chain. The guidelines and important operations are as follows.

The Company complies with AEON's code of conduct that states: “AEON respects human rights. and does not discriminate against race, gender, education, religion, and differences from physical disabilities Each Aeon member respects each other. as well as listening to the opinions of colleagues AEON focuses on being the most human-focused company.”

In terms of human resource management and development, the Company provides equal opportunities for employees at all level and does not discriminate based on nationality, race, gender, religion, or physical disability. It also provides equal opportunities for all employees in terms of salary and benefits, training, evaluation, promotion, punishment, termination or retirement. In addition, the Company treats employees with respect and dignity, under an environment free of harassment and other undesirable behaviors.

The Company has assigned the Human Resource Management Department to take responsibility for human rights issues and to establish policies to ensure that the business operations are conducted in accordance to international standards, including the Labor Protection Act. and related policies and regulations such as personal data security policy, information technology policy, human resource management policy, AEON Code of Conduct and AFS Group Compliance Manual. Such policies are in line with the materiality of human rights, human resource management and occupational health and safety and social community development.

The Company has AEON's Code of Conduct as a guideline to promote human rights, treating and protecting the basic rights of everyone equally and fairly. In additions, the policy places importance to self-expression, receiving fair compensation, opposes against threats in all forms including discrimination, human trafficking, child labor and forced labor. The Company establish Human Right Policy as follows:

- The Company is aware of equality and opposes all forms of discrimination whether the race, nationality, skin color, gender, age, language, religion, sexual orientation, political opinion or any other factors not related to morality, diligence, and ability.
- The Company provides a safe and healthy working environment for the physical and mental of employees and free from harassment or victimization and other inappropriate behavior.
- The Company prohibits the use of child labor, forced labor and all forms of human trafficking within the Company's operations and supply chain.
- The Company respects privacy and protects personal information of employees, customers, and business partners.
- The Company actively promotes social participation through the establishment of the AEON Thailand Foundation to carry out social responsibility activities systematically and without violating human rights.
- The Company provides two-way communication channels to enable employees and stakeholders to know, understand and act with respect for human rights, including providing opportunities for employees and stakeholders to make suggestions, report or complaints in the case of actions or events related to human rights violations are found.
- The Company has a process for reviewing information from whistleblowers or complaints related to human rights, including reporting to the Board of Directors as specified.

- The Company provides regular training and development of employees' potential as appropriate. It promotes learning so that employees can keep up with the global changes.
- The Company treats employees in accordance with labor laws and related regulations.

The action plan for Human Right promoting includes:

Fair treatment of workers/employees

The Company has complied with the AEON code of conduct “we respect human rights and do not discriminate for any reason, from nationality or race to gender, educational background, religion, or mental or physical disability, and all employees must listen to their colleagues and give the most value on human”.

Regarding human resource management, the Company treats employees equally in matters including salary and benefits, training, performance evaluation, promotion, penalty as well as termination and retirement regardless of nationality, race, gender, religion or disabilities. In addition, we also treat our staffs with respect and hornor under a workplace environment free from harassment and other improper behaviors. More details for fair treatment of employee are as follows.

- Support and encourage employees to learn and constantly improve themselves in order to increase career opportunities and drive the Company forward.
- Respecting to human rights and for the individual are important in create a livable workplace.

As Company understands and recognizes the impact of HR processes on hiring women, disabilities or those who have difficulties reentering the job market, during the past year, the Company provided employment opportunities in all regions in Thailand. The Company employed 20 disabilities staff in all regions which are 0.6 percent of all employees 3,927 persons and contributed to the Fund for the Promotion and Development of the Quality of Life of Persons with Disabilities In the amount of 2,274,352 baht, complete and on schedule.

The Company has no number of cases or incidents in which the Company has been complained of violations of human rights in the business process.

3.7.4 CRS Programs/Community Relations

The Company continuously supports community and social development activities by donating profits from operations to the AEON Thailand Foundation. There are AEON volunteers, who are employees and stakeholders who have volunteer spirit, regularly cooperate with the activities of the AEON Thailand Foundation.

CSR Programs and Community Relations Plan

1. In collaboration with AEON Thailand Foundation
   - Project to promote and support forest conservation.
   - Educational promotion projects including providing scholarships and/or donations to students and/or various schools.
   - Project to develop Thai society and promote and support general public benefits.
   - Projects undertaken or cooperate with other charitable organizations for public benefits.
2. Organize activities to help society when disasters occur.
3. Plan a community satisfaction survey and conduct community relations.

CSR Programs and Community Relations Performance

Unit : Million Baht	**2021**	**2022**	**2023**
CSR Programs/Community Relations Expense	16,946,400	20,665,000	18,641,072

Note: The Company’s social activities has been operated in collaboration with the AEON Thailand Foundation which organizes social activities for foundations, associations, hospitals and various charitable agencies Therefore, it is not possible to specify the number of communities that will receive benefits.

3.7.5 Occupational Safety, Health and Work Place Environment

Occupational safety, health and working environment policy was established in regards to the Company's adhering to the philosophy and business ethics and belief in the value of personnel which is to take care of employees to have a good quality of life, have safe and healthy working conditions. Moreover, the Company adheres to social responsibility and safety environment, occupational health and working environment which are important for business operation in order to achieve the Company's objectives, hence, following policies have been established;

1. The Company will encourage employees to have good hygiene and awareness of occupational safety, health and working environment for employees at all levels.
2. The Company will improve and prevent accidents, incidences, illnesses arising from the work of employees and those involved.
3. The Company will adhere to and comply with the law and other related regulations to occupational safety, health and working environment as the Company's standard.
4. The Company will arrange workplace to be clean and suitable for work.
5. The Company will allocate relevant resources sufficiently and appropriately to operate according to the policy on occupational safety, occupational and working environment.
6. The Company will review the policy as well as periodically monitor, inspect and manage the system to ensure that such policies are appropriate for the Company.

The Company has policies and practices that support safety, good health and hygiene at work in order to comply with the principles of the Occupational safety, Health and Working Environment Act B.E. 2554 that have been established for the Company as a private organization.

Goal	Guidelines and outcome
To support a corporate safety culture and raise awareness of the importance of safety as well as good occupational health in the performance of duties.	Provide training courses for occupational safety under the workplace safety related laws and the Company's emergency plan: 1. Basic Fire Fighting & Fire Drill 2. Team Emergency respond 3. First Aid and CPR 4. Safety officer on management level 5. Safety officer on leader level 6. Chemical spill Control 7. Behavior based safety 8. Emergency Server room This project invited qualified speakers to give lectures creating collaborative learning. Besides, we set a goal that all employees must understand and be able to practically apply them regarding safety measures and good occupational health in their duties and roles.
To reduce the risk of COVID-19 virus spread for safety and good occupational health in the organization.	▪ Provide hand sanitizer/alcohol with at least 70% alcohol content. ▪ Provide social distancing, such as installing acrylic barriers between employees' desks. Arrange seats at a distance in the meeting room and customer service areas, etc. ▪ Measures for employees to wear masks and distribute masks to employees. ▪ Arrange for cleaning work areas, meeting rooms, various touch surfaces, office equipment that are shared regularly. ▪ Arrange work from home, shifts and online meetings to reduce the density of the number of employees. ▪ If employees are at risk of being in close contact with people infected with COVID-19, quarantine for symptom observation and ATK testing before returning to work. ▪ For outsiders, it is required to check ATK and submit the results before entering the area. ▪ Provide 4 strains of influenza vaccination for employees. ▪ Provide necessary and sufficient medicines and medical supplies for employees. ▪ Provide annual health check-up program for employees.
To ensure safety, occupational health and a good working	▪ Provide a lactation room for female employees to have a comfortable and quiet space to pump in the office. ▪ Provide a medical room with nurses stationed every day.

environment for employees to the utmost.	▪ Provide measurement and assessment of working environment. These include air quality measurements (dust, chemicals), noise and light intensity in the work area. The results of the measurement in 2022 were in accordance with the related laws (the ministerial regulations setting standards for management and management of occupational safety, health and working environment related to heat, light and noise, B.E. 2559: Ministerial Regulation on Prescribing of Standard for Administration and Management of Occupational Safety, Health, and Environment in Relation to Heat, Light, and Noise B.E. 2016). ▪ Explore the safety area to ensure that employees working under proper environment and not harmful to health, including third parties who come in contact. ▪ The statistics of Zero accidents in 2023.

3.8 Sustainability Management in Economic and Governance Dimension

The Company's main goal in operating the business is to provide convenient services to customers through the use of Company's credit products and services that create maximum satisfaction for customers and partners. In order to achieve the goal, the company is therefore dedicated to investing in creating and developing technology to enhance the service level as well as developing new financial products to meet customer needs on the customer's fairness. Therefore, there are guidelines for obtaining important issues in business development. The sustainability assessment and performances in economic dimensions are as follows:

3.8.1 Corporate Governance and Code of Conduct

The Company takes into account the importance of maintaining good governance principles, which is generally accepted as a factor in creating fairness and maximum benefit to stakeholders. and help strengthen the organization to be able to conduct business correctly, transparently, trustworthy, and efficiently and comply with relevant regulations while demonstrating good corporate governance. Be transparent can be checked and conduct business correctly according to the law as well as creating good feelings and credibility from stakeholders It can also create new business opportunities for the company. Therefore, the company focuses on promoting business operations in accordance with the principles of good corporate governance. For listed companies in 2017, the Corporate Governance Code (CG Code) of the Securities and Exchange Commission (SEC) has important operating plans and guidelines for 2023 as disclosed in the 2023 annual report 56-1 One Report Part 6 Overview of good corporate governance policies and practices.

3.8.2 Risk Management

The Company is aware of the importance of effective risk management and has, therefore, established a "Risk Management Policy" to set management guidelines, as well as improving the methods and tools used to measure risk in order to ensure that risk management is sufficiently efficient and effective to identify risks that may occur in the future, to reduce the risk exposures that may cause significant damage to the Company, including feelings of insecurity and safety of stakeholders and to be consistent with risk management standards according to international guidelines. The Company established a committee that is responsible for controlling, monitoring, and evaluating risk management, including risk identification, risk assessment and risk management and supervise the Company to implement risk management policies and guidelines in all areas including ESG as disclosed in the 2023 annual report 56-1 One Report Part 2 Risk Management.

3.8.3 Cyber Security and Data Protection

The Company is aware of the importance of data protection in business operations including the personal data and information. The Company has a high responsibility in ensuring that this information is safe from any harms, unauthorized disclosure or access and unreasonable changes because it may affect a person's safety and life, as well as the reliability of business operations of the Company. Safeguarding of information security enables the Company to retain the existing customer base and increase new customer bases. On the other hand, in the case that the Company neglects this responsibility, it may impact negatively on the Company's customer base and trust, which may result in legal dispute.

In order to protect the information security appropriately, the Company has adopted a framework for implementing ISO27001 standards, information security management system (ISMS), information technology law (IT Law) and Personal Data Protection Act (PDPA) to be implemented within the organization.

3.8.4 Responsibilities to Customers

The Company is committed to developing and improving work processes continuously in order to present products/services that appropriately respond to the needs and lifestyles of customers in each age group by adhering to AEON's basic principles and practices that say "Customers come first" by placing importance on customer satisfaction surveys, quality management and information security management, expanding service channels, providing diverse and comprehensive services, evaluating customer satisfaction across all channels and maintaining and expanding the customer base.

The Company is well aware that if the responsibility to customer needs is neglected, it will have a negative impact, such as customers being dissatisfied, reduction of new customer as well as existing customers or the number of complaints rises. This will cause significant damage to the Company's business operations.

Responsibilities to Customer Operational Plans

1) Customer Satisfactions

Customer service is essential as being one of the factors influencing customer satisfaction and loyalty. With the emerging of digital banking, customers are expecting not only financial services, but also unparalleled support and conveniences. The company has realized in this critical element that constitute effective customer service and the way to leverage the various aspects to enhance customer satisfaction.

Accessibility: Enhance more functions on mobile application, extend multi-channels support from traditional voice and IVR channels to Mobile Chat, and Social Network Services i.e. Line Chat and Facebook Chat that been served the customer from 9 am to 9 pm.

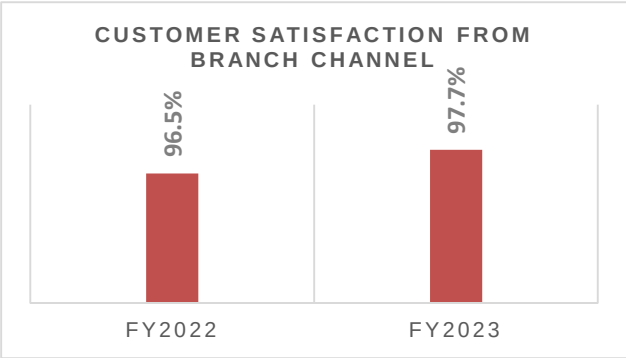
- > 80% Interaction on Line Chatbot (100.2%LY)
- > 90% Interaction on Mobile Chatbot (121%LY)

Personalization: Tailoring the services by segmenting the customer group and delegating to the agents that been matched the skills with the customer behavior and the customers who regularly inquired for some complicated matter by developing the customer behavior data tracking and categorize the updated inquiries from time to time.

Competency: Customer’s expectation is to interact with knowledgeable and skilled service agents who can address the issue immediately and accurately. For general inquiry support, the company utilized machine learning from knowledge management and Google Dialogue to create the dialogue flow for ChatBoT.

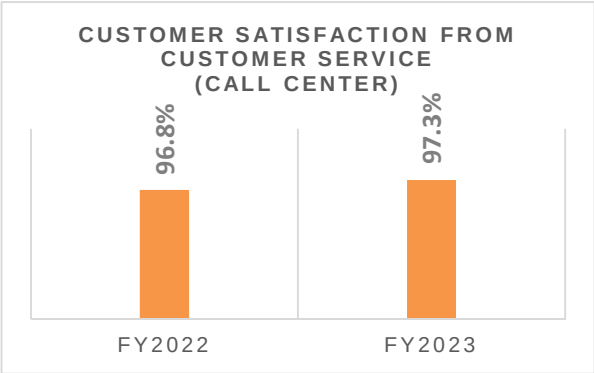
Security and trust: The company ensured the customer data privacy and transaction security as a crucial components of customer service. Our agents have been trained not only the knowledges in financial services, but also the agents are strictly treating customer data according to PDPD policy and guidelines.

Customer Feedback: The company has implemented new customer survey form to collect the feedback from website, mobile application and line channels to act on those feedback in order to continuously improve services and offer other services concerning on the customer centric.



Graph 1: Comparison of Customer Satisfaction from Branch Channel between FY2022 - FY2023.

The Company has implemented the machine learning system to create the script for agents to provide the accurate answer when they are serving the customer. The CSAT has been improved from 96.8% in FY2022 to 97.3% in FY2023.



Graph 2: Comparison of Customer Satisfaction from Customer Service (call center) between FY2022 - FY2023.

The Handling and Management of Comments, Suggestions, and Complaints

In order to improve the service level for customers, the company has provided various channels for receiving comments, suggestions, and complaints as the following channels:-

1. Customer Service Department

    • Telephone 02-665-0123

    • Social Media channels (Line, Facebook Messenger, Mobile Chat)

2. Company website www.aeon.co.th

3. Contact through AEON branches nationwide

In order to support any complaints and compliments from customer about the products and services of the company; as well as to protect the consumer's rights, the company established the system and team called "Customer Service Development (CSD)" to promptly provide the accurate response and solutions for customers. CSD is responsible for coordinating with the relevant units in solving problems, and following up the progress of each complaints. Meanwhile, CSD has to collect the satisfaction survey after filing the cases. In the event that the customer still be unsatisfied with the service or solutions, CSD will request for additional support and recommendation to improve the services in future. This team will record and analyze the root cause with a summary report of each complaints. The cases will be reported to executives management on monthly basis in order to continuously improve products and develop services.

2) Customer's PDPA

The Company ensures that the protection of customers' personal information and transaction security is in place. Employees are trained to strictly handle customer information in accordance with to the policies and guidelines of PDPA (Personal Data Protection Act).

3.8.5 Financial Security

Due to the fluctuations in the domestic and international economic situations, the Company has measures in place for financial stability to ensure that the Company financially stable, reduce economic risks that may arise from many factors, such as, epidemics, political tension, which would enable the Company to operating its business to grow and expand continuously and being able to develop financial products to meet the needs of more diverse customers, creating sustainability for the business as well as continuous profits.

1) Asset Quality Management

The Company has assigned the Finance and Accounting Department, company directors and Collection department to take responsibility for financial stability in treasury management and debt collections in accordance with the Company's and the Bank of Thailand's regulations. In addition, the Company also established a dividend payment policy to be not less than 30 percent of net profit and a policy for managing non-performing loan in which covering important issues such as responsible lending; sustainable financial stability, etc.

2) Innovation Development and Digitalization

The Company has a main goal in operating its business to provide convenient service to customers through the use of various forms of loan services of the Company with services that create the highest satisfaction to customers and business partners. To enable the Company to achieve its goals, the Company is, therefore, dedicated to investing in creating and developing technology to enhance service levels and develop new financial products to meet customer needs based on customers' fair benefits and has proceeded with the development of the Digitalization Roadmap such as the development of digital loan, digital sales channels and online payment channels in which collaborating with partners who are leaders in the E-Commerce Platform business.

2.1) Development of Credit Approval Process with Technology, AI and Alternative Data

To shorten credit approval process and enhance financial inclusion for wider range group of customers, the Company focuses on developing technology, AI, as well as using alternative information in addition to traditional information for the credit judgement and approval processes. In the past year, proportion of automatic credit judgement increased to 30% in December 2023. Moreover, the cost of acquiring customers (CAC) has decreased due to the BOT enabling E-KYC used to verify customer identity since September 2022. Applicant able to apply by themselves via AEON Thai Mobile Application or apply via On Line channel at branches, application will be process via E-KYC and being process through AI system to analyze and make decision, this process enable shorten turnaround time ,more efficiency, consistency and accuracy ,lead to customer satisfaction for credit limit utilization.

2.2) Innovations for Responsible Lending Services

The company has given importance to business development for continuous growth. Through product development that meets customer needs Technology to create safety in financial transactions as well as convenience, speed, and efficiency in accessing credit services thoroughly, equitably, fairly, and responsibly by encouraging personnel to create systematic thinking skills and reducing work waste in their own progresses as the main strategy, in compliance to AEON's motto, "AEON members will always improve themselves in order to impressively meet customer expectations." In addition, it strengthens the work culture to be efficient and consistent with the dynamics in the working environments. The company has adopted the Kaizen principle, one of the foundations of technology development in Japan in which has been driving Japan to success and become a leader in creating world-class innovations, to apply it as a practice guideline for continuous organizational development until the present.

The Kaizen concept is one of the management philosophies to increase efficiency. It emphasizes on allowing employees to participate in using their own creativity for continuous development and increase the value of what is already being done even further, including creating new things to solve the pain points encountered in developing progress, continuously improve work processes to increase work efficiency, be able to solve problems that arise from actual work, reduce wastage, save time and

increase resilient in work progress. The key success factor is continuous and consistent improvement. It usually starts with small adjustments until it becomes a major innovation and beneficial to other stakeholders such as customers, communities and society, etc.

Process for developing and promoting the organization's innovation culture

The company has established a Kaizen Committee, consisting of workforces from all departments, which has a duty to support, advice, evaluate, select and approve the Kaizen projects in which the Kaizen Committee and employees recognize the concrete potentials, benefits, and values.

The workforces from each department will present problems, weaknesses, and shortcomings in the related work processes and propose projects for development, improvement, and solving the issues in the integrated annual Kaizen activities in order to exchange of opinions from various perspectives, different knowledge and experiences until new elements are obtained of moving towards innovation.

In addition to annual Kaizen program, the Kaizen Committee provides communication within the organization, as well as training and activities to stimulate, create participation and cultivate culture of using creativity in suggesting solutions to problems which is the source of new innovations.

Using the Kaizen principles as a guideline, in addition to enhance employee's capabilities and encourage them to have awareness as well as to be creative and being able bring new ideas or technology to reduce work processes to maintain or increase the quality of both personal and organizational works, in order to prepare the employees to be able to adapt to changes that may occur at all times.

There were total of 13 successful developed projects in the past year, for example,

- Improving the process for customer requesting changes and corrections of their personal information, in which can easily be conducted via AEON THAI Mobile Application by themselves,
- Improving internal processes in conversion and storing documents,
- Improving the promotion calculation system for individual customers which resulted in a reduction of 6,495 hours in customer wait times on call center,
- Developing a system for hire purchase customers to capture whose payments exceed the remaining principal balance in enable the Company to close the debt account and transfer ownership rights to customers faster. As a result, customers will receive discounts and ownership rights quicker, in a shorter period of time, etc.

Research and Development and Innovation Development Expenses

Kaizen development expenses from year 2021 to 2023

	2021	**2022**	**2023**
Kaizen Project (Project)	12	10	13
Developing Expense (Baht)	**2,772,500**	**3,640,750**	**3,680,000**

3.8.6 Responsible Lending

The Company focuses to operate the business with a determination to move forward and lead the organization towards sustainable growth under the framework of good practices and ethics. The Company adheres to the principles of the Responsible Lending measures announced by the Bank of Thailand. It is a policy guideline that emphasizes the importance of sustainable credit portfolio management which including the policy of providing credit to customers responsibly and fairly throughout the debt cycle, as well as being careful when granting new loans, such as considering the risk level of the customer by using their financial status and ability to repay debt and offer products that are suitable for customers with the main objective is to grow with quality and sustainability. The Company has followed principles covering 8 areas as follows:

1) The Company is committed to develop a variety of financial products which suitable for the customer's needs and ability to repay. The loan interest rate is set in accordance with the law and the contract conditions are fair to customers, in order not to encourage excessive debt. The Company also provide sufficient service channels that increasing convenience and sustainability as well as to adopt the artificial intelligence technology to increase service efficiency.

   In 2023, the Company has offered financial products and services and service channels as well as technological development with taking ESG impacts into consideration as follows:

- ESG-Related Financial Products and Services

- EV Motorcycles Hire Purchase

Due to the increasing trend of electric powered vehicles around the world, including Thailand, which reflecting the increase of needs and interest of environmental-friendly products. The Company has therefore developed hire purchase loan products for vehicles that use electric energy.

- Loan for Solar Cell

The Company supports the use of renewable energy to reduce global warming and the reducing long-term electricity expenses. Therefore, we offer solar cell loans to interested customers.

- Vehicle Title Loan

In response to the Company's existing hire purchase customers' accessibility to additional credits, the Company therefore offers car title loans. This is a loan whereby the customer places the vehicle registration booklet as collateral instead of delivering the vehicle.

- AEON Nextgen Digital Credit Card

It's the first time for the Company to issue digital credit card with innovations and solutions in which ensuring advanced security, in response to the transition of customer's behavior of spending via credit cards which becoming fully digital.

2) The Company has prepared and controlled advertisements to be accurate, clear with sufficient complete content and provides a comparable interest rate conditions and fees without encouraging customers to incur excessive debt. It also allows customers to receive and understand sufficient necessary information from advertisements to make decisions and promote financial discipline.

3) The Company commits to taking care of customers throughout the sales process by presenting important information completely, without exaggeration, without distortion, sufficient for making decisions with correct understanding. It also offers to sell products that are consistent with the objectives or needs of customers and do not encourage excessive debt.

4) In the loan judgement process, the Company considers the risk level of the customers, along with the ability to repay debt (affordability) by considering the customers' debt obligations and considers the net remaining income after deducting all debt installments (residual income) whether it is sufficient for the customer's livelihood at best effort. The Company also adopts the use of AI technology in the judgment process to increase the efficiency of lending and fairness.

5) The Company provides important information and warnings which the customers are required to know, as well as creates tools to nudge or warn the customers to promote financial discipline during the debt cycle. It also encourages customers to maintain their financial discipline and be able to manage their debts to benefit themselves (responsible borrowing).

6) The Company has taken steps to notify important information to make customers aware of the negative effects of being in chronic debt, including presenting guidelines to provide assistance in a standard way so that customers can see the appropriate way to close their debts to prevent customers from having chronic debt problems (Persistent Debt: PD) and to help customers who are currently facing chronic debt problems.

7) To provide assistance to customers who are showing an early sign for having repayment problems and those who are already having the repayment problems, the Company has presented guidelines for debt restructuring that are consistent with the ability to repay debt quickly, especially prior to taking legal action, transferring debt, terminating a contract, or seizing property. Besides, the Company has created the AEON Care Loan program to provide opportunities for customers who have intentions to close their debt chronic to restructure their debts with a special interest rate of only 14 percent per year.

8) Legal proceedings and transfer of debts to other creditors, the Company will notify debtors to be fully aware of their rights and other important information for customer inquiries, as well as offering the

customers an opportunity to mediate their debt problems. Moreover, after the transfer and sale of debt, the customers shall receive an appropriate repayment condition.The details of the responsible lending measures are as shown in the announcement of the Bank of Thailand No. NBTC 7/2023 dated December 21, 2023, which was announced in the Royal Gazette Announcement and General Work Vol. 140 Special Section 326 D, dated 27 December 2023 and effective from 1 January 2024 onwards.

3.9 Summary of Sustainability Development Performances

Economic and Corporate Governance Dimension		
CGR 5 scores	TIA 87 score (Fair)	JCR Rating A (Stable)
ISO27001	ISO9001	Fitch Rating A- (Stable)
Environment Dimension		
Certified ISO 14001 Environmental Management		
Invite customers to receive e-Statement invoices and cancel paper invoices ➢ Reduce paper usage 70%	Reduced paper usage within the organization. ➢ Reduce paper usage 38%.	Launched new products that encourage customer do financial transaction via AEON THAI MOBILE application ➢ Digital Card user totaling 170,440 cards.
Waste segregation ➢99.71% accuracy.	Reduced electricity consumption ➢ 23,095.03 kilowatts.	Reduced water usage ➢ 32% compre with FY2022
Social Dimension		
Honored with accolades for contributions to Bangkok	Corporate Social Responsibility projects under operation of AEON Thailand Foundation ➢ 75 projects ➢ 18,641,072 THB	100% of relevant employees had training on important rules and regulations of the Company. ● Personal Data Protection Act (PDPA) ● Anti-Money Laundering and Counter-Terrorist Financing (AMLO) ● Market Conduct Regulation (Market Conduct) ● Business Ethics and Integrity (AEON Code of Conduct)

4

Management Discussion and Analysis (MD&A)

4. Management Discussion and Analysis (MD&A)

Financial Position and Operating Result

The Auditor and Auditor Report for the fiscal year 2020 - 2022

The consolidated and the separate financial statements of the Company of the fiscal years 2021, 2022 and 2023 ended February 28, 2022, February 28, 2023, and February 29, 2024 have been audited by Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. The auditors of the Company are as follows:

Year/Quarter	The Auditor	Registration No.
FY2021 - 2023	Mrs. Nisakorn Songmanee	5035

The auditors gave an unqualified opinion that the consolidated and the separate financial statements of the fiscal years 2021, 2022, and 2023, present fairly, in all material respects, the financial position as of February 28, 2022, February 28, 2023, and February 29, 2024, financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Financial Statements

The financial statements of the Company for the past three fiscal years and the latest period are summarized as follows:

STATEMENTS OF FINANCIAL POSITION	FY2021 (Million Baht)	FY2022 (Million Baht	FY2023 (Million Baht
Cash	4,235.60	3,816.36	2,796.66
Fixed deposits at banks under obligation	44.33	144.22	38.27
Account receivables	80,076.40	83,811.72	83,016.68
Other receivables	518.10	592.44	533.76
Derivative assets	376.18	1,732.09	1,404.68
Receivables per currency swap contracts	-	-	-
Current tax assets	7.81	-	115.20
Loans from purchase of accounts receivable	-	12.62	24.21
Other current assets	101.35	102.64	59.05
Investment in associate	-	-	-
Investment in equity securities designated at fair valuethrough profit or loss	5.06	5.06	14.47
Investment in equity securities designated at fair value through other comprehensive income	144	144	216.00
Other long-term investments - related companies	-	-	-
Leasehold improvement and equipment	622.93	523.15	529.56
Right-of-use assets	611.07	892.56	655.56
Intangible assets	920.39	923.41	850.58
Deferred tax assets	2,624.48	2,340.92	2,088.55
Other non-current assets	181.69	165.50	155.30
TOTAL ASSETS	**90,469.39**	**95,206.69**	**92,498.53**
Short-term loans (included current portion of loans and debentures)	30,061.00	17,321.98	22,132.15
Accounts payable	269.60	220.73	84.86
Other payables	1,628.02	1,629.46	1,625.01
Accrued income tax	379.52	643.42	36.76
Long-term loans and debentures	35,441.20	48,817.15	40,383.00
Derivative liabilities	867.73	1,438.90	1,541.76
Lease liabilities	624.98	917.67	691.54
Payables per currency swap contracts	-	-	-
Liabilities under financial lease agreements	-	-	-
Provisions for employee benefits	463.34	444.38	483.54
Other liabilities	470.04	424.92	458.11

TOTAL LIABILITIES	**70,205.43**	**71,858.61**	**67,436.73**
Issued and paid-up share capital	250.00	250.00	250.00
Premium on ordinary share capital	478.00	478.00	478.00
Surplus on share based payment transaction	-	9.26	13.65
Surplus (deficit) arising from change in ownership interest in a subsidiary	-	-	(0.02)
Retained earnings			
Appropriated retained earnings			
Legal reserve	25.00	25.00	25.00
Reserve for business expansion	4,850.00	4,850.00	4,850.00
Unappropriated retained earnings	14,808.86	17,382.22	19,285.78
Other components of shareholders' equity			
Exchange differences on translating financial statements of foreign operations	(95.81)	(83.45)	(105.24)
Cumulative loss on cash flow hedges	(427.34)	(89.55)	(324.81)
Non-controlling interest	375.25	526.60	589.44
TOTAL SHAREHOLDERS' EQUITY	**20,263.96**	**23,348.08**	**25,061.80**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**90,469.39**	**95,206.69**	**92,498.53**

STATEMENTS OF INCOME	**FY2021** (Million Baht)	**FY2022** (Million Baht)	**FY2023** (Million Baht)
Credit card income	6,462.21	7,641.76	7,818.75
Loan income	10,367.57	10,384.55	9,950.41
Hire purchase income	1,073.18	1,028.53	997.87
Other income	2,888.47	3,276.83	3,198.24
Share of profit from investment in associate	-		
Operating and administrative expenses	7,671.37	7,962.45	8,210.56
Directors and managements' remuneration	161.12	154.56	183.11
Loss on revaluation of investment	-	-	-
Loss on impairment of investment	-	-	-
Loss on sale of investment	-	-	-
Loss on impairment of assets	-	95.50	-
Loss on sale and write-off of leasehold improvement and equipment and intangible assets	11.10	2.63	8.13
Finance cost	1,744.67	1,903.84	2,161.87
Expected credit loss	6,629.40	7,262.73	7,240.22
Bad debts and doubtful accounts	-	-	-
Share of loss from investment in associate	-	-	-
Income before income tax expenses	4,573.77	4,949.96	4,161.38
Income tax expense	999.88	995.81	823.52
NET PROFIT	**3,573.89**	**3,954.15**	**3,337.86**
NET PROFIT ATTRIBUTABLE TO			
Owners of the parent	3,553.04	3,815.15	3,258.79
Non-controlling interests	20.85	139.00	79.07
NET PROFIT	**3,573.89**	**3,954.15**	**3,337.86**

STATEMENT OF COMPREHENSIVE INCOME	FY2021 (Million Baht)	FY2022 (Million Baht)	FY2023 (Million Baht)
Net profit for the year	3,573.89	3,954.15	3,337.86
Other comprehensive income (loss)			
Exchange differences on translating financial statements of a foreign operations	75.33	27.20	(33.86)
Gain on cash flow hedges	468.24	337.79	(235.26)
Gain (loss) on remeasurements of defined benefit plans	71.72	58.20	19.65
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**4,189.18**	**4,377.34**	**3,088.39**
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of the parent	4,118.41	4,223.50	3,021.38
Non-controlling interests	70.77	153.84	67.00
	4,189.18	**4,377.34**	**3,088.39**

STATEMENTS OF CASH FLOWS	FY2021 (Million Baht)	FY2022 (Million Baht)	FY2023 (Million Baht)
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the year	3,573.89	3,954.15	3,337.86
Adjustments for:	(3,023.28)	(2,843.46)	(2,727.75)
	550.61	**1,110.69**	**610.11**
Operating assets (increase) decrease			
Accounts receivable and other receivables	(9,988.24)	(10,962.74)	(6,927.02)
Other current assets and other non-current assets	12.94	1.21	41.78
Operating liabilities increase (decrease)			
Accounts payables and other payables	(202.52)	(86.09)	(233.36)
Other current liabilities and other non-current liabilities	59.21	(39.24)	34.08
Proceeds from interest income	12,962.30	13,928.14	14,278.39
Finance cost paid	(1,719.68)	(1,906.75)	(2,073.25)
Income tax paid	(881.46)	(544.66)	(1,238.94)
Retirement benefits paid	(37.26)	(22.71)	(7.54)
Cash paid for employee joint investment program	-	(5.16)	(13.08)
Net cash used in (provided by) operating activities	**755.90**	**1,472.69**	**4,471.17**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceed from (paid for) temporary investments and fixed deposits at banks under obligations	(2.32)	(102.15)	106.40
Cash paid for purchases of leasehold improvement and equipment	(198.25)	(211.78)	(251.70)
Proceeds from sale of leasehold improvement and equipment	18.21	2.17	1.36
Cash paid for purchases of intangible assets	(291.55)	(442.33)	(206.94)
Proceeds from sale of intangible assets	1.64	-	-
Proceeds from sales of investment in subsidiary	-	-	-
Cash paid for investment in a subsidiary	-	-	(0.25)
Cash paid for investment in equity securities designated at fair value through other comprehensive income	144	-	(72.00)

Net cash provided by (used in) investing activities	**(616.27)**	**(754.09)**	**(423.13)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from (repayments for) bank overdrafts and short-term loans from financial institutions	(1,172.11)	(4,564.08)	(1,725.05)
Cash payments for finance lease agreements	-	-	-
Proceeds from (repayments for) long-term borrowings	3,003.43	3,619.47	(778.58)
Proceeds from (repayments for) long-term debentures	(1,339.60)	1,445.00	(821.38)
Cash paid for lease liabilities	(564.34)	(558.10)	(542.81)
Proceeds from (repayments for) subordinated lending	-	-	-
Proceeds from sale of written-off accounts receivable	416.87	231.81	191.72
Proceeds from increase in non-controlling interest arising from investment in a subsidiary	-	0.25	-
Proceeds from ordinary shares issued of subsidiary	-	-	-
Cash paid for dividend and interim dividend	(1,306.84)	(1,304.09)	(1,.386.20)
Net cash provided by (used in) financing activities	**(962.59)**	**(1,129.74)**	**(5,062.29)**
Net increase in cash and cash equivalents	**(822.95)**	**(411.14)**	**(1,014.25)**
Increase (decrease) in exchange differences on translating financial statements of foreign operations	(46.61)	(8.10)	(5.45)
Cash and cash equivalents at beginning of the years	5,105.17	4,235.60	3,816.36
Cash and cash equivalents at the end of the years	**4,235.60**	**3,816.36**	**2,796.66**

Ratio	**FY2021** *(%)*	**FY2022** *(%)*	**FY2023** *(%)*
Profitability Ratio			
Gross Profit Margin*	38.99	37.00	34.09
Net Profit Margin	17.09	17.08	14.84
Return on Equity	19.23	17.87	13.78
Average Yield	27.54	28.76	27.09
Average Cost of Funds	2.73	2.90	3.37
Net Interest Spread	24.81	25.87	23.73
Efficiency Ratio			
Net Interest Income to Total Assets	21.42	22.37	22.02
Return on Assets	4.00	4.18	3.62
Asset Turnover	23.38	24.46	24.42
Financial Policy Ratio			
Debt to Equity (times)	3.53	3.15	2.76
Loans to Borrowings	122.41	121.23	132.97
Loans to Deposits	N/A	N/A	N/A
Deposits to Total Liabilities	N/A	N/A	N/A
Dividend Payout	36.24	36.04	42.19
Asset Quality Ratio			
Allowance for Doubtful Accounts to Total Loans	N/A	N/A	N/A
Allowance for expected credit loss to Total Loans	12.03	10.78	9.08
Bad Debt to Total Loans	8.40	9.14	10.51
Non-Performing Loans to Total Loans	4.86	5.69	4.97
Accrued Interest to Total Loans	2.74	2.53	2.51

Note: The Company has adjusted Gross Profit Margin by including the bad debts and doubtful accounts in calculation.

Factors influencing the Company's operating result and financial position in the future.

The effects of Interest rate fluctuation

Since core business of the Company is to provide several kinds of loans to the customers by using main source of fund from bank loan, issuing bonds and securitization. Therefore, direction of market interest rate and the government's policy, that factors may affect the Company's operating result and financial position in the future. These factors may influence the Company's revenues; expenses as well as operating result.

The effects of economic condition

The overall economic condition of the country is another factor that affects population's expenditure. If purchasing power of the country's population including the Company's customers has significantly diminished, this may affect the repayment capability of both principal and interest and finally affect the Company's operating result.

The effects of changes in Accounting Standards

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

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

2. 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, 2024 onwards. The revised TFRSs are mostly the revision of wording and terminology and clarification of accounting requirements.

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

Credit Rating

Pursuant to annual credit rating review for corporate by Japan Credit Rating Agency and Fitch Ratings, detail as follows;

Credit Rating Agency	Report	Credit Rating
Fitch Ratings	February 21, 2024	A-/ Stable
Japan Credit Rating Agency	February 28, 2024	A/ Stable

Details of overdue accounts receivable classified by business types

Consolidated Financial Statements (Information as of February 29, 2024)	Credit Card		Hire Purchase		Loan		Debt Collection		Insurance		Total	
	Amount (MB)	%	Amount (MB)	%	Amount (MB)	%	Amount (MB)	%	Amount (MB)	%	Amount (MB)	%
Less than 3 months	39,649.21	96.32	6,245.37	93.95	41,395.79	95.45	63.50	100.00	60.53	100.00	87,414.40	95.74
3 months and up	1,513.07	3.68	402.08	6.05	1,975.09	4.55	-	-	-	-	3,890.24	4.26
Total	**41,162.28**	**100.00**	**6,647.45**	**100.00**	**43,370.88**	**100.00**	**63.50**	**100.00**	**60.53**	**100.00**	**91,304.64**	**100.00**

Bad debt categorized by business type

	FY2021 (MB)	FY2022 (MB)	FY2023 (MB)
Credit Card	2,373.01	2,736.20	3,520.35
Hire Purchase	472.72	342.07	311.68
Personal Loan	4,788.87	5,509.40	5,764.38
Total	**7,634.60**	**8,587.67**	**9,596.41**

Financial Liquidity

As at February 29, 2024, the Company and subsidiaries recorded cash balance of 2,797 million baht, decrease by 1,019 million baht from previous year, which can be categorized as follows:

• Net cash provided by operating activities of 4,471 million baht mainly resulted from an increase of accounts receivable and interest income.

• Net cash used in investing activities of 423 million baht mainly resulted from investment in fixed assets and software, intangible assets, and fixed deposit s at banks under obligations.

• Net cash used in financing activities of 5,062 million baht mainly from long-term loans and short-term loans from financial institutions.

Combined the net decrease in cash and cash equivalents of 1,014 million baht and decrease in exchange differences on transactions financial statement of foreign operations of 5 million baht with beginning cash balance of 3,816 million baht, the Company had ending cash balance at the end of the fiscal year 2023 in the amount of 2,797 million baht accordingly.

Management Discussion and Analysis
For Fiscal Year 2023 ended February 29, 2024

AEON Thana Sinsap (Thailand) Public Company Limited ("the Company") has already submitted the consolidated audited the fiscal year 2023 financial statements ended February 29, 2024 which were audited by Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. The operating performance is summarized as follows.

Overview

According to the Bank of Thailand and Office of the National Economic and Social Development Board (NESDB) data. Thailand's economy in the fourth quarter of 2023 expanded by 1.7%, resulting in the GDP of Thailand in 2023 growing only 1.9%, decelerating from 2.5% in the previous year, from a slowdown in public investment and public consumption due to the delay of government's budget allocation, although the exports improved from the previous quarter continuously. Hence, the NESDB has cut down its growth forecast for the Thai economy in 2024 to the range of 2.2-3.2%, in which the supporting factors still being the continuous recovery of the tourism sector, the private consumption and the private investment, while the headline inflation rate averaged of only 1.2%. The unemployment rate in 4Q/2023 was slightly reduced down to 0.81%. However, substance macroeconomic challenge is remained as the level of household debt (seasonal adjusted) continued to increase from 90.7% in the 1Q/2023 to 91.4% in 1Q/2024.

For the fiscal year 2023, the Company has total new sales and credit card spending increased by 4% y-y, mainly due to the continual increase in credit card spending and marketing with business partners. However, in regards to the current economic situation which is in an improved trend but the risks to asset quality remained in concerns. The Company therefore remains cautious in expanding high-risk loans.

