

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
TO THE SHAREHOLDERS AND BOARD OF DIRECTORS
KRUNGTHAI CARD PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Krungthai Card Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Krungthai Card Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of 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 Krungthai Card Public Company Limited and its subsidiaries and of Krungthai Card Public Company Limited as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 4 to the financial statements that on May 21, 2021, the Company acquired the ordinary shares of an entity under common control of the ultimate shareholder. Accordingly, the acquisition has been accounted for in a manner similar to a pooling of interest method. The Group retrospectively adjusted the business combination under common control transactions as if the combination occurred from the beginning of period of which the financial statements in the previous period are comparatively presented. Our opinion is not modified in respect of this matter.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated and separate financial statements of the current period. This matter was 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 this matter.

Key Audit Matter	Key Audit Responses
<p>Allowance for expected credit loss</p> <p>The allowance for expected credit loss for loans to customers is considered to be the key audit matter as it requires the use of various assumptions and judgment including forward economic looking and post model adjustments and it is recognized in accordance with Thai Financial Reporting Standard No. 9 - Financial Instruments ("TFRS 9"). TFRS 9 requires the Company to recognize impairment based on expected credit loss ("ECL"). We focused our audit on the following areas of allowance for expected credit loss for loans to customers specifically relating to:</p> <ul style="list-style-type: none"> • Accounting interpretations and modelling assumptions used to build the models that the Company used to calculate the ECL which involves determining Probabilities of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD); • Completeness and accuracy of data used to calculate the ECL; • Inputs and assumptions used to estimate the impact of forward-looking factors and/or management overlay; • Classification of loans to customers to stage 1, 2 and 3 using criteria in accordance with TFRS 9; 	<p>Key audit procedures included</p> <ul style="list-style-type: none"> • Reviewing management written policies, which were collaborated from the Company's management's experts, and procedures to derive the allowance for expected credit loss estimate. Determining 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 Company's design and implementation of the key controls over significant input data used in the calculation of allowance for expected credit loss, and calculation of allowance for expected credit loss; • Performed operating effectiveness testing of the controls over significant input data used in calculation of allowance for expected credit loss and calculation of allowance for expected credit loss. In addition, we also tested general information technology controls for loan system; • Involving our internal specialists to assess the model documentation. This included assessing the appropriateness of model design, assumptions, inputs, formulas used and post model adjustments and verifying data quality, we tested the data used in the ECL calculation by reconciling to source systems;

Key Audit Matter	Key Audit Responses
<ul style="list-style-type: none">Indicators that will significantly reduce the ability to pay the debt or the increase in credit risk including quantitative and qualitative information; andCompleteness and valuation of post model adjustments. <p>Accounting policy of the allowance for expected credit loss and detail of allowance for expected credit loss were disclosed in the Note 3.2 and Note 6 to the financial statements.</p>	<ul style="list-style-type: none">Evaluating 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;Considering the criteria used to classify an asset to stage 1, 2 and 3 in accordance with TFRS 9. Testing sample of assets in stage 1, 2 and 3 to verify that they were classified to the appropriate stage. This also included considering the internal credit scoring system of the Company; andTested calculation of allowance for expected credit loss for a sample of models.

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 the 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.

Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)

Registration No. 3356

BANGKOK

February 10, 2022

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

KRUNGTHAI CARD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

UNIT: BAHT

Notes	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2021	2020	2021	2020
"Restated"				
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	2,362,884,558	2,197,388,261	2,018,849,307	1,913,623,051
Loans to customers and accrued interest receivables, net and other current receivables				
Loans to customers and accrued interest receivables, net	6	82,443,432,569	83,836,351,802	82,086,352,073
accrued interest receivables, net				82,790,451,296
Other receivables	7	434,057,147	486,272,400	420,884,864
Other current financial assets	8	3,000,323	-	3,000,323
Total Current Assets	85,243,374,597	86,520,012,463	84,529,086,567	85,164,111,504
NON-CURRENT ASSETS				
Loans to customers and accrued interest receivables, net non-current portion	6	500,988,951	1,111,125,554	-
Other non-current financial assets	8	1,994,431	4,992,321	1,984,431
Investments in subsidiaries and an associate	9	83,464,565	72,795,564	780,943,224
Properties for sale	10	43,787,662	90,217,287	-
Leasehold improvements and equipment	11	414,640,210	495,860,881	402,462,709
Right-of-use assets	12	359,782,239	486,342,599	345,259,477
Intangible assets	13	448,767,818	486,336,134	437,703,761
Deferred tax assets	14	2,292,094,928	2,247,468,140	1,600,388,259
Other non-current assets		82,194,251	79,345,126	79,667,126
Total Non-current Assets	4,227,715,055	5,074,483,606	3,648,408,987	3,392,154,640
TOTAL ASSETS	89,471,089,652	91,594,496,069	88,177,495,554	88,556,266,144

KRUNGTHAI CARD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2021

UNIT: BAHT

Notes	CONSOLIDATED			SEPARATE	
	FINANCIAL STATEMENTS			FINANCIAL STATEMENTS	
	2021	2020	“Restated”	2021	2020
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term borrowings from financial institutions and related parties					
- Related financial institution	15.1 and 25	4,730,000,000	9,440,000,000	3,630,000,000	7,660,000,000
- Other financial institutions	15.1	4,399,971,164	6,299,408,660	4,399,971,164	6,299,408,660
- Related parties	15.2 and 25	-	-	200,520,556	202,313,182
Trade and other current payables					
Trade payables					
- Related financial institution and related parties	25.1	598,195,403	722,591,140	596,144,654	720,696,237
- Other companies		155,046,226	747,063,768	150,519,623	746,971,576
Accrued interest expenses		272,019,844	327,578,601	271,400,828	327,680,398
Current income tax payable		734,796,892	663,126,448	734,794,204	662,894,850
Accrued expenses		1,178,401,893	1,140,830,606	1,160,836,860	1,106,196,178
Other payables	16	1,669,371,417	1,310,750,735	1,627,619,977	1,253,895,188
Current portion of lease liabilities	17	214,609,667	227,498,690	200,507,195	212,568,795
Current portion of long-term debentures	18	9,500,000,000	8,780,000,000	9,500,000,000	8,780,000,000
Deferred income for reward points		2,481,225,762	2,345,752,136	2,481,225,762	2,345,752,136
Total Current Liabilities		<u>25,933,638,268</u>	<u>32,004,600,784</u>	<u>24,953,540,823</u>	<u>30,318,377,200</u>
NON-CURRENT LIABILITIES					
Lease liabilities	17	151,583,707	262,929,026	151,040,454	247,717,943
Long-term borrowings	15.3 and 25	1,500,000,000	-	1,500,000,000	-
Long-term debentures	18	34,273,049,113	34,700,000,000	34,273,049,113	34,700,000,000
Provisions for employee benefits	19	528,418,067	514,623,601	512,147,600	488,779,800
Total Non-current Liabilities		<u>36,453,050,887</u>	<u>35,477,552,627</u>	<u>36,436,237,167</u>	<u>35,436,497,743</u>
TOTAL LIABILITIES		<u>62,386,689,155</u>	<u>67,482,153,411</u>	<u>61,389,777,990</u>	<u>65,754,874,943</u>

KRUNGTHAI CARD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2021

UNIT: BAHT

Notes	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2021	2020	2021	2020
“Restated”				
LIABILITIES AND SHAREHOLDERS' EQUITY				
(CONTINUED)				
SHAREHOLDERS' EQUITY				
SHARE CAPITAL				
Authorized share capital				
2,578,334,070 ordinary shares of Baht 1.00 each		<u>2,578,334,070</u>	<u>2,578,334,070</u>	<u>2,578,334,070</u>
Issued and paid share capital				
2,578,334,070 ordinary shares of Baht 1.00 each, fully paid		2,578,334,070	2,578,334,070	2,578,334,070
SHARE PREMIUM				
Share premium on ordinary shares		1,891,808,721	1,891,808,721	1,891,808,721
SURPLUS ON BUSINESS COMBINATION UNDER				
COMMON CONTROL		9.1	423,694,187	-
RETAINED EARNINGS				
Appropriated				
Legal reserve		21	257,833,407	257,833,407
Unappropriated		<u>21,684,686,692</u>	<u>18,070,976,922</u>	<u>22,059,741,366</u>
EQUITY ATTRIBUTABLE TO OWNERS				
OF THE PARENT		26,836,357,077	22,798,953,120	26,787,717,564
NON-CONTROLLING INTERESTS		<u>248,043,420</u>	<u>1,313,389,538</u>	<u>-</u>
TOTAL SHAREHOLDERS' EQUITY		<u>27,084,400,497</u>	<u>24,112,342,658</u>	<u>26,787,717,564</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>89,471,089,652</u>	<u>91,594,496,069</u>	<u>88,177,495,554</u>

KRUNGTHAI CARD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021

UNIT: BAHT

Notes	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2021	2020	2021	2020
	"Restated"			
Interest income	10,673,125,090	10,538,480,876	10,568,152,773	10,353,312,856
Fee and service income	7,234,170,658	8,379,759,304	7,170,937,587	8,289,668,094
Bad debt recovered	3,266,111,438	3,203,630,858	3,190,639,223	3,118,823,100
Gain on exchange rate - net	22,182,097	45,452,119	22,182,097	45,452,119
Other income	246,084,939	284,181,828	220,242,260	248,157,567
Total Revenues	21,441,674,222	22,451,504,985	21,172,153,940	22,055,413,736
Administrative expenses	7,064,049,614	7,283,030,417	6,850,785,415	7,046,117,549
Management remuneration	25.3	261,525,825	239,779,406	230,011,827
Expected credit loss		5,455,542,617	6,489,407,178	4,862,823,258
Total Expenses	22	12,781,118,056	14,012,217,001	11,943,620,500
PROFIT FROM OPERATING ACTIVITIES		8,660,556,166	8,439,287,984	9,228,533,440
FINANCE COSTS		1,415,848,055	1,560,066,824	1,406,706,085
Share of profit of an associate accounted for using equity method		10,669,002	795,564	-
PROFIT BEFORE INCOME TAX		7,255,377,113	6,880,016,724	7,821,827,355
INCOME TAX EXPENSE	24	1,466,856,852	1,371,699,859	1,570,941,470
NET PROFIT FOR THE YEARS		5,788,520,261	5,508,316,865	6,250,885,885
Other comprehensive income				
Components of other comprehensive income (loss) that will not be reclassified to profit or loss				
Gains on remeasurements of defined benefit plans		4,607,494	30,429,181	5,313,300
Income tax relating to components of other comprehensive income (loss) that will not be reclassified to profit or loss		(921,499)	(6,085,836)	(1,062,660)
OTHER COMPREHENSIVE INCOME		(921,499)	(6,085,836)	(1,062,660)
FOR THE YEARS, NET OF TAX		3,685,995	24,343,345	4,250,640
TOTAL COMPREHENSIVE INCOME		5,792,206,256	5,532,660,210	6,255,136,525
FOR THE YEARS		5,792,206,256	5,532,660,210	6,255,136,525
PROFIT (LOSS) ATTRIBUTABLE TO				
Owners of the parent		5,878,693,059	5,332,865,190	6,250,885,885
Non-controlling interests		(90,172,798)	175,451,675	-
TOTAL COMPREHENSIVE INCOME (LOSS)		5,788,520,261	5,508,316,865	6,250,885,885
ATTRIBUTABLE TO				
Owners of the parent		5,882,519,932	5,360,173,910	6,255,136,525
Non-controlling interests		(90,313,676)	172,486,300	-
BASIC EARNINGS PER SHARE	BAHT	2.28	2.07	2.42
WEIGHTED AVERAGE NUMBER OF				
ORDINARY SHARES	SHARES	2,578,334,070	2,578,334,070	2,578,334,070