As of February 29, 2024, the Company had business distributions as below;

Number of Networks and Merchandise Partners	Feb 28, 2022	Feb 28, 2023	Feb 29, 2024
Branches	101 branches	104 branches	101 branches
-Bangkok	30%	31%	29%
-Other Provinces	70%	69%	71%
ATMs (machine)	389	146	73
Affiliated Dealers	6,328	5,846	5,276

Summary of Consolidated Financial Results

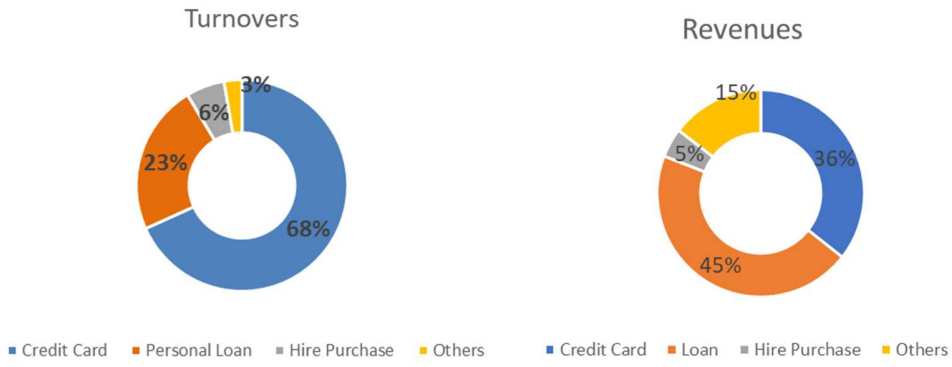
1. Operating Results

Profit and Loss Statement Unit : Million Baht	**Consolidated**					**Separated**		
	4Q/23	**%QoQ**	**FY22**	**FY23**	**%YoY**	**FY22**	**FY23**	**%YoY**
Credit card income	1,910	(4%)	7,642	7,819	2%	7,488	7,653	2%
Loan income	2,451	2%	10,385	9,950	(4%)	10,274	9,805	(5%)
Hire-purchase income	261	5%	1,029	998	(3%)	246	262	7%
Other income	803	6%	3,277	3,198	(2%)	3,108	3,018	(3%)
Total Revenues	**5,425**	**0.4%**	**22,332**	**21,965**	**(2%)**	**21,116**	**20,739**	**(2%)**
Operating and administrative expenses	2,181	3%	8,117	8,394	3%	7,387	7,546	2%
Expected credit loss	1,298	(32%)	7,263	7,240	(0.3%)	7,070	7,033	(1%)
Finance costs	550	8%	1,904	2,162	14%	1,970	2,156	9%
Other expenses	2	-	98	8	(92%)	97	8	(91%)
Total Expenses	**4,031**	**(11%)**	**17,382**	**17,804**	**2%**	**16,525**	**16,743**	**1%**
Profit before tax income	1,394	58%	4,950	4,161	(16%)	4,591	3,995	(13%)
Income tax expenses	273	60%	996	824	(17%)	881	743	(16%)
Net profit for the period	**1,094**	**55%**	**3,815**	**3,259**	**(15%)**	**3,711**	**3,253**	**(12%)**
Earnings Per Share (Baht per share)	**4.38**	**55%**	**15.26**	**13.04**	**(15%)**	**14.84**	**13.01**	**(12%)**

Revenues

For the fiscal year 2023 financial results, the total consolidated revenues were 21,965 million baht, reduced 2% from last year, because there is no sale of written-off receivables in the fourth quarter per usual. However, the revenue from credit card increased 2%, in line with continued growth in card spending and aligned with the credit card receivables in the industry. However, although the overall economic growth rate of the country has a better outlook, it is lower than the situation prior to the Covid-19 pandemic, especially the government investment and consumption, although it has a better outlook since the third quarter in 2023. In additions, the household debt rate remained high, the Company, therefore, implemented a more stringent credit lending policy in this quarter and focus on specific customer groups to reduce the risk of asset quality by being conservative in personal loans and hire purchase.

Sales and Revenues Structure for the Fiscal Year 2023



- **Credit Card**

For the fiscal year 2023 financial results, credit card turnover accounted 68% of total turnovers with the fiscal year 2023 credit card revenue reported 7,819 million baht, increased by 2% from previous year and accounting of 36% of total revenues, as a result of an increase shopping spending such as payment for shopping with partner traders, hypermarts, hotel bookings platforms in regards to the recovery of the tourism sector and hospitals, including the launch of a new credit card product, namely the Digital Next Gen Credit Card, the Company's first digital credit card that delivers innovation and advanced security verification solutions which is in line with the Company's sustainable development plan that focuses on creating a secure financial service for customers.

- **Loans**

For the fiscal year 2023 financial results, loans turnovers shared 23% of total turnovers, while the income from loans in the consolidated financial statements amount 9,950 million baht for the fiscal year 2023, which reduced by 4% from last year. The income from loans has 45% proportion of total revenues.

However, the Company has expanded its service channels through the online platform, which is more convenient for customers and also reduces the Company's operating costs, allowing AEON card members to conduct cash loan transactions through various channels. Therefore, cash withdrawals without using a card (Cardless Withdrawal) accounted over 97% of the total personal loan sales as a result of success digitalization for the Company's sustainability development.

In addition, the Company has started offering a new loan product in the fourth quarter of this year, namely the AEON Auto Quick Cash, vehicle title loan, which is a loan with collateral as an alternative product for customers, especially the existing customers.

- **Hire Purchase**

For the fiscal year 2023 financial results, motorcycle and used car hire purchase in Thailand and electrical appliances, mobile phones and others in overseas business turnovers was 6% of total turnovers, resulted in the Company's incomes from hire purchase in 2023 amounted 998 million baht, decreased 3% from last year as a result of hire purchase income reduction in CLM. However, the hire purchase income in Thailand increased 7% from last year.

In addition, the Company has directions and policies for sustainable development and well aware of the ESG impacts. Hence, in the third quarter of fiscal year 2023, the Company has initiated hire purchase loans for products that reducing environmental impact, such as electric motorcycles and solar cells, which receiving good feedbacks from customers since their consumption behavior has changed to place more importance to products that are environmentally friendly. The Company also has plans to expand to other products in the future.

- **Others**

For the fiscal year 2023 financial results, other incomes were 3,198 million baht. It comprised of an increase in bad debt recovery income to 1,849 million baht or an increase of 9% from last year and increased of 4% from the previous quarter, indicating a better efficiency in debt collection continuously. However, in the 4/2023 quarter this year, there was no income from the gain on sale of written-off receivables.

Expenses

The Company's expenses mainly consist of operating and administrative expenses, expected credit loss and finance cost. For the fiscal year 2023 financial results, the Company had total consolidated expenses of 17,804 million baht. Details of expenses are shown as follows:

- **Operating and Administrative Expenses and other expenses**

The consolidated operating and administrative expense which including director and management remuneration expense for the fiscal year 2023 were 8,394 million baht. As a result, the expense to income ratio (Cost-to-Income Ratio) this year slightly increased to 38.2%, due to the deceleration of revenues. However, the Company can maintain its operating and administrative expenses well through the Digitalization process. The operating and administrative expenses accounted for 47% of total expenses.

- **Expected Credit Loss**

The consolidated expected credit loss in the fiscal year 2023 amounted 7,240 million baht, remained stable in comparison to last year. However, the expected credit loss in the fourth quarter reduced continuously from the previous quarter from the ability to control the quality of assets in Stage 3 and better debt collection performance as well as better macroeconomic outlooks.

- **Finance Cost**

The Company recorded consolidated finance cost in the fiscal year 2023 of 2,162 million baht, in which increased by 14% from the last year from the increase of policy interest rate. However, the Company has an appropriate capital management to optimize the efficiency of funding cost and the reduction of interest-bearing loans. The average funding cost for the year 2023 was increased to 2.99%, increasing from 2.64% at the end of last year, due to the announcement of the Monetary Policy Committee (MPC) to increase the policy interest rate from 0.50% in 2022 to 2.50 as of November 2023 and the rate was remained at the MPC's meeting in February 2024.

Net Profit

In the fiscal year 2023 financial results, the consolidated profit attributable to the owners of the parent for the period was reported at 3,259 million baht, reduced by 15% from last year and earning per share was 13.04 Baht. Moreover, the overseas subsidiaries in Cambodia, Myanmar and Laos generated revenues and net profits for the fiscal year 2023 ended 31 December 2023, totaled 1,351 million baht and 224 million baht, respectively.

2. Financial Status

Statement of Financial Position	February 28, 2023	February 29, 2024	Change
Unit : Million Baht			%YTD
Accounts Receivable	93,937	91,305	(3%)
Total Assets	95,207	92,499	(3%)
Total Borrowing	66,139	62,513	(5%)
Total Liabilities	71,859	67,437	(6%)
Equity Attributable to Owners of the Parent	22,821	24,472	7%
ROE (attributable to owners of the parent)	17.9%	13.8%	-
ROA	4.1%	3.5%	-
D/E Ratio	3.1	2.7	-

Total Assets

As of February 29, 2024, the consolidated total assets were 92,499 million baht, reducing 3% from 95,207 million baht as of February 28, 2023. The main assets were attributed to the portfolio of net account receivables which shared 99% of total assets.

- **Accounts Receivable**

The Company has accounts receivable of 91,305 million baht as of February 29, 2024, reduced 3% from last year due to the conservative approach in lending policy although the credit card sales continued to grow. The accounts receivable are consisting credit card receivable of 41,162 million baht, reducing 5% from end of last year; loan receivable of 43,421 million baht, decreased by 3% from end of last year; hire purchase receivable of 6,647 million baht, increasing by 21% from end of last year and other receivables of 73 million baht increased slightly from end of last year.

- **Allowance for expected credit loss**

As of February 29, 2024, the Company provided allowance for doubtful accounts of 8,288 million baht, where the default receivables in credit risk (NPL Stage 3) in accordance to TFRS9 was 5.0% slightly decreasing from last quarter and last year. The consolidated coverage ratio of allowance for expected credit loss to NPL (NPL Coverage ratio) was at 183%, decreased from 190% of last year in relation to better macroeconomic outlooks, but remained being at appropriate level.

Liabilities

The consolidated liabilities of the Company as of February 29, 2024 totaling 67,437 million baht, a decrease of 6% from last year. There were both short-term and long-term borrowings totaled 62,513 million baht, decreasing by 6% from the end of last year. The portion of long-term borrowings was 40,383 million baht or represented 65% of total borrowings. However, in order to manage risk that might occur from the fluctuation in foreign currencies, the Company has entered cross currency interest rate swap contracts to fully hedge its debt.

Debentures, Solvency and Liquidity Management

As of February 29, 2024, the Company has outstanding long-term debentures, representing unsubordinated and unsecured debentures, amount 5,966 million baht, reduced from the outstanding of 9,580 million baht as of February 28, 2023, with the interest rate ranged between 0.65%-3.18% (debenture details can be referred to the Financial Statement's notes). However, the Company can maintain financial ratios and other requirements according to the conditions as specified in the agreement and has debentures maturity due within 12 months amounted 1,999 million baht.

In addition, the Company has unused credit facilities of 16,910 million baht and credit facilities with various financial institutions and cash and cash equivalent 2,797 million baht, which is sufficient for the Company's operation and debt payment.

Shareholders' Equity

As of February 29, 2024, total equity attributable to owners of the parent amounted to 24,472 million baht, increasing 7% from the end of fiscal year 2022, Book value (attributable to the owners of the parent) as of February 29, 2024 was 97.9 baht per share, increased from that of 91.3 baht per share as of February 28, 2023.

Debt to Equity ratio as of February 29, 2024 was at 2.7 times decreased from 3.1 times as of February 28, 2023. Return on Equity (attributable to the owners of the parent) (ROE) and Return on Asset (ROA) for the fiscal year 2023 are 13.8% and 3.5%, respectively.

5

General information and other material facts

5. General information and other material facts

Issuer of Securities

AEON Thana Sinsap (Thailand) Public Company Limited

Business Type	Credit Card, Personal Loan, Hire Purchase life and non-life insurance brokerage business and debt collection
Head Office	388 Exchange Tower, 27th Floor, Sukhumvit Road Khwaeng Klongtoey, Khet Klongtoey, Bangkok 10110
Registration Number	0107544000078
Website	http://www.aeon.co.th
Tel.	0-2302-4400 (Call Center 0-2665-0123)
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

ACSI (Thailand) Co., Ltd. (100% of ownership)

Business	Life and Non-life Insurance Brokerage Services
Head Office	159/22 Sermmitr Tower Building, 14th Floor, Sukhumvit 21 (Asok) Road, Khlong Toey Nua, Watthana, Bangkok 10110
Tel.	0-2689-7111
Fax.	0-2689-7141-2
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

Note: AEON Insurance Service (Thailand) Co., Ltd. has returned the insurance broker license to Office of Insurance Commission (OIC) and AIST has changed its name with the Department to Business Development, Ministry of Commerce, to be ACSI (Thailand) Co., Ltd. which effective January 4, 2022 onward.

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

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

AEON Leasing Service (Lao) Company Limited (96.29% of ownership)

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

Note: The Company holds shares indirectly through ACS Servicing (Thailand) Company Limited with 3.71%

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

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

AEON Specialized Bank (Cambodia) PLC (50% of ownership)

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

Note: 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.

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

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

Note: 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.

Rabbit Cash Company Limited (18% of ownership)

Business	Provide lending services through digital platform under the brand of "Rabbit Cash"
Head Office	1 Q HOUSE LUMPINI Room No. 2701, 2704 27th Floor, South Sathorn Road, Thungmahamek, Sathorn, Bangkok
Authorized share capital	Ordinary shares 1,200,000,000 baht,
Issued and paid up share capital	Ordinary shares 1,200,000,000 baht,
Par Value of share	100 baht

Note: On 29 March 2021, AEON Thana Sinsap (Thailand) Public Company Limited has entered into a Joint Venture Agreement with BSS Holdings Company Limited and Humanica Public Company Limited (the "JVA") to incorporate a joint venture company under the name of "Rabbit Cash Company Limited"

AEON Asset Management (Thailand) Co.,Ltd (99.9999% of ownership)

Business	Purchasing and non-performing assets management
Head Office	159/18 Sermmit Tower Building, 11th Floor, Sukhumvit 21 (Asok) Road, Khlong Toey Nua, Watthana, Bangkok 10110
Tel.	0-2096-9230
Authorized share capital	Ordinary shares 100,000,000 baht,
Issued and paid up share capital	Ordinary shares 50,000,000 baht,
Par Value of share	100 baht

Note: The Company indirectly holds shares of AEON Asset Management (Thailand) Co., Ltd through ACS Servicing (Thailand) Company Limited with 0.0001% shareholdings.

Reference

Securities Registar	**Thailand Securities Depository Company Limited**
Located	The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel. 0-2009-9000 Fax. 0-2009-9991
Auditor	**Deloitte Touche Tohmatsu Jaiyos Audit Company Limited**
Located	AIA Sathorn Tower, 23rd – 27th Floor, 11/1 South Sathon Road, Yannawa, Sathon, Bangkok 10120 Tel. 0-2034-0000 Fax. 0-2034-0100

Other material facts

Legal Disputes

The Company has no legal dispute, which

1) may materially affect its business operation,
2) may have a negative affect on the Company's assets amounting to more than 5% of shareholders' equity as of February 29, 2024, or
3) Any legal disputes beyond those occurring in the normal course of business of the Company.

6

Corporate Governance Policy

6. Corporate governance policy

6.1 Overview of the Policy and Guidelines

The Company has been taking of 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: Right 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 shares, the right to receive dividends, the right to participate in the annual general meeting, vote and make a question at the meetings of shareholders. Apart from above mentioned about the right of shareholders, the company has made additional efforts to encourage and facilitate shareholders to exercise their rights as follows:

1.1) Information Disclosure

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 provide telephone number and information request channel through the e-mail address of Investor Relations section.

1.2) The Annual General Meeting

1.2.1 The preparation of an invitation letter for the annual general meeting

- The Company sent invitation letter both Thai and English version for the shareholders' meeting to shareholder containing agenda details with clearly defined agenda items for the meeting and related appendices together with opinion of the Board of Directors, Articles of Association relating to shareholder's meeting, proxy forms, a name list of all Independent Directors to facilitate investors for shareholder's consideration at least 21 days prior to the meeting day.

- The Company disclosed invitation letter of shareholders' meeting both Thai and English version on the Company's website at least 28 days before the meeting day and announced through the newspaper both Thai and English version for 3 consecutive days to comply with Public Limited Companies Act, B.E. 2535 (1992).

1.2.2 Proxy appointment

- For the convenience of shareholder to attend a Meeting, the Company provides an opportunity for shareholder to appoint a representative, e.g., an independent director or any other person to act as proxy, using one of the proxy forms attached with the notice of the Meeting. The proxy forms prepared in compliance with the specifications defined by the Department of Business Development, Ministry of Commerce, allow shareholders to exercise their voting rights as they wish. Additional 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.

1.2.3 The voting procedure and the method of counting the votes

- The Company encourages shareholders to vote, giving equal importance to each agenda item by clearly outlining the voting process and the method of vote counting. Each share is counted as one vote. The company has invited legal representatives to act as observers during the vote counting process to ensure transparency. There will be clear separation of votes for each agenda item to protect the rights of shareholders. Vote counting will consider the side with the majority as the resolution, except in cases where a decision requires a minimum of three-fourths of the total votes from shareholders present and eligible to vote.
- In 2023, The Company conducted meeting via electronic means. Shareholders can vote electronically on each agenda item presented by the chairperson during the meeting. Shareholders can choose to vote 'agree', 'disagree', or 'abstain' by clicking on the respective button. After confirmation, the voting results will then be aggregated with the pre-submitted votes in the proxy forms before announcing the resolutions.
- The chairperson of the meeting will announce the voting results to the attendees, including the number of 'agree', 'disagree', and 'abstain' votes, as well as the number of invalited votes. They will also state the total number of votes cast and calculate the percentage of each type of vote based on the total number of votes held by shareholders present at the meeting or eligible to vote on each relevant agenda item. This information will be complied from electronic traffic data as specified in the announcement of the Ministry of Information and Communication Technology.

1.2.4 Enabling pre-meeting shaholder inquiries

- The Company has provided shareholders the opportunity to submit questions regarding the meeting in advance, no less than 28 days prior. Notifications were made via stock exchange website, the company's investor relations website, and in the meeting invitation letters. Additionally, during each agenda item, shareholders were invited to freely inquire, express opinions, and offer suggestions without limitation, within a suitable timeframe during the meeting.

1.2.5 The opportunity for shareholders to propose meeting agenda items and nominate candidates for consideration as board members

- The Company provides shareholders the opportunity to propose agenda items for consideration and nominate qualified individuals for board membership at the Annual General Meeting of Shareholders for the year 2567. This opportunity has been available in advance since November 30, 2566, until February 29, 2567.

1.2.6 The Annual General Meeting of Shareholders is scheduled to be held within a period not exceeding 4 months from the end of the accounting period

- The Company held a total of 1 shareholders' meeting (no extraordinary meeting during the year) on June 20, 2023 at 10:00 am. The Company held the Annual General Meeting 2023 in form of electronic meeting (E-AGM) at the meeting room, 388 Exchange Tower, Sukhumvit Road, Khwaeng Klongtoey, Khet Klongtoey, Bangkok 10110. The Company use the electronic media control system provided by Quidlab Co., Ltd., which is an e-meeting service provider certified by Electronic Transactions Development Agency (ETDA) (The certification document number สพธอ. 65-006).

- The Company published a guideline and a manual via stock exchange website and the company's investor relations website.

- Due to the electronic format of the meeting. For shareholders who have registered and submitted proxies in advance, the Company employs information technology systems and Barcodes for transparency and easy registrqation. Shareholders who wish to attend the electronic meeting can access the meeting system at least 2 hours prior to the meeting, following the guidelines provided in the shareholder meeting access manual distributed by the Company in advance.

- For the Annual General Meeting on June 20, 2565, the Company's secretary outlined the procedures for voting, vote counting, questioning, and other practices for attend the meeting clearly to ensure a smooth and efficient meeting process. The chairman of the board has appointed a board member to act as the chairperson of the meeting. There will be a total of 11 board members attending the meeting.
- The chairperson of the meeting conducted the shareholder meeting according to the agenda specified in the meeting invitation letter in sequence and did not add any other agenda to the meeting without notifying shareholders in advance.
- The Company invited a representative from Baker & McKenzie Company Limited to be an observer for the meeting's transparency, compliance with the law and regulations of the Company and provide complete recording of minutes of shareholder meetings. Details of the 2023 Annual General Meeting of Shareholders can be viewed in the investor relations menu in the Company's website https://www.aeon.co.th.

1.2.7 Notification of meeting resolutions and minutes of shareholder meetings

- The Company published a summary of the voting results at the meeting along with the voting results of each agenda for shareholders and the general public to acknowledge through the disclosure channels of the Stock Exchange of Thailand on the same day after the meeting ends and published the minutes of shareholder meetings in both Thai and English via 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 disclosed 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:

2.1) Measures to ensure equal treatment of shareholders

2.1.1) The Company has established measures to prevent the directors and executives to exploit the Company's inside information for their own benefit;

- **Insider Trading Policy**
  - 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 or before the disclosure of financial statement of the company to the public. The period in which the purchase, sale, transfer or acceptance of transfer of the Company's securities is controlled, i.e. the period in which the Company's securities price may be affected by activities such as the disposing of assets, opening a new business or new product, etc., and the period from closing the financial statements to submitting financial statements to the SET and the SEC, which is not more than 45 days for quarterly financial statements and not more than 60 days for annual financial statements. In addition, after the disclosure of the information, the above-mentioned person should not buy or sell (not less than 24 hrs.) securities until the public has received such information and had an opportunity to evaluate it thoroughly.
  - The Company restricts employee's access rights to the data layer to prevent access to information that may be sensitive and affect the price of the Company's securities based on Need-to-know Basis.
  - The Company has set prohibitions on the use of inside information for personal benefits and communicated to all employees including clear legal penalties.

- The Company has set a Blackout Period during appropriate timing.

- **Measures for reporting of holdings and changes in securities holdings**
  - The Company complies with the provisions of the Securities Act and announcements of the Securities and Exchange Commission ("SEC") and related announcements from the Capital Market Supervisory Board regarding the preparing, disclosing and submitting reports on holdings and changes in securities holdings of the Company's board of directors, executives, including management positions in the accounting or finance fields who are department managers or equivalent, their spouses and children who minor within the specified period to the Office of the Securities Commission and the Stock Exchange ("SEC Office").
  - The Company discloses the shareholdings of directors and executives, both direct and indirect, clearly separated, disclosing the number of shares held at the beginning of the year and which were traded during the year and report to the board meeting on annual basis.
  - The Company shall notify 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.
- **Measures for preparing reports on interests**
  - To comply with Section 89/14 of the Securities Act, the Company requires directors and executives to report their interests related to the management of the company's or subsidiary's business or those of related persons to the Company, in accordance with the rules, conditions and procedures announced by the Capital Market Supervisory Board.
  - The Company Secretary submits a copy of the report to the Chairman of the Board and the Chairman of the Audit Committee according to the criteria stipulated by the Securities Act Section 89/16 and the Stock Exchange and reports every time there is a change in order for the Audit Committee to consider the risk of conflicts of interest of persons who may have conflicts according to the SEC announcement.
- **Measure to establish information technology and data security**
  - The Company has established IT Steering Committee (ITSC) to promote, supervise and manage the use of information technology system and the IT security system to prevent the leakage of inside information or damage that may occur to the data. The Company also implements and complies the standard system ISO27001:2022 (Information Security, cybersecurity and privacy protection – Information security management system) that the International Organization for Standardization (International Organization for Standardization, abbreviated as ISO) officially in October 2022, which was modified from ISO27001:2013.

2.1.2) The Company sets up the following policies to prevent conflict of interest;

- **Measures to prevent structural conflicts of interest**
  - The Company has arranged a transparent and clear management structure in the shareholding structure and investment in subsidiaries or associated companies.
- **Measure to inspect and report connected transactions**
  - The Company has established measures for related transactions between the Company and persons who may have conflict of interest that the executives or related persons will not be able to take part in approving such transactions. In addition, the Company has arranged for the Audit Committee to consider and give opinions on the transactions between the Company and related persons which is disclosed in the connected transactions.
- **Measure to prevent the conflict of interest by rules and regulations of the company**
  - The Company has established "Rules and regulations of entertainment and gift exchanging" for employees at all levels to be aware of the principles, terms of accepting gifts and hospitality for customers. Such rules and regulations shall be regarded as part of this anti-corruption policy as well and disclosed in the Anti-Corruption Policy.
- **Board of director meetings voting policy**
  - Directors who have a conflict of interest in any matter will not have the right to vote on that matter.

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 consider of every type of stakeholders, by taking actions legally with fairness as follows:

The Company's guidelines for treatment of 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 facilitates shareholders to fully exercise their rights.

- **Employee**

The Company has recognized that the employees at all levels are valuable resources and key drivers of business success. Therefore, the Company has recruited and hired talented and experienced personnel to work. Employees receive appropriate remuneration and various benefits, including awards for their work performance every year as well as supporting skill development, education and training for employees to create standards in customer service. Besides, the Company has supported employees to have a good quality of life by create a safety and good environment for working place.

- **Customer**

The Company is committed to conducting business with customer satisfaction as the top priority, therefore it has continuously developed products and services along with its Digitalization Roadmap in which adopting digital technology into best services to meet the needs of customers. In addition, the Company also places importance on conducting business with fairness and transparency, supporting free competition for the utmost benefit of customers. The performance of sustainability development for customers is disclosed in the Sustainability Development section.

The Company is expanding along with customers with quality by applying the principles of Responsible Lending as a guideline that emphasizes the importance of lending quality loans along with providing financial literacy and promoting good financial discipline to customers in a sustainable way.

- **Competitor**

The Company executes the business under a fair competition, integrity approaches, strictly comply with laws, rules and related regulations and does not seek competitors' confidential information by dishonest means and do not take advantage of competitors by unlawful means or try to damage the reputation of competitors by making malicious accusations without real information and no attempts to infringe others' copyrights or their intellectual properties. In addition, the Company does not have a price policy that discourages or takes competitive advantages against competitors. During the past year, the Company does not have any legal issues with its competitors for unfair business.

- **Business partner**

The company has always been realized of the importance and determine to go forward together with the business partner by doing business with fairness. The success of the business group partly from the support of partners. The company strictly treats any agreements and conditions with honorably for a long-term relationship with all partners. In addition, the Company is aware of the efficient use of resources and reducing environmental impacts under the principles of good corporate governance by adhereing to the supply chain management guidline with consideration and awareness of economic, social and environmental (ESG) impacts throughout the organization's supply chain, in relating to purchasing/hiring policies and practices to be consistent with international standards and sustainable ethical standards. More details are provided in the Sustainability Development section.

- **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 of February 29, 2024, the Company was able to maintain financial ratios and other terms as specified in the contract. The Company has been assessed by an internationally recognized credit rating agencies. In 2024, the Company was able to maintain its credibility. The assessment results are as follows:

Credit Rating Agency	Credit Rating
Fitch Rating	A-(tha)/Outlook Stable
Japan Credit Rating	A/Stable

- **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. It creates a corporate culture to encourage all employees to participate in environmental stewardship including training all level of employees to realize the importance of society and environment responsibility. For more details on ESG part or Sustainability report 2023 of the company, disclosed in the Company's Investor Relation website.

Section 4 Information Disclosure and Transparency

1) Disclosure of Information

- **Disclosure of information is one of an important CG principles**
  - The Company has set up policy, 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 56-1 One report 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 and press release to analysts and investors through the Company's website (www.aeon.co.th). 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 56-1 One Report. For non-financial information such as connected transactions, management discussions, analysis, risk management information, and the Company's corporate governance, The Company has published such information in the 56-1 One Report 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.
  - Other information disclosed 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 56-1 One Report annually.
  - The Company discloses information on shareholding of director and executives, both directly and indirectly (including spouses and their minor children), in the 56-1 One Report under the topic, "Change in Shareholding of Board of Directors and Management".
- **Personal Data Protection Policy**
  - The Company has policies and guidelines aimed at protecting the personal information of all stakeholders.
  - The company has established the PDPA Steering Committee (PDPA Steering Committee) to promote

proper PDPA compliance.

- The Company has issued a Privacy Notice for customers, shareholders, third parties, and employees on the Company's website to inform the data owner of the purpose, period, and legal basis for collecting data, cases in which information may be disclosed to third parties including other details as required by law.

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, 56-1 One Report, and notifications to SET/SEC, etc.

Investor Relations contact information

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

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

Telephone : 0-2302-4721-3

Fax : 0-2302-4470

E-mail : ir@aeon.co.th

The Company has regularly conducted company visit for both domestic and international analysts and investors and according to Covid-19 situation the company mainly joined/hold the meeting via online platform. Fiscal Year 2023, the Company shows details as below:

Forms of activities	Number of times	Number of Company
Conference call + Online meeting	32	199
Roadshow	4	51
Analyst meeting	2	81
Total	**38**	**331**

Section 5 Responsibilities of the Board

The Roles and responsibilities of the Board of Directors

The Board of Directors shall supervise Directors' pursuit of duties and business of the group, in order to promote management which aims at improving the value of the Company group, in compliant with applicable laws, objectives and Articles of Association as well as the resolutions of the Shareholders Meetings.

Board of Directors' Responsibilities

1. Compliance
   The Directors shall comply with all laws, objectives and the Articles of Association of the Company, and the resolutions of the Shareholders Meetings.
2. Due Consideration
   The Directors shall give due consideration to the following points in the management of business operations under their control.
   - Dealing with an operating business systematically and efficiently based on the Company's policies and the Managing Director's instructions.
   - Making appropriate judgments for the interest of the entire Company with wide perspective to enhance the Company's business performance and long-term growth.
   - Working to enhance the Company's business performance in company-wide matters as well as their own area of responsibility.
   - Overseeing the departments/unit under their supervision and working to cooperate and coordinate with other departments/unit of the Company.
3. Reporting
   - A director shall notify the Company without delay in case where he or she has an interest in any contract which is made by the Company, or the number of shares or debentures in the Company or its affiliated company held by him or her increases or decreases.
   - The Directors must report accurately to the Board of Directors on the execution of their own duties. In addition, if a situation occurs that could have a substantial impact on the Company's business, the Directors must report the facts of the situation to the Board of Directors immediately.
4. Conflict of Interest
   No Director shall perate any business which has the same nature as and is in competition with the business of the Company or become a partner in an ordinary partnership or become a partner with unlimited liability in a limited partnership or become a Director of any limited company or any other public limited company operating business which has the same nature as and is in competition with the business of the Company, unless he or she notifies the Shareholders Meeting prior to the resolution for his or her appointment.
5. Non-Disclosure
   The Directors shall not divulge confidential information learned in the course of their duties to anyone inside or outside the Company unless enforced by the regulation of the Company or the law.

In the fiscal year 2023, The Company proposed the SEC's notification subject Practicing an understanding of the roles and responsibilities of company directors to board meeting for consideration. The main points are as follows;

Best Practices for a Board of Directors
1. The components and structure of an effective board of directors
2. The roles and responsibilities of the board of directors in helping to prevent and deter inappropriate behavior within the registerd company
3. Supporting and promoting the performance of duties by employees and internal uniys within the registered company.

Best Practices for the Audit Committee to Prevent and Mitigate Inappropriate Behavior in Listed Companies
1. Ensuring the efficiency , adequacy, and appropriateness of internal control systems
2. Disclosure of information and financial reporting
3. Compliance of information and financial reporting
4. Monitoring and tracking transactions involving significant 2assets received or sold (MT), and transactions with related parties (RPT) of the listed company
5. Ensuring tha the use of raised funds is aligned with the disclosed objectives and tracking the utilization of funds accordingly.

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.

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.

Authorized Signatory Directors

The authorized signatory of the Company is Mr. Mitsugu Tamai or Mr. Tsutomu Omodera and affixed with the Company's seal.

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. The Board of Directors can invite any involved executive or relevant persons for inquiry during the meeting.
- According to the Company's Articles of Association, at a meeting of the board of directors, at least one half (1/2) of the total number of directors present shall form a quorum. However, in practice, the Company has maintained at least two-thirds of the directors attending the meeting to determine the quorum in every meeting. For FY2023, the summarized of the Board of Directors' average attendance was not less than 75% which was shown on Summary of the Board of Directors' and Sub-Committees' Meeting Attendance in FY2023.
- In each meeting, the Chairman allows each director to express his opinion extensively and freely. Thus, each decision is made rationally and thoroughly. Each meeting agenda item is made under the proper time.
- The Company provides an online meeting 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 2023, the Board held a total of 11 board meetings. (Detail of the meeting and number of attendance of each director in Report on key operating results on corporate governance).

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.

1.2 Business Ethics and Corporate Governance Policies

Business Ethics

Aeon group has provided "AEON Code of Conduct" for the Board of Directors, the Management, and the employees of the Aeon group 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 with AEON Financial Service (Japan) always provides training for management on yearly basis. 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.

AEON – Commitment

- Aeon people are always grateful to the many other individuals who provide support and help, never forgetting to act with humility.
- Aeon people values the trust of others more than anything else, always acting with integrity and sincerity in all situations.
- AEON people actively seek out ways to exceed customer expectations.
- AEON people continually challenge themselves to find new ways to accomplish the AEON ideals.
- AEON people support local community growth, acting as good corporate citizens in serving society.

Corporate Governance Policies

1) Policy of anti-corruption and bribery prohibition

The Company is against and does not accept corruption in any form. The Company has prescribed anti-corruption procedures for its activities to comply with this policy and will regularly review that these procedures comply with the relevant laws and maintain the Company's reputation. All the employees, affiliates and parties involved with the Company must strictly comply with this policy.

Executive Committee is responsible for determining the policies, monitoring and forming an effective system supporting anti-corruption, emphasize on anti-corruption, and cultivate anti-corruption mindset as the Company's culture.

1. The Company has a policy to conduct business in good faith with honesty, transparency and ethical principles by focusing on fostering the attitude among its employees to oppose, correct and be responsible for corruption issues, including communicating the knowledge, understanding to all employees and performing tasks honestly and in accordance with the policy.
2. The Company does not accept any corruption activity which may be an offence under the law and is committed to conduct business with integrity, honesty, and fairness according to the Company's commitment to prescribe and enforce effective anti-corruption measures.
3. The Company will cooperate and support anti-corruption activities by promoting and participating in monitoring, auditing and having mechanism to monitor and control the exercise of power to be appropriate, transparent and efficient as well as to act in compliance with the anti-corruption laws.
4. The Company shall set the standard for the investigation procedure for trials to be effective and in compliance with the operation of the appointment of the Disciplinary Working Team (ISMS-PC-04-13), and operation for appointment of the Disciplinary Working Team for Fraud Case (ISMS-PC-04-14) which are considered part of this policy.

Internal Communication

The Company has established channels for communicating the policy and procedures regarding anti-corruption policy including the approval process, the practice for avoiding or denying corrupt behavior. The Company provides various channels for reporting corruption information, complaints or suggestions within the Company; for example, via the intranet within the organization, email, new employee orientation program in order to give employees a better understanding of the anti-corruption policy.

Whistleblower Protection

1. The Company encourages and is open to employees to report actual offenses under this policy, even if it is found later that such report is based on a misunderstanding. The company has no policy to demote, punish or cause negative effect on employee who refuses to commit corruption, even if such action will cause the Company to lose a business opportunity.
2. The company promises that no employee shall be adversely affected by the denial of participation in corruption, including well-intention reporting of suspicious behavior of briberty, or other fraud that occurs or may occur in the future.
3. If an employee is subject to unfavorable treatment due to whistle blowing. He/She must report such treatment immediately to the supervisor, senior management of the department /or supervisor in the line of work.

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

AEONTS and subsidiaries are committed to combating money-laundering and financing of terrorism and the proliferation of weapons of mass destruction to be complied with the applicable laws and regulation of legal entity and also to be complied with AFS Group's AML/CFT policy.

We are taking into the account its social responsibility as a financial institution, company and corporate group, considers the prevention of money laundering and terrorist financing to be one of its most important management issues.

In order to prevent of money laundering and terrorist financing, the company wholly or majority-owned or controlled legal entities as a source of money laundering and supporting financial to terrorist and proliferation of weapon of mass destruction implements the AML/CFT/WMD policy as followings:

1. The Company supports and strictly complies with the applicable Anti-Money Laundering, Combating the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction's law and regulations which includes but not limit to the customer acceptance, customer due diligence, risk assessment and risk mitigation, transaction monitoring and reporting and record keeping.
2. The Company shall appoint senior management to oversight AML/CFT/WMD laws and regulations and considers the prevention of money laundering and terrorist financing to be one of its most important management issues and the management shall establish organizational control of Group Policy.
3. The Company will prescribe the control measure relates to Anti-Money Laundering, Combating the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction 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 in case customer has their risks concerning Anti-Money Laundering, Combating the Financing of Terrorism and the Proliferation of Weapons of Mass Destruction. Such subordinate policies and guidelines shall be regularly reviewed and kept the information are up-to-date.
4. The Company shall perform the internal AML/CTPF risk assessment and management in order to determine, evaluate and mitigate AML/CTPF risks as annually basis. The assessment covers all customers, products/services and channel and also perform the assessment prior to introduction of new products or services or implementation of new technology or electronics network as required by the applicable laws and regulations.
5. The Company shall report the cash transaction report as required by law and regulations includes the suspicious transaction with accurate and complete information as well as within the specified timeframe to the law enforcement authority.
6. The Company shall prescribe the independent internal control which suitable for the organization and complied with regulatory requirement.
7. The Company shall prescribe the information's sharing procedure among intra-group the groups of company and mutual cooperation.
8. All officers and employees in AFS Group and Company shall not engage in money laundering or terrorist financing, nor shall they provide any assistance, including involvement, support or inaction, to those who engage in such activities. Directors, officers, employees, agents and offices acting on their behalf are prohibited from disclosing information, facts or doing any acts that may cause customers or third parties to know about the investigation, transaction reporting to the AMLO office, except for compliance with the law or by court order or disclosure of information between the head office and branches.
9. The Company requires that all information and evidence of identity verification, as well as Customer Due Diligence and transactions shall be kept entirely within the period specified by law.
10. The Company shall arrange and provide the AML/CFT/WMD training to all staffs in accordance with the applicable laws and regulations. Also responsible for the enhancement of the staff's knowledge to meet the regulatory requirement and efficiency of AML/CFT related duties.
11. The Company will arrange the independent audit program on AML/CFT/WMD regarding to the compliance with the internal policies and regulations.
12. The Company shall prescribe the internal policy and procedures for sharing information required for the purposes of AML/CFT/WMD risk management applicable to all branches and majority-owned

subsidiaries both local and oversea jurisdiction. Adequate safeguards on the confidentiality and use of information exchanged should be in place. In the case of their foreign operations, where the minimum AML/CFT requirements of the host country are less strict than those of the home country, the Company shall be required to ensure that the branches and majority-owned subsidiaries in host countries implement the requirements of the home country, to the extent that host country laws and regulations permit. If the host country does not permit the proper implementation of the measures above, the Company should apply appropriate additional measures to manage the money laundering and terrorist financing risks, and inform their home supervisors. The Company shall prescribe the internal policy and design the program to supervise a third party's activities in accordance with the applicable AML/CFT laws and regulations.

13. The Company has appointed Head of Corporate Governance and Control Department, to be the Chairman of AML/CFT Committee.

3) The Policy of Whistleblower Protection Policy

The Company place great importance on good governance by prescribing a policy for all levels of employees to focus on transparent and verifiable operations. The Company continuously provides training and knowledge for employees in those matters.

The Company has provided channels for complaints or whistleblowing for various groups of stakeholders, which can be reported through several channels, such as;

- All 101 branches nationwide
- Call Center phone number 02-665-0123
- Electronic mail (E-Mail): csd@aeon.co.th
- Investor Relations: ir@aeon.co.th

The Company has established a clear process for receiving complaints, whereby the complaint information, including the name of the complainant will be kept confidential. Employees are not involved and have no access to such information. In case of receiving complaint, the recipient will record the information and take corrective action as appropriate without delay, including reporting the results to the executives or the Board of Directors for acknowledgment in some cases.

In addition, the Company has established channels for complaints in case of unfair treatment of employees, whether caused by the operations of the Company, supervisors or employees. When receiving such cases, the departments and responsible persons appointed by the Company will be responsible for inspecting, investigating and considering the results without delay, and directly reporting the results to senior management. In this regard, the complainant will be kept confidential as well. The Company has a variety of complaint channels, consisting of E-mail channel and other channels such as telephone, etc.

4) The Policy of the right of Personal Data protection and personal data

Since the operation of the Company are related to personal data, it is therefore highly aware of the problem of personal data abuse and adhere to the protection of privacy rights security of personal information Including the use of personal data to meet the purpose of collection under the legal framework.

The Company has policies and practices to protect personal information of all stakeholders. The Company has improved processes and practices following the Personal Data Protection Act in order to develop potential and create awareness among personnel in the organization. Therefore, we have provided company's personnel the training about guidelines of the personal data protection to be informed and prevent damage that may occur in the collection, usage and disclosure of personal information as well as the information is kept safe, confidential and will not be disclosed except required by law or with the consent of the service recipient, including appointing data protection officer (DPO).

For personal data collection, the Company has provided a Privacy Policy Statement or a Privacy Notice for customers, shareholders, third parties and employees on the Company's website to notify the data owner of the purpose, duration, legal basis for data collection where information may be disclosed to third parties, including other details as required by law.

The Company also devotes attention to the legal rights of the data owner. Therefore, the appropriate channels for right exercising and receiving complaints are provided. The Company has a policy to investigate and deal with within a reasonable time.

In 2023, the company provided employees whose roles and responsibility are relating to personal data to participate in mandatory training on how to handle personal data in accordance with laws and international standards and they are required to pass the test;

5) Tax Policy

In 2023, the Executive Committee approved the tax policy with the objectives of the appropriate tax management, the compliance with tax regulation and law, and the responsibility to stakeholders by presenting accuracy, transparency, and sufficiency of information. This tax policy covers the Company and its subsidiaries within Thailand only.

The tax policy includes 3 sections as following;

	Unit	**2023**	**2022**	**2021**
Profit before Tax	MB	4,161.38	4,949.96	4,573.77
Tax Income Expense	MB	823.53	995.82	999.88
Tax Rate	%	19.79	20.12	21.86

6) Intellectual Property Policy

The Company values and respects the rights related to the intellectual property of others and will not do anything that infringes on intellectual property and will use it only after receiving the right to use it.

7) Sustainable Supply Chain Management

The Company is committed to using resources efficiently and reducing environmental impact under the principles of good corporate governance. The Company emphasizes the importance of internal operations within the supply chain in order to foster consideration for the economic, social and environmental impacts, as well as the organization's supply chain.

Managing the supply chain responsibly, encompassing procurement practices, policy development, and practices aligned with sustainable international sandards and ethical principles.

Guidelines for Sustainable Supply Chain Management

The company has sustainable supply chain management procedure that take into suitable consideration in terms of quality, price, and delivery of products/ services comprehensively.

- Procurement Process

- The existing procurement process (Operation) is in line with sustainable guidelines. (Procurement Procedure). By using well-known system like SAP and E-Memo Workflow to increase efficiency in tracking, managing and communicating in supply chain.
- Scope of Procurement Procedure covers all types of purchasing/ hiring process of the company and affiliated companies to ensure transparency, verifiable and efficiency.
- Define the roles, duties and responsibilities of relevant parties.
- Supplier Selection and Evaluation Procedure
- Selection criteria for purchasing, sourcing.

- Supplier Selection and Evaluation

The company has a vendor selection process fairly under vendor evaluation and selection criteria as follows:

- Set selection criteria and evaluation for supplier
- Define the roles, duties and responsibilities of relevant parties
- Consider the procurement of goods and services based on many factors such as economic efficiency, environmental sustainability, social conduct, quality of the product or service and comply with relevant policies and standards. Such as products or services that have environmental label or green label products or services that come from certified environmental quality organizations from institution or government in Thailand or abroad. Products or services listed in the Green Product register under Thai Environment Institute, Thai Industrial Standards Institute Ministry of Industry, Pollution Control Department (Ministry of Natural Resources and Environment) or similar organizations in abroad. Such as electrical equipment, computer equipment with the Energy Star symbol
- Follow up and evaluate supplier annually

6.3 Significant changes and developments in policies, practices and corporate governance systems in the past year

Implementation of the Corporate Governance Code for Listed Companies

According to the Corporate Governance Report of Thai Listed Companies also known as “CGR” survey 2023, the Company survey result was “Excellent”. Nevertheless, the Company’s Corporate Compliance Committee held the meeting to reconsider and rectify the Company’s policies to be in accordance with the CGR’s criteria including disclosed the responsibilities of the board which demonstrates transparency of the Company’s operations and build trust in stakeholders.

However, there were some cases 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 nominating and remuneration committee**

The Board of Directors has already acknowledged the suggestion and the current on-going process 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 defined 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, in 2023, there’s the only 1 Independent Directors out of 4 that serves as the Independent Director for more than 9 consecutive years and still able to independently provide opinions pursuant to the relevant rules and regulations and consistently maintain the qualification of the Independent Director. Therefore, the Board of Directors has the resolution that the current Independent Director is suitable for the position.

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

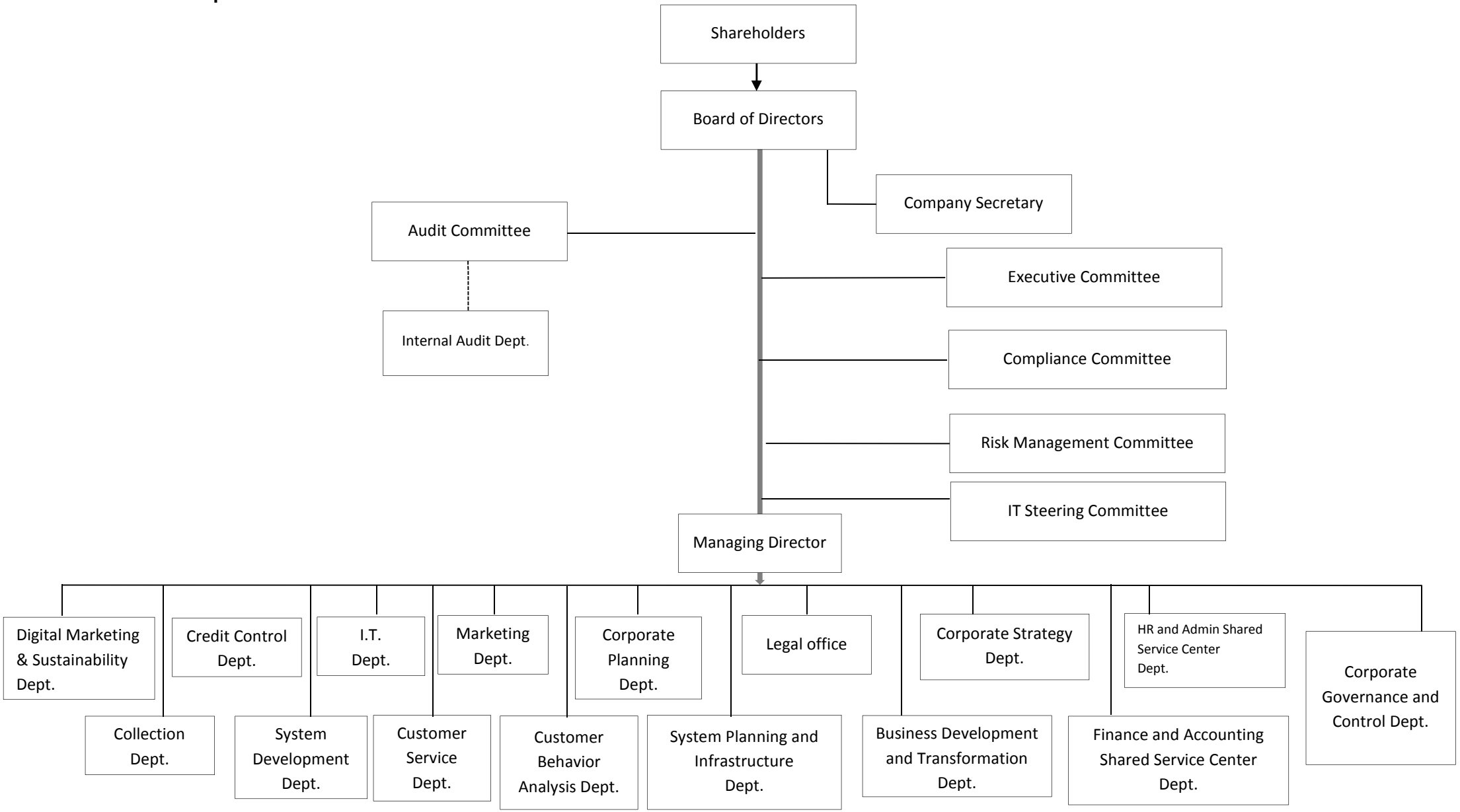
In 2023, the Company free float portion is 30-40 percent of the registered shares. Although the Company’s free float portion is incompletely meeting the CGR criteria, the Company’s Board of Directors still take an important on liquidity of the Company’s shares. Therefore, the Board of Directors considered setting the Company’s free float to not less than 15 percent, which is in accordance with the Distribution of Minority Shareholdings regulation from the Stock Exchange of Thailand (SET) and meeting the criteria for SET100 index.

7

Corporate governance structure and material facts related to the board, sub-committees, executives, employees and others

7. Corporate governance structure and material facts related to the board, sub-committees, executives, employees and others

7.1 Corporate Governance Structure



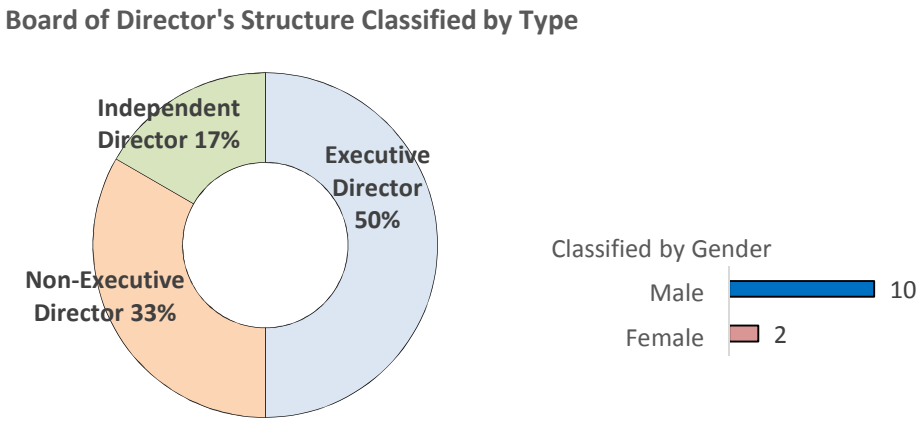
7.2 Information of the Board of Directors

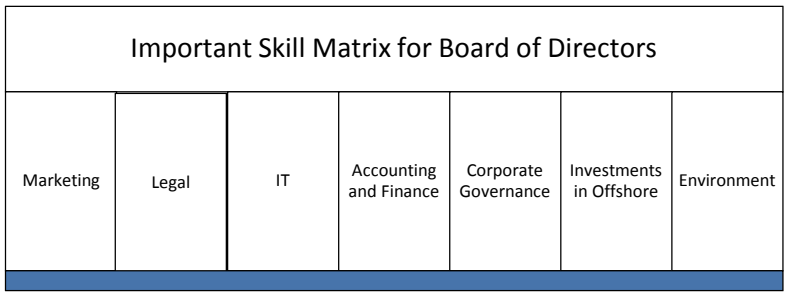
Board Structure

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 diversity which consisting of 6 executive directors, 2 non-executive directors, 4 independent directors, totaling 12 directors, in compliance to requirements and regulations of the SEC. Moreover, the board comprises directors with diversity of gender, education, and professional expertise in which considered relevant and necessary for the Company's business management such as marketing, legal, information technology, finance and accounting, corporate governance, environment, investment in foreign countries and Asia region, etc.

The average age of the Board of Directors is 58 years is considered appropriate and sufficient to formulate policies and direction of the company. Details of individual directors appear in Attachment 1 (skill table).

As at February 29, 2024, the Board of Directors structure is as follows:





The roles and responsibilities of the board of directors, sub-committee to ensure transparency, efficiency, and effective oversight of operations

The Board of Directors of the Company

As of February 29, 2024, the Board of Directors comprises of 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. Mitsugu Tamai	Chairman of the Board of Directors (Non-Executive director)
2. Mr. Tsutomu Omodera	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. Ms. Suriporn Thammawatid	Director (Executive director)
6. Mr. Kazumasa Oshima	Director (Executive director)
7. Mr. Junichi Iwakami	Director (Executive director)
8. Mr. Chatchaval Jiaravanon	Director (Non-Executive director)
9. Dr. Sucharit Koontanakulvong	Independent Director and Chairman of Audit Committee
10. Dr. Mongkon Laoworapong	Independent Director and Audit Committee Member
11. Mr. Ittinant Suwanjutha	Independent Director and Audit Committee Member
12. Mr. Ryuichi Hasuo	Independent Director

The roles and responsibilities 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. The roles and resposibilities of the Board of Directors have mentioned in Section 5 Responsibilities of the Board.

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 or authorized person to take action instead.
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 control and conduct 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 Independent Directors

1. Act as an unbiased advisor to the Board of Directors to make a decision on the deliberate issue; performance, strategy, risk management, and the related regulation.
2. Safeguard the interests of all stakeholders and the minority shareholders.
3. Scrutinize the financial information and the performance of management as well as ensure risk management to be well-prepared for any possibilities.
4. Engage in any duties as assigned by the Board of Directors, without interfere with the independent nature of the Independent Director.

7.3 Information on sub-committees

Sub-Committee

The Board has further appointed the Sub-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;

1. 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 that 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 (56-1 One 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 Stock 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.

8. Delegation authority to subsidiaries or parent company, which fail under Public Interest Entities (reference to “Policy of pre-concurrence regarding provision of non-assurance services by External auditors”) for pre-concurrence Non-Assurance Service.
9. Annually review and approve the Whitelist of Non – Assurance Services, which is a list of services irrelevant with auditing, review or other assurance services being created a Self-Review Threat.
10. Review and Approve the “Individual Approval” which is an individual transaction need to be obtained for services other than those covered by the Whitelist.

The Audit Committee Meeting has been held at least 4 times a year, which allow the independence directors for suggestion on the guideline for developing works’ quality, including monitor the governance practice in accordance with Stock Exchange of Thailand’s guidance.

List of Members of Audit Committee

As of February 29, 2024, 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
Dr. Sucharit Koontanakulvong	Independent Director and Chairman of Audit Committee	9/9
Dr. Mongkon Laoworapong	Independent Director and Audit Committee Member	9/9
Mr. Ittinant Suwanjutha	Independent Director and Audit Committee Member	9/9

2. 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) Manage general activities regarding business of the company in order to reach company’s goal and plan.
5) 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. In FY2023, the Company held the meetings for the Executive Committee at totally 27 times.

List of the Executive Committee

As of February 29, 2024, the Company has totaled 6 executive directors, whose names are as listed below;

Name	Position
1. Mr. Tsutomu Omodera	Vice Chairman of the Board and Managing Director
2. Ms. Suporn Wattanavekin	Executive Director
3. Mr. Nuntawat Chotvijit	Executive Director
4. Ms. Suriporn Thammavatid	Executive Director
5. Mr. Kazumasa Oshima	Executive Director
6. Mr. Junichi Iwakami	Executive Director

3. The Corporate Governance Committee (CGC)

The Corporate Governance Committee (CGC) have a scope and responsibilities about management association of corporate governance to monitor and oversight company operation to comply with the law, rules and regulations, which announced by all regulators and as applicable with the company e.g. the Bank of Thailand, The Consumer Protection Board, The Anti Money Laundering Office, The Ministry of Development of Economy and Social, The Office of Insurance Commission, The Personal Data Protection Commission and other regulators as relevant, including relevant internal policy of company. Those scope and responsibilities as above are set up in order to ensure and build the trust in Company's efficiency in risk management and regulatory compliance as well as company internal standard, in order to provide certainty to all shareholders and stakeholders of the Company.

Scope of power and duties of Corporate Governance Committee

The Corporate Governance Committee (CGC) was formed to report compliance action plan, compliance issue or compliance risk to the Board of Director of company, including approval of the action plan of each relevant departments which include;

1. To monitor and acknowledge, for the process and the result of operation as relevant with compliance action plan, to review and improve compliance action plan and compliance policy of company to ensure to comply with the law and regulations and relevant rules. And then propose to the Board of Directors for approval.

2. To make decision any additional action plan which delegated from executive committee of company to improve and set up the foundation of compliance framework of company to comply with the law and regulations and relevant and applicable rule.

3. To analyze and identify risk factors that may impact any activities associated with the compliance risk or compliance risk assessment or compliance risk management which may affect to Company's revenues. To improve continuously the business operating practices for building up the standard and readiness for prevention and supporting of the acceptable risk level

List of the Corporate Governance Committee

As of February 29, 2024, which comprises of 19 active members as the name list following;

Name	Position
1. Mr. Tsutomu Omodera	Chairman of the CGC
2. Mrs. Suporn Wattanavekin	Member of the CGC
3. Mr. Nuntawat Chotvijit	Member of the CGC
4. Ms. Suriporn Thammavatid	Member of the CGC
5. Mr. Kazumasa Oshima	Member of the CGC
6. Mr. Junichi Iwakami	Member of the CGC
7. Ms. Supannee Asawasuwan	Member of the CGC
8. Mr. Witchasorn Suwannakindra	Member of the CGC
9. Mr. Manavudhi Mingvanich	Member of the CGC
10. Mr. Tawatchai Peechapat	Member of the CGC
11. Mrs. Chittiporn Inoue	Member of the CGC
12. Ms. Nadanong Chompong	Member of the CGC
13. Mr. Alongkorn Sattabusaya	Member of the CGC
14. Mr. Amorn Jirachaiprasitti	Member of the CGC
15. Ms. Gritsla Kommongkol	Member of the CGC
16. Mr. Kosei Yahiro	Member of the CGC
17. Ms. Ariya Lertsatira	Member of the CGC
18. Mr. Jakkapan Kittananun	Member of the CGC
19. Mr. Taveesak Phrusukarn	Member of the CGC

4. Risk Management Committee

The risk management committee is responsible for manage virous type of risks such as operational risk, IT risk, cyberattack risk and sustainable risk. This will guarantee that no risk exceeds a reasonable threshold. Reducing harm to businesses, customers, shareholders, society, and associated parties is the aim.

Scope of power and duties of Risk Management Committee

1. Create risk management policies for the company and strategize a risk management plan to present to the board of directors for approval.
2. Examine and pinpoint risk factors that could have a major influence on the company while taking potential harm and impact into account.
3. Governance and conduct for ongoing improvement, particularly in areas of high risk, to improve control readiness for potential future harm.
4. Monitor the efficacy and efficiency of risk management outcomes to make sure that risk is kept to a acceptable level.

Member of the Risk Management Committee

List of risk management committee was recently reviewed on 29 February 2024. There are 19 members, which is shown as follow:

Name	Position
1. Mr. Tsutomu Omodera	Chairman of the Risk Management Committee
2. Ms. Suporn Wattanavekin	Member of the Risk Management Committee
3. Mr. Nuntawat Chotvijit	Member of the Risk Management Committee
4. Ms. Suriporn Thammavatid	Member of the Risk Management Committee
5. Mr. Kazumasa Oshima	Member of the Risk Management Committee
6. Mr. Junichi Iwakami	Member of the Risk Management Committee
7. Ms. Supannee Asawasuwan	Member of the Risk Management Committee
8. Mr. Witchasorn Suwannakindra	Member of the Risk Management Committee
9. Mr. Manavudhi Mingvanich	Member of the Risk Management Committee
10. Mr. Tawatchai Peechapat	Member of the Risk Management Committee
11. Mrs. Chittiporn Inoue	Member of the Risk Management Committee
12. Ms. Nadanong Chompong	Member of the Risk Management Committee
13. Mr. Alongkorn Sattabusaya	Member of the Risk Management Committee
14. Mr. Amorn Jirachaiprasitti	Member of the Risk Management Committee
15. Ms. Gritsla Kommongkol	Member of the Risk Management Committee
16. Mr. Kosei Yahiro	Member of the Risk Management Committee
17. Ms. Ariya Lertsatira	Member of the Risk Management Committee
18. Mr. Jakkapan Kittananun	Member of the Risk Management Committee
19. Mr. Taveesak Phrusukarn	Member of the Risk Management Committee

5. Kaizen Committee

AEON has been developing “Kaizen” to be a part of business management which is able to enhance the quality, productivity and also increase the competitiveness of the business. The Company hereby appoints the Kaizen Committee for FY 2023 as of February 29, 2024 as listed below.

Name	**Position**
1. Mr. Tsutomu Omodera	Chairman of Kaizen Committee
2. Ms. Suporn Wattanavekin	Member of Committee
3. Mr. Nuntawat Chotvijit	Member of Committee
4. Ms. Suriporn Thammawatid	Member of Committee
5. Mr. Kazumasa Oshima	Member of Committee
6. Mr. Junichi Iwakami	Member of Committee
7. Ms. Supannee Asawasuwan	Member of Committee
8. Mr. Witchasorn Suwannakindra	Member of Committee
9. Mr. Manavudhi Mingvanich	Member of Committee
10. Mr. Chikafusa Nagai	Member of Committee
11. Mr. Tawatchai Peechapat	Member of Committee
12. Ms. Chittiporn Inoue	Member of Committee
13. Ms. Nadanong Chompong	Member of Committee
14. Mr. Amorn Jirachaiprasitti	Member of Committee
15. Mr. Alongkorn Sattabusaya	Member of Committee
16. Mr. Sitthipong Kanaraksunti	Member of Committee
17. Mr. Hideki Tsukada	Member of Committee
18. Mr. Virach Sithivaraporn	Member of Committee
19. Ms. Gritsla Kommongkol	Member of Committee
20. Mr. Kosei Yahiro	Member of Committee
21. Mr. Jakapan Kittananun	Member of Committee

Role and Responsibility

1. Provide direction and consultation for Kaizen activities.
2. Encourage and support Kaizen activities.
3. Evaluate Kaizen suggestions and decision for implementation.
4. Monitor the progress of Kaizen implementation.
5. Evaluate Kaizen suggestions for selection and give awards.

Note: The meeting of Kaizen Committee shall be held by monthly basis or upon call as needed.

6. IT steering committee (ITSC)

Definition and the importance of ITSC

ITSC was established to enhance, supervise and manage the use of Information Technology Systems for conducting business operations or providing business services in accordance with the increasing volume of transactions, complexity of Information Technology and all related risks of the use of Information Technology Including the provision of supervising and managing the Information Technology Projects with efficiency and conciseness in order to achieve the success as planned.

Role and responsibility

1) ITSC shall supervise and ensure the operations of Information Technology Systems including the Project Management Processes.
2) ITSC shall ensure the readiness of Information Technology Systems are in accordance with the strategy of business services or business operations and future changes.
3) ITSC shall ensure the IT Security Policy and IT Project Management Policy.
4) ITSC shall ensure the knowledge and awareness of IT Security for Directors, Executives and employees in the organization continuously and effectively.
5) ITSC shall ensure the appropriateness and competence of employees, who conduct IT Risk Management, monitoring compliance in accordance with laws and regulation, IT Auditing, including IT Daily Operation.
6) ITSC shall promote IT Risk Awareness throughout organization.

Committee consisting of

The Committee members comprise of all top managements of the company according to company organization chart and/or reference to the IT Steering Committee of company detail as follow:

a. Managing Directors of the Company
b. Executive Directors of the Company
c. Head of the department for relevant

The meeting held a monthly basis, related staff present the agenda to the meeting for acknowledgement or approval together with staff of IT Operation Support division engage in proceeding with duties at the Meeting repectively.

Committee members comprise of the following persons;

Name	Position
1. Mr. Tsutomu Omodera	Vice Chairman of the Board and Managing Director
2. Mrs. Suporn Wattanavekin	Executive Director
3. Mr. Nuntawat Chotvijit	Executive Director
4. Ms. Suriporn Thammawatid	Executive Director
5. Mr. Kazumasa Oshima	Executive Director
6. Mr. Junichi Iwakami	Executive Director
7. Ms. Supannee Asawasuwan	SEVP
8. Mr. Manavudhi Mingvanich	SEVP
9. Mr. Tawatchai Peechapat	SEVP
10. Mr. Chikafusa Nagai	SEVP
11. Mr. Hideki Tsukada	SEVP
12. Ms. Chittiporn Inoue	SEVP
13. Ms. Nadanong Chompong	SEVP
14. Mr. Amorn Jirachaiprasitti	SEVP
15. Mr. Virach Sithivaraporn	SEVP
16. Mr. Sitthipong Kanaraksunti	SEVP
17. Mr. Alongkorn Sattabusaya	SEVP
18. Ms. Gritsla Kommongkol	EVP
19. Mr. Kosei Yahiro	EVP
20. Mr. Jakkapan Kittananun	EVP
21. Ms. Kajohnporn Kittisobhone	VP

1st line	**2nd line**	**3rd line**
IT Department (ITS) R&R: perform IT operation **Persons in charge:** 1. Mr. Junichi Iwakami 2. Mr. Chikafusa Nagai 3. Mr. Manavudhi Mingvanich 4. Mr. Tawatchai Peechapat 5. Mr. Jakkapan Kittananun	**Compliance Department and Risk Management Department** R&R: Supervision on IT operation process in compliance with regulations **Person in charge:** Mr. Alongkorn Sattabusaya	**Internal Audit Department** R&R: audit IT operation process to be comply with regulations **Person in charge:** Ms. Kajohnporn Kittisobhone

7.4 Information of Executive

Management Executive

As of February 29, 2024, the Company has totaling 18 executive officers, whose names are listed below. Details of management shown in **attachment 1**:

Name	Position
1. Mr. Tsutomu Omodera	Vice Chairman of the Board and Managing Director
2. Ms. Suporn Wattanavekin	Director
3. Mr. Nuntawat Chotvijit	Director
4. Ms. Suriporn Thammavatid	Director
5. Mr. Kazumasa Oshima	Director and Chief of Financial Officer
6. Mr. Junichi Iwakami	Director
7. Ms. Supannee Asawasuwan	Company Secretary and SEVP - Corporate Planning Office
8. Mr. Witchasorn Suwannakindra	SEVP - Business Control Management
9. Mr. Manavudhi Mingvanich	SEVP - System Development
10. Mr. Tawatchai Peechapat	SEVP - I.T.
11. Ms. Chittiporn Inoue	SEVP – Customer Service Departmeent
12. Ms. Nadanong Chompong	SEVP – Legal Office
13. Mr. Alongkorn Sattabusaya	SEVP – Corporate Governance and Control
14. Mr. Amorn Jirachaiprasitti	SEVP – Collection
15. Mr.Sitthipong Kanaraksunti	SEVP - Head of Accounting
16. Mr.Virach Sithivaraporn	SEVP - Marketing Department
17. Mr.Chikafusa Nagai	SEVP - Information & Technology Service
18. Mr.Hideki Tsukada	SEVP – Digital Marketing & Sustainability

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 FY2023, the Company has totaling 12 directors and 18 executive officers, of which 6 executive officers are the Company's directors. Monetary remuneration of the Board of directors at the end of FY2022 from March 1, 2023 to February 29, 2024 as below.

Types of Remuneration	Remuneration of Directors and Executive Officers (Million Baht)	
	FY2023	FY2022
Number of the Board of Directors	12	12
Number of Executives[1]	19[4]	17
Salary and other incentives for executive officers	94.51	85.27
Directors Remuneration [2]	21.59	5.51
Contribution added into provident fund	5.13	4.77
Long-term management remuneration [3]	4.03	4.16
Employee Joint Investment Program (EJIP)	6.11	4.72
Total	**131.03**	**104.43**

Note:
[1] Management under SEC definition is ranking from the position of SEVP upward.
[2] Directors Remuneration of 21.59 million baht is recognized accrual expenses (Included payment adjustment) which is in accordance with the Note 34 to the financial statements which has been audited by the auditor. Actual payment was 20.22 million baht in FY2023
[3] 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.
[4] Inclusive of 1 executive who resigned during the year.

Other remuneration

- None -

7.5 Information of Employees

Employees

As of February 29, 2024, the Company had 3,927 employees in total, consisting of female 3,061 employees and male 866 employees with the disable person 20 employees. All those employees can be divided based on gender, age, and level as follows:

Age	Staff level		Management level		Senior management level	
	Female	Male	Female	Male	Female	Male
Below 30 years old	549	111	-	-	-	-
30 – 50 years old	2,180	563	180	117	27	35
Over 50 years old	60	10	43	15	22	15
Total	**2,789**	**684**	**223**	**132**	**49**	**50**

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	1,621
2	Credit Control	410
3	Collection	1,149
4	Customer Service Department	244
5	Finance and Accounting SSC, Information and Technology Service, HR and Admin Shared Service Center, Customer Behavior Analysis, Internal Audit, Corporate Governance and Control, Legal, Corporate Strategy, Corporate Planning, Business Development and Transformation and Digital Marketing and Sustainability	503
Total		**3,927**

As of February 29, 2024 the employees of a subsidiaries company as follow;

Subsidiary Company	Number of Employees (person)
ACSI (Thailand) Co.,Ltd	1
ACS Servicing (Thailand) Co.,Ltd	877
AEON Specialized Bank (Cambodia) PLC*	1,096
AEON Microfinance (Myanmar) Co.,Ltd*	76
AEON Leasing Service (Lao) Co.,Ltd*	135
AEON Asset Management (Thailand) Co.,Ltd	4
Total	**2,189**

Note: *data as of December 31, 2023

1) Changing in Number of Employee

The number of the Company's employee in the fiscal year 2023 decreased 2.62% comparing with the previous year.

During the past three years, the Company has had no material labor dispute. The total remuneration for all employees in fiscal year 2023 includes salary, overtime, bonus, incentive, and welfare, which included provident fund contributions for employees.

2) Accidents at work statistics and Work Absence Rates

Policy on Safety Occupational Health and Environmental in Workplace Aeon Thana Sinsap (Thailand) Public Company Limited firmly hold the philosophy and morality in conduction business. So confidence in the value of employees, to maintain the quality of life, safety and health condition including holding social and environmental responsibility regarding Safety Occupational Health and Environmental in Workplace are key factors for business success. The company thus regulates the policy details as follow:

1. The Company will support the employees for healthy, awareness of safety occupational health and environmental in workplace at all level.
2. The Company will improve and prevent the accident, incident, illness that might be arisen from work and concerned body.
3. The Company will hold and abide to the law and a regulation concerning Safety Occupational Health and Environment in workplace as company is standard.
4. The Company will set up the workplace clean and proper.
5. The Company will allocate the resources enough and appropriate for following up work to maintain Safety Occupational Health and Environment in Workplace policy.
6. The Company will revise the policy follow up, inspection, system management intermittently, to ensure that the policy is appropriate for company.

Accidents at work statistics and work bbsence rates in FY2023 were record as follows:

- **Crucial Accidents at work statistics:**
  Found 0 case reported.
- **sence Rates:**

Type of leaving	Total Employees (persons)	Total leaves (days)
Sick Leave	3,408	18,885
Personal Leave	3,181	8,616
Vacation Leave	3,753	38,066
Birthday Leave	3,344	3,344
Maternity Leave	85	3,469

3) 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 benefit 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) and market rate.
- Long-term employee benefit 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. The provident fund has the main objective of enhancing the security of the employees' livelihoods and as a security for employees' retirements. The company has registered a provident fund under the name Aeon Thana Sinsap Group which has a total of 3,927 employees, with 2,628 employees applying to join the fund, representing 67 percent of the total number of employees.
- Employee Joint Investment Program (EJIP)
  The Company established an Employee Joint Investment Program (EJIP) with the objective to retain employees in the long term by managing employee benefits through the joint stock accumulation program with the Company as well as to promote the idea and participation of employees in joint ownership with other shareholders of the Company. However, this project does not allow directors or executives to interfere with investment. In 2023, the Company's contribution is 11.51 million baht.

  The project details are as follows;

Issue	Progaram Detail
Participated Company	AEON Thana Sinsap Public Company Limited ("AEONTS) and its affliliates in Thailand
Program Period	5 Years (1 September 2022-31 August 2027)
Eligibilities	• Full-time employees from the level of assistant manager up and have more than 3 years of service, which is voluntary for those who are eligible to participate in the program, except for the Overseas Expatriates • Be qualified employees and competency (Talent Employee) according to the conditions set by the company. The Personnel Management Committee ("PMC") may, at its discretion, dispute the provision of employees to participate in the program according to the qualifications that the PMC deems appropriate and the decision is final.
Program Format	• Employees or executive employees who participate in the EJIP program must pay a cumulative contribution to co-invest with the Company's contributions on a monthly basis for a specified period of time and under specified conditions at a rate of not more than 9 percent of the monthly salary. • The company will contribute at the rate of 100 percent of the money deducted from the project participants monthly and adding to employees with qualifications and competency (Talent Employee) according to the terms and conditions of the company and to employees at the executive level of the company 3 percent from the base salary of employees (Basic Salary).
Number of Participants	232 employees

- Other welfares
  Apart from Short-term and Long-term plans, the Company also provides the various fringe benefits to support 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.

- The total remuneration for all employees

In 2023, a total remuneration for 3,927 employees of the Company was 1,921.14 million baht The propotion of compensation for female employees to male employees is 2.43:1 which composing of Salaries, Bonuses, Overtime, Operating Expense, and etc. as followed;

Type of Remuneration	FY2021 (MB)	FY2022 (MB)	FY2023 (MB)
Salaries	1,206.94	1,241.08	**1,272.37**
Bonuses	263.18	265.78	**214.01**
Overtime	3.03	2.19	**6.06**
Operating Expenses [1]	454.68	400.13	**428.70**
Total remuneration	1,927.83	1,909.18	**1,921.14**

Noted - [1]Operating Expenses are composing of Subvention, Cost of living, Mileage claims, Diligence Allowance, Telephone cost, Transportation fringe benefits etc.

4) Promotion of employee engagement and retention

In order to promote employee engagement with the Company, each year, the Company organizes activities within the organization such as

• Annual Party is an activity to thank employees who have worked together throughout the year. The event will be held at the end of the year. or early next year

• Songkran festival activities in order to continue Thai culture

• Company merit-making activities on the occasion of the anniversary of the establishment of the company, etc.

Various activities were organized in order to create engagement and retain employees to work with the company for a longer period. The company has arranged welfare benefits to help employees in normal cases and added extraordinary welfare in special cases, such as welfare for event of flooding, explosion incident in 3 southern border provinces, incident of fire, etc. Moreover, the Company has established a joint investment project between employers and employees (EJIP Program) with a duration of the project: 5 years from September 1, 2022 until 31 August 2027.

According to the Company's resignation data, the employee resignation rate was 19.3% of the total number of employees. From the employee satisfaction survey, 18.7% of the total number of resigned employees, their satisfaction survey for the year 2023-2024 reported below;

Office	Operation Center							Branch					Grand Total
	HQ	BKK IT Center	BKK Center	Chiang mai Center	Hadyai Center	Khonkaen Center		BKK Branch	Central East& West	Northen Lower& Upper	Northeast Lower& Upper	Southern Lower & Upper	
Total Employees	373	103	740	342	523	383		338	319	256	291	259	3,927
Number of Employee Resigned	54	22	69	74	28	24		120	146	71	100	51	759
Number of Employee Resigned due to unsatisfaction	4	1	3	-	-	2		7	5	1	-	1	24
Employee Resigned Due to unsatisfaction Rate													0.6%
Number of Employee Resigned due to other necessity	50	21	66	74	28	22		113	141	70	100	50	735
Total Employee Turnover Rate													19.3%

*Data as of March 1, 2023 until February 29, 2024

5) Policy for Employee Development

Human Resource Development

The Company's training programs are determined to "To develop the potential of employees Both creating new skills that align with the organization's strategy and enhancing existing skills, so that employees can initiate innovation through the customer's perspective".

In Fiscal Year 2023, company provided various trainings to our employees. The courses provided are as follow;

1. Digital skills course

The purpose is to increase digital skills for management and related staff to be able to use various digital tools to help enhance work efficiency and to be able to use machines, especially AI, to work and beyond. in 2023, there will be a course in AI and Digital Marketing (MarTech) organized for executives, 2 courses, 18 hours.

And in addition, at the Operation staff level to manager level, the company has initiated the Digital Academy project to provide knowledge to use digital technology appropriately and increase efficiency in Work better for staff, The course starts at the basic level. Until using AI tools to apply and all staff, company to provide e-learning course about Digital literacy so that everyone can understand the overall about digital technology.

2. Leadership and Managerial Course

The course focused on Leadership and Managerial skills including skills required to well complete job in each function via job specific course, Company provided 36 courses, online and offline, totaled 26,670 participants and totaled 60,368 training hours.

3. Business Operation and Sustainability Courses

The course aims to create awareness, educate and prepare employees to confidently operate work and handle cases in any relevant situation by focusing on corporate compliance and company's sustainability. The Company arranges for employees in all position to regularly review relevant knowledge on a regular basis, Company provided 13 course 10,936 participants, totaling more than 20,645 hours such as AEON Code of Conduct FY2023 course, Sustainability Training By AFS course, Safety course and Corporate Compliance course.

4. Specific courses related to operations

The aim of this course is to give executives and employees the opportunity to gain new and specialized skills and knowledge in addition to the training and development plans set by the company. The company will send personnel of the company to join external training institutions and Internal for specific purposes. In 2023, the company has organized 59 training courses for 12,668 participants, totaling 64,442 training hours.

5. Training Programs for Company Directors

This course focuses on training for company's director level to increase skills and knowledge for directors. From the AEON group of companies and from external institutions that provide training for those who hold positions as directors of the company in the fiscal year 2023, there are 11 training courses as follows:

- The 54th AEON Top Seminar
- AEON Group ASEAN Compliance Training for Executives
- Understanding "AFS Group Our purpose"
- Annual Training 2023 (AEON Code of conduct & Corporate Compliance knowledge)
- MarTech for Digital Marketing Leaders Program.
- Unlock The Power of AI
- Link Innovation
- Director Leadership Certification Program (DLCP)
- CFO Refresher Course 2023
- Coach Academia for Management
- Link Innovation

6. AEON Learning Management System (AEON LMS)

The company has implemented the LMS system to increase the efficiency of employee learning. This system will allow employees to learn at all times and facilitate access to learning on many devices such as PC Smart phone etc. In 2024, the program has been extended to various departments. The course contents in the form of E-learning and E-Test, contents and quizzes have been brought into the LMS system for a total of 99 contents/quizzes, an average of 8 contents/quizzes per month.

7. Management systems according to International Standards ISO9001, ISO14001 and ISO27001

The company keeps important focus to personnel and organizational knowledge by recruiting and selecting the personnel with appropriate knowledge and capability in their operations. As well as the promoting training to develop knowledge, abilities and create awareness of employees on the management system according to the International standards by 3 systems, namely the Quality Management System (ISO9001), Environmental Management System (ISO14001) and Information Security Management System (ISO27001) by training to existing and new employees. The employees will able to apply the knowledge and concept to relevant work base on the International Standardization System as well as the evaluation process of employee's knowledge to confirm their understanding of what has been trained. The training will be conducted as an in-house organization by Corporate Quality Secretariat (CQS) department and an external trainer which is certified in an International Standard System.

In addition, the company has set up activities to raise awareness up regarding the International Standard System concept through various activities such as "Weekly Self-Monitoring Activities", "Monthly Internal training by ISO / BISO person", "Monthly Inventory of Asset Activities Updating" and also "ISO Knowledge Test Activities" for all 3 ISO standards, quarterly, for all employees.

The objective of ISO course training:

ISO9001:

1. Develop the Company's employees to have knowledge, skills, attitudes that they can work to achieve the Company's plans or goals.
2. To motivate employees to participate in the process of working effectively in accordance with the set quality standards.
3. To develop the ability of employees to be able to work at the job level or higher position with knowledge and skills required.

ISO14001:

1. To cultivate knowledge to employees about systematic environmental management.
2. To raise awareness among employees in order to efficient use of company resources.
3. To build knowledge and understanding for employees to be able to comply with laws, regulations, regulations and various environmental requirements correctly.

ISO27001:

Nowadays, in the changing of digitalization era, the Company has developed and implemented various information systems to support internal business operations such as RPA (Robot Process Automation), Cloud computing system as well as the AEON Thai Mobile Application in order to facilitate and speed up in using company's services for customers. This is to raise the level of security up in term of the information system and moreover, the Company has upgraded the ISO27001 system from ISO27001:2103 to be new version ISO27001:2022 (Information Security, cyber security and privacy protection – Information security management system) which already officially announced in October 2022. The ISO27001:2022 has been developed to provide the modern risk control measures against cyber treats including to protect personal information. The scope of ISO27001:2022 certification cover all operational areas including the Head office, Regional centers and all Branches by coving of retail finance business comprising 6 mains businesses as Credit card, loan, Hire-purchase motorcycle, Web business service, Used-car hire purchase and Insurance broker. The Company has considered its significant and proceed as follows;

1. To raise the awareness of employees about importance of complying with ISO27001 requirements which is focus on data protection, confidentiality, integrity, and availability.
2. The employees realize the benefits of security management in the Company's information system.
3. The employees able to apply the ISO27001 standard in their work correctly and appropriately.

8. Employee Assessment Program

The Company has continuously to collaborating with Chulalongkorn University Academic Testing Center to redesign Company Test for assessing knowledge, skills and potential of employees, for Learning and Development Plan and Promotion in particular. In Fiscal Year 2023, the total number of employees who joined the online assessment is 436 persons and to be related to learning vision company has therefore established a long-term training and development plan with the implementation of a measurement system. To ensure that the employee of the company will develop and enhance the skills necessary for the job. Along with the sustainable growth of the organization.

9. Kaizen System Process Improvement

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 aim 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.

10.Employees and Stakeholders with Corporate Transparency

The Company provides hotline number, website and email for employees to report corporate non-transparency issue with undisclosed name, position, age, gender, etc. for their safety.

7.6 Others significant Information

The person who is assigned the highest responsibility in the accounting and financial field

A person who is assigned the highest responsibility in the accounting and financial field is Mr. Kazumasa Oshima, Director and Chief Financial Officer (See more details in Attachment#1)

The person who is assigned direct responsibility for overseeing bookkeeping duties

A person who is assigned direct responsibility for overseeing bookkeeping duties is Mr. Sitthipong Kanaraksanti, Senior Executive Vice President-Chief of Accountant. (See more details in Attachment#1)

The Head of the Compliance

The Head of the compliance unit is Mr. Alongkorn Sattabusaya, Senior 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. (See more details in Attachment#3)

Corporate Secretary

The Company has appointed Miss Supannee Asawasuwan, Senior Executive Vice President - Corporate Planning Office who has appropriate knowledge and capability to be the Corporate Secretary since September 1, 2008 (Details of Corporate Secretary shown in attachment#1) 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 Company 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.

The Auditors

For the Fiscal Year 2023 ended February 29, 2024, the Company appointed three auditors from Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. The three auditors do not have any relations or any interest with the Company, executives, major shareholders, or related persons, in the way that potentially impact their independency in task performing. Moreover, Deloitte Touche Tohmatsu Jaiyos Audit Company Limited is the auditor of, the subsidiaries of the Company in Thailand, ACS Servicing (Thailand) Co.,Ltd., ATS Rabbit Special Purpose Vehicle Co., Ltd.,and AEON Asset Management (Thailand) 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

The auditors' remunerations for the Fiscal Year 2023 ended February 29, 2024 are as follows:

1. Audit fee

In Fiscal Year 2023, the Company paid 6,170,000 Baht for its audit fee and 1,440,000 Baht for its subsidiaries' audit fee.

2. Non-Audit Fee

In the Fiscal Year 2023 ended February 29, 2024, the Company and subsidiaries had non-audit services fee paid to Deloitte Touche Tohmatsu Jaiyos Audit Company Limited totaling 1,800,000 Baht, comprising 1,750,000 Baht for J-SOX (Japanese version of Sarbanes-Oxley) and 50,000 Baht for subsidiaries' package.

8

Report on key operating results on corporate governance

8. Report on key operating results on corporate governance.

8.1 Summary of duty perfomamce of the Board of Directors in the past year.

In 2023, the Board of Director Meeting were held 11 meetings, which was in accordance with the Company's good corporate governance policy. The Board of Directors defined business directions, policies, business plan, including the reports on past performance of the Company as planned in order to evaluate the Company's performance for every meeting and find a common way to drive the Company's business to be able to continue to have good results in the future.

8.2 Development for the Directors

Directors regularly pursue self-development by attending in both domestic and overseas seminars and courses, which organized by the Institute of Directors of Thailand (IOD), SET, and SEC.