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

KRUNGTHAI CARD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021

UNIT: BAHT

Notes	CONSOLIDATED FINANCIAL STATEMENTS							Non-controlling interests	Total shareholders' equity		
	Issued and paid share capital	Shares premium on ordinary shares	Owners of the parent			Total owners of the parent					
			Surplus on business combination under common control	Retained earnings							
				Appropriated	Unappropriated						
				Legal reserve							
Beginning balance as at January 1, 2020 - as previously reported		2,578,334,070	1,891,808,721	-	257,833,407	14,979,730,217	19,707,706,415	27,337,828	19,735,044,243		
Effect from business combination under common control	4	-	-	-	-	-	-	1,088,615,400	1,088,615,400		
Beginning balance as at January 1, 2020 - as restated		2,578,334,070	1,891,808,721	-	257,833,407	14,979,730,217	19,707,706,415	1,115,953,228	20,823,659,643		
Dividend paid	21	-	-	-	-	(2,268,927,205)	(2,268,927,205)	-	(2,268,927,205)		
Increasing in non-controlling interests arising from new investment in a subsidiary		-	-	-	-	-	-	24,950,010	24,950,010		
Total comprehensive income		-	-	-	-	5,360,173,910	5,360,173,910	172,486,300	5,532,660,210		
ENDING BALANCE AS AT DECEMBER 31, 2020		2,578,334,070	1,891,808,721	-	257,833,407	18,070,976,922	22,798,953,120	1,313,389,538	24,112,342,658		
Beginning balance as at January 1, 2021 - as previously reported		2,578,334,070	1,891,808,721	-	257,833,407	18,070,976,922	22,798,953,120	51,320,101	22,850,273,221		
Effect from business combination under common control	4	-	-	-	-	-	-	1,262,069,437	1,262,069,437		
Beginning balance as at January 1, 2021 - as restated		2,578,334,070	1,891,808,721	-	257,833,407	18,070,976,922	22,798,953,120	1,313,389,538	24,112,342,658		
Business combination under common control	9.1	-	-	423,694,187	-	-	423,694,187	(975,032,442)	(551,338,255)		
Dividend paid	21	-	-	-	-	(2,268,810,162)	(2,268,810,162)	-	(2,268,810,162)		
Total comprehensive income		-	-	-	-	5,882,519,932	5,882,519,932	(90,313,676)	5,792,206,256		
ENDING BALANCE AS AT DECEMBER 31, 2021		2,578,334,070	1,891,808,721	423,694,187	257,833,407	21,684,686,692	26,836,357,077	248,043,420	27,084,400,497		

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

KRUNGTHAI CARD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

UNIT: BAHT

	Note	SEPARATE FINANCIAL STATEMENTS				Total shareholders' equity
		Issued and paid share capital	Shares premium on ordinary shares	Retained earnings	Appropriated Legal reserve	
Beginning balance as at January 1, 2020		2,578,334,070	1,891,808,721	257,833,407	14,980,052,895	19,708,029,093
Dividend paid	21	-	-	-	(2,268,927,205)	(2,268,927,205)
Total comprehensive income		-	-	-	5,362,289,313	5,362,289,313
ENDING BALANCE AS AT DECEMBER 31, 2020		2,578,334,070	1,891,808,721	257,833,407	18,073,415,003	22,801,391,201
Beginning balance as at January 1, 2021		2,578,334,070	1,891,808,721	257,833,407	18,073,415,003	22,801,391,201
Dividend paid	21	-	-	-	(2,268,810,162)	(2,268,810,162)
Total comprehensive income		-	-	-	6,255,136,525	6,255,136,525
ENDING BALANCE AS AT DECEMBER 31, 2021		2,578,334,070	1,891,808,721	257,833,407	22,059,741,366	26,787,717,564

KRUNGTHAI CARD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

UNIT: BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2021	2020	2021	2020
“Restated”					
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before income tax		7,255,377,113	6,880,016,724	7,821,827,355	6,659,529,913
Adjustments for:					
Amortization of premium (discount) on investments in debt securities		(2,432)	14,389	(2,432)	14,389
Share of profit of an associate accounted for using equity method		(10,669,002)	(795,564)	-	-
Employee benefits expense	19	69,264,979	51,205,370	42,220,451	48,661,251
Depreciation and amortization		594,213,237	529,550,976	574,072,381	507,657,742
Gain on disposal and write off of leasehold improvements and equipment - net		(632,880)	(295,206)	(588,160)	(437,523)
Loss on write off of computer software		1,069,572	-	1,069,572	-
Loss on impairment of properties for sale (Reversal)		18,077,331	(2,935,280)	-	-
Provision expenses (Reversal)		-	(10,790,412)	-	-
Expected credit loss		5,455,542,617	6,489,407,178	4,862,823,258	6,604,077,870
Interest expenses		1,396,876,357	1,540,494,207	1,387,734,387	1,515,870,825
		<u>14,779,116,892</u>	<u>15,475,872,382</u>	<u>14,689,156,812</u>	<u>15,335,374,467</u>
Operating assets (increase) decrease					
Loans to customers and accrued interest receivables, net		(3,452,486,781)	(6,591,559,945)	(4,158,724,035)	(8,640,576,515)
Other receivables		52,215,253	131,657,692	39,152,293	120,716,137
Properties for sale		28,352,294	(77,484,607)	-	-
Other non-current assets		(2,849,125)	2,815,442	(912,658)	2,625,512
Operating liabilities increase (decrease)					
Trade payables - related financial institution and related parties		(124,395,737)	(190,166,287)	(124,551,583)	(190,166,822)
Trade payables - other companies		(597,980,610)	(106,268,324)	(601,696,543)	(101,304,433)
Accrued interest expenses		-	3,923,098	-	3,923,098
Accrued expenses		37,571,287	(86,837,721)	54,640,682	(91,087,001)
Other payables		358,620,682	(235,350,789)	373,724,789	(178,871,113)
Deferred income for reward points		<u>135,473,626</u>	<u>68,522,262</u>	<u>135,473,626</u>	<u>68,522,262</u>
Cash received from operations		11,213,637,781	8,395,123,203	10,406,263,383	6,329,155,592
Interest paid		(1,387,785,029)	(1,554,828,757)	(1,379,760,987)	(1,530,383,713)
Employee benefits paid	19	(50,863,020)	(38,520,351)	(13,539,351)	(38,520,351)
Income tax paid		(1,440,734,696)	(1,332,486,430)	(1,433,495,328)	(1,274,796,707)
Net cash provided by operating activities		<u>8,334,255,036</u>	<u>5,469,287,665</u>	<u>7,579,467,717</u>	<u>3,485,454,821</u>

KRUNGTHAI CARD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

UNIT: BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2021	2020	2021	2020
“Restated”					
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash received from redemption of other financial assets		-	4,000,000	-	4,000,000
Cash paid for investments in a subsidiary and an associate		(551,338,255)	(72,000,000)	(551,338,255)	(147,049,990)
Cash paid for purchase of leasehold improvements and equipment	5.1	(95,088,637)	(211,129,243)	(94,993,591)	(210,105,497)
Cash paid for purchase of computer software	5.1	(133,768,448)	(127,683,372)	(131,790,448)	(126,875,372)
Cash received from sale of leasehold improvements and equipment		1,504,197	5,331,107	601,637	3,118,791
Net cash used in investing activities		<u>(778,691,143)</u>	<u>(401,481,508)</u>	<u>(777,520,657)</u>	<u>(476,912,068)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received (paid) for short-term borrowings from financial institutions and related parties - net	5.2	(6,619,558,336)	693,923,095	(5,941,350,963)	2,678,747,181
Cash paid for long-term borrowings from related party	5.2	-	(23,249,967)	-	-
Cash received from long-term borrowings	5.2	1,500,000,000	-	1,500,000,000	-
Cash received from issuance of long-term debentures	5.2	9,030,890,842	3,500,000,000	9,030,890,842	3,500,000,000
Cash paid for redemption of long-term debentures	5.2	(8,780,000,000)	(6,185,000,000)	(8,780,000,000)	(6,185,000,000)
Cash paid for lease liabilities	5.2	(252,589,940)	(183,812,237)	(237,450,521)	(167,557,841)
Dividend paid	21	(2,268,810,162)	(2,268,927,205)	(2,268,810,162)	(2,268,927,205)
Proceeds from ordinary shares issued of subsidiaries from non-controlling interest		<u>-</u>	<u>24,950,010</u>	<u>-</u>	<u>-</u>
Net cash used in financing activities		<u>(7,390,067,596)</u>	<u>(4,442,116,304)</u>	<u>(6,696,720,804)</u>	<u>(2,442,737,865)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		165,496,297	625,689,853	105,226,256	565,804,888
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,		2,197,388,261	1,571,698,408	1,913,623,051	1,347,818,163
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31,		2,362,884,558	2,197,388,261	2,018,849,307	1,913,623,051

**KRUNGTHAI CARD PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

1. GENERAL INFORMATION

Krungthai Card Public Company Limited (the “Company”) is fully engaged in credit card, personal loan and other related businesses. The Company was registered as a listed company on The Stock Exchange of Thailand on October 28, 2002.

The Company is located at 14th Floor UBC II Building, 591 Sukhumvit Road, Klongton Nua, Wattana, Bangkok 10110.

The Company has subsidiaries which are under its control in finance and operations as mentioned in Note 2.2 and Note 9.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.

The Group’s financial statements have been prepared in accordance with Thai Accounting Standard (TAS) No. 1 “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2021 onwards, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statements (No. 3) B.E. 2562” dated December 26, 2019.

The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies. (see Note 3).

Currently, the Group’s operations relate to a single business segment which is the consumer finance business and are carried out in a single geographic area which is Thailand.

2.2 The consolidated financial statements are prepared by including the financial statements of Krungthai Card Public Company Limited and its subsidiaries, and including equity interest in an associate as follows:

	Business type	Country of registration	Percentage of direct and indirect holdings (%)	
			As at	As at
			December 31, 2021	December 31, 2020
Direct subsidiaries				
KTC Pico (Bangkok) Co., Ltd.	Pico Finance	Thailand	75.05	75.05
KTC Nano Co., Ltd.	Nano Finance	Thailand	75.05	75.05
KTC Prepaid Co., Ltd.	Electronics money services	Thailand	75.05	75.05
Krungthai Leasing Co., Ltd. ⁽¹⁾	Hire Purchase and Leasing	Thailand	75.05	-
Indirect subsidiaries				
KTC Pico (Chonburi) Co., Ltd. ⁽²⁾	Pico Finance	Thailand	75.05	75.05
KTC Pico (Samut Sakhon) Co., Ltd. ⁽²⁾	Pico Finance	Thailand	75.05	75.05
KTC Pico (Pathum Thani) Co., Ltd. ⁽²⁾	Pico Finance	Thailand	75.05	75.05
KTC Pico (Samut Prakan) Co., Ltd. ⁽²⁾	Pico Finance	Thailand	75.05	75.05
Associate				
Krungthai Advisory Co., Ltd.	Holding business	Thailand	24.00	24.00

⁽¹⁾ The Company acquired the ordinary shares of Krungthai Leasing Co., Ltd. on May 21, 2021.

⁽²⁾ The Company holds shares indirectly through KTC Pico (Bangkok) Co., Ltd.

The Company included financial statements of its subsidiaries in preparing the consolidated financial statements since the date on which the Company obtains control until the date when such control ceases except a subsidiary arising from a business combination under common control.