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 2023, directors attended training courses/seminars are as follows:

Name	Training course/Seminar/Acttivities
1. Mr. Mitsugu Tamai	1. AEON Group ASEAN Compliance Training for Executives 2. Understanding "AFS Group Our purpose"
2. Mr. Tsutomu Omodera	1. The 54th AEON Top Seminar 2. AEON Group ASEAN Compliance Training for Executives 3. Understanding "AFS Group Our purpose" 4. Annual Training 2023 (AEON Code of conduct & Corporate Compliance knowledge) 5. MarTech for Digital Marketing Leaders Program 6. Coach Academia for Management
3. Mrs. Suporn Wattanavekin	1. The 54th AEON Top Seminar 2. AEON Group ASEAN Compliance Training for Executives 3. Understanding "AFS Group Our purpose" 4. Annual Training 2023 (AEON Code of conduct & Corporate Compliance knowledge) 5. MarTech for Digital Marketing Leaders Program 6. Unlock The Power of AI 7. Link Innovation
4. Mr. Nuntawat Chotvijit	1. The 54th AEON Top Seminar 2. AEON Group ASEAN Compliance Training for Executives 3. Understanding "AFS Group Our purpose" 4. Annual Training 2023 (AEON Code of conduct & Corporate Compliance knowledge) 5. MarTech for Digital Marketing Leaders Program 6. Unlock The Power of AI
5. Ms. Suriporn Thammawatid	1. The 54th AEON Top Seminar 2. AEON Group ASEAN Compliance Training for Executives 3. Understanding "AFS Group Our purpose" 4. Annual Training 2023 (AEON Code of conduct & Corporate Compliance knowledge) 5. MarTech for Digital Marketing Leaders Program 6. Unlock The Power of AI
6. Mr. Kazumasa Oshima	1. The 54th AEON Top Seminar 2. AEON Group ASEAN Compliance Training for Executives 3. Understanding "AFS Group Our purpose" 4. Annual Training 2023 (AEON Code of conduct & Corporate Compliance knowledge) 5. MarTech for Digital Marketing Leaders Program 6. Unlock The Power of AI 7. Director Leadership Certification Program (DLCP) 8. CFO Refresher Course 2023

Name	Training course/Seminar/Acttivities
7. Mr. Junichi Iwakami	1. The 54th AEON Top Seminar 2. AEON Group ASEAN Compliance Training for Executives 3. Understanding “AFS Group Our purpose” 4 . Annual Training 2 0 2 3 (AEON Code of conduct & Corporate Compliance knowledge) 5. MarTech for Digital Marketing Leaders Program
8. Dr. Sucharit Koontanakoolavong	1. The 54th AEON Top Seminar 2. AEON Group ASEAN Compliance Training for Executives 3. Understanding “AFS Group Our purpose”
9. Dr. Mongkon Laoworapong	1. The 54th AEON Top Seminar 2. AEON Group ASEAN Compliance Training for Executives 3. Understanding “AFS Group Our purpose”
10. Mr. Ittinant Suwanjutha	1. The 54th AEON Top Seminar 2. AEON Group ASEAN Compliance Training for Executives 3. Understanding “AFS Group Our purpose”

8.3 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.

The self-assessment findings were as follows:

Assessment of Individual Directors (Self-assessment): The assessment form comprises five topics: (1) The role and composition of BOD (2) The operation of BOD Meeting (3) The Process of decision making (4) The relationship with audit institutions (5) Other (Relationship with shareholders, etc.).

In addition, the other main duties and roles of the directors are responsibility for overall policies and goals of the Company and responsibility for direct supervising units. Therefore, to reflect efficiency/effectiveness in accordance with the responsibilities of the assigned role, individual director will conduct a self-assessment. The assessment form including topics and assessment instructions are determined by Aeon Financial Service Company Limited (AFS), its parent company in Japan, in which the director will determine the work plan and goals of each department under his or her supervision from the beginning of the year to be used for assessment. KPI will be used to measure the effectiveness to be used as a framework for determination of the director’s performance. Each year's assessment will measure the actual achievements in regards to the Company's goals as a whole as well as achievements in accordance with the goals set by the departments under each director’s supervision. After that, the Managing Director will assess the Company's directors and submit the assessments to the Overseas Business Management Committee to finalize the assessments of the year in order to determine the remuneration of each director. Moreover, the assessment enables each director to acknowledge his/her own assessment results and compare them with those of the Managing Director as a line supervisor and governace body to continuously enhance and develop their potential.

For senior executives, the Personnel Management Committee which consisting of the Managing Director and the Company's executive directors is the responsible body to conduct the assessments.

8.4 Remuneration for the Board of Directors and the Committee

The Board of Directors Meeting shall be established for an annual review of the directors’ remuneration in order to ensure that the remuneration is commensurate with their duties and responsibilities. The Board of Directors, therefore, recommends the shareholders to approve the directors’ remuneration.

Remuneration of each director paid in the FY2023

As of February 29, 2024, directors' remuneration can be summarized as follows:

Name	Position	Retainer Fee	Bonus [3]	Total Remuneration
1. Mr. Mitsugu Tamai[1]	Chairman of the Board of Directors	-	-	-
2. Mr. Tsutomu Omodera[2]	Vice Chairman of the Board and Managing Director	-	2,150,000	2,150,000
3. Mrs. Suporn Wattanavekin[2]	Director	-	1,550,000	1,550,000
4. Mr. Nuntawat Chotvijit[2]	Director	-	1,450,000	1,450,000
5. Ms. Suriporn Thammavatid[2]	Director	-	1,040,000	1,040,000
6. Mr. Kazumasa Oshima[2]	Director	-	1,100,000	1,100,000
7. Mr. Junichi Iwakami[2]	Director	-	550,000	550,000
8. Mr. Chatchaval Jiaravanon	Director	1,896,000	819,000	2,715,000
9. Dr. Sucharit Koontanakulvong	Independent Director and Chairman of Audit Committee	2,136,000	702,000	2,838,000
10. Dr. Mongkon Laoworapong	Independent Director and Chairman of Audit Committee	1,644,000	702,000	2,346,000
11. Mr. Ittinant Suwanjutha	Independent Director and Audit Committee Member	1,515,000	622,000	2,137,000
12. Mr. Ryuichi Hasuo	Independent Director and Audit Committee Member	1,644,000	702,000	2,346,000
Total		**8,835,000**	**11,387,000**	**20,222,000**

Note: [1]Directors from AEON Financial Service do not have any remuneration from the Company
[2]Executive directors
[3]Bonus is calculated based on Company's performance in 2022.

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

Nomination of the Independent Director

The process of nominating the independent director is not performed by the Nomination Committee, due to the Company has not yet appointed Nomination Committee. However, 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 including 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.

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 of the parent company in Japan will recruit and presented the person's name to Board of Directors jointly considered the properties and suitability as follows:

1) Has complete qualifications and does not have prohibited characteristics according to relevant rules and laws.

2) Be a person with knowledge, ability, expertise, professional skills, suitability in terms of qualifications and experience that are beneficial to the Company's business operations.

The Board of Directors shall propose to the general meeting of shareholders for approval, in accordance to 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

Nomination of Key Executives

The responsibilities for recruiting and selecting executives operated by 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.

8.6 Summary of the Board of Directors' and Sub-Committees' Meeting Attendance in FY2022

For the Board of Directors meeting. The Company has established a requirement for the board of directors to convene meetings at minimum intervals of three months. Directors are required to attend at least 75% of all board meetings. The Company has informed the whole year meeting schedules of the board and sub-committees in advance throughout the year. However, a special meeting may be arranged when deemed appropriate. Generally, main meeting agenda items include quarterly review of financial statement, review of key policies, and monitoring operating performance of the Company. In addition, according to the Company's Articles of Association, at a meeting of the board of directors, at least one half (1/2) of the total number of directors present shall form a quorum. The company, however, in practiced the meeting of the board of directors 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. The meeting invitation will be distributed along with meeting agendas and ancillary documents to the Board members no later than 7 days prior to the meeting via email and/or in hard copies for convenience and paper saving, allowing the directors to consider the meeting's agenda and its document beforehand.

Each the Board of Directors meeting was recorded and taken the minutes as well as presented to the Board of Directors to consider the minutes before approval in the next meeting. However, the minutes of the Board of Directors will be kept for ready to review from committee and related agencies.

In FY2023, the Company held the Board of Directors meeting a monthly basis in totaled 11 meetings. The summarized of the Board of Directors' average attendance was more than 75% at the end of Fiscal Year 2023, which was in accordance with good corporate governance.

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. Mitsugu Tamai	11/11	-	-	-
2. Mr.Tsutomu Omodera	11/11	-	-	27/27
3. Mrs. Suporn Wattanavekin	11/11	-	-	27/27
4. Mr. Nuntawat Chotvijit	11/11	-	-	26/27
5. Ms. Suriporn Thammawatid	11/11	-	-	26/27
6. Mr. Kazumasa Oshima	11/11	-	-	27/27
7. Mr. Junichi Iwakami	11/11	-	-	26/27
8. Mr. Chatchaval Jiaravanon	11/11	-	-	-
9. Dr. Sucharit Koontanakulvong	11/11	-	9/9	-
10. Dr. Mongkon Laoworapong	11/11	-	9/9	-
11. Mr. Ittinant Suwanjutha	10/11	-	9/9	-
12. Mr. Ryuichi Hasuo	11/11	-	-	-

The summarized of the Board of Directors' average attendance was 99% at the end of Fiscal Year 2023.

8.7 Summary of the Annual General Meeting and Extraordinary General Meeting of Board of Directors and Sub-Committees' Meeting Attendance in 2022

The Annual General Meeting was held on June 20, 2023 at 10:00 a.m. at Meeting Room, 388 Exchange Tower, Sukhumvit Road, Klongtoey, Klongtoey, Bangkok.

There were 11 directors attending the Annual General Meeting of Shareholders for the Year 2023 accounting for 91.67% of the total number of directors as follows:

1	Mr. Mitsugu Tamai	Chairman of the Board
2	Mr.Tsutomu Omodera	Vice Chairman of the Board and Managing Director
3	Mrs. Suporn Wattanavekin	Director
4	Mr. Nuntawat Chotvijit	Director
5	Ms. Suriporn Thammawatid	Director
6	Mr. Kazumasa Oshima	Director and Chief Financial Officer
7	Mr. Junichi Iwakami	Director
9	Dr. Sucharit Koontanakulvong	Independent Director and Chairman of Audit Committee
10	Dr. Mongkon Laoworapong	Independent Director and Audit Committee Member
11	Mr. Ittinant Suwanjutha	Independent Director and Audit Committee Member
12	Mr. Ryuichi Hasuo	Independent Director

The Meeting was conducted in form of electronic meeting (E-AGM) by using e-Meeting system of Quidlab Co., Ltd., 11 directors of the Company attended the Meeting. There is an extraordinary meeting was not convened in this fiscal year.

8.8 Supervision of subsidiaries and associated companies

The Company has developed corporate governance for its subsidiaries and affiliates 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 affiliates. Also, set up the mechanisms for financial information and connected transaction disclosure, under the related rules and regulations. Therefore, the Company held the Executive Committee meeting to report on the operating results and the Corporate Governance of the Company's subsidiaries and affiliates.

8.9 Monitoring of compliance with the corporate governance policy and guidelines

The Company has monitored on compliance with corporate governance policies and practices. The details are as follows.

1. Use of inside information to seek benefits

The Company has measures to prevent directors and executive directors from using the Company's internal information for their own benefits. The details of the measures were specified in "Equitable Treatment of Shareholders"

In 2023, it was not found that the Board of Directors, executives or relevant employees traded securities during the period that the company determined to suspend trading. No case of internal information leakage was found and no case of whistleblowing on the use of internal information within the organization was found.

2. Prevention of conflicts of interest

The Company gives importance to practice of information disclosure to prevent conflicts of interest, illegal and improper activities specified in Equitable treatment of shareholders topic.

In 2023, there was no action that violated the conflict of interest policy.

3. Whistle Blowing

The Company has more focus on the Good Corporate Governance by defining the Whistleblowing and whistleblower protection policy. In 2023, the Company has complied with the policy as follows;

- The Company provides channels and encourages employees, including the stakeholders, to report any suspicious matters or behavior relating to misconduct as soon as possible, or when the employees and stakeholders witness or suspect that an action is in conflict with the Company's policy, or could lead to an offense in the future.
- The Company shall investigate without disclosing the whistle blower's identity to prevent any potential adverse impact on the whistle blower. The company shall proceed with the investigation process in accordance with the regulations prescribed by the Company and record the investigation in writing. The whistles blower's identity shall be kept confidential and shall be accessible by related persons only.

4. Anti-corruption action

The Company places great importance on good governance and has established anti-corruption policies for all levels of employees. Details are disclosed in the Anti-Corruption and Anti-Corruption Policy section, including the determination of measures, rules and regulations of the Company to achieve transparent operations. In addition, the Company provides training and continuously develops knowledge for employees.

In 2023, the Company did not find any cases of corruption within the organization in which affecting customers, stakeholders and the performance of the company significantly.

5. Report on Changing Securities holdings of Board of Directors and Management

Directors and Executives have strictly complied with the principles of reporting changes in the Company's securities holdings. The details are as follows.
Note: - This report is excluding EJIP program.

Name - Surname	Position	No. of Common Share held (shares)		
		February 28, 2023	+ / (-)	February 29, 2024
1. Mr. Mitsugu Tamai Spouse and minor children	Chairman of the Board -	- -	- -	- -
2. Mr. Tsutomu Omodera Spouse and minor children	Vice Chairman of the Board and Managing Director -	- -	- -	- -
3. Ms. Suporn Wattanavekin Spouse and minor children	Director -	200,000 -	- -	200,000 -
4. Mr. Nuntawat Chotvijit Spouse and minor children	Director -	- -	- -	- -
5. Ms. Suriporn Thammawatid Spouse and minor children	Director -	- -	- -	- -
6. Mr. Kazumasa Oshima Spouse and minor children	Director -	- -	- -	- -
7. Mr. Junichi Iwakami Spouse and minor children	Director -	- -	- -	- -
8. Mr. Chatchaval Jiaravanon Spouse and minor children	Director -	14,700,000 -	- -	14,700,000 -
9. Dr. Sucharit Koontanakulvong Spouse and minor children	Independent Director and Chairman of Audit Committee -	- -	- -	- -
10. Dr. Mongkon Laoworapong Spouse and minor children	Independent Director and Audit Committee Member -	- -	- -	- -
11. Mr. Ittinant Suwanjutha Spouse and minor children	Independent Director and Audit Committee Member -	- -	- -	- -
12. Mr. Ryuichi Hasuo Spouse and minor children	Independent Director -	- -	- -	- -

Report on Changing Securities holdings of Board of Directors and Management (Continued)

Directors and Executives have strictly complied with the principles of reporting changes in the Company's securities holdings. The details are as follows.
Note: - This report is excluding EJIP program.

Name - Surname	Position	No. of Common Share held (shares)		
		February 28, 2023	+ / (-)	February 29, 2024
1. Ms. Supannee Asawasuwan Spouse and minor children	Company Secretary and SEVP - Corporate Planning Office -	6,200 -	- -	6,200 -
2. Mr. Witchasorn Suwannakindra Spouse and minor children	SEVP - Business Control Management -	200 -	- -	200 -
3. Mr. Manavudhi Mingvanich Spouse and minor children	SEVP - System Development -	- -	- -	- -
4. Mr. Tawatchai Peechapat Spouse and minor children	SEVP - I.T. -	- -	- -	- -
5. Mr. Sitthipong Kanaraksanti Spouse and minor children	Chief of Accountant -	- -	- -	- -
6. Mrs. Chittiporn Inoue Spouse and minor children	SEVP – Customer service department -	- -	- -	- -
7. Ms. Nadanong Chompong Spouse and minor children	SEVP – Legal Office -	100 -	- -	100 -
8. Mr. Alongkorn Sattabusaya Spouse and minor children	SEVP – Corporate Governance and Control -	- -	- -	- -
9. Mr. Amorn Jirachaiprasitti[3] Spouse and minor children	SEVP – Collection Department -	- -	- -	- -
10. Mr. Virach Sithibaraporn Spouse and minor children	SEVP – Marketing Department -	- -	- -	- -
11. Mr. Chikafusa Nagai Spouse and minor children	SEVP – Information & Technology Service -	- -	- -	- -
12. Mr. Hideki Tsukada Spouse and minor children	SEVP – Digital Marketing & Sustainability -	- -	- -	- -

8.10 Report on the results of duty performance of the Audit Committee in the past year

The Board of Directors appointed the Audit Committee to be responsible for audit and corporate governance. For more information on this sub-committee, please see section 2 Corporate Governance Structure under the Information regarding to the Sub-Committees and the report of the Audit Committee which were disclosed in attachment 5

The details of the Board of Directors' and Sub-committees' meeting attendance in 2023, please see section 2 Corporate Governance Structure under the Summary of the Board of Directors' and Sub-Committees' Meeting Attendance in 2023.

The Audit Committee's main duty is to support the Board of Directors to transparently perform their roles and responsibilities in accordance with the policy of the Board of Directors. The supporting would be consisted of 1) Ensuring the Accuracy of Financial Report 2) Ensuring the Sufficient and effectiveness of Risk Assessment and Internal Control are implemented 3) Monitoring on the compliance with laws and relevant regulations 4) To consider External Auditors' qualification and Independency 5) To consider reasonable of Related Transactions, which are in accordance with the Audit Committee Charter or Policy of the Audit Committee.

Furthermore, the Audit Committee's roles and responsibilities also focus to monitor the Company's Internal Audit Tasks by considering internal audit results on either the Company's and affiliate companies' operations, which aim at operation processes in accordance with good governance, relevant laws and regulations including adequacy and appropriateness on internal control. This would respond on the sustainability and value – added to the Company as well as maximize the benefit of all stakeholders.

In Year 2023, there were 9 Audit Committee Meetings, which can summarize the significant results of the Audit Committee's performance as follows;

1. To review Financial Report

In order to ensure that the Company's Financial Reports have been performed in accordance with relevant laws and Thai Accounting Standard, the Audit Committee would review Quarterly and year ended financial reports together with External Auditors, Internal Auditors and relevant Management (if required). Moreover, the Audit Committee considered to appoint the external auditors with focused on the independency of external auditors regarding to audit tasks, Besides, the Audit Committee has also discussed with the external auditors in the matter of the accuracy of Financial Reports, significant accounting adjustment, accounting records as well as completeness and correctness on accounting disclosure.

2. To review the effectiveness of Internal Control System

The Audit Committee has reviewed effectiveness and efficiency and effectiveness of internal control together with Internal Audit Department on a regular basis. Internal audit tasks would related to the appropriateness of internal control within the Company's operation in order to prevent and reduce the error or damage, consider the reliability of financial report, including ensure to comply with the laws and regulation in regarding to the Company's activities. In accordance to perform and review the internal control, the internal auditors would perform, which is based upon risk-based approach. Regarding to perform the evaluation on sufficiency of internal control in year 2023 in accordance with SEC's guideline, there was no significant deficiency being found.

3. To review monitoring process

In order to ensure that the company has reasonably operated, the Audit Committee has utilized the internal audit tasks as one of assessment and reviewing monitoring tools, which not only concerning on internal control in each operation process but also concerning on compliance in various related laws and regulation with the purpose of promoting transparency, responsibility and good corporate governance in the organization. Moreover, the related transactions or any transactions with possibility of conflict of interest within Aeon Group have also been focused as a monitoring purpose.

4. To monitor Internal Audit Performance

The Audit Committee has also reviewed Internal Audit Plan either in short term (1 year) or long term (3 years), as well as reviewing the internal audit tasks and following up the internal audit progress in accordance to Internal Audit Plan on a regular basis. In addition, the Audit Committee has reviewed the internal audit results and audit recommendations, which are performed by Internal Audit Department, including corrective and preventive actions provided by relevant parties. Furthermore, the Audit Committee has performed evaluation on adequacy and appropriateness of internal audit resources, and evaluated Head of Internal Audit Department's performance on a regular basis.

5. To consider on assigning External Auditor for the Year 2023

According to assign the external auditor task, the Audit Committee has agreed proposing to the Board of Directors for consideration, and to request approval from the Shareholders' meeting to appoint the external auditors from Deloitte Touche Tohmatsu Jaiyos as the Company's external auditor for year 2024. In this regard, the Company has considered external auditors with criteria of independency of external auditors, previous performance, knowledge, experience and proficiency in relation to the Company's business.

8.11 Summary of the results of duty performance of sub committee

The details of the Board of Directors' and Sub-committees' meeting attendance in 2023, can be found in section 2 Corporate Governance Structure under the Summary of the Board of Directors' and Sub-Committees' Meeting Attendance in 2023 and report of sub-committee are disclosed on attachment 7,8,9 accordingly,

9

Internal control and related party transactions

9. Internal control and related party transactions

9.1 Internal Control

The Company continuously improve the internal control systems to achieve the Company's goal and the objective of internal control in area of Operation, Reporting, and Compliance to the relevant laws and regulation. Internal Control also assist the Company to comply with relevant laws and regulations, with a system to protect the company's assets from being wrongfully used by directors or executives or without authority.

Furthermore, "Three Lines Model" has been implements throughout the Company, which is the framework of risk management and internal control. The first line of defense is formed by managers and staff who are directly responsible for identifying and managing risk as part of their accountability for achieving objectives. The second line of defense is the functions that oversee or who specialize in compliance with relevant laws and regulations as well as the management of risk. The third line of defense is a function that provide independent assurance in order to assess the adequacy and effectiveness of internal control.

Furthermore, the Internal Audit Department assessed the adequacy of internal control according to The Securities of Exchange Commission, Thailand's (SEC) guidance. The assessment result would be proposed to the Audit Committee and the Audit Committee agreed that the Company's internal controls are sufficient and appropriate, including being continuously performed by each unit. The internal control system would be summarized according to by adopting the international standard of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) as follows;

1. Control Environment

The Company has arranged good control environment and adhere with the honesty and ethics, which is the fundamental of promoting and maintaining the efficiency of internal control. The Company also encourage value and moral to all employees either operation level or management level, which is stipulated in writing on Code of Conduct. All employees are also required to review, understand and obtain the test regarding to the code of conduct on an annually basis.

Furthermore, the Company has communicated business plan either short term or long term throughout the Company, which are also in-lined with the Company's mission and vision. Besides, Key Performance Index (KPI) was determined for all department's consideration for improvement in accordance with the aforementioned plan.

The Company has Directors and independent directors, who obtain experience, knowledge and ability in order to provide efficient management to the Company. With 3 Audit Committee Members, which obtain qualification according to the criteria, which has been determined by The Stock Exchange of Thailand and The Securities and Exchange Commission, Thailand. The Company has clearly determined roles and responsibilities of each committee, including Policy of the Audit Committee (or "Audit Committee Charter") and Internal Audit Department (or "Internal Audit Charter") in writing.

Accordingly, the Company's structure was determined in the framework of Three Lines of Defense as aforementioned. This framework would clearly segregate roles and responsibilities, which would assist the Company to obtain efficient internal control. Especially, this structure could support the Third Line to obtain the roles and responsibility on internal auditing tasks, which is declared as an independent unit from operation and management. This can be seen, Internal Audit is the function, which directly report to the Audit Committee.

2. Risk Assessment

The Company has performed risk assessment and management in order to mitigate the impact of risk to the acceptance level, which could refer to 2 main types of risk being assessed, which are external and internal risks. This could assist the Company to understand the impact and prioritize the significant of each risk. The Company has implemented Key Risk Indicators (KRIs) as a tool to identify the risk, which might impact to each operation process. Risk evaluation process would be co-considered between risk owners and Risk Management Committee in order to ensure that the Company could achieve the determined objectives and goals. In addition, the Company would review and revise business plan and strategy of managing risk on a regular basis in order to respond to the incident on a timely manner.

3. Control Activities

The Company has measures or procedures that facilitate the prevention or mitigate risk that may impede the achievement of the company's goals i.e. determination of policy, procedure and operation manual in order to be used as a tool of internal control. The different groups within organizations play a distinct role within the three lines of defense model, from business units to compliance with relevant laws and regulations, risk management, including internal audit.

Furthermore, Internal Audit Department has monitored the significant operation processes of each affiliate company by considering on risks-based approach and significant impact to the Company's business. The Company also assigns the Company's top management to participant in affiliate companies' Board of Director Meeting in order to ensure that employee, management and Board of Directors operate in accordance with appropriateness of internal control system.

4. Information Technology and Communication

The Company also focus on Information Technology and Communication, which are significant tools to support business operation in current world and help facilitate the transfer of information as well as manage communication effectively. Regarding to the framework of Information Technology, the Company has also realized how significant of information security quality by determining on two authentications for accessing to the Company system and network. The access right of each employee would be considered, which are based upon type of roles and responsibilities. Moreover, the Company arranges firewall for either hardware or software, as well as vulnerability test on a regular basis.

In order to ensure that the Company is able to continuously operate and provide the service to customers under emergency circumstance, the Company has organized the test regarding to "Business Continuity Management" on an annually basis.

In the part of communication, the Company has provided communication channels for both within organization and external parties, which would consist of top at the top, which will indicate the Company's vision and mission to drive the Company in the same direction, including provide opportunity to employee to communicate with the top management.

There are several channels for communicating with external parties, which are Website, Facebook, Company's Line Official and AEON Thai Mobile Application with the purpose of providing the products' information, promotion campaign, and company's performance and so on. Customers and partners also have an opportunity to propose their comments in Website, Facebook, Company's Line Official regarding to products and services for further development.

5. Monitoring and Evaluation Activities

The Company has determined the duty of management of each unit to monitor and assess employees' performance whether achieve target through Key Performance Index (KPI). Moreover, the Company has set the monitoring ongoing monitoring, which were embedded in all operations, e.g. reconciliation process, segregation of duties, reporting identified internal control deficiencies, and so on.

Moreover, Internal Audit Department would assess the sufficient and effectiveness of internal control. The internal audit report would be proposed to the Audit Committee for consideration. In the case that the Audit Committee has different points of view with Internal Audit and/or relevant management, then the Audit Committee could request discussion session with Internal Audit and/or relevant management as appropriate.

In the case that any audit observations being found, Internal Auditors will discuss with the auditee regarding to root cause and corrective actions. Additionally, Internal Auditors will follow up whether corrective actions are implemented on a regular basis.

9.2 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 Kajohnporn Kittisobhone, Vice President-Internal Audit Department; 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 2023, 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

The Audit Committee Meeting has evaluated the sufficiency of internal control systems by considering the Internal Audit Report, asking and reviewing the information from the Company's management. The Company also has procedures to control utilization of Company's and subsidiaries' assets in order to prevent damage from misuse of assets. Moreover, business transactions were correctly approved. Regarding to the audit results provided by 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 2023.

In addition, the Audit Committee agreed that the Head of Internal Audit Department is properly qualified, experienced and trained regarding to internal audit matter. She also has well knowledge regarding to the Company's business, which is consisted of finance, accounting and auditing. Thus she is appropriate to perform roles as assigned.

9.3 Related Party Transaction

Details of Related Party Transaction

The Fiscal Year ended on February 29, 2024, 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 by collection of remaining receivables with respect to the finance lease business.	- A shareholder of AEONTS, holding 19.20% of shares - One common directors: Mr. Kazumasa Oshima	1. The Company provides management services to ACS consist of Computer service fee, Back office service fee, Finance and Accounting operation services fee, Collection service fee and legal service fee Service fee as agreed at market price In FY2023, the Company has total revenue from service of 3,480,282 Baht, consist of Computer service of 573,991 Baht, Back office service fee of 613,760 Baht, Finance and Accounting services of 600,000 Baht, Outsource collection of 554,931 Baht, and Legal service of 1,137,600 Baht. In addition, the Company had other expenses with ACS of 7,400 Baht. As of 29 February 2024, the Company has other receivable of 437,452 Baht and deferred revenue 4,640,000 Baht. 2. In FY2023, the Company had paid the interim dividend and final dividend to ACS totally 264,000,000 Baht.	The Company provides service such as computer system services, finance and accounting service and back office service. 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, which based on the cost-plus basis. (Approved by the Board of Director's meeting on December 8, 2022 and December 7, 2023)
AEON (Thailand) Co., Ltd. ("AEON") Retail commerce business	- 3.82% of shares held by the Company - Common ultimate holding company	1. In 2023, the Company had expense with AEON of 10,985,942 Baht, consist of office rental of 592,508 Baht, advertising & promotion of 9,599,535 Baht and other expense of 793,899 Baht. As of February 29, 2024, the Company had other payable of 871,709 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	1. In 2023, the Company has the expense with AEON Finance Service of 180,761,362 Baht, consist of technical assistant fee of 96,882,461 Baht, personnel expense of 27,942,337 Baht, Other administrative expenses of 44,245,743 Baht and financial cost of 11,690,821 Baht. As of February 29, 2024, the Company has other receivable of 3,732,983 Baht, other payable of 73,689,575 Baht, and long term loan of 220,237,179.74. 2. In 2023, the Company has paid the interim dividend and final dividend to AEON Financial Service totally 482,900,000 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 subsidiaries of AEON Financial Service. 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 August 9, 2023) 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.
AEON Credit Service Co., Ltd. ("AEON Credit Service") Retail Finance	- Common ultimate holding company	1. In FY2023 the Company paid personnel expense to AEON Credit Service of 6,090,861 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	1. In FY2023, the Company has the expense with AEON Bank of 23,271,465 Baht, consist of personnel expense of 6,316,239 Baht and interest expense of 16,955,226 Baht. As of February 29, 2024, the Company had other payables of 3,165,596 Baht, and long term loan of 343,876,000 Baht	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. The value of transaction is determined on the actual cost occurred. 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.
ACS Credit Management Co., Ltd ("ACS Credit") Collection Service	- Common ultimate holding company	1. In 2023, the Company has the expense with ACS Credit of 1,071,325 Baht, consist of system service fee of 944,573 Baht and other administrative expenses of 126,752 Baht.	ACS Credit provides the system licenses usage of system software for data analysis and development of scoring models, including both credit assessment and collection. (Approved by the Board of Director's meeting on March 8, 2023)

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.33 and 38)

- The Related Party Transaction in the past 3 years. Shareholders/Investors can view historical information from annual report which was released on IR website.

Opinion of the Audit Committee on the Connected Transaction

The audit committee has an opinion that these transactions are reasonable with the price and condition being fair as well as maximize the benefit to the Company. These are supporting normal business transactions in accordance to the business nature and practice and not intended to be beneficial to anyone or any group of person. Pricing and fee are able to declare with the market price (if any), otherwise to be determined by the Company and contracted parties based on cost plus basis.

Measures and Procedures for the Approval of Related Parties Transactions

The Company has a measure not allowing its management or persons who have direct or indirect interest to involve in the approval of the related transaction between the Company and persons with possibility to cause conflicts. The Company also arranges the audit committee to consider and provide the opinion on such related transactions.

Policy and Tendency of Related Party Transactions in the Future

The Company has policy to continue to enter into the present related party transactions in the future. Such transactions include the lease of areas, loans, and credit card business with Aeon and Jay Mart, Management service to ACS Capital, AEON Insurance Service, and ACS Servicing, Technical assistant service provided by Aeon Financial Service, and System development service provided by AEON Credit Service Systems (Philippines) Inc. In doing such transactions, the Company will set forth conditions in accordance with general terms and conditions as well as the market value, the Company shall arrange the audit committee, auditor or independent specialist to examine and provide opinion about the reasonableness of the transactions and the fairness of the value.

The Board of Directors shall execute the related party transactions to be made in the future in compliance with the securities and exchange act, the regulations of the Stock Exchange of Thailand and the regulation regarding information disclosure of connected transaction and acquisition and disposition of the assets of the Company.

If the Company makes any transactions with persons with possibility of causing a conflict of interest in the future, the Company shall have the audit committee to provide an opinion on the reasonableness of the transactions. If the audit committee has no skill in considering the related party transaction, the Company shall then arrange the specialist, such as the auditor or appraiser or law firm, who is independent from the Company and the persons with possibility of causing a conflict of interest to provide an opinion on the related party transaction. The opinion of the audit committee or the specialist will be used by the Board of Directors or the shareholders, as the case may be, in making a decision upon the matter.

10

Financial Statements and notes

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, 2024, 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, 2024, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

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

Key Audit Matters

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

Key Audit Matters	Audit Responses
Allowance for expected credit loss The allowance for expected credit loss of trade receivables is considered to be a key audit matter as there are management's judgment and assumptions applied to the calculation including forward economic looking and post model adjustments. The Group and the Company have applied Thai Financial Reporting Standard No.9 - Financial Instruments ("TFRS9"). This standard requires the Group and the Company to recognize impairment loss based on expected credit loss. The Group and the Company calculated allowance for expected credit loss on trade receivables based on forward-looking information basis by calculating on a probability-weighted credit losses with respective risk of expected cash shortfalls either based on credit events arising in the 12 months from the reporting date or based on credit events arising over the lifetime of the financial instrument; depending on the significant increase in credit risk ("SICR") since initial recognition.	Key audit procedures included • Reviewed management written policies, which were collaborated from the Group and the Company management's experts, and procedures to derive the allowance for expected credit loss estimate. Determined whether the policies and procedures for the estimation are incorporate with the requirements of TFRS 9 and properly approved by the appropriate level of management • Obtained an understanding of the Group's and Company's design of internal controls over significant input data used in the calculation of allowance for expected credit loss, and calculation of allowance for expected credit loss • Evaluated the design and implementation and performed operating effectiveness testing of key internal controls over significant input data used in the calculation of allowance for expected credit loss, and calculation of allowance for expected credit loss

Key Audit Matters	Audit Responses
Allowance for expected credit loss (continued) The post model adjustment may also be recorded by the Group and the Company using credit expert assumptions and judgment where the inputs, assumptions and/or modelling techniques do not capture all relevant risk factors in respect to the current economic conditions and market circumstances. Accounting policy for the allowance for expected credit loss and detail of allowance for expected credit loss were disclosed in Note 3.2.2 and Note 5 to the financial statements, respectively.	• 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 • Involved our internal specialists to assess the model documentation. This included assessing the appropriateness of model design, assumptions, inputs, formulas used and post model adjustments. We tested the data used in the ECL calculation by reconciling to source systems • Evaluated relevant inputs and assumptions used by management in each stage of the expected credit loss calculation by considering whether the inputs and assumption appear reasonable, considering the historical loss experience and adjust this for current observable data and considering the relationship between those assumptions and forecast of reasonable and supportable future economic conditions • Tested calculation of allowance for expected credit loss for a sample of models • Performed analysis of the Group's and the Company's allowance for expected credit loss by comparing to historical data and considering related macroeconomic factors.

Other Information

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

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

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

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

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Nisakorn Songmanee

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

BANGKOK
April 9, 2024

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

STATEMENT OF FINANCIAL POSITION

AS AT FEBRUARY 29, 2024

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at February 29, 2024	As at February 28, 2023	As at February 29, 2024	As at February 28, 2023
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	2,796,656	3,816,356	2,038,586	2,159,810
Trade and other current receivables					
Trade receivables	5	78,836,213	80,667,069	75,336,612	77,833,587
Other receivables	6	509,062	518,404	381,926	414,708
Current portion of long-term loan to a subsidiary	8	-	-	28,621	27,990
Current portion of loans from purchase of accounts receivable	9	1,590	490	-	-
Current portion of subordinated lendings	14.1	-	-	2,441	-
Seller loan in Special Purpose Vehicle for securitization	13	-	-	308,045	287,621
Current portion of derivative assets	26	1,027,407	1,047,431	1,027,407	1,047,431
Current tax assets		115,204	-	115,204	-
Current portion of right-of-use assets	16	24,610	-	23,958	-
Other current assets		59,051	102,645	45,744	42,955
Total Current Assets		83,369,793	86,152,395	79,308,544	81,814,102
NON-CURRENT ASSETS					
Trade and other non-current receivables					
Trade receivables	5	4,180,462	3,144,652	2,072,649	1,496,409
Other receivables	6	24,703	74,041	24,703	74,041
Fixed deposits at banks under obligations	7	38,275	144,216	-	-
Long-term loan to a subsidiary	8	-	-	57,241	83,970
Loans from purchase of accounts receivable	9	22,617	12,133	-	-
Investments in subsidiaries	10	-	-	1,260,909	1,235,409
Investment in equity securities designated at fair value through profit or loss	11	14,471	5,062	14,471	5,062
Investment in equity security designated at fair value through other comprehensive income	12	216,000	144,000	216,000	144,000
Subordinated lendings	14.1	-	-	81,633	84,074
Leasehold improvement and equipment	15	529,560	523,145	401,801	447,217
Right-of-use assets	16	630,947	892,559	546,129	776,685
Intangible assets other than goodwill	17	850,578	923,406	719,204	783,252
Derivative assets	26	377,276	684,654	377,276	684,654
Deferred tax assets	18	2,088,551	2,340,922	2,012,633	2,268,848
Other non-current assets	19	155,297	165,501	134,946	146,184
Total Non-current Assets		9,128,737	9,054,291	7,919,595	8,229,805
TOTAL ASSETS		92,498,530	95,206,686	87,228,139	90,043,907

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

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT FEBRUARY 29, 2024

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at February 29, 2024	As at February 28, 2023	As at February 29, 2024	As at February 28, 2023
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings from financial institutions	20	2,682,231	4,485,424	500,000	3,440,000
Trade and other current payables					
Trade payables		84,862	220,728	49,893	200,448
Other payables	21	1,625,006	1,629,459	1,557,662	1,532,329
Current portion of long-term liabilities					
Long-term borrowings	23	16,960,051	12,836,551	16,960,051	11,273,543
Long-term debentures	25	2,487,424	-	1,998,985	-
Derivative liabilities	26	399,465	562,743	399,465	562,743
Lease liabilities	22	377,206	444,127	330,582	389,924
Subordinated borrowings	14.2	2,441	-	-	-
Current income tax payable		36,763	643,416	-	608,272
Other current liabilities		376,595	341,614	378,247	345,103
Total Current Liabilities		25,032,044	21,164,062	22,174,885	18,352,362
NON-CURRENT LIABILITIES					
Long-term borrowings	23	34,335,585	39,152,934	31,879,059	37,867,795
Long-term borrowings under securitization project	24	-	-	1,091,265	1,260,991
Long-term debentures	25	5,965,785	9,580,142	5,802,520	8,107,060
Derivative liabilities	26	1,142,293	876,160	1,142,293	876,160
Lease liabilities	22	314,334	473,541	273,790	412,280
Subordinated borrowings	14.2	81,633	84,074	-	-
Provisions for employee benefit	27	483,535	444,377	440,701	405,630
Other non-current liabilities		81,522	83,316	69,419	71,186
Total Non-current Liabilities		42,404,687	50,694,544	40,699,047	49,001,102
TOTAL LIABILITIES		67,436,731	71,858,606	62,873,932	67,353,464

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT FEBRUARY 29, 2024

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at February 29, 2024	As at February 28, 2023	As at February 29, 2024	As at February 28, 2023
LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)					
SHAREHOLDERS' EQUITY	29				
SHARE CAPITAL					
Authorized share capital					
250,000,000 ordinary shares of Baht 1 each		250,000	250,000	250,000	250,000
Issued and paid-up share capital					
250,000,000 ordinary shares of Baht 1 each, fully paid		250,000	250,000	250,000	250,000
SHARE PREMIUM ON ORDINARY SHARES		478,000	478,000	478,000	478,000
OTHER SURPLUSES (DEFICITS)					
Surplus on share-based payment transaction	28	13,650	9,265	12,110	9,265
Deficit arising from change in ownership interest in a subsidiary	10	(16)	-	-	-
RETAINED EARNINGS					
Appropriated					
Legal reserve	30	25,000	25,000	25,000	25,000
Reserve for business expansion		4,850,000	4,850,000	4,850,000	4,850,000
Unappropriated		19,285,784	17,382,220	19,063,909	17,167,729
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY	32				
Exchange differences on translating financial statements of foreign operations		(105,245)	(83,454)	-	-
Cumulative loss on cash flow hedges		(324,812)	(89,551)	(324,812)	(89,551)
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		24,472,361	22,821,480	24,354,207	22,690,443
NON-CONTROLLING INTERESTS		589,438	526,600	-	-
TOTAL SHAREHOLDERS' EQUITY		25,061,799	23,348,080	24,354,207	22,690,443
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		92,498,530	95,206,686	87,228,139	90,043,907

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED FEBRUARY 29, 2024

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
Profit for the year		3,337,856	3,954,145	3,252,691	3,710,727
Other comprehensive income (loss), net of tax					
Components of other comprehensive income that will be reclassified to profit or loss					
Exchange differences on translating financial statements of foreign operations					
- Owners of the parent	32	(21,791)	12,354	-	-
- Non-controlling interests		(12,070)	14,844	-	-
Gain (loss) on cash flow hedges	32	(235,261)	337,790	(235,261)	337,790
Components of other comprehensive income that will not be reclassified to profit or loss					
Gain on remeasurements of defined benefit plans		19,657	58,208	18,367	53,256
Other comprehensive income (loss) for the year, net of tax		(249,465)	423,196	(216,894)	391,046
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		3,088,391	4,377,341	3,035,797	4,101,773
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :					
Owners of the parent		3,021,390	4,223,497	3,035,797	4,101,773
Non-controlling interests		67,001	153,844	-	-
		3,088,391	4,377,341	3,035,797	4,101,773

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED FEBRUARY 29, 2024

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS											
		Owners of the parent										Non-controlling interests	Total shareholders' equity
		Issued and paid-up share capital	Share premium on ordinary shares	Surplus on share-based payment transaction	Deficit arising from change in ownership interest in a subsidiairy	Retained earnings: Appropriated: Legal reserve	Retained earnings: Appropriated: Reserve for business expansion	Retained earnings: Unappropriated	Other components of shareholders' equity: Exchange differences on translating financial statements of foreign operations	Other components of shareholders' equity: Cumulative loss on cash flow hedges	Total owners of the parent		
Beginning balance as at March 1, 2022		250,000	478,000	-	-	25,000	4,850,000	14,808,860	(95,808)	(427,341)	19,888,711	375,252	20,263,963
Changes during the year													
Increase in non-controlling interests arising from new investment in a subsidiary		-	-	-	-	-	-	-	-	-	-	250	250
Surplus on share-based payment transaction	28	-	-	9,265	-	-	-	-	-	-	9,265	-	9,265
Dividend paid	29.1	-	-	-	-	-	-	(662,496)	-	-	(662,496)	(2,746)	(665,242)
Interim dividend paid	29.2	-	-	-	-	-	-	(637,497)	-	-	(637,497)	-	(637,497)
Profit for the year		-	-	-	-	-	-	3,815,145	-	-	3,815,145	139,000	3,954,145
Other comprehensive income		-	-	-	-	-	-	58,208	12,354	337,790	408,352	14,844	423,196
Ending balance as at February 28, 2023		250,000	478,000	9,265	-	25,000	4,850,000	17,382,220	(83,454)	(89,551)	22,821,480	526,600	23,348,080
Beginning balance as at March 1, 2023		250,000	478,000	9,265	-	25,000	4,850,000	17,382,220	(83,454)	(89,551)	22,821,480	526,600	23,348,080
Changes during the year													
Surplus on share-based payment transaction	28	-	-	4,385	-	-	-	-	-	-	4,385	-	4,385
Decrese in change in ownership interest in a subsidiary	10	-	-	-	(16)	-	-	-	-	-	(16)	(234)	(250)
Dividend paid	29.3	-	-	-	-	-	-	(737,496)	-	-	(737,496)	(3,929)	(741,425)
Interim dividend paid	29.4	-	-	-	-	-	-	(637,382)	-	-	(637,382)	-	(637,382)
Profit for the year		-	-	-	-	-	-	3,258,785	-	-	3,258,785	79,071	3,337,856
Other comprehensive income (loss)		-	-	-	-	-	-	19,657	(21,791)	(235,261)	(237,395)	(12,070)	(249,465)
Ending balance as at February 29, 2024		250,000	478,000	13,650	(16)	25,000	4,850,000	19,285,784	(105,245)	(324,812)	24,472,361	589,438	25,061,799

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

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE YEAR ENDED FEBRUARY 29, 2024

UNIT : THOUSAND BAHT

	Notes	SEPARATE FINANCIAL STATEMENTS							
					Retained earnings				
		Issued and paid-up share capital	Share premium on ordinary shares	Surplus on share-based payment transaction	Appropriated		Unappropriated	Other components of shareholders' equity	Total shareholders' equity
					Legal reserve	Reserve for business expansion		Cumulative loss on cash flow hedges	
Beginning balance as at March 1, 2022		250,000	478,000	-	25,000	4,850,000	14,703,739	(427,341)	19,879,398
Changes during the year									
Surplus on share-based payment transaction	28	-	-	9,265	-	-	-	-	9,265
Dividend paid	29.1	-	-	-	-	-	(662,496)	-	(662,496)
Interim dividend paid	29.2	-	-	-	-	-	(637,497)	-	(637,497)
Profit for the year		-	-	-	-	-	3,710,727	-	3,710,727
Other comprehensive income		-	-	-	-	-	53,256	337,790	391,046
Ending balance as at February 28, 2023		250,000	478,000	9,265	25,000	4,850,000	17,167,729	(89,551)	22,690,443
Beginning balance as at March 1, 2023		250,000	478,000	9,265	25,000	4,850,000	17,167,729	(89,551)	22,690,443
Changes during the year									
Surplus on share-based payment transaction	28	-	-	2,845	-	-	-	-	2,845
Dividend paid	29.3	-	-	-	-	-	(737,496)	-	(737,496)
Interim dividend paid	29.4	-	-	-	-	-	(637,382)	-	(637,382)
Profit for the year		-	-	-	-	-	3,252,691	-	3,252,691
Other comprehensive income (loss)		-	-	-	-	-	18,367	(235,261)	(216,894)
Ending balance as at February 29, 2024		250,000	478,000	12,110	25,000	4,850,000	19,063,909	(324,812)	24,354,207

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

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED FEBRUARY 29, 2024

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
		February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit for the year		3,337,856	3,954,145	3,252,691	3,710,727
Adjustments for:					
Income tax expense		823,525	995,818	742,652	880,727
Expected credit loss		7,240,216	7,262,728	7,032,844	7,070,470
Loss on impairment of assets		-	95,497	-	95,497
Depreciation of leasehold improvement and equipment and right-of-use assets		748,621	810,097	642,468	697,005
Amortization of intangible assets other than goodwill		271,581	241,503	226,928	197,074
(Gain) loss on sale of leasehold improvement and equipment and intangible assets other than goodwill		940	(768)	1,548	(51)
Loss on write-off of leasehold improvement and equipment and intangible assets other than goodwill		7,191	3,395	6,685	1,092
Employee benefit expense	27	71,274	76,515	62,879	70,337
Employee joint investment program expense	28	17,461	14,426	14,351	14,426
Gain on sales of written-off receivables		(167,108)	(404,572)	(167,108)	(404,572)
Unrealized (gain) loss on exchange rate		-	-	1,977	(5,837)
Gain on revaluation of investment in equity securities designated at fair value through profit or loss	11	(9,409)	-	(9,409)	-
Gain on cancellation of lease agreements	16	(488)	(334)	(488)	(330)
Interest income		(13,893,421)	(13,841,603)	(12,467,099)	(12,493,503)
Dividend income		-	-	(273,800)	(203,000)
Finance costs		2,161,866	1,903,841	2,156,108	1,970,310
		610,105	1,110,688	1,223,227	1,600,372
Operating assets (increase) decrease					
Trade and other current receivables		(6,927,019)	(10,962,742)	(5,576,938)	(11,012,202)
Loans from purchase of accounts receivable		(11,584)	(12,623)	-	-
Other current assets		43,472	(2,037)	(2,791)	118
Other non-current assets		9,889	15,867	11,236	21,665
Operating liabilities increase (decrease)					
Trade and other current payables		(233,360)	(86,085)	(226,024)	(112,919)
Other current liabilities		35,616	(39,872)	33,144	(49,870)
Other non-current liabilities		(1,533)	647	(1,606)	3,671
Cash paid for operations		(6,474,414)	(9,976,157)	(4,539,752)	(9,549,165)
Proceeds from interest income		14,278,389	13,928,127	12,855,034	12,544,148
Dividend received		-	-	273,800	203,000
Finance costs paid		(2,073,248)	(1,906,754)	(2,078,021)	(1,980,343)
Income tax paid		(1,238,940)	(544,660)	(1,155,689)	(462,091)
Employee benefits paid	27	(7,545)	(22,713)	(4,849)	(13,916)
Cash paid from transfer of employees within the Group	27	-	-	-	(3,353)
Cash paid for employee joint investment program	28	(13,076)	(5,161)	(11,506)	(5,161)
Net cash flows provided by operating activities		4,471,166	1,472,682	5,339,017	733,119

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

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED FEBRUARY 29, 2024

UNIT : THOUSAND BAHT

	Notes	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
		February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash received from fixed deposits at banks under obligations		106,403	3,050	-	-
Cash paid for fixed deposits at banks under obligations		-	(105,200)	-	-
Cash paid for purchase of leasehold improvement and equipment	4.2	(251,703)	(211,777)	(152,817)	(173,463)
Cash received from sale of leasehold improvements and equipment		1,357	2,169	1,020	1,457
Cash paid for purchase of intangible assets other than goodwill	4.2	(206,938)	(442,328)	(168,853)	(397,442)
Cash paid for investment in a subsidiary	10	(250)	-	(25,500)	(24,500)
Cash paid for investment in equity securities designated at fair value through other comprehensive income	12	(72,000)	-	(72,000)	-
Cash received from repayment of long-term loan to a subsidiary		-	-	24,121	24,121
Net cash flows used in investing activities		(423,131)	(754,086)	(394,029)	(569,827)
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received from bank overdrafts and short-term borrowings from financial institutions	4.4	98,434,643	116,228,272	91,280,000	113,233,224
Cash repayments for bank overdrafts and short-term borrowings from financial institutions	4.4	(100,159,689)	(120,792,355)	(94,220,000)	(117,734,464)
Cash received from long-term borrowings	4.4	11,888,992	22,210,298	10,662,440	20,351,762
Cash repayments for long-term borrowings	4.4	(12,667,571)	(18,590,828)	(11,073,300)	(16,381,625)
Cash received from long-term borrowings under securitization project	4.4	-	-	482,734	564,624
Cash repayments for long-term borrowings under securitization project	4.4	-	-	(538,632)	(564,624)
Cash received from long-term debentures	4.4	-	5,245,000	-	5,245,000
Cash repayments for long-term debentures	4.4	(821,378)	(3,800,000)	-	(3,800,000)
Cash paid for lease liabilities	4.4	(542,813)	(558,097)	(476,299)	(488,331)
Cash received from sales of written-off receivables		191,723	231,809	191,723	231,809
Proceeds from increase in non-controlling interest arising from investment in a subsidiary		-	250	-	-
Cash paid for dividend		(748,815)	(666,592)	(737,496)	(662,496)
Cash paid for interim dividend		(637,382)	(637,497)	(637,382)	(637,497)
Net cash flows used in financing activities		(5,062,290)	(1,129,740)	(5,066,212)	(642,618)
Net decrease in cash and cash equivalents before effect of exchange rate		(1,014,255)	(411,144)	(121,224)	(479,326)
Effect of exchange rate changes on cash and cash equivalents		(5,445)	(8,103)	-	-
Cash and cash equivalents at the beginning of the year		3,816,356	4,235,603	2,159,810	2,639,136
Cash and cash equivalents at the ending of the year	4.1	2,796,656	3,816,356	2,038,586	2,159,810

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED FEBRUARY 29, 2024

NOTE **CONTENTS**

1. Operations of the company
2. Basis for preparation and presentation of the financial statements
3. Significant accounting policies
4. Supplementary disclosures of cash flow information
5. Trade receivables
6. Other receivables
7. Fixed deposits at banks under obligations
8. Long-term loan to a subsidiary
9. Loans from purchase of accounts receivable
10. Investments in subsidiaries
11. Investments in equity securities designated at fair value through profit or loss
12. Investment in equity security designated at fair value through other comprehensive income
13. Seller loan in special purpose vehicle for securitization
14. Subordinated lendings and subordinated borrowing
15. Leasehold improvement and equipment
16. Right-of-use assets
17. Intangible assets other than goodwill
18. Deferred tax assets
19. Other non-current assets
20. Bank overdrafts and short-term borrowings from financial institutions
21. Other payables
22. Lease liabilitites
23. Long-term borrowings
24. Long-term borrowings under securitization project
25. Long-term debentures
26. Derivative financial instuments
27. Provisions for employee benefits
28. Employee joint investment program
29. Shareholders' equity
30. Legal reserve
31. Capital management
32. Other components of shareholders' equity
33. Revenues relating to securitization transaction
34. Directors and managements' remuneration
35. Provident fund
36. Expense by nature
37. Corporate income tax
38. Transactions with related parties
39. Operating Segments
40. Disclosure of information relating to financial instruments
41. Credit facilities and letters of guarantee
42. Significant agreements relating to securitization transaction
43. Sale of written-off receivables
44. Commitment
45. Approval of financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED FEBRUARY 29, 2024

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, 27th Floor, Exchange Tower, Sukhumvit Road, Klongtoey, Bangkok. The Company's main objective is to do the retail finance services which consist of credit card, hire-purchase and personal loans, and others. Subsequently, on October 6, 2020, the Company has registered another objective which is to conduct life and non-life insurance brokerage business.

As at February 29, 2024 and February 28, 2023, the Company has head office and branches totaling 102 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 as mentioned in Note 2.4 and Note 10.

AEON Microfinance (Myanmar) Co., Ltd. (the "subsidiary") has temporarily suspended new loans to customers due to the impact of the political turmoil in Myanmar since February 1, 2021. The subsidiary has resumed providing new loans to existing customers starting from January 22, 2022, and to new customers starting from January 12, 2023. The subsidiary has continuously reduced operation costs and continued pursuing debt collection. However, the subsidiary has suspended loan disbursement starting from February 24, 2024.

2. BASIS FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

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

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

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

2.3 The consolidated financial statements for the years ended February 29, 2024 and February 28, 2023 included the accounts of the Company and its subsidiaries. Significant transactions and balances between the Company and its subsidiaries have been eliminated.

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

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

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

2.4 For the years ended February 29, 2024 and February 28, 2023, the subsidiaries included in the consolidated financial statements are as follows:

	Business type	Country of registration	Registration date	Percentage of direct and indirect holdings (%) 2024	2023
ACS Servicing (Thailand) Company Limited	Collection servicer	Thailand	March 13, 2007	100.00	100.00
ACSI (Thailand) Co., Ltd.	Non-life insurance broker and life insurance broker	Thailand	July 1, 2013	100.00	100.00
AEON Specialized Bank (Cambodia) Plc.(4)	Retail finance business	Cambodia	October 5, 2011	50.00	50.00
AEON Microfinance (Myanmar) Company Limited	Retail finance business	Myanmar	November 2, 2012	100.00	100.00
AEON Leasing Service (Lao) Company Limited(1)	Retail finance business	Laos	January 11, 2013	100.00	100.00
ATS Rabbit Special Purpose Vehicle Company Limited(3)	Special purpose juristic person in securitization projects	Thailand	March 20, 2015	48.75	48.75
AEON Asset Management (Thailand) Co., Ltd.(2)	Non-performing assets management	Thailand	August 2, 2022	100.00	99.00

(1) The Company indirectly holds shares of AEON Leasing Service (Lao) Company Limited through ACS Servicing (Thailand) Company Limited with 3.71% shareholding.

(2) The Company indirectly holds shares of AEON Asset Management (Thailand) Co., Ltd. through ACS Servicing (Thailand) Co., Ltd. with 0.01% shareholding.

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

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

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

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

	The date of the end of the reporting period in preparation of the consolidated financial statements For the years ended	
	February 29, 2024	February 28, 2023
Subsidiaries		
ACS Servicing (Thailand) Company Limited	December 31, 2023	December 31, 2022
ACSI (Thailand) Co., Ltd.	December 31, 2023	December 31, 2022
AEON Specialized Bank (Cambodia) Plc.	December 31, 2023	December 31, 2022
AEON Microfinance (Myanmar) Company Limited	December 31, 2023	December 31, 2022
AEON Leasing Service (Lao) Company Limited	December 31, 2023	December 31, 2022
AEON Asset Management (Thailand) Co., Ltd.	December 31, 2023	December 31, 2022

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

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

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2024, onwards

The revised TFRSs are mostly the revision of wording and terminology and clarification of accounting requirements. TFRSs which have been amended and are relevant to the Group and the Company are as follows:

Thai Accounting Standard No.1 "Presentation of Financial Statements"

The amendments change the requirements regarding the disclosure of accounting policies from "significant accounting policies" to "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Thai Accounting Standard No.8 "Accounting Policies, Changes in Accounting Estimates and Errors"

The amendments change the definition of accounting estimates to be "monetary amounts in financial statements that are subject to measurement uncertainty", to help an entity to be able to segregate the difference of "change in accounting estimates" from "change in accounting policies".

Thai Accounting Standard No.12 "Income Taxes"

The amendments add the requirements for the initial recognition of deferred tax, which give rise to equal taxable and deductible temporary differences such as right-of-use assets and lease liabilities and decommissioning obligation. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. At the beginning of the earliest comparative period, an entity recognizes a deferred tax asset, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, and a deferred tax liability for all deductible and taxable temporary differences associated with such transactions.

In addition, such amendments also add the exemption for the International Tax Reform - Pillar Two Model. An entity should not recognize and not disclose the deferred tax assets and deferred tax liability which are relevant to Pillar Two income tax.

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

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2025, onwards

Thai Financial Reporting Standard No.17 "Insurance Contracts" establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes Thai Financial Reporting Standard No.4 "Insurance Contracts". The Group and the Company does not have accounting transaction which should be adopted this Financial Reporting Standard.

3. SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Cash and cash equivalents

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

3.2 Financial instruments

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

3.2.1 Classification and Measurement

3.2.1.1 Classification

Financial Assets

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

Financial Liabilities

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

3.2.1.2 Initial measurement

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

3.2.1.3 Subsequent measurement

Financial Assets

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

(1) Subsequent measurement by Amortized cost

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

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

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

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

Financial Liabilities

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

(3) Subsequent measurement by Fair value through other comprehensive incomes ("FVTOCI")

On initial recognition, the Group and the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings.

The Group and the Company designated all investments in equity instruments that are not held for trading as at FVTOCI on initial application of TFRS 9.

3.2.1.4 Derecognition of Financial instruments

Financial Assets

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

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

Financial Liabilities

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

3.2.2 Impairment of financial assets

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

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

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

(i) Significant increase in credit risk

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

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

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

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

(ii) Definition of default

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

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

(iii) Credit-impaired financial assets

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

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event;

- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; and
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization.

(iv) Write-off policy

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

(v) Measurement and recognition of expected credit loss

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

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

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

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

3.2.3 Hedge accounting

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

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

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

Cash flow hedges

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

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

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

3.3 Investment in subsidiaries

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

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

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

3.4 Leasehold improvement and equipment

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

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

3.5 Intangible assets

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

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

3.6 Loans from purchase of accounts receivable and accrued interest

The loans from purchase of accounts receivable represent non-performing receivables which a subsidiary has purchased from financial institutions and credit service companies by bidding for debts management and collection. Under the purchase contracts of non - performing receivables, the subsidiary takes all the risks in the collection without recourse. The loans from purchase of accounts receivable are recognized as purchased or originated credit-impaired financial assets. The subsidiary initially recognizes purchased or originated credit-impaired financial assets at cost, which comprise purchased amount (fair value as at transaction date equals or approximates to purchased price) plus direct expense of loans from purchase of accounts receivable, and presents at amortized cost plus accrued interest income, net of allowance for expected credit losses.

3.7 Allowance for expected credit losses of loans from purchase of accounts receivable

The loans from purchase of accounts receivable are purchased or originated credit-impaired financial assets. The subsidiary recognizes allowance for expected credit losses from loans from purchase of accounts receivable as the cumulative changes in lifetime expected credit losses since initial recognition.

The subsidiary estimates the amount of expected credit losses of loans from purchase of accounts receivable by calculating the difference between the carrying amount of loans from purchase of accounts receivable and the present value of estimated future cash flow, and by discounting the unbiased forecast cash flows based on reasonable and supportable information that is relevant and available without undue cost or effort.

The subsidiary uses judgment in estimating the amount and period of expected net cash inflows in calculating allowance for expected credit losses and credit-adjusted effective interest rate since initial recognition of loans from purchase of accounts receivable for recognition of interest income. In estimating cash flows, the subsidiary considers loss experience and adjusts on the basis of current observable data. In addition, the subsidiary uses reasonable and supportive forecasts of future economic conditions that are proven to be statistically correlated, and uses appropriate judgment to estimate the amount of expected credit losses. The subsidiary uses judgement in assessing financial situation of debtor and net collateral value, uses forward-looking information model to calculate allowance for expected credit losses.

The subsidiary recognizes the amount of the change in lifetime expected credit losses of the financial assets as gain or loss from expected credit losses in profit or loss. The subsidiary recognizes favorable changes in lifetime expected credit losses as a reversal of expected credit losses, even if the lifetime expected credit losses are less than the amount of expected credit losses that were included in the estimated cash flows on initial recognition.

3.8 Leases

The Group and the Company as lessee

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3.9 Assets and liabilities in foreign currencies

3.9.1 Functional currency and presentation currency

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

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

3.9.2 Translation of foreign currency transaction

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

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

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

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

3.9.3 Translation of financial statements of foreign operations

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

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

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

3.10 Share-based payment

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

3.11 Recognition of revenues and expenses

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

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

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

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

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

Other income and expenses are recognized on an accrual basis.

3.12 Provisions for employee benefits

3.12.1 Provident Fund

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

3.12.2 Post-employment benefits

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

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

3.13 Provision for dismantling costs

The Group and the Company record a provision for dismantling costs whenever it is highly probable that an obligation will arise as a result of a past event and the amount of the obligation can be reliably estimated. In estimating dismantling cost, the Group's and the Company's management exercise judgment in predicting future dismantling cost, discount rate and economic useful lives of the assets.

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

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

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

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

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

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

(1) Allowance for expected credit loss

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

(2) Deferred revenue from customer loyalty programs

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

(3) Provisions for employee benefits

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

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

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

(4) Business model assessment

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

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

(5) Significant increase in credit risk

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

3.18.2 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 40.6.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

4.1 Cash and cash equivalents as at February 29, 2024 and February 28, 2023, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Cash	283,248	452,796	237,712	422,844
Deposits at bank - call deposits	2,513,408	3,363,560	1,800,874	1,736,966
Total cash and cash equivalents	2,796,656	3,816,356	2,038,586	2,159,810

4.2 Cash paid for purchase of leasehold improvement and equipment and intangible assets other than goodwill for the years ended February 29, 2024 and February 28, 2023, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024 Baht '000	February 28, 2023 Baht '000	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Leasehold improvement and equipment				
Liabilities recorded - brought forward	8,655	34,470	8,458	34,218
Purchase of leasehold improvement and equipment	246,601	185,962	147,913	147,703
	255,256	220,432	156,371	181,921
Less Cash paid for purchase of leasehold improvement and equipment	(251,703)	(211,777)	(152,817)	(173,463)
Liabilities recorded - carried forward	3,553	8,655	3,554	8,458
Intangible assets other than goodwill				
Liabilities recorded - brought forward	46,661	146,101	46,410	145,886
Purchase of intangible assets other than goodwill	207,237	342,888	168,075	297,966
	253,898	488,989	214,485	443,852
Less Cash paid for purchase of intangible assets other than goodwill	(206,938)	(442,328)	(168,853)	(397,442)
Liabilities recorded - carried forward	46,960	46,661	45,632	46,410

4.3 The Company had non-cash items relating to sale of the rights on loans receivable to ATS Rabbit Special Purpose Vehicle Company Limited, a subsidiary, which the Company had sold loans receivable to. During the years ended February 29, 2024 and February 28, 2023 such sale was settled by increasing the Seller loan Account of Baht 20.42 million and Baht 11.85 million, respectively, instead of cash receipt.

4.4 Changes in liabilities arising from financing activities for the years ended February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2023	Financing cash flows		Non-cash changes		Ending balance as at February 29, 2024
		Cash received	Cash paid	Differences on translating foreign currencies	Others	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Bank overdrafts and short-term borrowings from financial institutions	4,485,424	98,434,643	(100,159,689)	(78,147)	-	2,682,231
Long-term borrowings	51,989,485	11,888,992	(12,667,571)	70,487	14,243	51,295,636
Long-term debentures	9,580,142	-	(821,378)	(316,013)	10,458	8,453,209
Lease liabilities	917,668	-	(542,813)	(388)	317,073*	691,540

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

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

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

	SEPARATE FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2023	Financing cash flows		Non-cash changes		Ending balance as at February 29, 2024
		Cash received	Cash paid	Differences on translating foreign currencies	Others	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Bank overdrafts and short-term borrowings from financial institutions	3,440,000	91,280,000	(94,220,000)	-	-	500,000
Long-term borrowings	49,141,338	10,662,440	(11,073,300)	94,390	14,242	48,839,110
Long-term borrowings under securitization project	1,260,991	482,734	(538,632)	-	(113,828)	1,091,265
Long-term debentures	8,107,060	-	-	(316,013)	10,458	7,801,505
Lease liabilities	802,204	-	(476,299)	-	278,467*	604,372

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

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

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

5. TRADE RECEIVABLES

5.1 Trade receivables as at February 29, 2024 and February 28, 2023, consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024	As at February 28, 2023	As at February 29, 2024	As at February 28, 2023
	Baht '000	Baht '000	Baht '000	Baht '000
Trade receivables	90,213,378	92,675,988	84,155,439	87,599,547
Trade receivables under securitization project				
- ATS Rabbit Special Purpose Vehicle Company Limited	1,091,265	1,260,991	1,091,265	1,260,991
Total	91,304,643	93,936,979	85,246,704	88,860,538
Less Allowance for expected credit loss	(8,287,968)	(10,125,258)	(7,837,443)	(9,530,542)
Total trade receivables	83,016,675	83,811,721	77,409,261	79,329,996

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

As at February 29, 2024 and February 28, 2023, details of trade receivables are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS					
	As at February 29, 2024			As at February 28, 2023		
	Due within 1 year	Due after 1 year	Total	Due within 1 year	Due after 1 year	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	3,005,528	4,543,214	7,548,742	2,483,958	3,625,375	6,109,333
Less Unearned financing income	(320,959)	(580,331)	(901,290)	(251,126)	(347,096)	(598,222)
	2,684,569	3,962,883	6,647,452	2,232,832	3,278,279	5,511,111
Less Allowance for expected credit loss	(170,624)	(312,816)	(483,440)	(185,051)	(314,840)	(499,891)
Hire-purchase and accrued interest receivable - net	2,513,945	3,650,067	6,164,012	2,047,781	2,963,439	5,011,220
Loans receivable						
Loans and accrued interest receivable	42,841,454	580,001	43,421,455	44,669,914	208,350	44,878,264
Less Allowance for expected credit loss	(5,041,675)	(49,606)	(5,091,281)	(5,973,197)	(27,137)	(6,000,334)
Loans and accrued interest receivable - net	37,799,779	530,395	38,330,174	38,696,717	181,213	38,877,930
Credit card receivable						
Credit card and accrued interest receivable	41,162,280	-	41,162,280	43,474,347	-	43,474,347
Less Allowance for expected credit loss	(2,713,190)	-	(2,713,190)	(3,624,750)	-	(3,624,750)
Credit card and accrued interest receivable - net	38,449,090	-	38,449,090	39,849,597	-	39,849,597
Receivable from rendering the collection service						
Receivable from rendering the collection service	12,926	-	12,926	4,634	-	4,634
Less Allowance for expected credit loss	(57)	-	(57)	(283)	-	(283)
Receivable from rendering the collection service - net	12,869	-	12,869	4,351	-	4,351
Receivable from insurance broker business	60,530	-	60,530	68,623	-	68,623
Total trade receivables	78,836,213	4,180,462	83,016,675	80,667,069	3,144,652	83,811,721

	SEPARATE FINANCIAL STATEMENTS					
	As at February 29, 2024			As at February 28, 2023		
	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	1,061,761	2,876,759	3,938,520	904,756	2,033,501	2,938,257
Less Unearned financing income	(320,959)	(580,331)	(901,290)	(251,126)	(347,096)	(598,222)
	740,802	2,296,428	3,037,230	653,630	1,686,405	2,340,035
Less Allowance for expected credit loss	(76,380)	(236,770)	(313,150)	(73,640)	(189,996)	(263,636)
Hire-purchase and accrued interest receivable - net	664,422	2,059,658	2,724,080	579,990	1,496,409	2,076,399
Loans receivable						
Loans and accrued interest receivable	41,911,920	13,274	41,925,194	43,882,307	-	43,882,307
Less Allowance for expected credit loss	(4,852,367)	(283)	(4,852,650)	(5,697,631)	-	(5,697,631)
Loans and accrued interest receivable - net	37,059,553	12,991	37,072,544	38,184,676	-	38,184,676
Credit card receivable						
Credit card and accrued interest receivable	40,223,750	-	40,223,750	42,569,573	-	42,569,573
Less Allowance for expected credit loss	(2,671,643)	-	(2,671,643)	(3,569,275)	-	(3,569,275)
Credit card and accrued interest receivable - net	37,552,107	-	37,552,107	39,000,298	-	39,000,298
Receivable from insurance broker business	60,530	-	60,530	68,623	-	68,623
Total trade receivables	75,336,612	2,072,649	77,409,261	77,833,587	1,496,409	79,329,996

5.2 Quality of assets

Staging analysis for trade receivables as at February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS As at February 29, 2024		
	Trade receivables	**Allowance for expected credit loss**	**Total trade receivables**
	Baht '000	**Baht '000**	**Baht '000**
Low credit risk receivables (Stage 1)	83,792,052	(3,748,439)	80,043,613
Significant increase in credit risk receivables (Stage 2)	2,978,947	(1,300,947)	1,678,000
Default receivables in credit risk (Stage 3)	4,533,644	(3,238,582)	1,295,062
Total	91,304,643	(8,287,968)	83,016,675

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

	SEPARATE FINANCIAL STATEMENTS As at February 29, 2024		
	Trade receivables	**Allowance for expected credit loss**	**Total trade receivables**
	Baht '000	**Baht '000**	**Baht '000**
Low credit risk receivables (Stage 1)	78,326,899	(3,623,373)	74,703,526
Significant increase in credit risk receivables (Stage 2)	2,793,624	(1,245,895)	1,547,729
Default receivables in credit risk (Stage 3)	4,126,181	(2,968,175)	1,158,006
Total	85,246,704	(7,837,443)	77,409,261

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

Trade receivables as at February 29, 2024 and February 28, 2023 classified by aging are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Less than 3 months	87,414,398	88,798,527
3 months up	3,890,245	5,138,452
Total	91,304,643	93,936,979
Less Allowance for expected credit loss	(8,287,968)	(10,125,258)
Total trade receivables	83,016,675	83,811,721

	SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Less than 3 months	81,763,922	84,230,528
3 months up	3,482,782	4,630,010
Total	85,246,704	88,860,538
Less Allowance for expected credit loss	(7,837,443)	(9,530,542)
Total trade receivables	77,409,261	79,329,996

5.3 Troubled debt restructuring

For the years ended February 29, 2024 and February 28, 2023, the Company had recognized interest income on restructured debts totaling Baht 94.44 million and Baht 68.59 million, respectively.

The Group and the Company had outstanding balances of credit card receivable, hire-purchase receivable and loans receivable as at February 29, 2024 and February 28, 2023, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at February 29, 2024		As at February 28, 2023	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	27,236	1,318,128	14,696	557,681
Non-restructured trade receivables	3,522,910	89,913,059	3,631,664	93,306,041
Total	3,550,146	91,231,187	3,646,360	93,863,722

	SEPARATE FINANCIAL STATEMENTS			
	As at February 29, 2024		As at February 28, 2023	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured trade receivables	18,973	1,272,083	14,629	556,753
Non-restructured trade receivables	2,413,423	83,914,091	2,549,101	88,235,162
Total	2,432,396	85,186,174	2,563,730	88,791,915

As at February 29, 2024 and February 28, 2023, the Group and the Company had no commitment to provide additional loans to its restructured debtors after debt restructuring.

5.4 Allowance for expected credit loss

Allowance for expected credit loss as at February 29, 2024 and February 28, 2023, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	Allowance for expected credit loss			Total
	Low credit risk receivables (Stage 1)	Significant increase in credit risk receivables (Stage 2)	Default receivables in credit risk (Stage 3)	
	Baht '000	Baht '000	Baht '000	Baht '000
Balance as at March 1, 2023	4,397,716	1,658,080	4,069,462	10,125,258
Changes in staging	2,692,235	(5,969,958)	3,277,723	-
Changes in risk parameters	(3,601,108)	5,743,333	4,840,854	6,983,079
New financial assets originated or purchased	391,931	27,634	1,038,292	1,457,857
Financial assets derecognized	(130,510)	(157,380)	(393,046)	(680,936)
Written-off bad debts	-	-	(9,596,412)	(9,596,412)
Foreign exchange rate differences	(1,825)	(761)	1,708	(878)
Balance as at February 29, 2024	3,748,439	1,300,948	3,238,581	8,287,968

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

* The Group and the Company have adhered to the Accounting Treatment Guidance on "Guidelines for supporting debtors affected by COVID-19" in staging.

	SEPARATE FINANCIAL STATEMENTS	
	Allowance for expected credit loss	Total

	Low credit risk receivables (Stage 1)	Significant increase in credit risk receivables (Stage 2)	Default receivables in credit risk (Stage 3)	
	Baht '000	Baht '000	Baht '000	Baht '000
Balance as at March 1, 2023	4,291,875	1,590,702	3,647,965	9,530,542
Changes in staging	2,668,908	(5,933,738)	3,264,830	-
Changes in risk parameters	(3,520,746)	5,747,619	4,729,505	6,956,378
New financial assets originated or purchased	334,719	-	1,002,729	1,337,448
Financial assets derecognized	(151,383)	(158,688)	(297,672)	(607,743)
Written-off bad debts	-	-	(9,379,182)	(9,379,182)
Balance as at February 29, 2024	3,623,373	1,245,895	2,968,175	7,837,443

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

* The Group and the Company have adhered to the Accounting Treatment Guidance on "Guidelines for supporting debtors affected by COVID-19" in staging.

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)
Initial sale of receivables		
Net book value of initial receivables	Baht	456,076,200
Proceeds from transfer of the rights in receivables	Baht	433,272,390
Subordinated lendings	Baht	50,081,313
Minimum seller loans - pari passu with debentures	Baht	None
Number of contracts		49,225
Average principal amount outstanding	Baht	9,265
Interest rate		25% p.a.

* ATS Rabbit Special Purpose Vehicle Company Limited (Subsidiary)

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

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

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

1. When the Company has breached its representations and warrantees with respect to the Purchased Receivables which are ineligible. The Company is obliged to repurchase such ineligible receivables on the next Monthly Purchase Date.

2. The Company, as the collection agent, may exercise the Clean up Call Option for repurchase of remaining Purchased Receivables whenever the continued servicing of the Purchase Receivables is deemed to be burdensome.
3. The Company may exercise the Tax Redemption Option for repurchase of remaining Purchased Receivables, where there is incurred taxes other than corporate income tax and special business tax.

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

	ATS Rabbit*	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Statements of financial position		
Total assets	1,203,939	2,020,410
Total liabilities	1,199,827	2,020,366
Total shareholders' equity	4,112	44

	For the years ended	
	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Statements of profit or loss		
Total revenues	326,209	348,025
Bad debts and doubtful accounts	134,252	152,567
Other operating expenses	81,500	92,634
Interest expenses	95,550	95,959
Income tax expense	2,982	1,373
Net profit	11,926	5,492

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

For the years ended February 29, 2024 and February 28, 2023, transactions relating to the transfers of financial assets under the securitization projects are summarized as follows:

	For the years ended	
	February 29, 2024 Million Baht	February 28, 2023 Million Baht
Transfers of future receivables and additional receivables (at book value)		
- Loans receivable (ATS Rabbit)	503	576
	503	576
Cash collection on behalf of Special Purpose Vehicles		
- Loans receivable (ATS Rabbit)	858	923
	858	923
Servicing income on cash collection from Special Purpose Vehicles		
- Loans receivable (ATS Rabbit)	64	73
	64	73

6. OTHER RECEIVABLES

Other receivables as at February 29, 2024 and February 28, 2023 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS					
	As at February 29, 2024			As at February 28, 2023		
	Due within the year Baht '000	More than 1 year Baht '000	Total Baht '000	Due within the year Baht '000	More than 1 year Baht '000	Total Baht '000
Other receivables - related companies (see Note 38.2.1)	5,137	-	5,137	4,367	-	4,367
Other receivables - other companies	274,791	24,703	299,494	262,544	74,041	336,585
Prepaid expenses	140,127	-	140,127	167,446	-	167,446
Advance payment	52,872	-	52,872	49,074	-	49,074
Accrued income	20,390	-	20,390	19,228	-	19,228
Refundable corporate income tax	15,745	-	15,745	15,745	-	15,745
Total	509,062	24,703	533,765	518,404	74,041	592,445

	SEPERATE FINANCIAL STATEMENTS					
	As at February 29, 2024			As at February 28, 2023		
	Due within the year Baht '000	More than 1 year Baht '000	Total Baht '000	Due within the year Baht '000	More than 1 year Baht '000	Total Baht '000
Other receivables - related companies (see Note 38.2.1)	52,803	-	52,803	72,766	-	72,766
Other receivables - other companies	220,485	24,703	245,188	204,022	74,041	278,063
Prepaid expenses	108,548	-	108,548	137,240	-	137,240
Advance payment	90	-	90	680	-	680
Total	381,926	24,703	406,629	414,708	74,041	488,749

7. FIXED DEPOSITS AT BANKS UNDER OBLIGATIONS

As at February 29, 2024 and February 28, 2023, 3 subsidiaries have fixed deposits at banks under obligations as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Due after 1 year		
Pledge as collateral for bank's letters of guarantee issued for debt collection service	1,900	3,875
Legal reserve of the foreign subsidiaries	36,375	140,341
Total fixed deposits at banks under obligations	38,275	144,216

8. LONG-TERM LOAN TO A SUBSIDIARY

As at February 29, 2024 and February 28, 2023, the Company has long-term loan to a subsidiary (see Note 38.2.1) in the separate financial statements as follows:

				SEPARATE FINANCIAL STATEMENTS	
				As at February 29, 2024	As at February 28, 2023
	Due within the year	Interest rate p.a. (%)	Foreign currency Million	Baht equivalent Baht '000	Baht equivalent Baht '000
Loans in USD currency	2023 - 2026	8.50	2.40	85,862	111,960
Less Long-term loan to a subsidiary due within 1 year				(28,621)	(27,990)
Total long-term loan to a subsidiary				57,241	83,970

Such long-term loan to a subsidiary is unsecured.

9. LOANS FROM PURCHASE OF ACCOUNTS RECEIVABLE

As at February 29, 2024 and February 28, 2023, loans from purchase of accounts receivable are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Hire-purchase receivables	51,810	11,293
Add Accrued interest	17,571	1,330
	69,381	12,623
Less Allowance for expected credit loss	(45,174)	-
	24,207	12,623
Less Current portion of loans receivable from purchase of accounts receivable	(1,590)	(490)
Loans receivable from purchase of accounts receivable - net of current portion	22,617	12,133

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

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

10. INVESTMENTS IN SUBSIDIARIES

As at February 29, 2024 and February 28, 2023, the Company had investments in subsidiaries (see Note 38.1) which are accounted for using the cost method in the separate financial statements as follows:

	SEPARATE FINANCIAL STATEMENTS			
	As at February 29, 2024		As at February 28, 2023	
	Ownership %	Cost Baht '000	Ownership %	Cost Baht '000
ACS Servicing (Thailand) Co., Ltd.	100.00	175,349.1	100.00	175,349.1
ACSI (Thailand) Co., Ltd.	100.00	149,224.3	100.00	149,224.3
AEON Specialized Bank (Cambodia) Plc.	50.00	323,580.0	50.00	323,580.0
AEON Microfinance (Myanmar) Company Limited	100.00	455,403.3	100.00	455,403.3
AEON Leasing Service (Lao) Company Limited	96.29	107,333.1	96.29	107,333.1
ATS Rabbit Special Purpose Vehicle Company Limited	48.75	19.5	48.75	19.5
AEON Asset Management (Thailand) Company Limited	99.99	49,999.9	98.00	24,499.7
Total		1,260,909.2		1,235,409.0

On April 11, 2022, the Board of Directors' Meeting of ACSI (Thailand) Co., Ltd. (the "Subsidiary") had a special resolution to approve the Subsidiary's dissolution. Subsequently, on April 28, 2022, the Annual General Meeting of Shareholders of the Subsidiary had the resolutions to approve the Subsidiary's dissolution. The Subsidiary has registered the dissolution with the Department of Business Development, Ministry of Commerce on June 30, 2022. As at February 29, 2024, the Subsidiary is in process of liquidation.

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

Subsequently, on August 25, 2023, the Company purchased 2,499 shares of AEON AMC, a subsidiary, from ACS Servicing (Thailand) Co., Ltd., a subsidiary, at the amount of Baht 100 per share totaling Baht 0.25 million. On the same date, the Company also purchased 2,503 shares of AEON AMC from non-controlling interests at the amount of Baht 100 per share totaling Baht 0.25 million. As at February 29, 2024, the Company directly holds 99.99% shares of AEON AMC.

Subsequently, on September 8, 2023, the Extraordinary General Meeting of Shareholders of AEON AMC had a resolution to approve the increase of registered share capital from Baht 25 million, divided into 250,000 shares at par value of Baht 100, to Baht 100 million, divided into 1,000,000 shares at par value of Baht 100, by issuance of 750,000 new ordinary shares at par value of Baht 100, totaling Baht 75 million. AEON AMC has registered the increase of registered share capital with the Department of Business Development, Ministry of Commerce on September 22, 2023, of which 33.33% totaling Baht 25 million was called up.

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

Investments in equity securities designated at fair value through profit or loss as at February 29, 2024 and February 28, 2023 consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at February 29, 2024		As at February 28, 2023	
	Ownership %	Fair Value Baht '000	Ownership %	Fair Value Baht '000
AEON (Thailand) Co., Ltd.[1]	3.82	-	3.82	-
PT. AEON Credit Service Indonesia [2]	2.59	14,471	2.59	5,062
ACS Trading Vietnam Company Limited	1.59	-	1.59	-
Total		14,471		5,062

[1] 340,000 shares of Baht 100 each, Baht 25 called up
[2] 173 shares of IDR 30 million each, par value of IDR 30 million, fully paid

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

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

Investment in equity security designated at fair value through other comprehensive income as at February 29, 2024 and February 28, 2023 consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at February 29, 2024		As at February 28, 2023	
	Ownership %	Fair Value Baht '000	Ownership %	Fair Value Baht '000
Rabbit Cash Co., Ltd.	18.00	216,000 [1]	18.00	144,000 [2]
Total		216,000		144,000

[1] 2,160,000 shares of Baht 100 each, fully paid
[2] 1,440,000 shares of Baht 100 each, fully paid

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

Subsequently, on February 22, 2024, the Extraordinary General Meeting of Shareholders of Rabbit Cash Company Limited had a resolution to approve the increase of registered share capital amount of Baht 400 million and the Company has increased the share capital to maintain the proportion of shareholding at 18%.