Business combinations arising from purchase of interests in entities that are under common control are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if earlier, at the date of acquisition. The Company retrospectively adjusted the business combination under common control transactions as if the combination occurred from the beginning of period of which the financial statements in the previous period are comparatively presented. The assets and liabilities acquired are recognized at the carrying amounts recognized previously in the consolidated financial statements. Any difference between cash paid for the acquisition and assets and liabilities acquired are presented in shareholders' equity.

2.3 Material intercompany transactions between the Company and its subsidiaries have been eliminated from these consolidated financial statements. The consolidated financial statements for the year ended December 31, 2021 have included the subsidiaries' financial information for the year ended December 31, 2021 which were audited.

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

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

The Rent Concessions related to COVID-19

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

The Group's management has adopted such aforementioned practical expedient in the preparation of the financial statements for the year ended December 31, 2021.

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

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

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

In addition, the Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards which have been announced in the Royal Gazette on December 22, 2021 regarding Accounting Treatment Guidance on “Guidelines regarding the provision of financial assistance to the debtors who are impacted by the COVID-19”, which the objective is to grant the temporary relief measures for entities helping their debtors who are impacted by the COVID-19 with the supporting period during January 1, 2022 to December 31, 2023 or until any changes announced from the Bank of Thailand. The entities who elect to apply these temporary relief measures should disclose such fact in the financial statements.

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

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, deposits at banks and financial institutions and current investments with original maturities of 3 months or less.

3.2 Financial instruments

The Group recognizes financial assets and financial liabilities in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

Purchases or sales of financial assets are recognized and derecognized on a trade date basis.

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

Classification of financial assets

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

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

Amortized cost and effective interest method

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

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

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

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

Impairment of financial assets

The Group recognizes allowance for expected credit loss (ECL) on debt financial assets that are measured at amortized cost as well as loans to customers by applying expected credit loss model. The Group accounts for expected credit loss and changes in those expected credit loss at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. The financial assets are classified into three stages based on the changes in credit risk since initial recognition.

Stage 1: Financial assets where there has not been a significant increase in credit risk (Performing)

For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the Group recognizes allowance for expected credit loss at the amount equal to 12-month ECL.

Stage 2: Financial assets where there has been a significant increase in credit risk (Under-Performing)

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, the Group recognizes allowance for expected credit losses at the amount equal to the lifetime expected credit losses of financial assets.

Stage 3: Financial assets that are credit-impaired (Non-Performing)

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit-impaired, the Group recognizes allowance for expected credit losses at the amount equal to the lifetime expected credit losses of financial assets.

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.

The Group recognizes the expected credit losses for lease receivables (including hire-purchase receivables and finance lease receivables) applying Simplified Approach. The subsidiary recognizes allowance for expected credit losses at an amount equal to lifetime expected credit losses.

In addition, the Group has adopted the Accounting Treatment Guidance on “The temporary relief measures for entities supporting their debtors who are affected from the situations that affected Thailand’s economy” regarding the classification. As for debt that has credit impairment but still has the potential on repayment, the Group would classify the debt as a class that does not have a significant increase in credit risk (Stage 1 Performing) if the debtor has made payment for 3 consecutive months or 3 payment periods, whichever is longer. Such accounting treatment guidance is applicable to assistance provided between January 1, 2020 and December 31, 2021, or until any changes announced from the Bank of Thailand.

Significant increase in credit risk

The Group compares 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 considers 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.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition;

- An actual or expected significant deterioration in internal credit rating;
- An actual or expected significant deterioration in the ability on repayment of the debtor;
- An actual or expected significant adverse change in the business, financial, regulatory, economic, or technological environmental of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Apart from the above assessment, the Group considers contractual payments which are more than 30 days past due as significant increase in credit risk.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if;

- (1) The financial instrument has a low risk of default;
- (2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors 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.

Definition of default

The Group considers 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 considers that default has occurred when the past due is more than 90 days unless the Group has supportable information to demonstrate that a more lagging default criterion is reasonable.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes the consideration of following events;

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event;
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganization

Write-off policy

The Group writes off loans to customers when there is information indicating that the debtor is in financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of loans to customers, when the days past due are over the period that the Management determined, whichever occurs sooner. Loans to customers written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in the statement of profit or loss and other comprehensive income.

The Management determined the period to write off when the days past due are over six months as the recovery after such period is not material.

Measurement and recognition of expected credit loss

The measurement of expected credit loss is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

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 understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

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

Financial liabilities

All the Group's financial liabilities consisting of short-term borrowings, debentures and lease liabilities. Financial liabilities are measured subsequently at amortized cost using the effective interest method.

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

Derecognition of financial instruments

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

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

3.3 Investments in subsidiaries and an associate

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

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognized immediately as profit or loss in the statement of profit or loss and other comprehensive income in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held-for-sale.

In case impairment in value of investment has occurred, the loss is recognized in the statement of profit or loss and other comprehensive income.

3.4 Business combination under common control

Business combination under common control is accounted for using the pooling of interest method, with the cost of the business combination under common control being the fair value, at the date of exchange, of the consideration transferred to obtain control. The assets and liabilities of the entities pooled are recognized based on their book values, in proportion to the interests previously under common control.

Differences between the cost of the business combination under common control and the acquirer's proportionate interests in the book value of the pooled entities are directly recognized in shareholders' equity (and if the pooled entities have profit or loss transactions directly recognized in the shareholders' equity, the financial statements after business combination present the transaction as if the business combination occurred at the earliest reporting date). The remaining difference between the cost of the business combination under common control and the acquirer's proportionate interest in the book value of the pooled entities is recognized directly in shareholders' equity and presented as "Surplus (deficit) on business combination under common control" in shareholders' equity.

Costs relating to business combinations under common control are accounted for as expenses in the period in which the business combination occurred.

3.5 Properties for sale

Properties for sale consist of the assets repossessed from hire-purchase receivables which are stated at the lower of cost or net realizable value. In the event where the Group considers that there is a decline in net realizable value, the impairment is recognized as expenses in the statements of profit or loss and other comprehensive income. Gains or losses on disposal of such properties for sale are recognized in the statements of profit or loss and other comprehensive income on the date of disposal.

3.6 Leasehold improvements and equipment

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

Gain or loss on disposal or write-off leasehold improvements and equipment is recognized in the statement of profit or loss and other comprehensive income in the period of disposal or write-off.

Depreciation of leasehold improvements and equipment is calculated by the straight-line method, over the estimated useful lives of the assets, as follows:

Leasehold improvements	Lease period
Furniture, fixtures and office equipment	5 years
Vehicles	5 years
Computers and devices	3 years

3.7 Intangible assets

Intangible assets represent computer software which is stated at cost less accumulated amortization, and allowance for impairment (if any).

Amortization of intangible assets is calculated by the straight-line method based on the estimated useful life of intangible assets over 5 years.

3.8 Leases

The right-of-use assets were measured at amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before the date of initial application. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rates.

3.9 Provisions for employee benefits

Provisions for employee benefits represent the retirement benefits that the employees will get the payment at the amount determined by the Labor Protection Act when they retire. The Company does not have separate fund for such defined benefit plan but estimates the employment benefit obligations which are measured by an actuary using the projected unit credit method to determine the present value of cash flow of employee benefits to be paid in the future. Under this method, the calculation is based on the employee's expected salary, turnover rate, salary increase rate, mortality rate, discount rate, years of services and other factors.

The Company recognizes expenses for employee benefits as personnel expenses in the statement of profit or loss and other comprehensive income.

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

3.10 Foreign currency transactions

Transactions denominated in foreign currencies during the year are translated into Baht at the rates of exchange ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Baht at the reference exchange rate announced by the Bank of Thailand at that date.

The Company recognizes gains or losses on exchange arising on settlements or translation as operating income or expenses in the statement of profit or loss and other comprehensive income.

3.11 Income and expense recognition

The Group recognizes interest income on credit card receivables for default payments of installments from the posting date. Interest on cash advances from credit cards is recognized from the date of cash withdrawals. Interest on personal loans and lease receivables are recognized when the payments fall due using effective interest method.

The Group recognizes management fees when services are rendered or upon satisfaction of performance obligations as stipulated in the credit card management service agreement.

Other income and expense are recognized on an accrual basis.

3.12 Bad debt recovery

Bad debt recovery is recognized as income in the statements of profit or loss and other comprehensive income in the period which it is collected.

3.13 Provident fund

The contributions for employee provident fund are recorded as expenses when incurred.

3.14 Income tax expense

Income tax expense which is a part in calculation of profit or loss for the year represent the sum of the tax currently payable and deferred tax.

3.14.1 Current tax

The tax currently payable is tax amount to be paid calculated on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because taxable profit excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted at the reporting date.

3.14.2 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 at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available for utilizing all or part of the deferred tax assets.

Deferred tax assets and liabilities are measured at the tax rates those are expected to apply in the period in which the asset is realized or the liability settled, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Income tax expense related to profit or loss from normal activities are presented in the statement of profit or loss and other comprehensive income, except for current and deferred taxes of related items that are recognized directly in the shareholders' equity in the same or different period.

3.15 Earnings per share

Basic earnings per share are calculated by dividing net profit for the year attributable to the Company by the weighted average number of ordinary shares issued and held by outside parties during the year.

3.16 Fair value measurements

In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if a producer or supplier of a marketable good 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 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.

3.17 Critical accounting judgments of the management and key sources of estimation uncertainty

In the application of the Group's accounting policies described above, the Group's management is required to make judgments, 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 revenue and expense during the reporting period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. The significant accounting estimates are as follows:

Allowance for expected credit loss

The 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 is based on the criteria of assessing if there has been a significant 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.

Deferred income for reward points

The deferred income arising from reward point program granted to the Company's customers. The deferred income 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 current liabilities in the statement of financial position.

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. Any changes in these assumptions will have an impact on the carrying amount of such provision.

4. BUSINESS COMBINATION UNDER COMMON CONTROL

On May 21, 2021, the Company acquired the ordinary shares of Krungthai Leasing Co., Ltd. (“Krungthai Leasing”), which is a subsidiary under common control of Krung Thai Bank Public Co., Ltd. (“Krung Thai Bank”) or the ultimate shareholder, by payment in cash to the shareholder of the acquired entity under common control on acquired date in the amount of Baht 297.2 million. In November 2021, the Company has paid for the remaining in the amount of Baht 254.1 million, and total share price amounted to Baht 551.3 million. The book value of identifiable net assets of Krungthai Leasing at the date of acquisition amounted to Baht 1,299.2 million, and surplus on business combination under common control amounted to Baht 423.7 million. (see Note 9.1)

The aforementioned acquisition of the ordinary shares is considered as a business combination under common control. Accordingly, the acquisition has been accounted for in a manner similar to a pooling of interest method. Therefore, the Group prepared for the consolidated financial statements by combining Krungthai Leasing in accordance with the guidance of business combination under common control as if Krungthai Leasing is a subsidiary of the Company since it was established. Thus, the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2021 included the financial performance of Krungthai Leasing since January 1, 2021 ignoring the actual date of the business combination under common control (the date of acquisition of control over the subsidiary). The financial performance of Krungthai Leasing during the period from January 1, 2021 to May 21, 2021, which was included in the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2021, presented the net profit of Baht 37.1 million.

In addition, the Group retrospectively adjusted the business combination under common control transactions as if the combination occurred from the beginning of period of which the financial statements in the previous period are comparatively presented or January 1, 2020 for the benefit of comparison, although the legal relationships on business combination under common control within the Group became effective at later date.