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

13. SELLER LOAN IN SPECIAL PURPOSE VEHICLE FOR SECURITIZATION

Seller loan in Special Purpose Vehicle for securitization as at February 29, 2024 and February 28, 2023, are as follows:

	SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Seller loan in Special Purpose Vehicle for securitization (see Note 38.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	308,045	287,621
Total Seller loan in Special Purpose Vehicle for securitization	308,045	287,621

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

14. SUBORDINATED LENDINGS AND SUBORDINATED BORROWINGS

14.1 Subordinated lendings to Special Purpose Vehicle as at February 29, 2024 and February 28, 2023, are as follows:

	SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Subordinated lendings (see Note 38.2.1)		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	84,074	84,074
Less Current portion of subordinated lendings	(2,441)	-
Total subordinated lendings	81,633	84,074

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

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

14.2 Subordinated borrowings of Special Purpose Vehicle as at February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Subordinated borrowings		
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	84,074	84,074
Less Current portion of subordinated borrowings	(2,441)	-
Total subordinated borrowings	81,633	84,074

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

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

15. LEASEHOLD IMPROVEMENT AND EQUIPMENT

Leasehold improvement and equipment as at February 29, 2024 and February 28, 2023 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Cost	3,722,906	3,851,583	2,994,639	3,146,352
Less Accumulated depreciation	(3,193,346)	(3,328,438)	(2,592,838)	(2,699,135)
Total leasehold improvement and equipment	529,560	523,145	401,801	447,217

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

	CONSOLIDATED FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2023	**Additions**	**Disposals/ Write-off**	**Transfer in (out)**	**Exchange differences on translating financial statements**	**Ending balance as at February 29, 2024**
	Baht '000	**Baht '000**	**Baht '000**	**Baht '000**	**Baht '000**	**Baht '000**
Cost						
Leasehold improvement	1,069,860	24,933	(191,609)	55,690	(2,050)	956,824
Furniture and office equipment	2,741,956	107,604	(176,366)	67,185	(4,931)	2,735,448
Vehicle	51	-	-	-	(9)	42
Assets under installation	39,716	114,064	-	(123,197)	9	30,592
Total	3,851,583	246,601	(367,975)	(322)	(6,981)	3,722,906
Accumulated depreciation						
Leasehold improvement	(928,841)	(60,067)	188,126	-	1,237	(799,545)
Furniture and office equipment	(2,399,594)	(172,345)	175,659	-	2,490	(2,393,790)
Vehicle	(3)	(10)	-	-	2	(11)
Total	(3,328,438)	(232,422)	363,785	-	3,729	(3,193,346)
Total leasehold improvement and equipment	523,145					529,560

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

	SEPARATE FINANCIAL STATEMENTS				
	Beginning balance as at March 1, 2023	Additions	Disposals/ Write-off	Transfer in (out)	Ending balance as at February 29, 2024
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Cost					
Leasehold improvement	884,721	7,259	(188,832)	54,299	757,447
Furniture and office equipment	2,222,883	32,933	(110,704)	61,487	2,206,599
Assets under installation	38,748	107,721	-	(115,876)	30,593
Total	3,146,352	147,913	(299,536)	(90)	2,994,639
Accumulated depreciation					
Leasehold improvement	(770,596)	(45,526)	185,400	-	(630,722)
Furniture and office equipment	(1,928,539)	(143,745)	110,168	-	(1,962,116)
Total	(2,699,135)	(189,271)	295,568	-	(2,592,838)
Total leasehold improvement and equipment	447,217				401,801

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

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
	Baht '000	Baht '000	Baht '000	Baht '000
Depreciation	232,422	276,116	189,271	226,833

As at February 29, 2024 and February 28, 2023, costs of fully depreciated leasehold improvement and equipment still in use are as follows:

	As at February 29, 2024	As at February 28, 2023
	Baht '000	Baht '000
Consolidated financial statements	2,310,248	2,365,274
Separate financial statements	2,107,986	2,159,858

16. RIGHT-OF-USE ASSETS

Right-of-use assets as at February 29, 2024 and February 28, 2023 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Cost	1,508,966	1,511,379	1,211,632	1,233,224
Less Accumulated depreciation	(853,409)	(618,820)	(641,545)	(456,539)
Total Current portion of right-of-use assets	655,557	892,559	570,087	776,685
Less Right-of-use assets	(24,610)	-	(23,958)	-
Right-of-use assets	630,947	892,559	546,129	776,685

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

	CONSOLIDATED FINANCIAL STATEMENTS				
	Beginning balance as at March 1, 2023 Baht '000	Additions Baht '000	Disposal Baht '000	Exchange difference on translating financial statements Baht '000	Ending balance as at February 29, 2024 Baht '000
Cost					
Buildings	1,298,500	253,655	(249,196)	(2,229)	1,300,730
Office equipment	142,393	51,892	(53,168)	-	141,117
Vehicles	70,486	17,953	(21,320)	-	67,119
Total	1,511,379	323,500	(323,684)	(2,229)	1,508,966
Accumulated depreciation					
Buildings	(503,580)	(428,584)	208,898	2,102	(721,164)
Office equipment	(72,395)	(62,211)	49,666	-	(84,940)
Vehicles	(42,845)	(25,404)	20,944	-	(47,305)
Total	(618,820)	(516,199)	279,508	2,102	(853,409)
Total right-of-use assets	892,559				655,557

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

	SEPARATE FINANCIAL STATEMENTS			
	Beginning balance as at March 1, 2023	**Additions**	**Disposal**	**Ending balance as at February 29, 2024**
	Baht '000	**Baht '000**	**Baht '000**	**Baht '000**
Cost				
Buildings	1,030,247	221,389	(237,551)	1,014,085
Office equipment	134,503	47,632	(49,196)	132,939
Vehicles	68,474	15,442	(19,308)	64,608
Total	1,233,224	284,463	(306,055)	1,211,632
Accumulated depreciation				
Buildings	(347,220)	(369,618)	203,213	(513,625)
Office equipment	(68,115)	(58,979)	46,046	(81,048)
Vehicles	(41,204)	(24,600)	18,932	(46,872)
Total	(456,539)	(453,197)	268,191	(641,545)
Total right-of-use assets	776,685			570,087

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

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

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

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024 Baht '000	February 28, 2023 Baht '000	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Amounts recognized in profit or loss				
Depreciation on right-of-use assets	516,199	533,981	453,197	470,172
Interest expense on lease liabilities	38,237	35,576	32,356	29,940
Gain on cancellation of lease agreements	(488)	(334)	(488)	(330)

For the year ended February 29, 2024, the total cash outflow for leases amount to Baht 542.81 million and Baht 476.30 million in the consolidated and separate financial statements, respectively.

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

17. INTANGIBLE ASSETS OTHER THAN GOODWILL

Intangible assets other than goodwill as at February 29, 2024 and February 28, 2023 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Cost	5,360,444	5,171,889	4,770,314	4,612,451
Less Accumulated amortization	(4,414,369)	(4,152,986)	(3,955,613)	(3,733,702)
Less Allowance for impairment	(95,497)	(95,497)	(95,497)	(95,497)
Total intangible assets other than goodwill	850,578	923,406	719,204	783,252

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

	CONSOLIDATED FINANCIAL STATEMENTS					
	Beginning balance as at March 1, 2023	Additions	Disposals/ Write-off	Transfer in (out)	Exchange differences on translating financial statements	Ending balance as at February 29, 2024
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Cost						
Computer software	4,805,045	32,926	(6,182)	199,300	(7,106)	5,023,983
Computer software under installation	366,844	174,311	(5,296)	(198,978)	(420)	336,461
Total	5,171,889	207,237	(11,478)	322	(7,526)	5,360,444
Accumulated amortization						
Computer software	(4,152,986)	(271,581)	6,180	-	4,018	(4,414,369)
Allowance for impairment						
Computer software under installation	(95,497)	-	-	-	-	(95,497)
Total intangible assets other than goodwill	923,406					850,578

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

	SEPARATE FINANCIAL STATEMENTS				
	Beginning balance as at March 1, 2023	Additions	Disposals/ Write-off	Transfer in (out)	Ending balance as at February 29, 2024
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Cost					
Computer software	4,246,162	24,583	(5,018)	189,655	4,455,382
Computer software under installation	366,289	143,492	(5,284)	(189,565)	314,932
Total	4,612,451	168,075	(10,302)	90	4,770,314
Accumulated amortization					
Computer software	(3,733,702)	(226,928)	5,017	-	(3,955,613)
Allowance for impairment					
Computer software under installation	(95,497)	-	-	-	(95,497)
Total intangible assets other than goodwill	783,252				719,204

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

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
	Baht '000	Baht '000	Baht '000	Baht '000
Amortization	271,581	241,503	226,928	197,074

As at February 29, 2024 and February 28, 2023, costs of fully amortized computer software still in use are as follows:

	As at February 29, 2024	As at February 28, 2023
	Baht '000	Baht '000
Consolidated financial statements	3,615,744	3,436,444
Separate financial statements	3,395,793	3,224,395

18. DEFERRED TAX ASSETS

Deferred tax assets as at February 29, 2024 and February 28, 2023 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Deferred tax assets				
Allowance for expected credit loss	1,603,710	1,956,008	1,567,489	1,906,108
Cumulative loss from fair value measurement of investments in equity securities	2,620	4,502	5,984	7,866
Allowance for impairment of investment and assets	38,009	21,300	19,099	19,099
Provisions for employee benefit	95,306	88,052	88,140	81,866
Deferred revenue from customer loyalty programs	62,933	72,678	62,933	72,678
Lease agreements	19,656	18,016	17,898	16,482
Derivatives	233,909	147,856	233,909	147,856
Others	38,393	42,075	17,181	16,893
	2,094,536	2,350,487	2,012,633	2,268,848
Deferred tax liabilities				
Lease agreements	66	518	-	-
Others	5,919	9,047	-	-
	5,985	9,565	-	-
Deferred tax assets	2,088,551	2,340,922	2,012,633	2,268,848

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

	CONSOLIDATED FINANCIAL STATEMENTS			
	Beginning balance as at March 1, 2023 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, 2024 Baht '000
Deferred tax assets				
Allowance for expected credit loss	1,956,008	(352,298)	-	1,603,710
Cumulative loss from fair value measurement of investments in equity securities	4,502	(1,882)	-	2,620
Allowance for impairment of investment and assets	21,300	16,709	-	38,009
Provisions for employee benefit	88,052	12,168	(4,914)	95,306
Deferred revenue from customer loyalty programs	72,678	(9,745)	-	62,933
Lease agreements	18,016	1,640	-	19,656
Derivatives	147,856	27,238	58,815	233,909
Others	42,075	(3,682)	-	38,393
	2,350,487	(309,852)	53,901	2,094,536
Deferred tax liabilities				
Lease agreements	518	(452)	-	66
Others	9,047	(3,128)	-	5,919
	9,565	(3,580)	-	5,985
Deferred tax assets	2,340,922	(306,272)	53,901	2,088,551

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

	SEPARATE FINANCIAL STATEMENTS			
	Beginning balance as at March 1, 2023	**Items as recognized in profit or loss**	**Items as recognized in other comprehensive income**	**Ending balance as at February 29, 2024**
	Baht '000	**Baht '000**	**Baht '000**	**Baht '000**
Deferred tax assets				
Allowance for expected credit loss	1,906,108	(338,619)	-	1,567,489
Cumulative loss from fair value measurement of investments in equity securities	7,866	(1,882)	-	5,984
Allowance for impairment of assets	19,099	-	-	19,099
Provisions for employee benefit	81,866	10,866	(4,592)	88,140
Deferred revenue from customer loyalty programs	72,678	(9,745)	-	62,933
Lease agreements	16,482	1,416	-	17,898
Derivatives	147,856	27,238	58,815	233,909
Others	16,893	288	-	17,181
	2,268,848	(310,438)	54,223	2,012,633
Deferred tax assets	2,268,848	(310,438)	54,223	2,012,633

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

19. OTHER NON-CURRENT ASSETS

Other non-current assets as at February 29, 2024 and February 28, 2023 consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024	As at February 28, 2023	As at February 29, 2024	As at February 28, 2023
	Baht '000	Baht '000	Baht '000	Baht '000
Deposits	155,297	165,501	134,946	146,184
Total	155,297	165,501	134,946	146,184

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

Bank overdrafts and short-term borrowings from financial institutions as at February 29, 2024 and February 28, 2023, consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at February 29, 2024		As at February 28, 2023	
	Interest rate p.a. (%)	Baht '000	Interest rate p.a. (%)	Baht '000
Short-term borrowings in THB currency	2.69	500,000	1.69 - 1.76	3,440,000
Short-term borrowings in USD currency	6.78 - 8.00	1,859,266	5.49 - 6.70	627,261
Short-term borrowings in LAK currency	6.50 - 6.60	322,965	6.62	282,076
Short-term borrowings in MMK currency	-	-	10.00 - 13.00	136,087
Total		2,682,231		4,485,424

	SEPARATE FINANCIAL STATEMENTS			
	As at February 29, 2024		As at February 28, 2023	
	Interest rate p.a. (%)	Baht '000	Interest rate p.a. (%)	Baht '000
Short-term borrowings in THB currency	2.69	500,000	1.69 - 1.76	3,440,000
Total		500,000		3,440,000

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

21. OTHER PAYABLES

Other payables as at February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Other payable - related companies (see Note 38.2.1)	78,477	65,253	170,212	160,714
Other payable - other companies	320,178	482,305	210,291	330,396
Deferred revenue from customer loyalty programs	320,236	369,164	314,667	363,388
Interest payable	492,757	382,622	472,741	366,602
Accrued expenses	413,358	330,115	389,751	311,229
Total	1,625,006	1,629,459	1,557,662	1,532,329

22. LEASE LIABILITIES

Lease liabilities as at February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Maturity analysis:				
Year 1	403,273	475,687	352,979	416,696
Year 2	209,455	310,471	178,949	264,685
Year 3	101,987	121,807	94,537	109,252
Year 4	17,491	64,534	13,583	59,553
Year 5	1,067	1,419	-	-
	733,273	973,918	640,048	850,186
Less Deferred interest	(41,733)	(56,250)	(35,676)	(47,982)
Total	691,540	917,668	604,372	802,204
Classification analysis:				
Current	377,206	444,127	330,582	389,924
Non-current	314,334	473,541	273,790	412,280
Total	691,540	917,668	604,372	802,204

23. LONG-TERM BORROWINGS

As at February 29, 2024 and February 28, 2023, the Company entered into various long-term borrowings agreements in THB and foreign currencies as follows:

	CONSOLIDATED FINANCIAL STATEMENTS As at February 29, 2024			
	Due within the year	**Interest rate p.a. (%)**	**Foreign currency Million**	**Baht equivalent Baht '000**
Borrowings in JPY currency	2024 - 2027	1.90 - 2.49	11,903.19	2,892,106
Borrowings in USD currency	2024 - 2027	1.85 - 8.50	677.33	24,332,342
Borrowings in THB currency	2024 - 2027	2.01 - 3.79	24,000.00	24,000,000
Borrowings in MMK currency	2026	0.80	6,719.32	110,197
Less Borrowings issuance cost				(39,009)
				51,295,636
Less Current portion of long-term borrowings				(16,960,051)
Total long-term borrowings				34,335,585

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

	SEPARATE FINANCIAL STATEMENTS As at February 29, 2024			
	Due within the year	**Interest rate p.a. (%)**	**Foreign currency Million**	**Baht equivalent Baht '000**
Borrowings in JPY currency	2024 - 2027	1.90 - 2.49	11,903.19	2,892,106
Borrowings in USD currency	2024 - 2027	1.85 - 3.54	609.10	21,986,013
Borrowings in THB currency	2024 - 2027	2.01 - 3.79	24,000.00	24,000,000
Less Borrowings issuance cost				(39,009)
				48,839,110
Less Current portion of long-term borrowings				(16,960,051)
Total long-term borrowings				31,879,059

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

As at February 29, 2024 and February 28, 2023, the Company can maintain financial ratios and other requirements according to the conditions as specified in the agreements.

24. LONG-TERM BORROWINGS UNDER SECURITIZATION PROJECT

As at February 29, 2024 and February 28, 2023, the Company recognized the cash received and the settlement by the Seller Loan Account of ATS Rabbit Special Purpose Vehicle Company Limited for the transferred rights in loans receivable under securitization (see Note 5.5) as long-term borrowings under securitization project in the separate financial statements in the amount of Baht 1,091.27 million and Baht 1,260.99 million, respectively.

25. LONG-TERM DEBENTURES

Long-term debentures, representing unsubordinated and unsecured debentures, as at February 29, 2024 and February 28, 2023, 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, 2024 Baht '000	As at February 28, 2023 Baht '000
Company									
15/11/2019	15/11/2024	1,000,000	THB	1,000	1,000,000,000	2.57	Semi-annual	1,000,000	1,000,000
29/12/2021	29/12/2026	70	JPY	100,000,000	7,000,000,000	0.65	Semi-annual	1,700,783	1,830,906
29/11/2022	28/11/2025	100	JPY	100,000,000	10,000,000,000	0.69	Semi-annual	2,429,690	2,615,580
24/02/2023	24/02/2025	1,000,000	THB	1,000	1,000,000,000	2.99	Semi-annual	1,000,000	1,000,000
24/02/2023	24/02/2026	1,700,000	THB	1,000	1,700,000,000	3.18	Semi-annual	1,700,000	1,700,000
								7,830,473	8,146,486
Less Debentures issuance cost								(28,968)	(39,426)
								7,801,505	8,107,060
Less Current portion of long-term debentures								(1,998,985)	-
Total long-term debentures in separate financial statements								5,802,520	8,107,060
ATS Rabbit Special Purpose Vehicle Company Limited									
28/09/2018	28/10/2025	651,704	THB	1,000	651,704,000	3.60	Monthly	651,704	1,473,082
Less Current portion of long-term debentures								(488,439)	-
								163,265	1,473,082
Total long-term debentures in consolidated financial statements								5,965,785	9,580,142

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

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

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

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

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

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

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

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

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

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

(3) 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.

On September 28, 2018, the subsidiary issued and offered the long-term refinanced debentures which are unsubordinated and unsecured of Baht 1,473.08 million for partial settlement of the transfer of rights in future receivables and additional receivables in accordance with conditions in the agreements.

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

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

Such debentures have been initially redeemed during 2023 and will be matured on October 28, 2025 with conditions to redeem before the maturity, in accordance with the terms and conditions of the debentures.

During the year 2023, partial debentures have been redeemed in the amount of Baht 821.38 million.

As at February 29, 2024 and February 28, 2023, the Company can maintain financial ratios and other requirements according to the conditions as specified in the agreements.

26. DERIVATIVE FINANCIAL INSTRUMENTS

The fair values and notional amounts of derivative instruments as at February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	As at February 29, 2024			As at February 28, 2023		
	Fair value		Notional	Fair value		Notional
	Assets Baht '000	Liabilites Baht '000	amount Baht '000	Assets Baht '000	Liabilites Baht '000	amount Baht '000
Derivatives designated as cash flow						
Cross currency swaps	1,400,485	1,505,044	29,008,592	1,701,619	1,380,412	33,141,075
Interest rate swaps	4,198	36,714	7,000,000	30,466	58,491	5,000,000
	1,404,683	1,541,758	36,008,592	1,732,085	1,438,903	38,141,075
Less Current portion of derivative assets / liabilities	(1,027,407)	(399,465)	(9,661,879)	(1,047,431)	(562,743)	(10,473,815)
Total derivative assets / liabilities	377,276	1,142,293	26,346,713	684,654	876,160	27,667,260

27. PROVISIONS FOR EMPLOYEE BENEFITS

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

For the years ended February 29, 2024 and February 28, 2023, amounts recognized in the statements of profit or loss in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024 Baht '000	February 28, 2023 Baht '000	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Past service cost (reversal)				
- For employees transferred within the Group	(6,168)	(13,343)	(6,495)	(5,113)
Current service cost	65,173	62,878	58,354	55,491
Interest cost	12,410	11,579	11,346	10,801
Gain (loss) on settlement	(141)	15,401	(326)	9,158
Total	71,274	76,515	62,879	70,337

For the years ended February 29, 2024 and February 28, 2023, amounts recognized in other comprehensive income in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024 Baht '000	February 28, 2023 Baht '000	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Gain on remeasurements of defined benefit plans				
- From financial assumptions changes	(2,836)	(18,373)	(2,923)	(14,426)
- From demographic assumptions changes	(6,652)	(27,410)	(6,642)	(27,823)
- From experience adjustments	(15,083)	(26,977)	(13,394)	(24,321)
Total	(24,571)	(72,760)	(22,959)	(66,570)

Movements in the present value of the provisions for post-employment benefits for the years ended February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024 Baht '000	February 28, 2023 Baht '000	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Beginning balance	444,377	463,335	405,630	419,132
Past service cost (reversal)				
- For employees transferred within the Group	(6,168)	(13,343)	(6,495)	(5,113)
Current service cost	65,173	62,878	58,354	55,491
Interest cost	12,410	11,579	11,346	10,801
Gain (loss) on settlement	(141)	15,401	(326)	9,158
Gain on remeasurements of defined benefit plans	(24,571)	(72,760)	(22,959)	(66,570)
Benefits paid	(7,545)	(22,713)	(4,849)	(13,916)
Decrease of liabilities from transfer of employees within the Group	-	-	-	(3,353)
Ending balance	483,535	444,377	440,701	405,630

The significant actuarial assumptions used to calculate the provisions for post-employment benefits as at February 29, 2024 and February 28, 2023, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at February 29, 2024 % per annum	As at February 28, 2023 % per annum
Financial assumptions		
Discount rate	0.84 - 3.06	0.84 - 3.15
Expected rate of salary increase	5.0	5.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 27.0 Subject to range of age of employees	0.0 - 27.0 Subject to range of age of employees
Daily & Temporary staff	-	0.0 - 54.0 Subject to range of age of employees

	SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 % per annum	As at February 28, 2023 % per annum
Financial assumptions		
Discount rate	2.90	2.85
Expected rate of salary increase	5.0	5.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 27.0 Subject to range of age of employees	0.0 - 21.0 Subject to range of age of employees
Daily staff	-	0.0 - 54.0 Subject to range of age of employees

Sensitivity analysis on significant actuarial assumptions represents impact of change in the significant actuarial assumptions on present value of the provisions for post-employment benefits without discounting to present value as at February 29, 2024 and February 28, 2023, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Financial assumptions				
Discount rate				
- 1% increase	(58,938)	(56,381)	(53,595)	(51,755)
- 1% decrease	69,831	67,338	63,463	61,796
Expected rate of salary increase				
- 1% increase	62,934	60,611	57,345	55,718
- 1% decrease	(54,146)	(51,729)	(49,365)	(47,567)
Demographic assumptions				
Turnover rate				
- 1% increase	(62,770)	(60,107)	(56,983)	(55,082)
- 1% decrease	28,783	29,504	24,898	25,981

28. EMPLOYEE JOINT INVESTMENT PROGRAM

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

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

Movement of the employee joint investment program for the years ended February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2024	2023	2024	2023
	For the years ended		For the years ended	
	February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
	Baht '000	Baht '000	Baht '000	Baht '000
Surplus on share-based payment transactions				
Beginning balance	9,265	-	9,265	-
Change during the period				
- Employee joint investment program expense	17,461	14,426	14,351	14,426
- Cash paid for employee joint investment program	(13,076)	(5,161)	(11,506)	(5,161)
Ending balance	13,650	9,265	12,110	9,265

For the years ended February 29, 2024 and February 28, 2023, amounts recognized in the statement of profit or loss in respect of the employee joint investment program are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
	Baht '000	Baht '000	Baht '000	Baht '000
Operating and administrative expenses	9,511	9,703	8,236	9,703
Directors and managements' remuneration	7,950	4,723	6,115	4,723
	17,461	14,426	14,351	14,426

29. SHAREHOLDERS' EQUITY

29.1 On June 24, 2022, the Annual General Meeting of Shareholders had the resolutions to approve the declaration of final dividends for the year ended February 28, 2022 at the rate of Baht 2.65 per share, totaling Baht 662.50 million. The aforementioned shareholders included 1,300 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depositary, thus the Company paid dividend to shareholders amounting to Baht 662.50 million on July 20, 2022 in addition to the interim dividends which had been paid to all shareholders at Baht 2.50 per share, totaling Baht 625.00 million on November 2, 2021.

29.2 On October 4, 2022, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the year ended February 28, 2023 at the rate of Baht 2.55 per share to, totaling Baht 637.50 million. The aforementioned shareholders included 1,400 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 637.50 million on November 2, 2022.

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

29.4 On October 6, 2023 the Company's Board of Directors' meeting passed the resolutions to declare interim dividends for the years ended February 29, 2024 at the rate of Baht 2.55 per share, totaling Baht 637.50 million. The aforementioned shareholders included 46,500 shares of foreign shareholders who had no right to receive dividend in accordance with regulation of Thailand Securities Depositary, thus the Company paid dividend to shareholders amounting to Baht 637.38 million on November 2, 2023.

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

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

30. LEGAL RESERVE

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

As at February 29, 2024 and February 28, 2023, the Company's legal reserve equals to 10% of the registered share capital.

31. CAPITAL MANAGEMENT

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

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

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

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

32. OTHER COMPONENTS OF SHAREHOLDERS' EQUITY

Other components of shareholders' equity as at February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Beginning balance	(173,005)	(523,149)	(89,551)	(427,341)
Exchange differences on translating financial statements of foreign operations	(21,791)	12,354	-	-
Gain (loss) on cash flow hedges	(235,261)	337,790	(235,261)	337,790
Ending balance	(430,057)	(173,005)	(324,812)	(89,551)

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

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

33. REVENUES RELATING TO SECURITIZATION TRANSACTION

For the years ended February 29, 2024 and February 28, 2023, the details of revenues from securitization transaction incurred from sales of rights in loans receivable to ATS Rabbit Special Purpose Vehicle Company Limited are included in Loan income for presentation as follows:

	SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Loan income (see Note 38.2.2)		
Interest income from subordinated lendings	10,117	10,089
Revenue from seller loan in Special Purpose Vehicle	33,424	35,337
Dividend from investment in Special Purpose Vehicle	3,929	2,746
Collection servicing income	64,344	73,410
Total	111,814	121,582

34. 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, 2024 and February 28, 2023, directors and managements' remuneration are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024 Baht '000	February 28, 2023 Baht '000	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Short-term employee benefits				
Directors' remuneration	27,126	14,863	21,586	5,507
Managements' remuneration	150,648	134,070	105,760	94,762
Post-employment benefits	5,338	5,627	3,689	4,156
Total	183,112	154,560	131,035	104,425

For the years ended February 29, 2024 and February 28, 2023, directors' remunerations which were included in short-term employee benefits were approved by the Annual General Meeting of shareholders of the Company held on June 20, 2023 and June 24, 2022, respectively.

35. PROVIDENT FUND

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

For the years ended February 29, 2024 and February 28, 2023, the Company contributed to the provident fund and recorded as expenses, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024 Baht '000	February 28, 2023 Baht '000	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Contributory provident fund	68,584	65,415	60,565	57,608

36. EXPENSES BY NATURE

Total expenses for the years ended February 29, 2024 and February 28, 2023 comprised of the following:

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024	February 28, 2023	February 29, 2024	February 28, 2023
	Baht '000	Baht '000	Baht '000	Baht '000
Staff costs	2,652,706	2,602,515	1,921,140	1,909,180
Marketing expenses	1,573,396	1,459,289	1,530,673	1,448,566
Equipment expenses	738,895	694,015	588,525	554,275
Depreciation and amortization	1,020,202	1,051,601	869,396	894,079
Communication expenses	194,959	211,248	162,050	177,794
Premises' expenses	167,671	186,851	135,040	156,039
Outsource collection expenses	691,271	634,979	1,225,699	1,130,187
Special business tax and duty stamp	553,071	563,317	538,742	548,380
Printing material expenses	101,324	115,772	92,371	106,572
Transportation expenses	120,807	112,401	73,251	67,212
Fees and commissions	204,929	188,804	160,011	148,432
Directors and managements' remuneration	183,112	154,560	131,035	104,425
Loss on impairment of assets	-	95,497	-	95,497
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill	8,131	2,627	8,233	1,041
Other expenses	191,326	141,657	118,117	142,195
Total Expenses	8,401,800	8,215,133	7,554,283	7,483,874

37. CORPORATE INCOME TAX

The Company and its local subsidiaries used tax rate of 20% for corporate income tax and deferred tax calculations for the years ended February 29, 2024 and February 28, 2023.

The foreign subsidiaries used tax rate of 20% - 22% for corporate income tax and deferred tax calculations for the years ended February 29, 2024 and February 28, 2023.

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

For the years ended February 29, 2024 and February 28, 2023, income tax expenses consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024 Baht '000	February 28, 2023 Baht '000	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Current tax expense for the years	517,253	811,258	432,214	722,363
Deferred income tax expense	306,272	184,560	310,438	158,364
Income tax expenses per statements of profit or loss	823,525	995,818	742,652	880,727

Reconciliations of effective tax rates for the years ended February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
	February 29, 2024 Baht '000	February 28, 2023 Baht '000	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Accounting profit before income tax	4,161,381	4,949,963	3,995,343	4,591,454
Permanent differences	(335,079)	(195,081)	300	17,926
Temporary differences	(1,606,916)	(1,054,405)	(1,552,195)	(791,817)
Income exempt from tax	-	-	(277,729)	(205,746)
Taxable profit	2,219,386	3,700,477	2,165,719	3,611,817
Normal income tax rate (%)	20.00 - 22.00	20.00 - 22.00	20.00	20.00
Income tax for the year currently payable	518,183	811,258	433,144	722,363
Adjustment for prior year's income tax	(930)	-	(930)	-
Deferred tax from temporary differences	306,272	184,560	310,438	158,364
Income tax expenses per statements of profit or loss	823,525	995,818	742,652	880,727
Effective tax rate (%)	19.79	20.12	18.59	19.18

38. TRANSACTIONS WITH RELATED PARTIES

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

38.1 Investments in subsidiaries (see Note 10) as at February 29, 2024 and February 28, 2023 are as follows:

		SEPARATE FINANCIAL STATEMENTS					
		As at February 29, 2024			As at February 28, 2023		
Related parties	Relationship	Ownership	Paid-up capital	Cost method	Ownership	Paid-up capital	Cost method
		%	Baht' 000	Baht '000	%	Baht' 000	Baht '000
ACS Servicing (Thailand) Company Limited	Subsidiary	100.00	175,349.1	175,349.1	100.00	175,349.1	175,349.1
ACSI (Thailand) Co., Ltd.	Subsidiary	100.00	149,224.3	149,224.3	100.00	149,224.3	149,224.3
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	50.00	643,720.4	323,580.0	50.00	643,720.4	323,580.0
AEON Microfinance (Myanmar) Company Limited	Subsidiary	100.00	455,403.3	455,403.3	100.00	455,403.3	455,403.3
AEON Leasing Service (Lao) Company Limited	Subsidiary	96.29	111,402.9	107,333.1	96.29	111,402.9	107,333.1
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	48.75	40.0	19.5	48.75	40.0	19.5
AEON Asset Management (Thailand) Company Limited	Subsidiary	99.99	50,000.0	49,999.9	98.00	25,000.0	24,499.7
Total				1,260,909.2			1,235,409.0

38.2 Business transactions with related parties

38.2.1 Balances with related parties as at February 29, 2024 and February 28, 2023, are as follows:

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
Related parties	Relationship	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Other receivables (see Note 6)					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	-	28
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	9,062	4,412
AEON Asset Management (Thailand) Company Limited	Subsidiary	-	-	274	805
AEON Financial Service Co., Ltd.	Major shareholder	3,733	3,072	1,816	2,971
AEON Credit Service Company Limited	Common ultimate holding company	-	540	-	-
ACS Capital Corporation Limited	Shareholder and one common director	437	421	172	156
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	38,387	51,621
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	1,414	1,812
AEON (Cambodia) Company Limited	Common ultimate holding company	16	-	-	-
AEON Leasing Service (Lao) Co., Ltd.	Subsidiary	-	-	24	2,820
AEON Microfinance Myanmar Company Limited	Subsidiary	-	-	703	7,807
ACS Trading Vietnam Co., Ltd.	Common ultimate holding company	951	334	951	334
		5,137	4,367	52,803	72,766
Long-term loan to a subsidiary (see Note 8)					
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	85,862	111,960

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Seller loan in Special Purpose Vehicle for securitization (see Note 13)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	308,045	287,621
Subordinated lendings (see Note 14.1)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	84,074	84,074
Other payables (see Note 21)					
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	77,557	75,134
AEON (Thailand) Co., Ltd.	Common ultimate holding company	872	960	821	960
AEON Financial Service Co., Ltd.	Major shareholder	73,689	60,797	45,898	48,871
AEON Credit Service Company Limited	Common ultimate holding company	-	2,560	-	866
AEON Bank Ltd.	Common ultimate holding company	3,166	936	820	884
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	45,116	33,999
AEON Mall (Cambodia) Co., Ltd.	Common ultimate holding company	750	-	-	-
		78,477	65,253	170,212	160,714
Long-term borrowing under securitization project (see Note 24)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	1,091,265	1,260,991
Long-term Loan from					
AEON Financial Service Co., Ltd.	Major shareholder	220,237	-	-	-
AEON Bank Ltd.	Common ultimate holding company	343,876	-	-	-
		564,113	-	-	-
Lease liabilities					
AEON Mall (Cambodia) Co., Ltd.	Common ultimate holding company	5,880	-	-	-
Deferred revenue					
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	78,466	81,131
ACS Capital Corporation Limited	Shareholder and one common director	4,640	5,197	4,640	5,197
AEON Asset Management (Thailand) Company Limited	Subsidiary	-	-	1,717	-
		4,640	5,197	84,823	86,328

38.2.2 Transactions with related parties for the years ended February 29, 2024 and February 28, 2023, are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
		February 29, 2024 Baht '000	February 28, 2023 Baht '000	February 29, 2024 Baht '000	February 28, 2023 Baht '000
Revenues relating to securitization transaction (included in loan income) (see Note 33)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	111,814	121,582
Collection income					
ACS Capital Corporation Limited	Shareholder and one common director	555	280	-	-
Dividend income					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	-	55,000
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	273,800	148,000
		-	-	273,800	203,000
Other income					
ACSI (Thailand) Co., Ltd.	Subsidiary	-	-	103	520
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	37,028	27,230
ACS Capital Corporation Limited	Shareholder and one common director	2,925	5,843	1,788	2,787
AEON Asset Management (Thailand) Company Limited	Subsidiary	-	-	2,659	811
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	10,765	19,836
AEON Leasing Service (Lao) Co., Ltd.	Subsidiary	-	-	123	5,637
AEON Microfinance Myanmar Company Limited	Subsidiary	-	-	716	7,807
ACS Trading Vietnam Co., Ltd.	Common ultimate holding company	2,621	9,151	2,621	9,151
AEON (Cambodia) Company Limited	Common ultimate holding company	989	-	-	-
		6,535	14,994	55,803	73,779
Operating and administrative expenses					
Collection service fee					
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	559,619	540,557
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	3,086	3,510
		-	-	562,705	544,067
Others					
AEON Financial Service Co., Ltd.	Major shareholder	169,071	166,871	103,997	113,132
AEON Credit Service Company Limited	Common ultimate holding company	6,091	23,802	952	5,613
AEON Bank Ltd.	Common ultimate holding company	6,316	9,604	4,679	7,343
AEON (Thailand) Co., Ltd.	Common ultimate holding company	10,986	12,592	10,939	12,592
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	43,914	42,954
ACS Capital Corporation Limited	Shareholder and one common director	7	-	7	-
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	90	1,375
AEON Credit Service (Malaysia) BHD.	Common ultimate holding company	434	461	-	439
ACS Credit Management Co., Ltd.	Common ultimate holding company	1,071	860	-	-

Others (continued)

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS For the years ended		SEPARATE FINANCIAL STATEMENTS For the years ended	
		February 29, 2024 Baht '000	February 28, 2023 Baht '000	February 29, 2024 Baht '000	February 28, 2023 Baht '000
AEON Compass Co., Ltd.	Common ultimate holding company	132	-	132	-
AEON Mall (Cambodia) Co., Ltd.	Common ultimate holding company	4,931	-	-	-
		199,039	214,190	164,710	183,448
Finance costs					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	268,481	299,947
AEON Bank Ltd.	Common ultimate holding company	16,955	7,646	-	-
AEON Financial Service Co., Ltd.	Major shareholder	11,691	12,525	-	-
AEON Mall (Cambodia) Co., Ltd.	Common ultimate holding company	556	-	-	-
		29,202	20,171	268,481	299,947
Dividend paid					
ACS Capital Corporation Limited	Shareholder and one common director	264,000	249,600	264,000	249,600
AEON Financial Service Co., Ltd.	Major shareholder	482,900	456,560	482,900	456,560
AEON Holding (Thailand) Limited	Common ultimate holding company	121,000	114,400	121,000	114,400
		867,900	820,560	867,900	820,560

- Other income for the years ended February 29, 2024 and February 28, 2023 includes computer fee, Finance and Accounting operation services fee and Human Resource Management service fee charged to ACS Capital Corporation Limited, ACSI (Thailand) Co., Ltd., ACS Servicing (Thailand) Company Limited and AEON Asset Management (Thailand) Company Limited as stated in the agreement which the service fees are based on a cost-plus basis.
- Revenues relating to securitization transactions are determined by the Company and subsidiaries in accordance with securitization projects (see Note 5.5).
- Collection service fee paid to ACS Servicing (Thailand) 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.

39. SEGMENT INFORMATION

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

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

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

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

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

39.1 Operating result classified by business for the years ended February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS				
	For the year ended February 29, 2024				
	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	19,552,996	1,353,399	1,058,868	-	21,965,263
Inter - segment revenues (reversal)	441,643	(1,977)	439,731	(879,397)	-
	19,994,639	1,351,422	1,498,599	(879,397)	21,965,263
Expenses					
Operating and administrative expenses	7,385,305	750,869	672,650	(598,267)	8,210,557
Directors and managements' remuneration	131,035	24,114	27,963	-	183,112
(Gain) loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill	8,234	(101)	(2)	-	8,131
Total expenses	7,524,574	774,882	700,611	(598,267)	8,401,800
Finance costs	1,939,637	229,192	2,345	(9,308)	2,161,866
Expected credit loss (reversal)	7,167,095	73,347	(226)	-	7,240,216
Profit before income tax	3,363,333	274,001	795,869	(271,822)	4,161,381
Income tax expenses	745,634	48,977	28,914	-	823,525
Profit for the year	2,617,699	225,024	766,955	(271,822)	3,337,856

	CONSOLIDATED FINANCIAL STATEMENTS For the year ended February 28, 2023				
	Retail finance services		Other businesses	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	19,918,684	1,318,034	1,094,947	-	22,331,665
Inter - segment revenues	388,571	11,967	389,349	(789,887)	-
	20,307,255	1,330,001	1,484,296	(789,887)	22,331,665
Expenses					
Operating and administrative expenses	7,255,670	696,119	582,668	(572,008)	7,962,449
Directors and managements' remuneration	104,424	25,967	24,169	-	154,560
Loss on impairment of asset	95,497	-	-	-	95,497
Loss on sale and write-off of leasehold improvement and equipment and intangible assets other than goodwill	1,041	1,135	451	-	2,627
Total expenses	7,456,632	723,221	607,288	(572,008)	8,215,133
Finance costs	1,720,897	190,251	1,734	(9,041)	1,903,841
Expected credit loss	7,223,037	39,798	(107)	-	7,262,728
Profit before income tax	3,906,689	376,731	875,381	(208,838)	4,949,963
Income tax expenses	882,100	71,751	41,967	-	995,818
Profit for the year	3,024,589	304,980	833,414	(208,838)	3,954,145

39.2 Financial position classified by business as at February 29, 2024 and February 28, 2023 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS As at February 29, 2024				
	Retail finance services		Other business	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Trade and other receivables	77,717,079	5,703,212	257,450	(127,301)	83,550,440
Leasehold improvement and equipment and intangible assets other than goodwill	1,121,006	210,095	55,979	(6,942)	1,380,138
Other assets	7,966,664	396,916	598,872	(1,394,500)	7,567,952
Total assets	86,804,749	6,310,223	912,301	(1,528,743)	92,498,530
Total liabilities	62,506,965	5,006,621	162,931	(239,786)	67,436,731

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

40. DISCLOSURE OF INFORMATION RELATING TO FINANCIAL INSTRUMENTS

40.1 Financial risk management objectives

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

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

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

40.2 Market risk

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

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

40.2.1 Foreign currency risk management

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

Foreign currency sensitivity analysis

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

Cross currency swap contracts

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

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

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

40.2.2 Interest rate risk management

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

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

Interest rate sensitivity analysis

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

Interest rate swap contracts

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

The following tables are the information regarding cross currency and interest rate swap contracts and interest rate swap contracts as at February 29, 2024 and February 28, 2023, and their related hedged items.

Hedge instruments	Contract interest rate	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS As at February 29, 2024 Notional principal value		Change in fair value used for calculating hedge ineffectiveness	Carrying amount of the hedging instrument assets/(liabilities)
	% per annum	Foreign currency Million	Functional currency Baht '000	Baht '000	Baht '000
Cash flow hedges					
Cross currency and interest rate swap contracts					
JPY currency					
Less than 1 year	0.67	2,504.24	608,452	-	(115,313)
1 to 5 years	0.40 - 0.85	26,398.95	6,414,127	-	(991,760)
			7,022,579	-	(1,107,073)
USD currency					
Less than 1 year	6.36 - 6.80	140.00	5,053,426	-	355,228
1 to 5 years	4.82 - 6.71	469.10	16,932,587	-	647,285
			21,986,013	-	1,002,513
Interest rate swap contracts					
THB currency					
Less than 1 year	3.11 - 3.38	-	4,000,000	-	4,199
1 to 5 years	3.27	-	3,000,000	-	(36,714)
			7,000,000	-	(32,515)
			36,008,592	-	(137,075)

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

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

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	For the year ended February 29, 2024					
	Change in the fair value of hedging instrument recognized in OCI	Hedge ineffectiveness recognized in profit or loss	Line item in profit or loss in which hedge ineffectiveness is included	Amount reclassified from cash flow hedge reserve due to hedged item affecting profit or loss	Amount reclassified from cost of hedging reserve to profit or loss	Line item in profit or loss affected by the reclassification
	Baht '000	Baht '000		Baht '000	Baht '000	
Cash flow hedges						
Cross currency and interest rate swap contracts						
JPY currency	(242,492)	-	-	(13,730)	12,016	Finance costs
				237,729	-	Other income
USD currency	(183,276)	-	-	(49,929)	(14,209)	Finance costs
				(16,106)	-	Other income
Interest rate swap contracts						
THB currency	(4,491)	-	-	(13,026)	-	Finance costs
Total	(430,259)	-		144,938	(2,193)	

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended February 28, 2023

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

40.3 Credit risk management

Note 5.4 and Note 9 provide details of the maximum exposure to credit risk, and Note 3.2.2 and Note 3.7 provide details of the measurement bases used to determine expected credit loss of the Group and the Company.