The restatement affected to the consolidated statement of financial position as at December 31, 2020 is as follows:

Statement of financial position as at December 31, 2020

	Unit: Thousand Baht		
	CONSOLIDATED		
	FINANCIAL STATEMENTS		
	As previously reported	Adjustments	As restated
Cash and cash equivalents	1,913,996	283,392	2,197,388
Loans to customers and accrued interest receivables, net	82,794,070	1,042,282	83,836,352
Other receivables	458,519	27,753	486,272
Loans to customers and accrued interest receivables, net non-current portion	-	1,111,126	1,111,126
Other non-current financial assets	4,982	10	4,992
Properties for sale	-	90,217	90,217
Leasehold improvements and equipment	481,435	14,426	495,861
Right-of-use assets	456,637	29,706	486,343
Intangible assets	474,974	11,362	486,336
Deferred tax assets	1,667,029	580,439	2,247,468
Other non-current assets	78,874	471	79,345
Short-term borrowings from related financial institutions	7,660,000	1,780,000	9,440,000
Trade payables from related financial institutions and related parties	720,697	1,894	722,591
Accrued interest expenses	327,505	73	327,578
Current income tax payable	662,882	244	663,126
Accrued expenses	1,106,781	34,050	1,140,831
Other payables	1,253,883	56,868	1,310,751
Current portion of lease liabilities	212,569	14,930	227,499
Lease liabilities	247,718	15,211	262,929
Provisions for employee benefits	488,780	25,843	514,623
Non-controlling interests	51,320	1,262,070	1,313,390

The restatement affected to the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2020 is as follows:

Statement of profit or loss and other comprehensive income for the year ended December 31, 2020

	Unit: Thousand Baht		
	CONSOLIDATED		
	FINANCIAL STATEMENTS		
	As previously reported	Adjustments	As restated
Interest income	10,354,864	183,617	10,538,481
Fee and service income	8,289,721	90,038	8,379,759
Bad debt recovered	3,118,831	84,800	3,203,631
Other income	246,418	37,764	284,182
Administrative expenses	7,049,908	233,122	7,283,030
Management remuneration	210,245	29,534	239,779
Expected credit loss	6,605,371	(115,964)	6,489,407
Finance costs	1,534,136	25,931	1,560,067
Income tax expense	1,324,523	47,177	1,371,700
 Gains (losses) on remeasurements of defined benefit plans	 34,136	 (3,707)	 30,429
Income tax relating to components of other comprehensive income (loss) that will not be reclassified to profit or loss	(6,827)	741	(6,086)
Profit (loss) attributable to non-controlling interests	(968)	176,420	175,452

The restatement affected to the consolidated financial statements as at January 1, 2020, the beginning of period of which the financial statements in the previous period are comparatively presented and the Group had to retrospectively adjusted the financial statements as if the business combination occurred since January 1, 2020, which financial information was considered as immaterial to the financial statements as a whole are as follows:

Statement of financial position as at January 1, 2020

	Unit: Thousand Baht		
	CONSOLIDATED		
	FINANCIAL STATEMENTS		
	As previously reported	Adjustments	As restated
Current assets	82,688,331	2,540,289	85,228,620
Non-current assets	2,720,931	2,445,621	5,166,552
Current liabilities	25,181,443	3,866,911	29,048,354
Non-current liabilities	40,492,775	30,384	40,523,159
Non-controlling interests	27,338	1,088,615	1,115,953
Total shareholders' equity	19,735,044	1,088,615	20,823,659

5. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

5.1 Non-cash items for the years ended December 31, 2021 and 2020 are as follows:

	Unit: Thousand Baht		
	CONSOLIDATED		
	FINANCIAL STATEMENTS		
	2021	2020	“Restated”
Payables for the purchase of leasehold improvements and equipment brought forward	3,463	38,195	
<u>Add</u> Purchase of leasehold improvements and equipment	111,026	176,397	
<u>Less</u> Cash paid for the purchase of leasehold improvements and equipment	<u>(95,089)</u>	<u>(211,129)</u>	
Payables for the purchase of leasehold improvements and equipment carried forward (presented as a part of trade payable - other companies)	<u>19,400</u>	<u>3,463</u>	
Payables for the purchase of computer software brought forward	47,208	19,045	
<u>Add</u> Purchase of computer software	119,078	155,846	
<u>Less</u> Cash paid for the purchase of computer software	<u>(133,768)</u>	<u>(127,683)</u>	
Payables for the purchase of computer software carried forward (presented as a part of trade payable - other companies)	<u>32,518</u>	<u>47,208</u>	
	Unit: Thousand Baht		
	SEPARATE		
	FINANCIAL STATEMENTS		
	2021	2020	
Payables for the purchase of leasehold improvements and equipment brought forward	3,463	38,195	
<u>Add</u> Purchase of leasehold improvements and equipment	110,849	175,373	
<u>Less</u> Cash paid for the purchase of leasehold improvements and equipment	<u>(94,994)</u>	<u>(210,105)</u>	
Payables for the purchase of leasehold improvements and equipment carried forward (presented as a part of trade payable - other companies)	<u>19,318</u>	<u>3,463</u>	
Payables for the purchase of computer software brought forward	47,208	19,045	
<u>Add</u> Purchase of computer software	117,100	155,038	
<u>Less</u> Cash paid for the purchase of computer software	<u>(131,790)</u>	<u>(126,875)</u>	
Payables for the purchase of computer software carried forward (presented as a part of trade payable - other companies)	<u>32,518</u>	<u>47,208</u>	

5.2 Changes in liabilities from financing activities for the years ended December 31, 2021 and 2020 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					Unit: Thousand Baht
Beginning balance as at	Financing cash flows	Non-cash changes	Ending balance as at		
January 1, 2021	Cash received	Cash paid			December 31, 2021
“Restated”					
Short-term borrowings from financial institutions and related parties	15,739,409	172,644,441	(179,264,000)	10,121	9,129,971
Long-term borrowings	-	1,500,000	-	-	1,500,000
Current portion of long-term debentures	8,780,000	-	(8,780,000)	9,500,000	9,500,000
Long-term debentures	34,700,000	9,030,891	-	(9,457,842)	34,273,049
Lease Liabilities	490,428	-	(252,590)	128,355	366,193
Total	<u>59,709,837</u>	<u>183,175,332</u>	<u>(188,296,590)</u>	<u>180,634</u>	<u>54,769,213</u>

CONSOLIDATED FINANCIAL STATEMENTS					Unit: Thousand Baht
Beginning balance as at	Financing cash flows	Non-cash changes	Ending balance as at		
January 1, 2020	Cash received	Cash paid			December 31, 2020
“Restated”					
Short-term borrowings from financial institutions and related parties	15,045,486	228,424,923	(227,731,000)	-	15,739,409
Current portion of long-term borrowings from related party	23,250	-	(23,250)	-	-
Current portion of long-term debentures	6,185,000	-	(6,185,000)	8,780,000	8,780,000
Long-term debentures	39,980,000	3,500,000	-	(8,780,000)	34,700,000
Lease Liabilities	247,238	-	(183,812)	427,002	490,428
Total	<u>61,480,974</u>	<u>231,924,923</u>	<u>(234,123,062)</u>	<u>427,002</u>	<u>59,709,837</u>

SEPARATE FINANCIAL STATEMENTS					Unit: Thousand Baht
Beginning balance as at	Financing cash flows	Non-cash changes	Ending balance as at		
January 1, 2021	Cash received	Cash paid			December 31, 2021
“Restated”					
Short-term borrowings from financial institutions and related parties	14,161,722	141,668,467	(147,609,818)	10,121	8,230,492
Long-term borrowings	-	1,500,000	-	-	1,500,000
Current portion of long-term debentures	8,780,000	-	(8,780,000)	9,500,000	9,500,000
Long-term debentures	34,700,000	9,030,891	-	(9,457,842)	34,273,049
Lease Liabilities	460,287	-	(237,451)	128,712	351,548
Total	<u>58,102,009</u>	<u>152,199,358</u>	<u>(156,627,269)</u>	<u>180,991</u>	<u>53,855,089</u>

SEPARATE FINANCIAL STATEMENTS					Unit: Thousand Baht
Beginning balance as at	Financing cash flows	Non-cash changes	Ending balance as at		
January 1, 2020	Cash received	Cash paid			December 31, 2020
“Restated”					
Short-term borrowings from financial institutions and related parties	11,482,975	147,794,764	(145,116,017)	-	14,161,722
Current portion of long-term debentures	6,185,000	-	(6,185,000)	8,780,000	8,780,000
Long-term debentures	39,980,000	3,500,000	-	(8,780,000)	34,700,000
Lease Liabilities	198,548	-	(167,558)	429,297	460,287
Total	<u>57,846,523</u>	<u>151,294,764</u>	<u>(151,468,575)</u>	<u>429,297</u>	<u>58,102,009</u>

6. LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES, NET

6.1 Outstanding balances of loans to customers and accrued interest receivables classified by type of business and stage are as follows:

Unit: Thousand Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
December 31, 2021				
	Credit card	Personal loan	Lease	Total
		Receivables		
Stage 1	53,716,195	23,213,071	-	76,929,266
Stage 2	5,498,942	4,839,497	-	10,338,439
Stage 3	738,178	842,867	-	1,581,045
Financial assets applied simplified approach to calculate lifetime expected credit losses	-	-	3,199,191	3,199,191
Total loans to customers	<u>59,953,315</u>	<u>28,895,435</u>	<u>3,199,191</u>	<u>92,047,941</u>
<u>Add</u> Accrued interest receivables and undue interest receivables	<u>248,033</u>	<u>339,734</u>	<u>-</u>	<u>587,767</u>
Total loan to customers and accrued interest receivables	<u>60,201,348</u>	<u>29,235,169</u>	<u>3,199,191</u>	<u>92,635,708</u>
<u>Less</u> Allowance for expected credit loss	<u>(4,126,637)</u>	<u>(3,222,090)</u>	<u>(2,342,559)</u>	<u>(9,691,286)</u>
Total loans to customers and accrued interest receivables, net	<u>56,074,711</u>	<u>26,013,079</u>	<u>856,632</u>	<u>82,944,422</u>

Unit: Thousand Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
December 31, 2020				
	Credit card	Personal loan	Lease	Total
		Receivables		
Stage 1	53,402,207	23,618,113	-	77,020,320
Stage 2	5,796,805	5,192,105	-	10,988,910
Stage 3	790,636	806,938	-	1,597,574
Financial assets applied simplified approach to calculate lifetime expected credit losses	-	-	4,758,018	4,758,018
Total loans to customers	<u>59,989,648</u>	<u>29,617,156</u>	<u>4,758,018</u>	<u>94,364,822</u>
<u>Add</u> Accrued interest receivables and undue interest receivables	<u>244,926</u>	<u>297,628</u>	<u>-</u>	<u>542,554</u>
Total loan to customers and accrued interest receivables	<u>60,234,574</u>	<u>29,914,784</u>	<u>4,758,018</u>	<u>94,907,376</u>
<u>Less</u> Allowance for expected credit loss	<u>(4,217,539)</u>	<u>(3,137,749)</u>	<u>(2,604,610)</u>	<u>(9,959,898)</u>
Total loans to customers and accrued interest receivables, net	<u>56,017,035</u>	<u>26,777,035</u>	<u>2,153,408</u>	<u>84,947,478</u>