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

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

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

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. As at February 29, 2024 and February 28, 2023, the Group's and the Company's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements, which will cause a financial loss to the Group and the Company due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group and the Company arise from the carrying amount of the respective recognized financial assets as stated in the consolidated and separate statement of financial position.

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

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

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

	Notes	External credit rating	Basis for recognizing ECL	Gross carrying amount	Allowance for ECL	Net carrying amount
				CONSOLIDATED FINANCIAL STATEMENTS As at February 29, 2024		
				Baht '000	**Baht '000**	**Baht '000**
Trade receivables	5	N/A	12-month ECL	83,792,052	(3,748,439)	80,043,613
			Lifetime ECL	7,512,591	(4,539,529)	2,973,062
Fixed deposits at banks under obligations	7	N/A	12-month ECL	38,275	-	38,275
Loans from purchase of accounts receivable	9	N/A	Cumulative changes in lifetime ECL since initial recognition	69,381	(45,174)	24,207
				91,412,299	(8,333,142)	83,079,157

	Notes	External credit rating	Basis for recognizing ECL	Gross carrying amount	Allowance for ECL	Net carrying amount
				CONSOLIDATED FINANCIAL STATEMENTS As at February 28, 2023		
				Baht '000	**Baht '000**	**Baht '000**
Trade receivables	5	N/A	12-month ECL	85,031,652	(4,397,716)	80,633,936
			Lifetime ECL	8,905,327	(5,727,542)	3,177,785
Fixed deposits at banks under obligations	7	N/A	12-month ECL	144,216	-	144,216
Loans from purchase of accounts receivable	9	N/A	Cumulative changes in lifetime ECL since initial recognition	12,623	-	12,623
				94,093,818	(10,125,258)	83,968,560

	Notes	External credit rating	Basis for recognizing ECL	Gross carrying amount	Allowance for ECL	Net carrying amount
				SEPARATE FINANCIAL STATEMENTS As at February 29, 2024		
				Baht '000	Baht '000	Baht '000
Trade receivables	5	N/A	12-month ECL	78,326,899	(3,623,373)	74,703,526
			Lifetime ECL	6,919,805	(4,214,070)	2,705,735
Long-term loan to a subsidiary	8	N/A	12-month ECL	85,862	-	85,862
				85,332,566	(7,837,443)	77,495,123

	Notes	External credit rating	Basis for recognizing ECL	Gross carrying amount	Allowance for ECL	Net carrying amount
				SEPARATE FINANCIAL STATEMENTS As at February 28, 2023		
				Baht '000	Baht '000	Baht '000
Trade receivables	5	N/A	12-month ECL	80,649,277	(4,291,875)	76,357,402
			Lifetime ECL	8,211,261	(5,238,667)	2,972,594
Long-term loan to a subsidiary	8	N/A	12-month ECL	111,960	-	111,960
				88,972,498	(9,530,542)	79,441,956

40.4 Liquidity risk management

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

40.4.1 Liquidity and interest risk tables

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

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

As at February 29, 2024 and February 28, 2023, financial assets and liabilities of the Group and the Company are classified based on contractual maturities as follows:

	CONSOLIDATED FINANCIAL STATEMENTS As at February 29, 2024					
	At call	**Less than 1 year**	**1 - 5 years**	**More than 5 years**	**No maturiy**	**Total**
	Baht '000	**Baht '000**	**Baht '000**	**Baht '000**	**Baht '000**	**Baht '000**
Financial assets						
Cash and cash equivalents	2,796,656	-	-	-	-	2,796,656
Trade receivables	-	78,836,213	4,180,462	-	-	83,016,675
Other receivables	-	509,062	24,703	-	-	533,765
Fixed deposits at banks under obligations	-	-	38,275	-	-	38,275
Loans from purchase of accounts receivable	-	1,590	22,617	-	-	24,207
Derivative assets	-	1,027,407	377,276	-	-	1,404,683
Investment in equity securities designated at fair value through profit or loss	-	-	-	-	14,471	14,471
Investment in equity security designated at fair value through other comprehensive income	-	-	-	-	216,000	216,000
Total financial assets	2,796,656	80,374,272	4,643,333	-	230,471	88,044,732

	CONSOLIDATED FINANCIAL STATEMENTS As at February 29, 2024

	At call	Less than 1 year	1 - 5 years	More than 5 years	No maturiy	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Financial liabilities						
Bank overdrafts and short-term borrowings from financial institutions	-	2,682,231	-	-	-	2,682,231
Trade payables	-	84,862	-	-	-	84,862
Other payables	-	1,132,249	-	-	-	1,132,249
Interest payable	-	492,757	-	-	-	492,757
Long-term borrowings	-	16,960,051	34,335,585	-	-	51,295,636
Long-term debentures	-	2,487,424	5,965,785	-	-	8,453,209
Derivative liabilities	-	399,465	1,142,293	-	-	1,541,758
Lease liabilities	-	377,206	314,334	-	-	691,540
Subordinated borrowings	-	2,441	81,633	-	-	84,074
Total financial liabilities	-	24,618,686	41,839,630	-	-	66,458,316

CONSOLIDATED FINANCIAL STATEMENTS

As at February 28, 2023

	At call	Less than 1 year	1 - 5 years	More than 5 years	No maturiy	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Financial assets						
Cash and cash equivalents	3,816,356	-	-	-	-	3,816,356
Trade receivables	-	80,667,069	3,144,652	-	-	83,811,721
Other recievables	-	518,404	74,041	-	-	592,445
Fixed deposits at banks under obligations	-	-	144,216	-	-	144,216
Loans from purchase of accounts receivable	-	490	12,133	-	-	12,623
Derivative assets	-	1,047,431	684,654	-	-	1,732,085
Investment in equity securities designated at fair value through profit or loss	-	-	-	-	5,062	5,062
Investment in equity security designated at fair value through other comprehensive income	-	-	-	-	144,000	144,000
Total financial assets	3,816,356	82,233,394	4,059,696	-	149,062	90,258,508
Financial liabilities						
Bank overdrafts and short-term borrowings from financial institutions	-	4,485,424	-	-	-	4,485,424
Trade payables	-	220,728	-	-	-	220,728
Other payables	-	1,246,837	-	-	-	1,246,837
Interest payable	-	382,622	-	-	-	382,622
Long-term borrowings	-	12,836,551	39,152,934	-	-	51,989,485
Long-term debentures	-	-	9,580,142	-	-	9,580,142
Derivative liabilities	-	562,743	876,160	-	-	1,438,903
Lease liabilities	-	444,127	473,541	-	-	917,668
Subordinated borrowings	-	-	84,074	-	-	84,074
Total financial liabilities	-	20,179,032	50,166,851	-	-	70,345,883

SEPARATE FINANCIAL STATEMENTS

As at February 29, 2024

	At call	Less than 1 year	1 - 5 years	More than 5 years	No maturiy	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Financial assets						
Cash and cash equivalents	2,038,586	-	-	-	-	2,038,586
Trade receivables	-	75,336,612	2,072,649	-	-	77,409,261
Other receivables	-	381,926	24,703	-	-	406,629
Long-term loan to a subsidiary	-	28,621	57,241	-	-	85,862
Seller loan in Special Purpose Vehicle for securitization	-	308,045	-	-	-	308,045
Derivative Assets	-	1,027,407	377,276	-	-	1,404,683
Investment in equity securities designated at fair value through profit or loss	-	-	-	-	14,471	14,471
Investment in equity security designated at fair value through other comprehensive income	-	-	-	-	216,000	216,000
Subordinated lendings	-	2,441	81,633	-	-	84,074
Total financial assets	2,038,586	77,085,052	2,613,502	-	230,471	81,967,611
Financial liabilities						
Bank overdrafts and short-term borrowings from financial institutions	-	500,000	-	-	-	500,000
Trade payables	-	49,893	-	-	-	49,893
Other payables	-	1,084,921	-	-	-	1,084,921
Interest payable	-	472,741	-	-	-	472,741
Long-term borrowings	-	16,960,051	31,879,059	-	-	48,839,110
Long-term borrowings under securitization project	-	-	1,091,265	-	-	1,091,265
Long-term debentures	-	1,998,985	5,802,520	-	-	7,801,505
Derivative liabilities	-	399,465	1,142,293	-	-	1,541,758
Lease liabilities	-	330,582	273,790	-	-	604,372
Total financial liabilities	-	21,796,638	40,188,927	-	-	61,985,565

	SEPARATE FINANCIAL STATEMENTS					
	As at February 28, 2023					
	At call	Less than 1 year	1 - 5 years	More than 5 years	No maturiy	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Financial assets						
Cash and cash equivalents	2,159,810	-	-	-	-	2,159,810
Trade receivables	-	77,833,587	1,496,409	-	-	79,329,996
Other receivables	-	414,708	74,041	-	-	488,749
Long-term loan to a subsidiary	-	27,990	83,970	-	-	111,960
Seller loan in Special Purpose Vehicle for securitization	-	287,621	-	-	-	287,621
Derivative Assets	-	1,047,431	684,654	-	-	1,732,085
Investment in equity securities designated at fair value through profit or loss	-	-	-	-	5,062	5,062
Investment in equity security designated at fair value through other comprehensive income	-	-	-	-	144,000	144,000
Subordinated lendings	-	-	84,074	-	-	84,074
Total financial assets	2,159,810	79,611,337	2,423,148	-	149,062	84,343,357
Financial liabilities						
Bank overdrafts and short-term borrowings from financial institutions	-	3,440,000	-	-	-	3,440,000
Trade payables	-	200,448	-	-	-	200,448
Other payables	-	1,165,727	-	-	-	1,165,727
Interest payable	-	366,602	-	-	-	366,602
Long-term borrowings	-	11,273,543	37,867,795	-	-	49,141,338
Long-term borrowings under securitization project	-	-	1,260,991	-	-	1,260,991
Long-term debentures	-	-	8,107,060	-	-	8,107,060
Derivative liabilities	-	562,743	876,160	-	-	1,438,903
Lease liabilities	-	389,924	412,280	-	-	802,204
Total financial liabilities	-	17,398,987	48,524,286	-	-	65,923,273

40.5 Capital risk management

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

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

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

Gearing ratio

The gearing ratio as at February 29, 2024 and February 28, 2023 is as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000	As at February 29, 2024 Baht '000	As at February 28, 2023 Baht '000
Debt	67,436,731	71,858,606	62,873,932	67,353,464
Cash and cash equivalents	(2,796,656)	(3,816,356)	(2,038,586)	(2,159,810)
Net debt	64,640,075	68,042,250	60,835,346	65,193,654
Equity	24,472,361	22,821,480	24,354,207	22,690,443
Net debt to equity ratio	2.64	2.98	2.50	2.87

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

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

40.6 Fair value measurements

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

Valuation techniques and key inputs used in fair value measurements

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

1) Fair value

The following tables present the analysis of financial assets and financial liabilities which are measured at fair value and their fair value hierarchy level classification as at February 29, 2024 and February 28, 2023:

CONSOLIDATED FINANCIAL STATEMENTS

As at February 29, 2024

	Carrying amount				Fair value	
	FVTPL - derivatives designated in hedge relationships	FVTOCI	FVTPL - designated	Amortized cost		Fair value hierarchy
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	
Financial assets						
Cash and cash equivalents	-	-	-	2,796,656	2,796,656	Level 2
Trade receivables	-	-	-	83,016,675	83,016,675	Level 3
Other recievables	-	-	-	533,765	533,765	Level 3
Fixed deposits at banks under obligations	-	-	-	38,275	38,275	Level 3
Loans from purchase of accounts receivable	-	-	-	24,207	24,207	Level 3
Derivative assets	1,404,683	-	-	-	1,404,683	Level 2
Investments in equity securities designated at fair value through profit or loss	-	-	14,471	-	14,471	Level 3
Investment in equity security designated at fair value through other comprehensive income	-	216,000	-	-	216,000	Level 3
Total financial assets	1,404,683	216,000	14,471	86,409,578	88,044,732	
Financial liabilities						
Bank overdrafts and short-term borrowings from financial institutions	-	-	-	2,682,231	2,682,231	Level 2
Trade payables	-	-	-	84,862	84,862	Level 3
Other payables	-	-	-	1,132,249	1,132,249	Level 3
Interest payable	-	-	-	492,757	492,757	Level 3
Long-term borrowings	-	-	-	51,295,636	51,183,726	Level 2
Long-term debentures	-	-	-	8,453,209	8,438,392	Level 2
Derivative liabilities	1,541,758	-	-	-	1,541,758	Level 2
Lease liabilities	-	-	-	691,540	691,540	Level 3
Subordinated borrowings	-	-	-	84,074	84,074	Level 3
Total financial liabilities	1,541,758	-	-	64,916,558	66,331,589	

CONSOLIDATED FINANCIAL STATEMENTS

As at February 28, 2023

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

SEPARATE FINANCIAL STATEMENTS

As at February 29, 2024

	Carrying amount				Fair value	
	FVTPL - derivatives designated in hedge relationships	**FVTOCI**	**FVTPL - designated**	**Amortized cost**		**Fair value hierarchy**
	Baht '000	**Baht '000**	**Baht '000**	**Baht '000**	**Baht '000**	
Financial assets						
Cash and cash equivalents	-	-	-	2,038,586	2,038,586	Level 2
Trade receivables	-	-	-	77,409,261	77,409,261	Level 3
Other recievables	-	-	-	406,629	406,629	Level 3
Long-term loan to a subsidiary	-	-	-	85,862	84,008	Level 2
Seller loan in Special Purpose Vehicle for securitization	-	-	-	308,045	308,045	Level 3
Derivative assets	1,404,683	-	-	-	1,404,683	Level 2
Investments in equity securities designated at fair value through profit or loss	-	-	14,471	-	14,471	Level 3
Investment in equity security designated at fair value through other comprehensive income	-	216,000	-	-	216,000	Level 3
Subordinated lendings	-	-	-	84,074	84,074	Level 3
Total financial assets	1,404,683	216,000	14,471	80,332,457	81,965,757	
Financial liabilities						
Bank overdrafts and short-term borrowings from financial institutions	-	-	-	500,000	500,000	Level 2
Trade payables	-	-	-	49,893	49,893	Level 3
Other payables	-	-	-	1,084,921	1,084,921	Level 3
Interest payable	-	-	-	472,741	472,741	Level 3
Long-term borrowings	-	-	-	48,839,110	48,727,201	Level 2
Long-term borrowings under securitization project	-	-	-	1,091,265	1,091,265	Level 3
Long-term debentures	-	-	-	7,801,505	7,786,688	Level 2
Derivative liabilities	1,541,758	-	-	-	1,541,758	Level 2
Lease liabilities	-	-	-	604,372	604,372	Level 3
Total financial liabilities	1,541,758	-	-	60,443,807	61,858,839	

SEPARATE FINANCIAL STATEMENTS

As at February 28, 2023

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

41. CREDIT FACILITIES AND LETTERS OF GUARANTEE

41.1 As at February 29, 2024 and February 28, 2023, the Company has unused committed and unsecured revolving credit facility agreements with various financial institutions totaling Baht 3,000 million.

41.2 As at February 29, 2024 and February 28, 2023, the Company has unused overdraft facilities with various banks totaling Baht 1,590 million and Baht 3,090 million, respectively. Such overdraft facilities are unsecured.

41.3 As at February 29, 2024 and February 28, 2023, the Company has a bank's letter of guarantee issued to suppliers for guarantee payment of Baht 0.50 million. Such letter of guarantee is unsecured.

41.4 As at February 29, 2024 and February 28, 2023, a subsidiary has letters of guarantee issued by banks in the amounts of Baht 2.03 million and Baht 1.78 million, respectively.

42. SIGNIFICANT AGREEMENTS RELATING TO SECURITIZATION TRANSACTION

42.1 On February 2, 2015, the Company entered into a memorandum of understanding regarding the cooperation between the Company and BTS Group Holdings Public Company Limited ("BTSG") and Bangkok Smartcard System Company Limited ("BSS") (a subsidiary of BTSG), for the joint issue of member card under the Co-Branded Rabbit Program and setting up a special purpose vehicle for the securitization project, the purpose of securitization through the establishment of a special purpose vehicle in a form of cooperation framework between the Company and BSS Holdings Company Limited ("BSS Holdings") (a subsidiary of BTSG), in accordance with the resolution passed at the meeting of the Board of Directors No. 10/2014, held on December 24, 2014.

42.2 The Company entered into the Receivables Sale and Purchase Agreement with ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit) (the "subsidiary"), on October 22, 2015. Such agreement set out the procedures and terms in respect of the sale and purchase of the Initial Receivables on the Closing Date, for Future Receivables on each Purchase Date and for Additional Receivables on each Monthly Purchase Date including the rights, obligations and responsibilities of both parties. Moreover, the Receivables Sale and Purchase Agreement also set out the terms and conditions in respect of the resale and repurchase of the Ineligible Receivables and Defaulted Receivables.

42.3 The Company entered into the Servicing Agreement with ATS Rabbit (the "subsidiary") on October 22, 2015. Based on such agreement, the subsidiary appointed the Company (as a transferor and servicer) to provide certain administration services (including record keeping and producing written reports relating to the Collections), to act as the collection agent and other services for loans receivable in relation to the Purchased Receivables. In addition, the Servicing Agreement also set out other relevant terms, such as the scope of the services, the payment of service fees, the termination of the appointment of theServicer and the Back-up Servicer appointment of the substitute servicer.

43. SALE OF WRITTEN-OFF RECEIVABLES

43.1 On June 28, 2018, the Company sold written-off receivables under loan agreements and credit card agreements to ACS Servicing (Thailand) Company Limited (the "buyer"), a subsidiary, with the purchase price of Baht 31.52 million. On the same date, the Company entered into the "Asset Sale and Purchase Agreement" with the buyer. The agreement sets out the conditions and terms in respect of the sales, assignment and conveyance of the Company's rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On June 28, 2018, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. However, the Group has retained substantially all of the risks and rewards of the assets transferred to the buyer which is the subsidiary. Consequently, the Company recorded cash received from the buyer as deferred revenue which will be recognized as revenue when the buyer can collect from debtors. The Company has already recognized revenue of Baht 0.50 million and Baht 0.44 million as bad debt recovery in the consolidated and separate statements of profit or loss for the years ended February 29, 2024 and February 28, 2023, respectively, and recorded outstanding deferred revenue of Baht 20.82 million and Baht 21.32 million as other current liabilities in the separate statement of financial position as at February 29, 2024 and February 28, 2023, respectively.

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

43.2 On October 28, 2019, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to ACS Servicing (Thailand) Company Limited (the "buyer"), a subsidiary, with the purchase price of Baht 59.11 million. On the same date, the Company entered into the "Asset Sale and Purchase Agreement" with the buyer. The agreement sets out the conditions and terms in respect of the sales, assignment and conveyance of the Company's rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On October 28, 2019, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. However, the Group has retained substantially all of the risks and rewards of the assets transferred to the buyer which is the subsidiary. Consequently, the Company recorded cash received from the buyer as deferred revenue which will be recognized as revenue when the buyer can collect from debtors. The Company has already recognized revenue of Baht 0.90 million and Baht 0.89 million as bad debt recovery in the consolidated and separate statements of profit or loss for the years ended February 29, 2024 and February 28, 2023, respectively, and recorded outstanding deferred revenue of Baht 52.98 million and Baht 53.88 million as other current liabilities in the separate statements of financial position as at February 29, 2024 and February 28, 2023, respectively.

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

43.3 On March 4, 2022, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the "buyer") with the purchase price of Baht 104.98 million. On the same date, the Company entered into the "Asset Sale and Purchase Agreement" with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company's rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On March 4, 2022, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. The Company has already recognized gain on sale of written-off receivables totaling Baht 104.98 million in the consolidated and separate statements of profit or loss for the year ended February 28, 2023.

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

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

43.4 On October 31, 2022, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the "buyer") with the purchase price of Baht 110.40 million. On the same date, the Company entered into the "Asset Sale and Purchase Agreement" with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company's rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On November 29, 2022, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 11.04 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 99.36 million in 8 installments of Baht 12.42 million per each and last installment will be on November 29, 2024. The Company has already recognized gain on sale of written-off receivables totaling Baht 110.40 million in the consolidated and separate statements of profit or loss for the year ended February 28, 2023, and recorded outstanding receivables of Baht 37.26 million as other receivables in the consolidated and separate statements of financial positions as at February 29, 2024 (as at February 28, 2023 : Baht 86.93 million).

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

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

43.5 On October 31, 2022, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the "buyer") with the purchase price of Baht 57.23 million. On the same date, the Company entered into the "Asset Sale and Purchase Agreement" with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company's rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On November 29, 2022, which is the closing date as specified in the agreement, the Company received the payment in full from the buyer. The Company has already recognized gain on sale of written-off receivables totaling Baht 57.23 million in the consolidated and separate statements of profit or loss for the year ended February 28, 2023.

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

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

43.6 On November 29, 2022, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the "buyer") with the purchase price of Baht 108.98 million. On the same date, the Company entered into the "Asset Sale and Purchase Agreement" with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company's rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On November 29, 2022, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 10.90 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 98.08 million in 8 installments of Baht 12.26 million per each and last installment will be on November 29, 2024. The Company has already recognized gain on sale of written-off receivables totaling Baht 108.98 million in the consolidated and separate statements of profit or loss for the year ended February 28, 2023, and recorded outstanding receivables of Baht 36.78 million as other receivables in the consolidated and separate statements of financial positions as at February 29, 2024 (as at February 28, 2023 : Baht 85.83 million).

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

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

43.7 On November 29, 2022, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the "buyer") with the purchase price of Baht 22.98 million. On the same date, the Company entered into the "Asset Sale and Purchase Agreement" with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company's rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On November 29, 2022, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 6.90 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 16.08 million in 2 installments of Baht 8.04 million per each and last installment was on January 31, 2023. The Company has already recognized gain on sale of written-off receivables totaling Baht 22.98 million in the consolidated and separate statements of profit or loss for the year ended February 28, 2023, and as at February 28, 2023, the Company has received the full amount of payment under the agreement.

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

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

43.8 On July 31, 2023, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the "buyer") with the purchase price of Baht 109.78 million. On the same date, the Company entered into the "Asset Sale and Purchase Agreement" with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company's rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On July 31, 2023, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 10.98 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 98.80 million in 8 installments of Baht 12.35 million per each and last installment will be on July 31, 2025. The Company has already recognized gain on sale of written-off receivables totaling Baht 109.78 million in the consolidated and separate statements of profit or loss for the year ended February 29, 2024, and recorded outstanding receivables of Baht 74.10 million as other receivables in the consolidated and separate statements of financial positions as at February 29, 2024.

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the years ended February 29, 2024.

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

43.9 On July 31, 2023, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the "buyer") with the purchase price of Baht 30.60 million. On the same date, the Company entered into the "Asset Sale and Purchase Agreement" with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company's rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On July 31, 2023, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 9.18 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 21.42 million in 2 installments of Baht 10.71 million per each and last installment was on September 29, 2023. The Company has already recognized gain on sale of written-off receivables totaling Baht 30.60 million in the consolidated and separate statements of profit or loss for the year ended February 29, 2024, and as at February 29, 2024, the Company has received the full amount of payment under the agreement.

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the years ended February 29, 2024.

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

43.10 On July 31, 2023, the Company sold written-off receivables under loan agreements and credit card agreements by a bidding process to an unrelated local company (the "buyer") with the purchase price of Baht 26.72 million. On the same date, the Company entered into the "Asset Sale and Purchase Agreement" with the buyer. The agreement set out the conditions and terms in respect of the sales, assignment and conveyance of the Company's rights, title, claim, obligation, liability and interest in the written-off receivables under loan agreements and credit card agreements. On July 31, 2023, which is the closing date as specified in the agreement, the Company received the initial payment of Baht 4.47 million. The buyer has agreed to pay the remaining amount of purchase price amounting to Baht 22.25 million in 5 installments of Baht 4.45 million per each and last installment was on December 29, 2023. The Company has already recognized gain on sale of written-off receivables totaling Baht 26.72 million in the consolidated and separate statements of profit or loss for the year ended February 29, 2024, and as at February 29, 2024, the Company has received the full amount of payment under the agreement.

Under the Asset Sale and Purchase Agreement, the buyer was entitled to claim damages from the Company from sales of loans receivable within a specific period in events the buyer did not have lawful title over loans receivable or loan agreements are not legal as specified in the agreement. However, the Company believed that such damage was not significant, therefore, the Company had not recorded such claim in the financial statements for the years ended February 29, 2024.

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

44. COMMITMENT

The Company has entered into a professional service agreement with a local non-related company (the "Service provider") to receive system implementation services and other services as specified in agreement. The agreement is for the period from June 8, 2023 to October 31, 2025 and the total agreement value is Baht 154.05 million. As at February 29, 2024, the remaining value of the agreement is Baht 123.76 million which will be paid by the Company to the service provider according to work progress as specified in the agreement.

45. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issuance by the Company's Board of Directors on April 9, 2024.

11

Attachments

<u>Attachment 1:</u>Details of Directors, Executives, Controlling Person, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary, and the representative for contact and coordination in case of a foreign company.

Name – Surname Position	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr. Mitsugu Tamai[1] Chairman of the Board (Authorized Director) Appointed effective on 24 June 2021	61	Bachelor Degree of Business Administration, Yokohama National University, Japan	None	None	**Aeon Group**		
					1999		Join to AEON Credit Service Co., Ltd.
					2006-2010	Executive Director	AEON Credit Service Co., Ltd.
					2011	Executive Officer	Related Company Management Department of AEON Credit Service Co., Ltd.
					2012	Group Control and Accounting Officer	AEON Co., Ltd.
					2012	General Manager of Administration Division	AEON Mall Co.,Ltd
					2013	Executive Director	AEON Mall Co.,Ltd
					2019	Managing Director and General Manager of Asean Division	AEON Mall Co.,Ltd
					2021 – Present	Director and Managing Executive Officer	AEON Financial Service Co.,Ltd
					2021 - Present	Chairman	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Other listed company		
					2021 - Present	Non-Executive Director	AEON Credit Service(M)Berhad.
					Other non-listed company		
					2022-Present	Chairman	ACS Trading Vietnam Co., Ltd.
Training/Seminar							
- AFS Group Director and Management Training Programme 2022 - Corporate Governance Training - Corporate Governance and Duties and Responsibilities of Directors Training - Group Governance Training - Sustainability Management Training - AEON Group ASEAN Compliance Training for Executives - Understanding "AFS Group Our purpose"							

Name – Surname Position	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr. Tsutomu Omodera Vice Chairman of the Board and Managing Director (Authorized Director) Appointed effective on 24 June 2020	60	Bachelor Degree of Faculty of Engineering Kobe University Japan	None	None	**Aeon Group**		
					2006-2013	Executive Officer	AEON Bank, Ltd.,
					2013-2015	Executive Officer	AEON Credit Service Co., Ltd.
					2015-2019	Director and Executive Officer	AEON Credit Service Co., Ltd.
Training/Seminar					2019	Non-Executive Director	AEON Credit Service Co., Ltd.
-FY2022 ASEAN “Compliance Training for Executives” -"Digitalization Seminar for Director & Management # 3/2022 : 5 year digital transformation road map by Mastercard" -AEON Code Of Conduct Training FY2022 -Annual Training 2022 [Corporate Compliance] -AFS Training : Risk Management Training 2022 -AFS Training : Anti-Harassment Training 2022 -Executive Coaching					2018-2020	Managing Director	ACS Credit Management Co., Ltd (Japan)
					2020-Present	Managing Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					2020-Present	Non-Executive Director (Chairman)	ACS Servicing (Thailand) Co., Ltd.
					2020-Present	Chairman	AEON Specialized Bank (Cambodia) PLC
					Other listed company		
					None		
					Other non-listed company		
					2021-February 2024	Non-Executive Director	Rabbit Cash Company Limited

<table>
<tr><th rowspan="2">Name – Surname
Position</th><th rowspan="2">Age
(Years)</th><th rowspan="2">Education Background</th><th rowspan="2">Shareholding
(%)
(29/02/24)</th><th rowspan="2">Family
Relationship
with
Directors and
Executives</th><th colspan="3">Working Experience for the last 5 years</th></tr>
<tr><th>Time Period</th><th>Position</th><th>Organization/Company/Type of business</th></tr>
<tr><td>Ms. Suporn Wattanavekin[1]
Director
(Authorized Director)
Appointed effective on
18 February 2000</td><td>60</td><td>Master Degree in Business Administration
National Institute of Development Administration</td><td rowspan="2">0.0800*</td><td rowspan="2">None</td><td colspan="3">Aeon Group</td></tr>
<tr><td colspan="3">Training/Seminar</td><td>2000 – Present</td><td>Director</td><td>AEON Thana Sinsap (Thailand) PLC / Retail Finance</td></tr>
<tr><td colspan="3">- Director Diploma Examination / IOD
- Director Certification Program (DCP) / IOD
- Capital Market Academy Greater Mekong Subregion
- Ultra Wealth
- AFS Group Director and Management Training Programme 2021
- Advanced Master of Management Program (AMM)
- Digitalization Seminar for Director and Management
- Legal Training for Directors and Managments
- “New Era of Contact Center” for Director and Management seminar
- FY2021 ASEAN “Compliance Training for Executives” (Virtual Learning)
- FY2022 ASEAN “Compliance Training for Executives”
- AEON Code Of Conduct Training FY2022
- Annual Training 2022 [Corporate Compliance]
- AFS Training : Risk Management Training 2022
- AFS Training : Anti-Harassment Training 2022
- Handling Workplace Harassment for Management level Training
- The 54th AEON Top Seminar
- AEON Group ASEAN Compliance Training for Executives
- Understanding “AFS Group Our purpose”
- Annual Training 2023 (AEON Code of conduct & Corporate Compliance knowledge)
- MarTech for Digital Marketing Leaders Program
- Unlock The Power of AI
- Link Innovation</td><td>2007 - 2018</td><td>Vice Chairman</td><td>Aeon Thailand Foundation / Foundation</td></tr>
<tr><td colspan="3"></td><td>2019 - Present</td><td>Chairman of the Board</td><td>Aeon Thailand Foundation / Foundation</td></tr>
<tr><td colspan="3"></td><td colspan="3">Other listed company</td></tr>
<tr><td colspan="3"></td><td>2020 - 2023</td><td>Vice Chairman of the Board</td><td>Global Consumer PLC/ Packaging Industry</td></tr>
<tr><td colspan="3"></td><td colspan="3">Other non-listed company</td></tr>
<tr><td colspan="3"></td><td>None</td><td></td><td></td></tr>
</table>

* This report excludes Employee Joint Investment Program (EJIP)

Name – Surname Position	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr. Nuntawat Chotvijit Director - Appointed effective on 12 June 2014	54	Master of Business Administration Griffith University Australia	None*	None	**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	Director	AEON Credit Service (M) Berhad / Retail Finance
					2016 – Present	Chairman of the board	AEON Leasing Service (Lao) Company Limited / Leasing
					2018 – Present	Member of council	ACS Trading Vietnam Co., Ltd / Retail Finance
					June 2021 – Present	Chairman of the Board	AEON Microfinance (Myanmar) Company Limited
					2015 - Present	Director	ATS Rabbit Special Purpose Vehicle Company Limited
					Other listed company		
					None		
					Other non-listed company		
					2010 - 2011	Marketing Director	Focus Media Communication Company Limited /CCTV
Training/Seminar - AFS Group Director and Management Training Programme 2021 - Digitalization Seminar for Director and Management. - Legal Training for Directors and Managments. - New Era of Contact Center" for Director and Management seminar. - FY2021 ASEAN "Compliance Training for Executives" (Virtual Learning). - FY2022 ASEAN "Compliance Training for Executives" - Digitalization Seminar for Director & Management # 3/2022 5 year digital transformation road map by Mastercard - Sustainability Training Course FY2022 By AFS - PDPA Awareness Training FY2022 - KPMG PDPA Training - AEON Code Of Conduct Training FY2022 - Annual Training 2022 [Corporate Compliance] - AFS Training : Risk Management Training 2022 - AFS Training : Anti-Harassment Training 2022 - Handling Workplace Harassment for Management level Training - The 54th AEON Top Seminar - AEON Group ASEAN Compliance Training for Executives - Understanding "AFS Group Our purpose" - Annual Training 2023 (AEON Code of conduct & Corporate Compliance knowledge) - MarTech for Digital Marketing Leaders Program - Unlock The Power of AI							

* This report excludes Employee Joint Investment Program (EJIP)

Name – Surname Position	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	**Position**	**Organization/Company/Type of business**
Ms. Suriporn Thammawatid Director - Appointed effective on 22 June 2018	55	Master of Management Srinakharinwirot University	None*	None	**Aeon Group**		
					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
					Other listed company		
					None		
					Other non-listed company		
					None		
Training/Seminar - AFS Group Director and Management Training Programme 2021 - Digitalization Seminar for Directors and Management - Legal Training for Directors and Management - "New Era of Contact Center" for Directors and Management seminar - FY2021 ASEN "Compliance Training for Executives" (Virture Learning) - FY2022 ASEAN “Compliance Training for Executives” -Digitalization Seminar for Director & Management # 3/2022 5 year digital transformation road map by Mastercard - Sustainability Training Course FY2022 By AFS - PDPA Awareness Training FY2022 - KPMG PDPA Training - AEON Code Of Conduct Training FY2022 - Annual Training 2022 [Corporate Compliance] - AFS Training : Risk Management Training 2022 - AFS Training : Anti-Harassment Training 2022 - Handling Workplace Harassment for Management level Training - The 2nd Sustainability Training Course FY2022 by AFS - Directors Certification Program (DCP) - The 54th AEON Top Seminar - AEON Group ASEAN Compliance Training for Executives - Understanding “AFS Group Our purpose” - Annual Training 2023 (AEON Code of conduct & Corporate Compliance knowledge) - MarTech for Digital Marketing Leaders Program - Unlock The Power of AI							

* This report excludes Employee Joint Investment Program (EJIP)

Name – Surname Position	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr. Kazumasa Oshima Director and Chief Financial Officer (CFO) - Appointed to be CFO effective on 1 December 2018 - Appointed to be Director effective on 21 June 2019	42	Master of Business Administration (Finance) National Institute of Development Administration Bachelor Degree of Sociology Hosei University, Japan	None*	None	**Aeon Group**		
					2014 - Jun 2018	Director	Aeon Leasing Service (Lao) Company Limited
					2016 – 2019	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					2014 – Present	Director	ACS Capital Corporation Limited/ Leasing
					2018 - Jun 2021	Corporate Auditor	Aeon Leasing Service (Lao) Company Limited
					2018 – Nov 2021	Director	ACS Trading Vietnam Co., Ltd / Retail Finance
					2018 – Present	Chief Financial Officer	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Jun 2019 - Present	Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Jun 2020 - Present	Non-Executive Director	AEON Microfinance (Myanmar) Co., Ltd
					2015 - Present	Director	ATS Rabbit Special Purpose Vehicle Company Limited (48.75% of ownership)
					Other listed company		
					None		
					Other non-listed company		
					None		
Training/Seminar - Business Analyst through Financial Statements / Federation of Accounting Professions - TLCA CFO Professional Development Programe / TLCA - TFRS version 2019 & 2020: Practical Implication / Deloitte Touche Tohmatsu Jaiyos Co., Ltd. - E-Learning CFO's Refresh Course/ The Stock Exchange of Thailand - AFS Group Director-Management Training Programe 2021 - CFO Refresher 2/2564, 3/2565 (ESG), 2023 - TLCA CFO Professional Development Programe (TLCA CFO CPD) No. 5/2564 "Fraud & Cyber Risk" / TLCA - Digitalization Seminar for Directors and Management3/2565 - Legal Training for Directors and Managements - "New Era of Contact Center" for Director and Management seminar - FY2021 and FY2022 ASEAN "Compliance Training for Executives" (Virtual Learning) - Director Certificate Program (DCP) / IOD, DLCP 12/2023 - Sustainability Training Course FY2022 - PDPA Awareness Training FY2022 - KPMG PDPA Training - AEON Code Of Conduct Training FY2022 - Annual Training 2022 [Corporate Compliance] - AFS Training : Risk Management Training 2022 - AFS Training : Anti-Harassment Training 2022] - The 54th AEON Top Seminar - AEON Group ASEAN Compliance Training for Executives - Understanding “AFS Group Our purpose” -.Annual Training 2023 (AEON Code of conduct & Corporate Compliance knowledge) - MarTech for Digital Marketing Leaders Program - Unlock The Power of AI							

* This report excludes Employee Joint Investment Program (EJIP)

<table>
<tr><th rowspan="2">Name – Surname</th><th rowspan="2">Age (Years)</th><th rowspan="2">Education Background</th><th rowspan="2">Shareholding (%) (29/02/24)</th><th rowspan="2">Family Relationship with Directors and Executives</th><th colspan="3">Working Experience for the last 5 years</th></tr>
<tr><th>Time Period</th><th>Position</th><th>Organization/Company/Type of business</th></tr>
<tr><td rowspan="2">Mr. Junichi Iwakami
Director
Information Technology and Service Department
- Appointed effective on 24 June 2021</td><td rowspan="2">64</td><td rowspan="2">Bachelor of Economics,
Department of Political Science and Economics,
Waseda University
Japan</td><td rowspan="2">None</td><td rowspan="2">None</td><td colspan="3">Aeon Group</td></tr>
<tr><td>2016 – Present</td><td>Non-Executive Director</td><td>AEON Credit Service Systems (Philippines) Inc.</td></tr>
<tr><td colspan="3">Training/Seminar</td><td>2016 - 2021</td><td>Senior Executive Vice President</td><td>AEON Thana Sinsap (Thailand) PLC / Retail Finance</td></tr>
<tr><td colspan="3">- AFS Group Director and Management Training Programme 2021
- Digitalization Seminar for Directors and Management
- Legal Training for Directors and Managments.
-“New Era of Contact Center” for Director and Management seminar.
- FY2021 ASEAN “Compliance Training for Executives” (Virtual Learning).
- FY2022 ASEAN “Compliance Training for Executives”
- Digitalization Seminar for Director & Management # 3/2022 5 year digital transformation road map by Mastercard
- Sustainability Training Course FY2022 By AFS
- PDPA Awareness Training FY2022
- AEON Code Of Conduct Training FY2022
- Annual Training 2022 [Corporate Compliance]
- AFS Training : Risk Management Training 2022
- AFS Training : Anti-Harassment Training 2022
- The 2nd Sustainability Training Course FY2022 by AFS
- The 54th AEON Top Seminar
- AEON Group ASEAN Compliance Training for Executives
- Understanding “AFS Group Our purpose”
- Annual Training 2023 (AEON Code of conduct & Corporate Compliance knowledge)
- MarTech for Digital Marketing Leaders Program</td><td>June 2021 - Present</td><td>Director</td><td>AEON Thana Sinsap (Thailand) PLC / Retail Finance</td></tr>
<tr><td colspan="3"></td><td colspan="3">Other listed company</td></tr>
<tr><td colspan="3"></td><td>None</td><td></td><td></td></tr>
<tr><td colspan="3"></td><td colspan="3">Other non-listed company</td></tr>
<tr><td colspan="3"></td><td>None</td><td></td><td></td></tr>
</table>

Name – Surname	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr. Chatchaval Jiaravanon Director - Appointed effective on 18 February 2000	61	Bachelor of Science in Business Administration University of Southern California USA	5.88%	None	**Aeon Group**		
					2000 – Present	Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					2007 – 2018	Director	Aeon Thailand Foundation / Foundation
					2019 - Present	Vice Chairman of the Board of Directors and Treasurer	Aeon Thailand Foundation / Foundation
					Other listed company		
					1993 – 2023	Director and Managing Director	True Corporation PLC / Telecommunication
					2003 – Present 2020 - Present	Independent Director/Member of Audit Committee Member of Compensation and Nomination Committee	Frasers Property (Thailand) Public Company Limited / Property & Construction
					2002 – Present 2013 - Present	Director Chairman	Finansia Syrus Securities PLC / Securities Business
					2014 – Present 2017 - Present	Director/Member of Executive Committee Chairman of Risk Management Committee	WP Energy PLC / Resources
					2013 – Present 2016 - Present	Independent Director Member of the Nomination and Compensation Committee	SVI PLC / Technology
					2021 – Present	Director/Chairman of the Board of Directors	Beryl 8 Plus PLC / Technology
					Other non-listed company		
					2007 – Present	Director/Chairman of the Board of Directors	Charoen Energy and Water Asia Co., Ltd. / Renewable energy
					1992 – Present 2006 - Present	Director Chairman	Thai Kodama Co.,Ltd. / Energy management
Training/Seminar							
- Director Accreditation Program (DAP) 2008 / IOD - Corporate Governance for Capital Market Intermediaries (CGI) 2016/ IOD							

Name – Surname	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Dr. Sucharit Koontanakulvong Independent Director and Chairman of Audit Committee - Appointed to be Independent Director and Audit Committee effective on 17 June 2010 - Appointed to be Independent Director and Chairman of Audit Committee effective on 24 June 2021	68	- Doctor in Agricultural Engineering (Civil) - Master in Agricultural Engineering (Civil) - Bachelor Degree in Chemical Engineering KYOTO University, Japan	None	None	**Aeon Group**		
					2010 – May 2017	Independent Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					May 2017 – June 2021	Independent Director and Audit Committee Member	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					June 2021 – Present	Independent Director and Chairman of Audit Committee Member	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					2022 - Present	Director	Aeon Thailand Foundation / Foundation
					Other listed company		
					2009 - Present	Independent Director & Audit Committee member	Siam Steel Service Center PLC / Steel
					Other non-listed company		
					1996 – Present	Associate Professor, Faculty of Engineering	Chulalongkorn University / University
					2022 - Present	Professor	Chulalongkorn University / University
Training/Seminar - Director Certification Program (DCP) / IOD - Independent Director Forum 2017 Updated COSO Enterprise - Risk Management: Integrating with Strategy and Performance / Thai Institute of Directors Association - Deloitte's Intelligent Automation: Reimaging the organization in the age of with May 27, 2021 - Deloitte Thailand's Macroeconomic Outlook 2021: "Where does Thailand stand in the post-Covid Divergent World?" on Jul 29, 2021in Bangkok - Deloitte's AI Ethics and Governance on August 19, 2021 - Thysse de Lange Limited's seminar on Transfer Pricing Methods in Malaysia - Thailand Sustainable Development :Setting the Scene/SDG move, Ministry of Health - The Study on Value of Audit with recommendations to improve audit quality and improve Thai financial report organized by SEC and TFEC organized December 2, 2022 - - The 54th AEON Top Seminar - AEON Group ASEAN Compliance Training for Executives - Understanding "AFS Group Our purpose"							

<table>
<tr><th rowspan="2">Name – Surname</th><th rowspan="2">Age (Years)</th><th rowspan="2">Education Background</th><th rowspan="2">Shareholding (%) (29/02/24)</th><th rowspan="2">Family Relationship with Directors and Executives</th><th colspan="3">Working Experience for the last 5 years</th></tr>
<tr><th>Time Period</th><th>Position</th><th>Organization/Company/Type of business</th></tr>
<tr><td rowspan="2">Dr. Mongkon Laoworapong
Independent Director and Audit Committee member
- Appointed effective on 22 June 2018</td><td rowspan="2">54</td><td rowspan="2">Ph.D. of Business Administration (Accounting)
Thammasat University</td><td rowspan="2">None</td><td rowspan="2">None</td><td colspan="3">Aeon Group</td></tr>
<tr><td>Jun 2018 - Jun 2019</td><td>Independent Director</td><td>AEON Thana Sinsap (Thailand) PLC / Retail Finance</td></tr>
<tr><td colspan="3">Training/Seminar</td><td>Jun 2019 - Present</td><td>Independent Director and Audit Committee member</td><td>AEON Thana Sinsap (Thailand) PLC / Retail Finance</td></tr>
<tr><td colspan="3">- Director Accreditation Program (DAP) / IOD
- Director Certification Program (DCP) / IOD
- Audit Committee Program (ACP) / IOD
- Monitoring the Internal Audit Function (MIA)/ IOD
- Successful Formulation & Execution of Strategy (SFE)/ IOD
- How to Measure the Success of Corporate Strategy (HMS)/ IOD
- Chartered Director Class (CDC)/ IOD
- Boardroom Success through Financing and Investment (BFI) / IOD
- Thai Standard on Auditing
- Thai Financial Reporting Standard
- Internal Control and Internal Audit
- Ethical Leadership Program / IOD
- Governance, Stewardship & Sustainability Course / International Corporate Governance Network (ICGN)
- Risk assessment to prevent catastrophic accidents in the chemical industry and management of flood prevention of industrial plant / The Thai Institute of Chemical Engineering and Applied Chemistry
- Risk Management Program for Corporate Leaders (RCL) / IOD
- Director Leadership Certification Program (DLCP)
- The 54th AEON Top Seminar
- AEON Group ASEAN Compliance Training for Executives
- Understanding “AFS Group Our purpose”</td><td colspan="3">Other listed company</td></tr>
<tr><td>2011 - Present</td><td>Independent Director and Audit Committee Member and Risk management committee</td><td>CPL Group Public Company Limited</td></tr>
<tr><td>2015 - Present</td><td>Independent Director and Audit Committee Member</td><td>Sahakol Equipment Public Company Limited</td></tr>
<tr><td>2016 - Present</td><td>Independent Director, Chairman of Audit Committee and Risk Management Committee Member</td><td>Applied DB Public Company Limited</td></tr>
<tr><td colspan="3">Other non-listed company</td></tr>
<tr><td>2015 – Present</td><td>Independent Director and Audit Committee</td><td>Charoensin Asset Co., Ltd</td></tr>
<tr><td>2021 - Present</td><td>Director</td><td>Quality Assurance Service Co.,Ltd.</td></tr>
<tr><td>2022 – Present</td><td>Director</td><td>Computer Union Co., Ltd.</td></tr>
<tr><td>2022 – Present</td><td>Director</td><td>Union Textile Industries Public Company Limited</td></tr>
<tr><td>2022 – Present</td><td>Director</td><td>Computer Union Systems Co., Ltd.</td></tr>
<tr><td>2023 – Present</td><td>Director</td><td>Soldev Co., Ltd.</td></tr>
<tr><td>2024 - Present</td><td>Audit committee</td><td>National Village and Urban Community Fund Office</td></tr>
</table>

Name – Surname	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr. Ittinant Suwanjutha Independent Director and Audit Committee - Appointed effective on 24 June 2021	48	-Master of Laws, University of Minesota-Twincities, U.S.A -Master of Comparative Law, Indiana University-Bloomington, U.S.A -Bachelor of Laws, Thammasat University, Thailand	None	None	**Aeon Group**		
					June 2021 - Present	Independent Director and Audit Committee	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Other listed company		
					Jan 2022 – Present	Independent Director and Audit Committee	Global Consumer Public Company Limited / Food & Beverage
					2022 - Present	Director Audit Committee Nomination and Remuneration Committee Risk Management Committee	Major Development Pcl
					Other non-listed company		
					2013-2022	Partner	Blumenthal Richter & Sumet Ltd.
					2023-Present	Managing Partner	IAS Advisory Co., Ltd.
					Feb 2023 - Present	Director	One Power Public Company Limited
Training/Seminar - Director Accreditation Program Class (DAP) 193/2022 - Top Seminar Aeon - Value of Audit - DAOL FORUM - Link Innovation - Aeon Policy and Aeon Top Seminar - The 54th AEON Top Seminar - AEON Group ASEAN Compliance Training for Executives - Understanding “AFS Group Our purpose”							

Name – Surname	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr. Ryuichi Hasuo Independent Director - Appointed effective on 24 June 2020	71	Master Degree of Department of Physics Faculty of Science, Kyushu University, Japan	None	None	**Aeon Group**		
					2020 - Present	Independent Director	AEON Thana Sinsap (Thailand) PLC / Retail Finance
Training/Seminar					**Other listed company**		
- Corporate Governance Training					2012-2014	Executive Officer	Mitsubishi Motors Corporation (Japan)
					2015-2017	Adviser	Mitsubishi Motors Corporation (Japan)
					Other non-listed company		
					2002-2007	Senior Vice-President	Tripetch Isuzu Sales Co.,Ltd. (Thailand)
					2007-2010	Chief Executive Officer	MC Automobile (Europe) N.V.
					2016-2019	Head of International Relations Officer	National Astronomical Observatory of Japan, National/ Institutes of Natural Sciences

Name – Surname	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Ms. Supannee Asawasuwan Senior Executive Vice President (Company Secretary) - Appointed effective on 21 September 2009	56	- Master of Business Administration Eastern Michigan University - Bachelor Degree of Accounting Assumption University - Certified Public Accountant (CPA) **Training/Seminar** - Advances for Corporate Secretary Program	0.0025*	None	**Aeon Group**		
					2005 – 2009	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					2009 – Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					2020 – April 2022	Director	ACS Trading Vietnam Co., Ltd / Retail Finance
					Other listed company		
					None		
					Other non-listed company		
					1997 - 2001	Senior Analyst	The Stock Exchange of Thailand
Mr. Witchasorn Suwannakindra Senior Executive Vice President - Business Control Management Department - Appointed effective on 1 March 2013	61	Master's Degree of Public Administration University of New Haven USA	0.00008*	None	**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
					2020 – April 2023	Director	ACS Servicing (Thailand) PLC / Collection Servicer
					Other listed company		
					None		
					Other non-listed company		
					None		

* This report excludes Employee Joint Investment Program (EJIP)

Name – Surname	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr. Manavudhi Mingvanich Senior Executive Vice President - System Development Department - Appointed effective on 21 August 2013	56	Bachelor Degree of Computer Science Ramkhamhaeng University	None*	None	**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
					Other listed company		
					None		
					Other non-listed company		
					None		

* This report excludes Employee Joint Investment Program (EJIP)

Name – Surname	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr. Tawatchai Peechapat Senior Executive Vice President - I.T. Department - Appointed effective on 1 April 2018	54	Bachelor of Science (Applied Statistics) King Mongkut's Institute of Technology Chaokhunthaharn Ladkrabang Campus	None*	None	**Aeon Group**		
					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
					Other listed company		
					2015 - 2017	Senior Vice President	Bank of Ayudhya / Bank
					Other non-listed company		
					2017 - 2018	Partner	J Ventures Co., Ltd. / Software development and investment
Mrs. Chittiporn Inoue Senior Executive Vice President Customer Service Department - Appointed effective on 27 August 2020	49	Master of Business Adminisyrative Management (MBA) Srinakharinwirot University	None*	None	**Aeon Group**		
					2016 – 2017	Vice President	System Development Department / AEONTS / Retail Finance
					2017 – 2018	Vice President	System Planning Section, IT Department / AEONTS / Retail Finance
					2018 – 2020	Executive Vice President	System Planning Department / AEONTS / Retail Finance
					2020 – Present	Senior Executive Vice President	Customer Service Department / AEONTS / Retail Finance
					Other listed company		
					None		
					Other non-listed company		
					None		

* This report excludes Employee Joint Investment Program (EJIP)

Name – Surname	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Ms. Nadanong Chompong Senior Executive Vice President - Legal Office - Appointed effective on 1 September 2021	44	LL.M. (Master of Laws) University of Manchester, UK	0.00004*	None	**Aeon Group**		
					March 2013 - February 2016	Vice President	AEON Thana Sinsap (Thailand) Public Company Limited.
					March 2016 - August 2021	Executive Vice President	AEON Thana Sinsap (Thailand) Public Company Limited.
					September 2021 - Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) Public Company Limited.
					Other listed company		
					None		
					Other non-listed company		
					May 2022 - Present	Non-executive Director	ACS Capital Corporation Limited
					August 2022 - Present	Director	AEON Asset Management (Thailand) Co., Ltd.
Mr. Alongkorn Sattabusaya Senior Executive Vice President - Corporate Governance and Control - Appointed effective on 1 February 2022	55	Master Degree of Finance, The university of Sydney, Australia	None*	None	**Aeon Group**		
					Jan 2015 - present	Director	ACS Servicing (Thailand) Co., Ltd. / Collection and legal services business.
					Other listed company		
					None		
					Other non-listed company		
					None		
Mr. Amorn Jirachaiprasiti Senior Executive Vice President - Collection Department - Appointed effective on 1 September 2022	50	Master Degree of Economics, Kasetsart University, Thailand	None*	None	**Aeon Group**		
					2014-2016	Assistant Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					2016-2018	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					2018-2022	Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					2022-Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Other listed company		
					None		
					Other non-listed company		
					None		

* This report excludes Employee Joint Investment Program (EJIP)

Name – Surname	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr.Sitthipong Kanaraksunti Head of Accounting (Chief Accountant) - Appointed effective on 1 October 2018	52	Master Degree in Accounting, Thammasat University	None*	None	**Aeon Group**		
					June 2016 - Sep 2018	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Oct 2018 - Feb 2023	Executive Vice President (Chief Accountant)	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Mar 2023 - Present	Senior Executive Vice President (Chief Accountant)	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Other listed company		
					None		
					Other non-listed company		
					2013 – May 2016	Manager	Isuzu Motors International Operation (Thailand) Co.,Ltd.
Training/Seminar - Digitalization and challenge to accountant 4.0 - Understanding TFRS for security analytic - Get ready for Robotic Process Automation(RPA) for digital accountant - Financial statement analysis - Tax accounting for accurate closing of accounts - Knowledgeable of Corruption - Accounting review techniques to prepare financial statements efficiently - Insights into NPAEs in terms of income and assets Ready to receive rules and tax benefits - Ethics training project for professional accountants Only Certified Public Accountant Class 4 - Digital assets accounting in Digital economy era - 2023 Annual CFO Summit: Navigating a Changing Regulatory Environment - TFRS for SMEs/PAEs VS Revenue tax regulations 3th/66 - Tax problems from the Revenue Code with tax expert							

* This report excludes Employee Joint Investment Program (EJIP)

Name – Surname	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr. Virach Sithivaraporn Senior Executive Vice President - Marketing Department - Appointed effective on 1 March 2023	50	Master's Degree of International Business, Mount Vernon College Affiliated by George Washington University	None*	None	**Aeon Group**		
					2015 - 2017	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					2017 - 2023	Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					2023 - Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Other listed company		
					None		
					Other non-listed company		
					None		
Mr. Chikafusa Nagai Senior Executive Vice President - Information & Technology - Appointed effective on 30 August 2023	54	Bachelor Degree of Business Administration, Kwansei Gakuin University	None*	None	**Aeon Group**		
					Dec 2019 – Apr 2021	Head of IT Division	AEON Co.(M)Bhd.,Malaysia / Retail
					Apr 2021 - Aug 2023	Senior Manager of Group IT Strategy Dept.	AEON Financial Service Co.,Ltd.(AFS)/ Financial Services
					Aug 2023 - Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Other listed company		
					None		
					Other non-listed company		
					Nov - 2021 – Aug 2023	Director General Manager (concurrently serve as AFS Senior Manager)	Fujitsu Credit Service Systems(Tianjin) Co.,Ltd./ System development and maintenance services
Mr. Tsukada Hideki Senior Executive Vice President - Digital Marketing & Sustainability - Appointed effective on 1 November 2023	49	Bachelor Degree of Transportation Engineering, NIHON University	None*	None	**Aeon Group**		
					2021-2023	General Manager	AEON Financial Service (Japan) / Retail Finance
					2013-2021	General Manager	AEON Credit Service ASIA (Hong Kong) / Retail Finance
					2023 - Present	Senior Executive Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Other listed company		
					None		
					Other non-listed company		
					None		

Note:
1The authorized signatory of the Company is Mr. Mitsugu Tamai or Mr. Tsutomu Omodera with affixing the Company's seal. There is no family relationship between each director and the management.
* This report excludes Employee Joint Investment Program (EJIP)

Head of Accounting

Name-Surname Position	Age (Years)	Education Background	Shareholding (%) (29/02/24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time-Period	Position	Organization/Company/Type of business
Mr. Sitthipong Kanaraksunti Head of Accounting (Chief Accountant) - Appointed effective on 1 October 2018	52	Master Degree in Accounting, Thammasat University	None*	None	**Aeon Group**		
					June 2016 - Sep 2018	Vice President	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Oct 2018 - Feb 2023	Executive Vice President (Chief Accountant)	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Mar 2023 - Present	Senior Executive Vice President (Chief Accountant)	AEON Thana Sinsap (Thailand) PLC / Retail Finance
					Other listed company		
					None		
					Other non-listed company		
					2013 – May 2016	Manager	Isuzu Motors International Operation (Thailand) Co.,Ltd.
Training/Seminar - Digitalization and challenge to accountant 4.0 - Understanding TFRS for security analytic - Get ready for Robotic Process Automation(RPA) for digital accountant - Financial statement analysis - Tax accounting for accurate closing of accounts - Knowledgeable of Corruption - Accounting review techniques to prepare financial statements efficiently - Insights into NPAEs in terms of income and assets Ready to receive rules and tax benefits - Ethics training project for professional accountants Only Certified Public Accountant Class 4 - Digital assets accounting in Digital economy era - 2023 Annual CFO Summit: Navigating a Changing Regulatory Environment - TFRS for SMEs/PAEs VS Revenue tax regulations 3th/66 - Tax problems from the Revenue Code with tax expert							

* This report excludes Employee Joint Investment Program (EJIP)

Company Secretary

<table>
<tr><th rowspan="2">Name-Surname
Position</th><th rowspan="2">Age
(Years)</th><th rowspan="2">Education Background</th><th rowspan="2">Shareholding
(%)
(29/02/24)</th><th rowspan="2">Family
Relationship with
Directors
and
Executives</th><th colspan="3">Working Experience for the last 5 years</th></tr>
<tr><th>Time-Period</th><th>Position</th><th>Organization/Company/Type of business</th></tr>
<tr><td rowspan="2">Ms. Supannee Asawasuwan
Senior Executive Vice President
(Company Secretary)
- Appointed effective on 21 September 2009</td><td rowspan="2">56</td><td rowspan="2">- Master of Business Administration
Eastern Michigan University
- Bachelor Degree of Accounting
Assumption University
- Certified Public Accountant (CPA)</td><td rowspan="6">0.0025*</td><td rowspan="6">None</td><td colspan="3">Aeon Group</td></tr>
<tr><td>2005 – 2009</td><td>Vice President</td><td>AEON Thana Sinsap (Thailand) PLC / Retail Finance</td></tr>
<tr><td colspan="3">Training/Seminar</td><td>2009 – Present</td><td>Senior Executive Vice President</td><td>AEON Thana Sinsap (Thailand) PLC / Retail Finance</td></tr>
<tr><td colspan="3">- Advances for Corporate Secretary Program</td><td>2020 – April2022</td><td>Director</td><td>ACS Trading Vietnam Co., Ltd / Retail Finance</td></tr>
<tr><td colspan="3"></td><td colspan="3">Other listed company</td></tr>
<tr><td colspan="3"></td><td>None</td><td></td><td></td></tr>
<tr><td colspan="3"></td><td colspan="3">Other non-listed company</td></tr>
<tr><td colspan="3"></td><td>1997 - 2001</td><td>Senior Analyst</td><td>The Stock Exchange of Thailand</td></tr>
</table>

* This report excludes Employee Joint Investment Program (EJIP)

The position information of Directors, Managements and Managerial Authorities of the Company in subsidiaries and affiliated companies as of February 29, 2024

	Mr. Mitsugu Tamai	Mr.Tsutomu Omodera	Ms.Suporn Wattanavekin	Mr.Nuntawat Chotvijit	Ms.Suriporn Thammawatid	Mr.Kazumasa Oshima	Mr. Junichi Iwakami	Mr. Chatchaval Jiaravanon	Dr. Sucharit Koontanakulvong	Dr. Mongkon Laoworapong	Mr. Ittinant Suwanjutha	Mr. Ryuichi Hasuo	Mr.Witchasorn Suwannakindra	Mr. Alongkorn Sattabusaya	Ms. Supannee Asawasuwan	Ms. Nadanong Chompong	Mr. Hideki Tsukada
The company that holds shares in Aeon Thana Sinsap (Thailand) Co., Ltd.																	
AEON Financial Service Co., Ltd. / Japan	//																
ACS Capital Corporation Limited / Thailand						X/										/	
AEON Holdings (Thailand) Co., Ltd. / Thailand																	
Domestic Subsidiaries																	
ATS Rabbit Special Purpose Vehicle Company Limited				/		/											
ACSI (Thailand) Co., Ltd.*																	
ACS Servicing (Thailand) Co., Ltd.		X/			/								/	//			
AEON Asset Management (Thailand) Co., Ltd.															/	/	
International Subsidiaries																	
AEON Specialized Bank (Cambodia) PLC		X/															
AEON Microfinance (Myanmar) Company Limited				X/		/											
AEON Leasing Service (Lao) Company Limited				X/													
Other Related Companies																	
AEON (Thailand) Co., Ltd. (Investing in securities)																	
PT. AEON Credit Service Indonesia (Investing in securities)																	
Rabbit Cash Compcny Limited																	/
AEON Credit Service (M) Berhad	/																
ACS Trading Vietnam Co., Ltd.	X																

Note: * The company registered the dissolution with the Department of Business Development Ministry of Commerce on June 30, 2022. The registration process fo completing the liquidation is still ongoing, with the corporate entity status not yet finalized.

/ = Director

X = Chairman of the Board

// = Executive Director

Attachment 2
Details of the directors of subsidiaries as of February 29, 2024.

No.	Directors	Subsidiaries						
		ATS Rabbit Special Purpose Vehicle Company Limited	AEON Specialized Bank (Cambodia) Plc.	ACSI (Thailand) Co., Ltd.*	ACS Servicing (Thailand) Co., Ltd.	AEON Microfinance (Myanmar) Co., Ltd.	AEON Leasing Service (Lao) Co., Ltd.	AEON Asset Management (Thailand) Co., Ltd.
1	Mr. Tsutomu Omodera		X/		X/			
2	Mr. Nuntawat Chotvijit	/				X/	X/	
3	Ms. Suriporn Thammawatid				/			
4	Mr. Kazumasa Oshima	/				/		
5	Mr. Junji Noda		//					
6	Mr. Shuji Taniguchi		//					
7	Mrs. Khieu Mealy		/					
8	Mr. Sakarabhop Dhivarakara			Liquidator				/
9	Mr. Alongkorn Sattabusaya				//			
10	Ms. Pawinee Polpiya				//			
11	Mr. Tetsuro Takano				/			
12	Mr. Yuta Nakagawa					//		
13	Mr. Kunio Kawamura					/	/	
14	Mr. Yoshiaki Takahashi						//	
15	Ms. Supannee Asawasuwan							/
16	Ms. Nadanong Chompong							/
17	Mr. Takashi Suzuki				/			/
18	Ms. Gritsla Kommongkol				//			
19	Mr. Katsushi Iwamoto				//			
20	Ms. Ryoko Yaoi		//					
21	Mr. Yasuhiko Minakata		/					
22	Ms. Thai Sochanna		/					
23	Mr. Sophean Chettra		/					

Note: * The company registered the dissolution with the Department of Business Development Ministry of Commerce on June 30, 2022. The registration process fo completing the liquidation is still ongoing, with the corporate entity status not yet finalized.
/ = Director
X = Chairman of the Board
// = Executive Director

Attachment 3
Details of the Heads of the Internal Audit and Compliance Unit

Details of the Heads of the Internal Audit

Name-Surname Position	Age (Years)	Education Background	Percentage of shareholding in the company (29-2-24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Kajohnporn Kittisobhone Vice President -Internal Audit Department	50	Master of Business in Finance	None*	None	**AEON Group**		
					2016 – Present	Vice President – Internal Audit Department	AEON Thana Sinsap (Thailand) PCL/ Retail Finance Service
					Other listed company		
					2014 - 2016	Senior Manager – Internal Audit Department	Siam Makro Plc.
					2013 - 2014	Manager – Portfolio Management Department	Berli Jucker Plc.
					2009 - 2013	Manager – Internal Audit Department	Berli Jucker Plc.
					Other non-listed company		
					None		

* This report excludes Employee Joint Investment Program (EJIP)

Details of the Head of the Compliance Unit

Name-Surname Position	Age (Years)	Education Background	Percentage of shareholding in the company (29-2-24)	Family Relationship with Directors and Executives	Working Experience for the last 5 years		
					Time Period	Position	Organization/Company/Type of business
Mr. Alongkorn Sattabusaya Senior Executive Vice President -Corporate Governace and Control	55	Master Degree of Finance, The university of Sydney, Australia	None*	None	**AEON Group**		
					Jan 2015 - present	Director	ACS Servicing (Thailand) Co., Ltd. / Collection and legal services business.
					Other listed company		
					None		
					Other non-listed company		
					None		

* This report excludes Employee Joint Investment Program (EJIP)

Attachment 4

Assets for business undertaking and details of asset appraisal

-None-

Attachment 5

Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company in the following matters:

(1) Selection and determination of remunerations for directors and executives, independence of the Board of Directors from the Management, director development and evaluation of duty performance of directors including supervision of subsidiaries and associated companies

The details shown on report on key operating results on corporate governance topic

(2) Protection of shareholders, fair and equitable treatment of shareholders, promotion of exercising of the shareholders' rights, prevention of the use of inside information, prevention of conflicts of interest, responsibility towards stakeholders, compensation in case of right violation, anti-corruption actions, and measures imposed on violators of the policy and guidelines;

The details shown on corporate governance policy topic

(3) Code of busines conduct (if any)

The details shown on Business Ethics topic

Attachment 6

The Audit Committee Report

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 28, 2024, nine Audit Committee meetings were held. All three Audit Committee members attended in nine 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, 2025, the Audit Committee selected and proposed Mrs. Nisakorn Songmanee, Certified Public Accountant Registration No. 5035, Mr. Chavala Tienpasertkij, Certified Public Accountant Registration No.4301, Ms. Darunee Chantra, Certified Public Accountant Registration No. 8625, and Ms. Kornthong Luangvilai, Certified Public Accountant Registration No. 7210 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 28, 2024, 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.

(Dr. Sucharit Koontanakulvong)

Chairman of the Audit Committee

Attachment 7

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, 2024 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 56-1 One 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, 2024.

Mr. Tsutomu Omodera
Vice Chairman of the Board and Managing Director

Attachment 8

Risk Management Committee Report

The risk management committee consist of 19 members. This committee's chairman is Mr. Tsutomu Omodera. Risk management committee meetings are held by the company on monthly basis. In addition, in the event of an emergency that could have a major impact, an ad hoc meeting will be held as soon as possible to address the problem. In 2023, there are 12 risk management meeting. The summary is shown as follow:

1. Analyze and strategize a comprehensive risk management plan, which covers both current significant risks and potential future risks. This strategy also takes Company's overall performance and impact on consumers, stakeholders, employees, society, the environment and those associated with them into account.
2. Review and examine risk issue in all aspect via KRI (key risk indicator), incident report and various risk report to check that all risk is under control.
3. Endorse risk management plan such as improve operation process to reduce the risk level, corrective action, preventive action plan and risk awareness campaign for related staff including conducting risk culture in company.
4. Evaluate project related to risk management weather it is aligned with overall corporate strategy or not. This will maximize the project's efficiently and reduce the error, which may be occurred from the project.
5. Track the result of project and activities regarding risk management whether it is on time and achieve the result as intend. If there is a delay or the result is not achieved, risk management committee will provide guideline to address the issue.
6. Governance and monitor performance of risk management team to guarantee that Company manages the risk according to the policy and related regulation (E.g. Bank of Thailand regulation) including the international standard.

Mr. Tsutomu Omodera
(Chairman of the risk management committee)

Attachment 9

The Report of Corporate Governance Committee (CGC)

The Corporate Governance Committee has performed its duties according to the scope and responsibilities assigned by the Board of Directors. The committee will arrange additional meetings in time to meet the urgent needs. Meetings are constantly being established for corporate governance. and to ensure that corporate governance in compliance with various rules, regulations, and requirements and various operating standards of the Company.

In 2023, the Compliance Committee had been arranged totally 12 times according to the fiscal year. The report of the Corporate Governance Committee in 2023 can be summarized as follows:

1. Followed up, acknowledged, gave opinions and advice or direction in the process, including the results of operations related to the compliance action plan of the corporate compliance unit in order to comply with newly issued laws and regulations related to the company, including reviewing and improving the Company's operating plan and corporate governance policy to ensure compliance with laws and regulations applicable to the Company.
2. Acknowledged, and followed up of preventing and suppressing money laundering and countering the financing of terrorism and the proliferation of weapons of mass destruction (AML/CFT/WMD), including supervising and following up on compliance action plan of corporate compliance unit. In particular, the Company's AML Committee holds quarterly to exchange and share the issues and communicate with relevant business unit in order to effectively implement the said policy.
3. Acknowledged, followed and supervised operations according compliance action plan of corporate compliance unit. These are important criteria from the Bank of Thailand, such as market conduct criteria, the Bank of Thailand's new measures for Responsible Lending, and the regulation of the Office of the Consumer Protection Board. The criteria of the Office of the OIC and other important criteria as relevant.
4. Acknowledged, followed up and supervised to comply with the Company's policy regarding the protection of personal rights and personal information. The committee provided opinions and recommendations on improving the personal data protection process, including supervise and inspect of relevant business unit to the checklist/testing.
5. In 2023, Corporate Governance Committee committed to enhance knowledge, understanding and awareness of the importance of personal data protection laws for managements and employees by arranged a personal data protection training for relevant employees on regular basis, which requiring the attendance and passing the exams. This year, employees participated in the training and passed the exam totaled 3,893 persons.
6. Acknowledged, followed, supervised, and gave opinions on the creation of new compliance tools or improve the work process of the corporate compliance unit to be more efficient, such as incoming regulation handling process, end to the end process, including improving Service Level Agreement (SLA) for business unit of the corporate compliance unit to be concise, convenient, fast and more efficient.
7. Acknowledged, followed and supervised corporate governance policy to ensure that the company has operated business by adhering to the principles of corporate governance and Principles of Corporate Governance for Listed Companies 2017 by SEC. In 2023, the Company was evaluated in the Corporate Governance Report of Thai Listed Companies (CGR) survey project and received an “Excellent” rating, which is the highest rating.
8. Acknowledged, followed up, and supervised compliance with the Company's policy, namely Kaizen project. In 2023, the Company organized a Kaizen contest activity as usual with 13 projects participated.

Mr. Tsutomu Omodera
(Chairman of Corporate Governance Committee)

Attachment 10

Internal Control Assessment Questionnaire

AEON Thana Sinsap (Thailand) Public Company Limited

29 February 2024

Internal Control Assessment Questionnaire

Conceptual and Objectives

Proper Internal Control system is vital to listed companies as it shall prevent, manage and mitigate risk and loss that could impact the companies and their stakeholders. Therefore, Board of Directors is accountable to oversee that the company have implemented proper internal control system that is sufficient to govern and direct the company to achieve its missions and goals while complying with laws and regulations. Besides, the internal control system should also prevent the company from fraud and physical damage and ensure correct accounting and financial reporting.

The Securities Exchange Commission (SEC), coordinated with the Price Waterhouse Cooper (Thailand), had developed this Internal Control Assessment Questionnaire as a tool for listed companies for their self-assessment. The questionnaire adopted the internal control concept of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) which was revised on May 2013 and was adjusted to be applicable to Thai listed company. The questionnaire is constructed in 5 key areas including Control Environment, Risk Assessment, Control Activities, Information & Communication, and Monitoring Activities. Besides, aforementioned key areas were extended to 17 principals in order to clearly explain and better understand on each key area..

Use of Questionnaire

The companies should apply this questionnaire as guidance for internal control assessment at least annually and may reassess in case of unexpected event which may impact its operations significantly. The assessment should be reviewed by the Audit Committee and the Board in order to lead to discussion about proper improvement of internal control system.

The assessment should be based on execution of the control. If the assessment reflects insufficient control in some areas, the company should provide with rationale and improvement method.

Control Environment

1. The organization demonstrates a commitment to integrity and ethical value.

Question	Yes	No
1.1 Board of Directors and senior management articulate and demonstrate the importance of integrity and ethical values across the organization. The various forms and mechanisms may include: 1.1.1 Day-to-day actions and decision making at all levels of the organization that are consistent with the expected standards of conduct. 1.1.2 Interactions with suppliers, customers, and other external parties.	✓	
1.2 Practice of integrity and ethics is in place which may include: 1.2.1 Appropriate code of conduct for all employees 1.2.2 Prohibition of conflict of interest and corruption 1.2.3 Penalty when employee action deviates from the standard code of conduct 1.2.4 Communicate the standard code of conducts and penalty when its violated to all level of employees and external parties for adherence.	✓	
1.3 A process of ongoing and separate evaluation of Code of Conduct is in place including; 1.3.1 Ongoing and separated evaluation by Internal Audit Unit or Compliance Unit 1.3.2 Employees self-evaluation 1.3.3 Separate evaluation by independent and external experts	✓	
1.4 Deviations of the expected standard code of conduct are identified and remedied in a timely and consistent manner. 1.4.1 Having a process to investigate deviations of the expected standard code of conduct. 1.4.2 Having a process to penalize and conduct an appropriate action taken in timely basis. 1.4.3 The corrective action should be taken in consistent and timely basis.	✓	

2. The Board of Directors is independent from the management and is accountable for an oversight of the development and performance of internal control.

Question	Yes	No
2.1 The board of directors demonstrate independence from management by their roles and responsibilities. The board must therefore retain objectivity in relation to management.	✓	
2.2 The board of directors oversee the business objectives to ensure that they are clearly defined and measurable to be a guidance for management and other employees.	✓	
2.3 The board of directors oversee the clear line of roles and responsibilities of the board committees and senior management and compliance with law and regulations. This includes the roles and responsibilities of audit committee, external auditors, internal auditors and the person with responsibility for financial reporting.	✓	
2.4 The director is competent and has expertise in business or ability to request for the experts when needed.	✓	
2.5 The board of directors consists of sufficient number of independent directors who are knowledgeable and independent.	✓	
2.6 The board of directors oversee the development and execution of internal control system including control environment, risk assessment, control activities, information and communication, and monitoring activities	✓	

3. With the board oversight, Management establishes structures, reporting lines, and appropriate authorities and responsibilities in the pursuit of objectives.

Question	Yes	No
3.1 Management establish organization structure which support the organization's goal, which taking into account business, regulation, and effective internal control system e.g. Segregation of duties, the direct reporting line of internal audit to the Audit Committee, clear reporting line etc.	✓	
3.2 Senior management define reporting line which considered appropriate accountabilities, responsibilities and communication channel.	✓	
3.3 Clear and appropriate authority delegation of authority among the board of directors, senior management, management and staff is in place.	✓	

4. The organization demonstrates a commitment to attract, develop, and retain competent individuals.

Question	Yes	No
4.1 Policies and practice to attract, develop, and retain competent individuals is in place and is reviewed regularly.	✓	
4.2 The organization has processes of performance evaluation, incentive, reward and penalty. The processes are communicated to all level of management and employees.	✓	
4.3 The organization has a procedure to handle insufficiency of competent staff properly	✓	
4.4 The organization has a human resource management process of recruiting, development, mentoring, coaching, retaining for all level of management and employees	✓	
4.5 The organization has the appropriate succession plan	✓	

5. The organization assigns roles and responsibility of internal control in the pursuit of objectives.

Question	Yes	No
5.1 The board of directors and management establish the mechanisms to communicate and enforce accountability for performance of internal control responsibilities across organization and implement corrective action as necessary.	✓	
5.2 The board of directors and management establish proper performance evaluation, incentives, and rewarding system taking into account code of conduct, short-term and long-term business objectives.	✓	
5.3 The board of directors and management align incentives and rewards with the fulfillment of internal control responsibilities in the achievement of objectives.	✓	
5.4 The board of directors and management evaluate and adjust pressures associated with the achievement of objectives as they assign responsibilities.	✓	

Risk Assessment

6. Organization specifies objectives with sufficient clarify to enable the identification and assessment of risks relating to objectives.

Question	Yes	No
6.1 The organization complies with the Generally Accepted Accounting Principles (GAAP) that are appropriate for its business and ensures the existence, completeness, rights and obligation, and valuation.	✓	
6.2 The organization defines financial materiality by assessing factors such as stakeholders, transaction size, and business trends	✓	
6.3 The organization's financial statements reflect actual operational activities.	✓	
6.4 The board of directors or the Risk Management Committee approves and communicates risk management policies to management and employees as part of the organization culture.	✓	

7. The organization identifies risks to the achievement of its objectives across the entity and analyzes risks as basis for determining how the risks should be managed.

Question	Yes	No
7.1 The organization identifies comprehensive risk that may affect the operational activities at corporate level, entity level, unit level, and functional level.	✓	
7.2 The organization assess comprehensive risk that may result from internal and external factors, including strategic risk, operational risk, reporting risk, compliance risk, and IT risk.	✓	
7.3 Management of all level participates in risk management	✓	
7.4 The organization prioritize risk through frequency and impact assessment	✓	
7.5 The organization has measures and plans to manage risk through risk acceptance, risk reduction, risk avoidance, or risk sharing.	✓	

8. The organization considers the potential for fraud in assessment risks to the achievement of objectives.

Question	Yes	No
8.1 The organization assess fraud risk resulting from falsify reporting, financial loss, corruption, management override of internal controls, misrepresentation of material reports, or embezzlement.	✓	
8.2 The organization reviews its performance measurements through achievement likelihood assessment and reviews incentive program to ensure that it does not encourage misconduct such as unrealistic target to encourage misrepresentation.	✓	
8.3 Audit Committee reviews and inquires management regarding fraud likelihood and fraud preventive and corrective measures.	✓	
8.4 The organization communicates to its employees to ensure that they understand and comply with policies and guidelines.	✓	

9. The organization identifies and assesses changes that could significantly impact the system of internal control.

Question	Yes	No
9.1 The organization assess external changes that may affect its operation, internal control, and financial reporting; and defines sufficient measures to respond to those changes.	✓	
9.2 The organization assess changes in business operation that may affect its operation, internal control, and financial reporting; and defines sufficient measures to respond to those changes.	✓	
9.3 The organization assess changes in organization leaders that may affect its operation, internal control, and financial reporting; and defines sufficient measures to respond to those changes.	✓	

Control Activities

10. The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels.

Question	Yes	No
10.1 The organization's control measures are appropriate with its organization specific risks such as environmental, operational complexity, functional, operational boundary, and other specifics.	✓	
10.2 The organization has written internal control measures that appropriately covers its activities such as policies and procedures relating to the financial transactions, procurement process and other administrations which includes roles and responsibilities, and clearly indicate level of authority to prevent fraud such as the determination of authority level of the management in each level, capital expenditures approval process, procurement and vendor selection process, transactional recording, approval process, requisition and disbursement process etc. by arranging the processes for the following cases 10.2.1 Collect and regularly update information on major shareholders, Directors, Management, and their related parties to assist in monitoring and reviewing related party transactions or conflict of interest transactions. 10.2.2 In case the organization approves or enters into long-term contract with related party, the organization monitors to ensure compliance throughout the contract duration.	✓	
10.3 Control activities include a range and variety of controls and may include a balance of approaches to mitigate risk, considering both manual and automated controls, and preventive and detective controls.	✓	
10.4 Management considers control activities at various levels in the entity.	✓	
10.5 The organization segregates the following duties: (1) approval (2) data entry (3) custodial	✓	

11. The organization selects and develops general control activities over technology to support the achievement of objectives.

Question	Yes	No
11.1 The organization should determines the dependency and linkage between business processes and technology general controls.	✓	
11.2 The organization should have a proper control on IT infrastructure.	✓	
11.3 The organization should have a proper IT security system.	✓	
11.4 The organization should have a proper control on acquisition, development and maintenance of IT system.	✓	

12. The organization deploys control activities through policies that establish what is expected and in procedure that put policies into action.

Question	Yes	No
12.1 The organization has a policy that prevents major shareholders, directors, management from trading based on inside information by using approval process guided by regulators.	✓	
12.2 The organization has a policy indicated that transaction approval process has to be executed by an independent without conflict of interest.	✓	
12.3 The organization has a policy indicated that transaction approval processes are based on arm's length principle.	✓	
12.4 The organization has a process to monitor performance and provide directions to its subsidiaries.	✓	
12.5 The organization defines roles and responsibilities for its management and employees to carry out policies and processes.	✓	
12.6 The policies and processes are implemented within the proper time frame by the competent personnel including the comprehensiveness of the incident management process	✓	
12.7 The organization reviews the appropriateness of its policies and processes regularly.	✓	

Information & Communication

13. The organization obtains or generates and users relevant, quality information to support the functioning of other components of internal control.

Question	Yes	No
13.1 A process is in place to identify quality and relevance internal and external information required to achieve the objectives.	✓	
13.2 Information usage costs and benefits are considered. The consideration should include quantity and correctness of information.	✓	
13.3 The board of directors has material information sufficiently to make decision. The information may include detail of the agenda, reason, impact to the organization and optional solution.	✓	
13.4 The organization has processes to schedule the board meeting and provide necessary and sufficient supporting information before a specific time as the requirement by laws or regulation.	✓	
13.5 The organization should document sufficient information in the board of directors' minutes of meeting to ensure appropriateness of directors duties, for examples, memo probing the question to management, comments and reason of disagreement	✓	
13.6 The organization has proper 13.6.1 Document retention process to ensure completeness and filing of all important document. 13.6.2 Control decencies and corrective action report from both external and internal auditors.	✓	

14. The organization internally communicates information, including objectives and responsibilities for internal control, necessary to support the functioning of other components internal control.

Question	Yes	No
14.1 The organization effectively communicates relevant and timely information regarding internal control and provides appropriate communications channels.	✓	
14.2 The organization reports material information to the board of directors consistently. Otherwise, the board of directors is enabled to access necessary information regards of their duties or reviews transaction i.e. the directors allows to request information from assigned a contact person, external auditors, internal auditors and they can request for the board meeting and other meeting between directors and senior managements.	✓	
14.3 The organization provides separate communication channels, such as whistle-blower hotlines, are in place and serve as fail-safe mechanisms to enable anonymous or confidential communication from internal parties.	✓	

15. The organization communicates with external parties regarding matters affecting the functioning of other components of internal control.

Question	Yes	No
15.1 The organization effectively communicates relevant and timely information regarding internal control to external parties and provides appropriate communications channels i.e. investor relation and customer complain hotline.	✓	
15.2 The organization provides separate communication channels, such as whistle-blower hotlines, are in place and serve as fail-safe mechanisms to enable anonymous or confidential communication from external parties.	✓	

Monitoring Activities

16. The organization selects, develops, and performs ongoing and/ or separate evaluations to ascertain whether the components of internal control are present and functioning.

Question	Yes	No
16.1 The organization develop the code of ethics and establish conflict of interests ongoing evaluation process i.e. employees perform self-evaluation and report to their supervisor and the internal auditors performs auditing and report to audit committee.	✓	
16.2 Has internal evaluation this may perform by employees' self-evaluation or using internal audit to conduct separate evaluation.	✓	
16.3 Management varies frequency of evaluation depending on changing condition.	✓	
16.4 Evaluators who perform ongoing and separate evaluations have sufficient knowledge to understand what is being evaluated.	✓	
16.5 Internal audit department has direct reporting line to audit committee	✓	
16.6 The organization supports the internal audit activities to comply with International Standards for the Professional Practice of Internal Auditing, IIA.	✓	

17. The organization evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the board of directors, as appropriate.

Question	Yes	No
17.1 The organization evaluates and communicates material internal control deficiencies in a timely manner to those parties responsible for taking corrective action	✓	
17.2 The organization develop policies for reporting the control deficiency including: 17.2.1 Management report the facts and circumstances of significant fraudulent act, illegal acts and the other circumstance that impact over reputation and financial reporting to Board of Directors in a timely basis. 17.2.2 Report significant control deficiency and propose its corrective action to the board of directors/ audit committee. 17.2.3 Report status of remediation plan or corrective action to board of directors/ audit committee.	✓	