Unit: Thousand Baht			
SEPARATE FINANCIAL STATEMENTS			
December 31, 2021			
	Credit card	Personal loan	
	Total		
Stage 1	53,716,195	23,211,643	76,927,838
Stage 2	5,498,942	4,839,444	10,338,386
Stage 3	738,178	842,867	1,581,045
Total loans to customers	<u>59,953,315</u>	<u>28,893,954</u>	<u>88,847,269</u>
<u>Add</u> Accrued interest receivables and undue interest receivables	<u>248,033</u>	<u>339,697</u>	<u>587,730</u>
Total loan to customers and accrued interest receivables	<u>60,201,348</u>	<u>29,233,651</u>	<u>89,434,999</u>
<u>Less</u> Allowance for expected credit loss	<u>(4,126,637)</u>	<u>(3,222,010)</u>	<u>(7,348,647)</u>
Total loans to customers and accrued interest receivables, net	<u>56,074,711</u>	<u>26,011,641</u>	<u>82,086,352</u>

Unit: Thousand Baht			
SEPARATE FINANCIAL STATEMENTS			
December 31, 2020			
	Credit card	Personal loan	
	Total		
Stage 1	53,402,207	23,614,623	77,016,830
Stage 2	5,796,805	5,191,866	10,988,671
Stage 3	790,636	806,928	1,597,564
Total loans to customers	<u>59,989,648</u>	<u>29,613,417</u>	<u>89,603,065</u>
<u>Add</u> Accrued interest receivables and undue interest receivables	<u>244,926</u>	<u>297,544</u>	<u>542,470</u>
Total loan to customers and accrued interest receivables	<u>60,234,574</u>	<u>29,910,961</u>	<u>90,145,535</u>
<u>Less</u> Allowance for expected credit loss	<u>(4,217,539)</u>	<u>(3,137,545)</u>	<u>(7,355,084)</u>
Total loans to customers and accrued interest receivables, net	<u>56,017,035</u>	<u>26,773,416</u>	<u>82,790,451</u>

6.2 Outstanding balances of lease receivables (including Hire-purchase receivables and Finance lease receivables) classified by aging are as follows:

Unit: Thousand Baht		
CONSOLIDATED		
FINANCIAL STATEMENTS		
December 31, 2021	December 31, 2020	"Restated"
Not over 30 days	1,327,966	2,411,580
31 - 90 days	135,264	59,435
91 days and over	1,735,961	2,287,003
Total	<u>3,199,191</u>	<u>4,758,018</u>
<u>Less</u> Allowance for expected credit loss	<u>(2,342,559)</u>	<u>(2,604,610)</u>
Net book value	<u>856,632</u>	<u>2,153,408</u>

6.3 Outstanding balances of lease receivables (including Hire-purchase receivables and Finance lease receivables) classified by remaining term are as follows:

Unit: Thousand Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
December 31, 2021				
	Not over 1 year	1 - 5 years	Over 5 years	Total
Lease receivables	2,432,210	959,567	55,949	3,447,726
<u>Less</u> Unearned income	<u>(110,619)</u>	<u>(136,040)</u>	<u>(1,876)</u>	<u>(248,535)</u>
Total	2,321,591	823,527	54,073	3,199,191
<u>Less</u> Allowance for expected credit loss	<u>(1,965,948)</u>	<u>(347,302)</u>	<u>(29,309)</u>	<u>(2,342,559)</u>
Total lease receivables, net	<u>355,643</u>	<u>476,225</u>	<u>24,764</u>	<u>856,632</u>

Unit: Thousand Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
“Restated”				
	Not over 1 year	1 - 5 years	Over 5 years	Total
Lease receivables	3,615,763	1,289,853	184,571	5,090,187
<u>Less</u> Unearned income	<u>(132,701)</u>	<u>(190,110)</u>	<u>(9,358)</u>	<u>(332,169)</u>
Total	3,483,062	1,099,743	175,213	4,758,018
<u>Less</u> Allowance for expected credit loss	<u>(2,440,780)</u>	<u>(141,397)</u>	<u>(22,433)</u>	<u>(2,604,610)</u>
Total lease receivables, net	<u>1,042,282</u>	<u>958,346</u>	<u>152,780</u>	<u>2,153,408</u>

6.4 Allowance for expected credit loss

Allowance for expected credit loss for the years ended December 31, 2021 and 2020 are as follows:

Unit: Thousand Baht

	CONSOLIDATED FINANCIAL STATEMENTS				Total	
	Allowance for expected credit loss					
	12-month ECL (Stage 1)	Lifetime ECL-not credit impaired (Stage 2)	Lifetime ECL- credit impaired (Stage 3)	Financial assets applied simplified approach to calculate lifetime expected credit losses		
Balance as at January 1, 2021 - as restated	3,864,666	2,444,544	1,046,078	2,604,610	9,959,898	
Changes in staging	335,182	(414,545)	79,363	-	-	
Changes in risk parameters	(387,182)	1,189,841	5,664,022	593,513	7,060,194	
New financial assets originated or purchased	517,563	-	-	266	517,829	
Financial assets derecognized	(412,606)	(854,789)	(853,476)	-	(2,120,871)	
Written-off	-	-	(4,869,934)	(855,830)	(5,725,764)	
Balance as at December 31, 2021	<u>3,917,623</u>	<u>2,365,051</u>	<u>1,066,053</u>	<u>2,342,559</u>	<u>9,691,286</u>	

Unit: Thousand Baht

CONSOLIDATED FINANCIAL STATEMENTS

“Restated”

	Allowance for expected credit loss				Total
	12-month ECL (Stage 1)	Lifetime ECL-not credit impaired (Stage 2)	Lifetime ECL-credit impaired (Stage 3)	Financial assets applied simplified approach to calculate lifetime expected credit losses	
Balance as at January 1, 2020	2,419,432	1,998,407	1,252,112	2,919,001	8,588,952
Changes in staging	831,465	(582,073)	(249,392)	-	-
Changes in risk parameters	148,248	1,527,955	5,695,718	(286,077)	7,085,844
New financial assets originated or purchased	630,603	-	-	-	630,603
Financial assets derecognized	(165,082)	(499,745)	(732,326)	-	(1,397,153)
Written-off	-	-	(4,920,034)	(28,314)	(4,948,348)
Balance as at December 31, 2020	<u>3,864,666</u>	<u>2,444,544</u>	<u>1,046,078</u>	<u>2,604,610</u>	<u>9,959,898</u>

Unit: Thousand Baht

	SEPARATE FINANCIAL STATEMENTS			Total	
	Allowance for expected credit loss				
	12-month ECL	Lifetime	Lifetime		
	(Stage 1)	ECL-not credit impaired	ECL- credit impaired		
		(Stage 2)	(Stage 3)		
Balance as at January 1, 2021	3,864,575	2,444,443	1,046,066	7,355,084	
Changes in staging	335,763	(414,464)	78,701	-	
Changes in risk parameters	(387,181)	1,189,840	5,664,022	6,466,681	
New financial assets originated or purchased	517,013	-	-	517,013	
Financial assets derecognized	(412,606)	(854,789)	(853,476)	(2,120,871)	
Written-off	-	-	(4,869,260)	(4,869,260)	
Balance as at December 31, 2021	<u>3,917,564</u>	<u>2,365,030</u>	<u>1,066,053</u>	<u>7,348,647</u>	

Unit: Thousand Baht

	SEPARATE FINANCIAL STATEMENTS			Total	
	Allowance for expected credit loss				
	12-month ECL	Lifetime	Lifetime		
	(Stage 1)	ECL-not credit	ECL- credit		
		impaired	impaired		
		(Stage 2)	(Stage 3)		
Balance as at January 1, 2020	2,419,407	1,998,407	1,252,112	5,669,926	
Changes in staging	832,692	(582,174)	(250,518)	-	
Changes in risk parameters	148,248	1,527,955	5,695,718	7,371,921	
New financial assets originated or purchased	629,310	-	-	629,310	
Financial assets derecognized	(165,082)	(499,745)	(732,326)	(1,397,153)	
Written-off	-	-	(4,918,920)	(4,918,920)	
Balance as at December 31, 2020	<u>3,864,575</u>	<u>2,444,443</u>	<u>1,046,066</u>	<u>7,355,084</u>	

7. OTHER RECEIVABLES

Other receivables as at December 31, 2021 and 2020 are as follows:

	Unit: Thousand Baht		
	CONSOLIDATED		
	FINANCIAL STATEMENTS		
	2021	2020	"Restated"
Accrued fees income	79,196	104,208	
Prepaid expenses	260,976	235,090	
Suspense accounts	8,963	7,197	
Others	84,922	139,777	
Total other receivables	<u>434,057</u>	<u>486,272</u>	

	Unit: Thousand Baht		
	SEPARATE		
	FINANCIAL STATEMENTS		
	2021	2020	
Accrued fees income	80,279	105,591	
Prepaid expenses	259,501	233,615	
Suspense accounts	8,963	7,197	
Others	72,142	113,634	
Total other receivables	<u>420,885</u>	<u>460,037</u>	

8. OTHER NON-CURRENT FINANCIAL ASSETS

Other non-current financial assets as at December 31, 2021 and 2020 are as follows:

	Unit: Thousand Baht			
	CONSOLIDATED			
	FINANCIAL STATEMENTS			
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	Amortized cost	Fair value	Amortized cost	Fair value
Other financial assets				
Investments in debt securities				
- Government securities	4,985	5,101	4,982	5,231
Others	10	13	10	12
Less Other current financial assets				
(portion of the maturity within one year)	(3,001)	(3,020)	-	-
Total other non-current financial assets	<u>1,994</u>	<u>2,094</u>	<u>4,992</u>	<u>5,243</u>

Unit: Thousand Baht

	SEPARATE FINANCIAL STATEMENTS			
	December 31, 2021		December 31, 2020	
	Amortized cost	Fair value	Amortized cost	Fair value
Other financial assets				
Investments in debt securities				
- Government securities	4,985	5,101	4,982	5,231
<u>Less</u> Other current financial assets				
(portion of the maturity within one year)	(3,001)	(3,020)	-	-
Total other non-current financial assets	<u>1,984</u>	<u>2,081</u>	<u>4,982</u>	<u>5,231</u>

As at December 31, 2021 and 2020, the Company pledged government bonds totaling Baht 0.6 million with Krung Thai Bank Public Company Limited for issue letter of guarantees to other companies for the Company's business.

9. INVESTMENTS IN SUBSIDIARIES AND AN ASSOCIATE

9.1 Investments in subsidiaries and an associate

As at December 31, 2021 and 2020, the Company had investments in an associate which is accounted for using equity method in consolidated financial statements as follows:

	CONSOLIDATED FINANCIAL STATEMENTS							
	Paid-up share capital		Percentage of shareholding		Cost method		Equity method	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	2021 Thousand Baht	2020 Thousand Baht	%	%	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Investments in an associate								
Krungthai Advisory Co., Ltd.	300,000	300,000	24.00	24.00	72,000	72,000	83,465	72,796
Total investments in an associate					<u>72,000</u>	<u>72,000</u>	<u>83,465</u>	<u>72,796</u>

As at December 31, 2021 and 2020, the Company had investments in subsidiaries and an associate which are accounted for using cost method in separate financial statements as follows:

	SEPARATE FINANCIAL STATEMENTS					
	Paid-up share capital		Percentage of shareholding		Cost method	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	2021 Thousand Baht	2020 Thousand Baht	%	%	2021 Thousand Baht	2020 Thousand Baht
Investments in subsidiaries						
KTC Pico (Bangkok) Co., Ltd.	60,000	60,000	75.05	75.05	45,030	45,030
KTC Nano Co., Ltd.	50,000	50,000	75.05	75.05	37,525	37,525
KTC Prepaid Co., Ltd.	100,000	100,000	75.05	75.05	75,050	75,050
Krungthai Leasing Co., Ltd.	1,000,000	-	75.05	-	551,338	-
Total					<u>708,943</u>	<u>157,605</u>
Investments in an associate						
Krungthai Advisory Co., Ltd.	300,000	300,000	24.00	24.00	72,000	72,000
Total					<u>72,000</u>	<u>72,000</u>
Total investments in subsidiaries and an associate					<u>780,943</u>	<u>229,605</u>

On October 28, 2020, the Company and Krung Thai Bank Public Company Limited established a new subsidiary which is KTC Prepaid Co., Ltd. for conducting an electronics money services, with registered capital of Baht 100.0 million (10,000,000 ordinary shares with par value of Baht 10 per each), and the Company had the proportion of shareholding in such subsidiary of 75.05 percent.

On November 6, 2020, the Company purchased the additional ordinary shares of Krungthai Advisory Co., Ltd. ("KTBA"), which is a subsidiary of Krung Thai Bank Public Company Limited and has intention of business conducting as Holding Business, in the amount of Baht 72.0 million (7,200,000 ordinary shares with par value of Baht 10 per each), and the Company had the proportion of shareholding in the such company of 24.00 percent, resulting to KTBA become an associate of the Company.

On May 21, 2021, the Company acquired the ordinary shares of Krungthai Leasing Co., Ltd. ("Krungthai Leasing") from Krungthai Bank Public Company Limited in the total amount of 75,050,000 shares (75.05 percent of the total shares with the par value of Baht 10 per share). On November 29, 2021, the Company has completely paid for the remaining as per agreed in the share purchase agreement and the price of Baht 7.35 per share, totaling Baht 551.3 million.

The assets and liabilities are recognized as of the acquisition date in the consolidated financial statement of Krungthai Leasing as follows:

	Unit: Thousand Baht
	Book value
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	299,021
Loans to customers and accrued interest receivables, net	699,042
Other receivables	13,228
NON-CURRENT ASSETS	
Loans to customers and accrued interest receivables, net - non-current portion	1,054,657
Other non-current financial assets	10
Properties for sale	42,264
Leasehold improvements and equipment	13,465
Right-of-use assets	22,963
Intangible assets	10,183
Deferred tax assets	590,329
Other non-current assets	416
TOTAL ASSETS	<u>2,745,578</u>
LIABILITIES	
CURRENT LIABILITIES	
Short-term borrowings from related financial institutions	1,310,000
Trade payables from related financial institutions and related parties	1,842
Accrued interest expenses	27
Current income tax payable	16,747
Accrued expenses	22,101
Other current payables	45,464
Current portion of lease liabilities	14,519
NON-CURRENT LIABILITIES	
Lease liabilities	8,590
Provisions for employee benefits	27,111
TOTAL LIABILITIES	<u>1,446,401</u>
Net assets acquired	1,299,177
<u>Less</u> Non-controlling interests	(324,145)
<u>Less</u> Surplus on business combination under common control	(423,694)
Purchase price under share purchase agreement	<u>551,338</u>

9.2 Summarized material financial information about an associate

9.2.1 Summarized information about financial position as at December 31, 2021 and 2020.

	Unit: Thousand Baht	
	2021	2020
Total assets	1,183,130	303,799
Total liabilities	<u>(701,601)</u>	<u>(484)</u>
Net assets	481,529	303,315
Net assets attributable to an associate	347,769	303,315
Shareholding percentage (%)	<u>24</u>	<u>24</u>
Carrying amount of an associate based on equity method	<u>83,465</u>	<u>72,796</u>

9.2.2 Summarized information about comprehensive income for the years ended December 31, 2021 and 2020.

	Unit: Thousand Baht	
	2021	2020
Net profit attributable to an associate	44,454	234
Total comprehensive income attributable to an associate	44,454	234

10. PROPERTIES FOR SALE

Properties for sale as at December 31, 2021 and 2020 are as follows:

	Unit: Thousand Baht	
	CONSOLIDATED	
	FINANCIAL STATEMENTS	
	2021	2020
	"Restated"	
Cost	133,584	161,936
<u>Less</u> Allowance for impairment	<u>(89,796)</u>	<u>(71,719)</u>
Total properties for sale	<u>43,788</u>	<u>90,217</u>

11. LEASEHOLD IMPROVEMENTS AND EQUIPMENT

Leasehold improvements and equipment as at December 31, 2021 and 2020 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					Unit: Thousand Baht
	Beginning balance as at January 1, 2021 "Restated"	Additions	Disposals/ Write-off	Transfer in (Transfer out)	Ending balance as at December 31, 2021
Cost:					
Leasehold improvements	378,954	1,370	(45,786)	4,858	339,396
Furniture, fixtures and office equipment	1,379,121	56,279	(59,896)	19,591	1,395,095
Vehicles	34,083	-	(2,839)	-	31,244
Total	1,792,158	57,649	(108,521)	24,449	1,765,735
Accumulated depreciation:					
Leasehold improvements	(298,345)	(25,354)	45,786	-	(277,913)
Furniture, fixtures and office equipment	(977,282)	(164,997)	59,882	-	(1,082,397)
Vehicles	(21,111)	(1,024)	1,981	-	(20,154)
Total	(1,296,738)	(191,375)	107,649	-	(1,380,464)
Assets under installation	441	53,377	-	(24,449)	29,369
Leasehold improvements and equipment	495,861				414,640
CONSOLIDATED FINANCIAL STATEMENTS "Restated"					
	Beginning balance as at January 1, 2020	Additions	Disposals/ Write-off	Transfer in (Transfer out)	Ending balance as at December 31, 2020
Cost:					
Leasehold improvements	365,876	25,925	(31,677)	18,830	378,954
Furniture, fixtures and office equipment	1,446,466	97,584	(220,914)	55,985	1,379,121
Vehicles	49,373	844	(16,134)	-	34,083
Total	1,861,715	124,353	(268,725)	74,815	1,792,158
Accumulated depreciation:					
Leasehold improvements	(305,634)	(22,094)	29,383	-	(298,345)
Furniture, fixtures and office equipment	(1,032,929)	(165,064)	220,711	-	(977,282)
Vehicles	(29,395)	(1,521)	9,805	-	(21,111)
Total	(1,367,958)	(188,679)	259,899	-	(1,296,738)
Assets under installation	22,548	52,888	(180)	(74,815)	441
Leasehold improvements and equipment	516,305				495,861
Depreciation for the years ended December 31,					
2021				Thousand Baht	191,375
2020				Thousand Baht	<u>188,679</u>

Unit: Thousand Baht

SEPARATE FINANCIAL STATEMENTS

	Beginning balance as at January 1, 2021	Additions	Disposals/ Write-off	Transfer in (Transfer out)	Ending balance as at December 31, 2021
Cost:					
Leasehold improvements	369,453	180	(45,786)	4,858	328,705
Furniture, fixtures and office equipment	1,324,798	57,301	(46,729)	19,591	1,354,961
Total	1,694,251	57,481	(92,515)	24,449	1,683,666
Accumulated depreciation:					
Leasehold improvements	(289,497)	(24,121)	45,786	-	(267,832)
Furniture, fixtures and office equipment	(923,760)	(165,686)	46,715	-	(1,042,731)
Total	(1,213,257)	(189,807)	92,501	-	(1,310,563)
Assets under installation	441	53,368	-	(24,449)	29,360
Leasehold improvements and equipment	481,435				402,463

Unit: Thousand Baht

SEPARATE FINANCIAL STATEMENTS

	Beginning balance as at January 1, 2020	Additions	Disposals/ Write-off	Transfer in (Transfer out)	Ending balance as at December 31, 2020
Cost:					
Leasehold improvements	353,167	25,222	(27,766)	18,830	369,453
Furniture, fixtures and office equipment	1,374,398	97,263	(202,848)	55,985	1,324,798
Total	1,727,565	122,485	(230,614)	74,815	1,694,251
Accumulated depreciation:					
Leasehold improvements	(292,933)	(22,036)	25,472	-	(289,497)
Furniture, fixtures and office equipment	(962,090)	(164,316)	202,646	-	(923,760)
Total	(1,255,023)	(186,352)	228,118	-	(1,213,257)
Assets under installation	22,548	52,888	(180)	(74,815)	441
Leasehold improvements and equipment	495,090				481,435

Depreciation for the years ended December 31,

2021	Thousand Baht	189,807
2020	Thousand Baht	186,352

As at December 31, 2021 and 2020, the costs of fully depreciated leasehold improvements and equipment but still in use for the consolidated financial statements are Baht 841.2 million and Baht 718.3 million, respectively, and for the separate financial statements are Baht 761.2 million and Baht 656.7 million, respectively.

12. RIGHT-OF-USE ASSETS

Right-of-use assets as at December 31, 2021 and 2020 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS				Unit: Thousand Baht
	Beginning balance as at January 1, 2021 “Restated”	Additions	Disposals/ Write-off	Ending balance as at December 31, 2021
Cost				
Office building	594,267	131,187	(89,684)	635,770
Vehicles	70,110	16,291	(7,284)	79,117
Total cost	664,377	147,478	(96,968)	714,887
Accumulated depreciation				
Office building	(163,714)	(226,939)	62,907	(327,746)
Vehicles	(14,320)	(20,323)	7,284	(27,359)
Total accumulated depreciation	(178,034)	(247,262)	70,191	(355,105)
Right-of-use assets	486,343			359,782
CONSOLIDATED FINANCIAL STATEMENTS				
	Beginning balance as at January 1, 2020 “Restated”	Additions	Disposals/ Write-off	Ending balance as at December 31, 2020
Cost				
Office building	210,654	386,486	(2,873)	594,267
Vehicles	36,585	40,018	(6,493)	70,110
Total cost	247,239	426,504	(9,366)	664,377
Accumulated depreciation				
Office building	-	(163,714)	-	(163,714)
Vehicles	-	(15,666)	1,346	(14,320)
Total accumulated depreciation	-	(179,380)	1,346	(178,034)
Right-of-use assets	247,239			486,343
Depreciation for the years ended December 31,				
2021			Thousand Baht	247,262
2020			Thousand Baht	176,944 *

Unit: Thousand Baht

SEPARATE FINANCIAL STATEMENTS

	Beginning balance as at January 1, 2021	Additions	Disposals/ Write-off	Ending balance as at December 31, 2021
Cost				
Office building	548,449	104,527	(46,088)	606,888
Vehicles	70,110	16,291	(7,284)	79,117
Total cost	<u>618,559</u>	<u>120,818</u>	<u>(53,372)</u>	<u>686,005</u>
Accumulated depreciation				
Office building	(147,602)	(211,873)	46,088	(313,387)
Vehicles	(14,320)	(20,323)	7,284	(27,359)
Total accumulated depreciation	<u>(161,922)</u>	<u>(232,196)</u>	<u>53,372</u>	<u>(340,746)</u>
Right-of-use assets	<u>456,637</u>			<u>345,259</u>

Unit: Thousand Baht

SEPARATE FINANCIAL STATEMENTS

	Beginning balance as at January 1, 2020	Additions	Disposals/ Write-off	Ending balance as at December 31, 2020
Cost				
Office building	161,963	386,486	-	548,449
Vehicles	36,585	40,018	(6,493)	70,110
Total cost	<u>198,548</u>	<u>426,504</u>	<u>(6,493)</u>	<u>618,559</u>
Accumulated depreciation				
Office building	-	(147,602)	-	(147,602)
Vehicles	-	(15,666)	1,346	(14,320)
Total accumulated depreciation	<u>-</u>	<u>(163,268)</u>	<u>1,346</u>	<u>(161,922)</u>
Right-of-use assets	<u>198,548</u>			<u>456,637</u>

Depreciation for the year ended December 31,

2021	Thousand Baht	<u>232,196</u>
2020	Thousand Baht	<u>160,833</u> *

* During the year, the Group has elected to apply Accounting Treatment Guidance on “The temporary relief measures for additional accounting alternatives to alleviate the impacts from COVID-19 outbreak” which the Group has received reduction in lease payments by lessors in the amount of Baht 2.5 million.

13. INTANGIBLE ASSETS

Intangible assets as at December 31, 2021 and 2020 are as follows:

Unit: Thousand Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
Beginning balance as at January 1, 2021 “Restated”	Additions	Disposals/ Write-off	Transfer in (Transfer out)	Ending balance as at December 31, 2021
Computer software	1,907,561	72,873	(6)	40,900
<u>Less</u> Accumulated amortization	(1,518,412)	(155,576)	6	-
	389,149			
<u>Add</u> Software under installation	97,187	46,204	(1,069)	(40,900)
Intangible assets	486,336			

Unit: Thousand Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
Beginning balance as at January 1, 2020 “Restated”	Additions	Disposals/ Write-off	Transfer in (Transfer out)	Ending balance as at December 31, 2020
Computer software	1,775,154	80,662	(117)	51,862
<u>Less</u> Accumulated amortization	(1,354,601)	(163,928)	117	-
	420,553			
<u>Add</u> Software under installation	73,870	75,184	(5)	(51,862)
Intangible assets	494,423			

Amortization for the years ended December 31,

2021	Thousand Baht	155,576
2020	Thousand Baht	163,928

Unit: Thousand Baht				
SEPARATE FINANCIAL STATEMENTS				
Beginning balance as at January 1, 2021	Additions	Disposals/ Write-off	Transfer in (Transfer out)	Ending balance as at December 31, 2021
Computer software	1,862,587	72,795	-	39,000
<u>Less</u> Accumulated amortization	(1,486,031)	(152,069)	-	-
	376,556			
<u>Add</u> Software under installation	97,187	44,304	(1,069)	(39,000)
Intangible assets	473,743			

Unit: Thousand Baht				
SEPARATE FINANCIAL STATEMENTS				
Beginning balance as at January 1, 2020	Additions	Disposals/ Write-off	Transfer in (Transfer out)	Ending balance as at December 31, 2020
Computer software	1,730,988	79,854	(117)	51,862
Less Accumulated amortization	(1,325,674)	(160,474)	117	-
	405,314			
Add Software under installation	73,870	75,184	(5)	(51,862)
Intangible assets	<u>479,184</u>			<u>97,187</u>
Amortization for the years ended December 31,				
2021				152,069
2020				160,474

As at December 31, 2021 and 2020, the costs of fully amortized intangible assets but still in use for the consolidated financial statements are Baht 1,270.7 million and Baht 1,063.8 million, respectively, and for the separate financial statements are Baht 1,255.5 million and Baht 1,050.8 million, respectively.

14. DEFERRED TAX ASSETS

Deferred tax assets as at December 31, 2021 and 2020 are as follows:

Unit: Thousand Baht			
CONSOLIDATED FINANCIAL STATEMENTS			
	2021	2020	"Restated"
Deferred tax assets	<u>2,292,095</u>	<u>2,247,468</u>	
Unit: Thousand Baht			
SEPARATE FINANCIAL STATEMENTS			
	2021	2020	
Deferred tax assets	<u>1,600,388</u>	<u>1,666,998</u>	

Deferred tax assets for the years ended December 31, 2021 and 2020 consist of tax effects from the following items:

Unit: Thousand Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
Beginning balance as at January 1, 2021	Item as recognized into profit or loss	Item as recognized in other comprehensive income	Ending balance as at December 31, 2021	
"Restated"				
Allowance for expected credit loss	1,861,412	(32,870)	-	1,828,542
Deferred income for reward points	469,150	27,095	-	496,245
Difference from depreciation rate	(55,954)	10,103	-	(45,851)
Provision for employee benefits	102,925	3,680	(921)	105,684
Others	(130,065)	37,540	-	(92,525)
Deferred tax assets	<u>2,247,468</u>	<u>45,548</u>	<u>(921)</u>	<u>2,292,095</u>

Unit: Thousand Baht
CONSOLIDATED FINANCIAL STATEMENTS
"Restated"

	Beginning balance as at January 1, 2020	Item as recognized into profit or loss	Item as recognized in other comprehensive income	Ending balance as at December 31, 2020
Allowance for expected credit loss	1,909,749	(48,337)	-	1,861,412
Deferred income for reward points	455,446	13,704	-	469,150
Difference from depreciation rate	(59,946)	3,992	-	(55,954)
Provision for employee benefits	106,474	2,537	(6,086)	102,925
Others	(160,065)	30,000	-	(130,065)
Deferred tax assets	<u>2,251,658</u>	<u>1,896</u>	<u>(6,086)</u>	<u>2,247,468</u>

Unit: Thousand Baht
SEPARATE FINANCIAL STATEMENTS

	Beginning balance as at January 1, 2021	Item as recognized into profit or loss	Item as recognized in other comprehensive income	Ending balance as at December 31, 2021
Allowance for expected credit loss	1,131,405	(111,680)	-	1,019,725
Deferred income for reward points	469,150	27,095	-	496,245
Difference from depreciation rate	(56,519)	10,051	-	(46,468)
Provision for employee benefits	97,756	5,736	(1,063)	102,429
Others	25,206	3,251	-	28,457
Deferred tax assets	<u>1,666,998</u>	<u>(65,547)</u>	<u>(1,063)</u>	<u>1,600,388</u>

Unit: Thousand Baht
SEPARATE FINANCIAL STATEMENTS

	Beginning balance as at January 1, 2020	Item as recognized into profit or loss	Item as recognized in other comprehensive income	Ending balance as at December 31, 2020
Allowance for expected credit loss	1,149,625	(18,220)	-	1,131,405
Deferred income for reward points	455,446	13,704	-	469,150
Difference from depreciation rate	(60,508)	3,989	-	(56,519)
Provision for employee benefits	102,555	2,028	(6,827)	97,756
Others	11,383	13,823	-	25,206
Deferred tax assets	<u>1,658,501</u>	<u>15,324</u>	<u>(6,827)</u>	<u>1,666,998</u>

15. BORROWINGS FROM FINANCIAL INSTITUTIONS AND RELATED PARTIES

15.1 Short-term borrowings from financial institutions

As at December 31, 2021, bill of exchange and promissory notes have interest rates at Money Market Rate (MMR), which is 0.59 - 0.90% per annum with maturity on demand to one year and are unsecured (As at December 31, 2020 : 0.75 - 0.95% per annum).

15.2 Short-term borrowings from related parties

As at December 31, 2021, borrowings have interest rates at Money Market Rate (MMR), which is 0.70% per annum with maturity on demand to one year and are unsecured (As at December 31, 2020 : 0.95% per annum).

15.3 Long-term borrowings from financial institution

As at December 31, 2021, borrowings have interest rates at Capital Market Rate, which is 1.23% per annum with maturity in 2024 and are unsecured (As at December 31, 2020 : Nil).

16. OTHER PAYABLES

Other payables as at December 31, 2021 and 2020 are as follows:

	Unit: Thousand Baht	
	CONSOLIDATED	
	FINANCIAL STATEMENTS	
	2021	2020
		“Restated”
Exceed payment from customers	489,042	465,001
Other payables	931,486	540,666
Suspense accounts	33,852	79,582
Others	214,991	225,502
Total other payables	1,669,371	1,310,751

	Unit: Thousand Baht	
	SEPARATE	
	FINANCIAL STATEMENTS	
	2021	2020
Exceed payment from customers	489,005	465,000
Other payables	891,949	536,507
Suspense accounts	34,792	39,356
Others	211,874	213,032
Total other payables	1,627,620	1,253,895

17. LEASE LIABILITIES

Lease liabilities as at December 31, 2021 and 2020 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS				Unit: Thousand Baht
2021		2020		"Restated"
	Minimum lease payments in the future	Present value of minimum lease payments in the future	Minimum lease payments in the future	Present value of minimum lease payments in the future
Within 1 year	222,073	214,610	238,404	227,499
Over 1 year to 5 years	154,474	151,583	269,143	262,929
<u>Less</u> Deferred interest expenses	<u>(10,354)</u>	<u>-</u>	<u>(17,119)</u>	<u>-</u>
Total	366,193	366,193	490,428	490,428

SEPARATE FINANCIAL STATEMENTS				Unit: Thousand Baht
2021		2020		"Restated"
	Minimum lease payments in the future	Present value of minimum lease payments in the future	Minimum lease payments in the future	Present value of minimum lease payments in the future
Within 1 year	207,834	200,507	223,124	212,569
Over 1 year to 5 years	153,925	151,041	253,808	247,718
<u>Less</u> Deferred interest expenses	<u>(10,211)</u>	<u>-</u>	<u>(16,645)</u>	<u>-</u>
Total	351,548	351,548	460,287	460,287

Expenses for the years ended December 31, 2021 and 2020 regarding leases recognized in the statements of profit or loss and other comprehensive income consist of the following:

CONSOLIDATED FINANCIAL STATEMENTS				Unit: Thousand Baht
2021		2020		"Restated"
	2021	2020	2020	"Restated"
Depreciation expenses for right-of-use assets	247,262	176,944		
Interest expenses for lease liabilities	12,371	10,931		
Expenses of short-term lease	6,699	82,998		
Expenses relating to leases of low - value assets	10,779	3,456		
Total	277,111	274,329		

SEPARATE FINANCIAL STATEMENTS				Unit: Thousand Baht
2021		2020		"Restated"
	2021	2020	2020	"Restated"
Depreciation expenses for right-of-use assets	232,196	160,833		
Interest expenses for lease liabilities	11,974	10,353		
Expenses of short-term lease	6,383	82,107		
Expenses relating to leases of low - value assets	10,779	3,456		
Total	261,332	256,749		

18. LONG-TERM DEBENTURES

Long-term debentures as at December 31, 2021 and 2020 are as follows:

	Unit: Thousand Baht	
	CONSOLIDATED AND SEPARATE	
	FINANCIAL STATEMENTS	
	2021	2020
Debentures		
<u>Less</u> Discount on debentures	43,900,000	43,480,000
Current portion of long-term debentures	(126,951)	-
Total long-term debentures	<u>(9,500,000)</u>	<u>(8,780,000)</u>
	<u>34,273,049</u>	<u>34,700,000</u>

Details of debentures can be summarized as follows:

Type	Date of issuance	Amount (Million Baht)	Maturity date	Interest rate (% p.a.)	Interest payable period	Balance as at December 31, 2021 (Million Baht)	Balance as at December 31, 2020 (Million Baht)
Senior unsecured debentures	16 Sep 2015	1,000	16 Sep 2025	4.00	Semi-annually	1,000	1,000
Senior unsecured debentures	11 Nov 2015	700	11 Nov 2022	3.68	Semi-annually	700	700
Senior unsecured debentures	20 Nov 2015	1,000	20 Nov 2025	3.90	Semi-annually	1,000	1,000
Senior unsecured debentures	17 Feb 2016	200	17 Feb 2026	3.85	Semi-annually	200	200
Senior unsecured debentures	17 Feb 2016	300	17 Feb 2026	3.85	Semi-annually	300	300
Senior unsecured debentures	26 Feb 2016	800	26 Feb 2021	2.64	Semi-annually	-	800
Senior unsecured debentures	9 May 2016	1,500	11 May 2021	2.12	Semi-annually	-	1,500
Senior unsecured debentures	6 Jul 2016	100	5 Jul 2024	3.00	Semi-annually	100	100
Senior unsecured debentures	22 Jul 2016	3,000	22 Jul 2021	2.54	Semi-annually	-	3,000
Senior unsecured debentures	22 Sep 2016	200	22 Sep 2026	3.50	Semi-annually	200	200
Senior unsecured debentures	30 Nov 2016	630	30 Nov 2021	2.86	Semi-annually	-	630
Senior unsecured debentures	30 Nov 2016	1,140	30 Nov 2023	3.50	Semi-annually	1,140	1,140
Senior unsecured debentures	30 Nov 2016	3,030	27 Nov 2026	4.00	Semi-annually	3,030	3,030
Senior unsecured debentures	29 Dec 2016	600	29 Dec 2023	3.50	Semi-annually	600	600
Senior unsecured debentures	29 Dec 2016	2,500	29 Dec 2026	4.00	Semi-annually	2,500	2,500
Senior unsecured debentures	5 Apr 2017	1,500	5 Apr 2022	3.03	Semi-annually	1,500	1,500
Senior unsecured debentures	1 Jun 2017	2,500	1 Jun 2022	3.00 - 3.50	Quarterly	2,500	2,500
Senior unsecured debentures	3 Aug 2017	1,500	3 Aug 2027	3.80	Semi-annually	1,500	1,500
Senior unsecured debentures	25 Aug 2017	1,000	25 Aug 2027	3.65	Semi-annually	1,000	1,000
Senior unsecured debentures	19 Oct 2017	2,000	19 Oct 2022	2.46	Semi-annually	2,000	2,000
Senior unsecured debentures	19 Oct 2017	1,000	19 Oct 2027	3.50	Semi-annually	1,000	1,000
Senior unsecured debentures	16 Nov 2017	2,000	16 Nov 2027	3.50	Quarterly	2,000	2,000
Senior unsecured debentures	16 Feb 2018	1,000	16 Feb 2023	2.35	Semi-annually	1,000	1,000
Senior unsecured debentures	16 Feb 2018	1,250	16 Feb 2028	3.43	Semi-annually	1,250	1,250
Senior unsecured debentures	16 Aug 2018	1,350	11 Aug 2021	2.48	Semi-annually	-	1,350
Senior unsecured debentures	16 Aug 2018	2,065	16 Aug 2028	3.83	Semi-annually	2,065	2,065
Senior unsecured debentures	11 Mar 2019	1,500	11 Mar 2021	2.40	Semi-annually	-	1,500
Senior unsecured debentures	11 Mar 2019	1,000	11 Mar 2022	2.65	Semi-annually	1,000	1,000
Senior unsecured debentures	25 Jul 2019	1,500	25 Jul 2029	3.20	Semi-annually	1,500	1,500
Senior unsecured debentures	31 Oct 2019	1,700	31 Oct 2029	2.80	Semi-annually	1,700	1,700
Senior unsecured debentures	8 Nov 2019	415	8 Nov 2024	2.60	Quarterly	415	415
Senior unsecured debentures	4 Feb 2020	1,000	31 Jan 2030	2.65	Semi-annually	1,000	1,000
Senior unsecured debentures	15 Sep 2020	1,800	15 Sep 2022	1.93	Semi-annually	1,800	1,800
Senior unsecured debentures	15 Sep 2020	700	15 Sep 2023	2.23	Semi-annually	700	700
Senior unsecured debentures	21 Jan 2021	3,000	19 Jan 2024	- *	-	3,000	-
Senior unsecured debentures	19 Mar 2021	200	22 Mar 2023	- *	-	200	-
Senior unsecured debentures	29 Mar 2021	1,000	29 Mar 2023	1.17	Semi-annually	1,000	-
Senior unsecured debentures	29 Mar 2021	1,000	29 Mar 2024	1.53	Semi-annually	1,000	-
Senior unsecured debentures	2 Aug 2021	1,000	2 Aug 2024	1.22	Semi-annually	1,000	-
Senior unsecured debentures	2 Aug 2021	500	1 Aug 2031	2.90	Semi-annually	500	-
Senior unsecured debentures	19 Nov 2021	1,000	20 Nov 2024	- *	-	1,000	-
Senior unsecured debentures	19 Nov 2021	1,500	19 Nov 2025	1.83	Semi-annually	1,500	-
Total debentures						43,900	43,480

* Zero-coupon debentures

19. PROVISIONS FOR EMPLOYEE BENEFITS

The Company has retirement benefits plan in accordance with Labour Protection Act, which is the unfunded defined benefit plan.

Amounts recognized in the statement of profit or loss and other comprehensive income for the years ended December 31, 2021 and 2020 are as follows:

	Unit: Thousand Baht		
	CONSOLIDATED		
	FINANCIAL STATEMENTS		
	2021	2020	“Restated”
Current service cost	61,752	42,410	
Interest on obligation	7,512	8,795	
	<u>69,264</u>	<u>51,205</u>	
	Unit: Thousand Baht		
	SEPARATE		
	FINANCIAL STATEMENTS		
	2021	2020	
Current service cost	35,130	40,227	
Interest on obligation	7,090	8,434	
	<u>42,220</u>	<u>48,661</u>	

Movements in the present value of the defined benefit obligation for the years ended December 31, 2021 and 2020 are as follows:

	Unit: Thousand Baht		
	CONSOLIDATED		
	FINANCIAL STATEMENTS		
	2021	2020	“Restated”
Defined benefit obligations brought forward	514,624	532,368	
Current service cost	61,752	42,410	
Interest on obligations	7,512	8,795	
(Gains) losses on remeasurements of defined benefit plans recognized in other comprehensive (income) loss			
- from changes in financial assumptions	(27,090)	(38,935)	
- from changes in demographic assumptions	1,335	1,698	
- from experience adjustments	21,148	6,808	
Benefits paid to employee	<u>(50,863)</u>	<u>(38,520)</u>	
Defined benefit obligations carried forward	<u>528,418</u>	<u>514,624</u>	

Unit: Thousand Baht		
SEPARATE		
FINANCIAL STATEMENTS		
	2021	2020
Defined benefit obligations brought forward	488,780	512,775
Current service cost	35,130	40,227
Interest on obligations	7,090	8,434
(Gains) losses on remeasurements of defined benefit plans recognized		
in other comprehensive (income) loss		
- from changes in financial assumptions	(26,019)	(39,330)
- from experience adjustments	20,706	5,194
Benefits paid to employee	(13,539)	(38,520)
Defined benefit obligations carried forward	<u>512,148</u>	<u>488,780</u>

The principal assumptions used for the purpose of the actuarial valuations for calculation of defined benefit obligations as at December 31, 2021 and 2020 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS		
2021		
2020		
“Restated”		
Retirement age	60 years	60 years
Personnel turnover rate	3% - 23% p.a.	3% - 34% p.a.
Discount rate	2.20% - 2.32% p.a.	1.60% - 1.66% p.a.
Expected salary incremental rate	4% - 5% p.a.	4% - 5% p.a.
Weighted average duration	8.13 - 14 years	8.89 - 13 years
SEPARATE FINANCIAL STATEMENTS		
2021		
2020		
Retirement age	60 years	60 years
Personnel turnover rate	3% - 11% p.a.	3% - 11% p.a.
Discount rate	2.20% p.a.	1.60% p.a.
Expected salary incremental rate	5% p.a.	5% p.a.
Weighted average duration	8.13 years	8.89 years

Significant actuarial assumptions for the determination of the defined benefit obligation are expected salary incremental rate, personnel turnover rate and discount rate. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring, while holding all other assumptions constant which reflects increasing (decreasing) in the obligations if the assumptions change by 1% as at December 31, 2021 and 2020 are as follows:

	Unit: Thousand Baht		
	CONSOLIDATED		
	FINANCIAL STATEMENTS		
	2021	2020	“Restated”
Salary incremental rate - 1% increase	47,010	49,156	
Salary incremental rate - 1% decrease	(41,636)	(43,355)	
Personnel turnover rate - 1% increase	(2,908)	(3,640)	
Personnel turnover rate - 1% decrease	3,136	4,081	
Discount rate - 1% increase	(40,535)	(42,792)	
Discount rate - 1% decrease	46,575	49,394	
	Unit: Thousand Baht		
	SEPARATE		
	FINANCIAL STATEMENTS		
	2021	2020	
Salary incremental rate - 1% increase	45,219	46,672	
Salary incremental rate - 1% decrease	(40,077)	(41,174)	
Personnel turnover rate - 1% increase	(1,431)	(1,238)	
Personnel turnover rate - 1% decrease	1,457	1,244	
Discount rate - 1% increase	(38,875)	(40,431)	
Discount rate - 1% decrease	44,625	46,644	

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of the report period, which is the same as that applied in calculating the post-employment benefit obligations liability recognized in the statement of financial position.

20. CAPITAL MANAGEMENT

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and shareholders' equity balance. The Group's overall strategy of the year 2021 remains unchanged from 2020.

The capital structure of the Group consists of debt, which includes the loans and debentures disclosed in Notes 15 and 18 and shareholders' equity, comprising issued and paid-up capital, legal reserve and retained earnings.

The Group does not apply any specific financial ratios to monitor its capital whilst manages its capital to be sufficient for its working capital.

21. DIVIDEND AND APPROPRIATION FOR LEGAL RESERVE

Pursuant to the Public Companies Act. B.E. 2535 (1992), the Company must allocate to a reserve fund from the annual net profit, not less than five percent 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 ten percent of the registered capital. The legal reserve is not available for dividend distribution.

As at December 31, 2021 and 2020, the Company's legal reserve reaches 10% of the registered share capital.

On April 8, 2021, the Annual General Meeting of Shareholders passed a resolution to pay dividend for the year 2020 at Baht 0.88 per share, totaling Baht 2,268.8 million. The Company has already paid dividend to shareholders on May 7, 2021.

On March 30, 2020, the Board of Directors' meeting No. 4/2020 passed a resolution to pay interim dividend payment for the year 2019 at Baht 0.88 per share, totaling Baht 2,268.9 million. The Company has already paid interim dividend to shareholders on April 30, 2020. On July 3, 2020, the Annual General Meeting of Shareholders acknowledged the aforementioned interim dividend payment.

22. EXPENSES BY NATURE

Net profit for the years ended December 31, 2021 and 2020 have been arrived at after charging the following items:

	Unit: Thousand Baht		
	CONSOLIDATED		
	FINANCIAL STATEMENTS		
	2021	2020	“Restated”
Management remuneration	261,526	239,779	
Staff costs	2,160,959	2,171,562	
Depreciation and amortization	594,213	529,551	
Fees and service expenses	2,236,507	2,349,132	
Marketing expense	651,942	828,157	
Rental fees for premises and equipment	56,929	124,146	
Premises and equipment expenses	499,422	421,009	
Allowance for impairment of properties for sale (Reversal)	18,077	(2,935)	
Communication expenses	215,361	227,555	
Special business tax and duty stamp	508,707	491,701	
Expected credit loss	5,455,543	6,489,407	
Others	121,932	143,153	
Total Expenses	12,781,118	14,012,217	

Unit: Thousand Baht		
SEPARATE		
FINANCIAL STATEMENTS		
	2021	2020
Management remuneration	230,012	210,245
Staff costs	2,063,541	2,066,399
Depreciation and amortization	574,072	507,659
Fees and service expenses	2,176,778	2,265,528
Marketing expense	648,261	816,593
Rental fees for premises and equipment	55,936	122,738
Premises and equipment expenses	492,987	415,929
Communication expenses	212,791	222,483
Special business tax and duty stamp	508,496	491,565
Expected credit loss	4,862,823	6,604,078
Others	117,924	137,223
Total Expenses	11,943,621	13,860,440

23. PROVIDENT FUND

The Group set up a registered provident fund in accordance with the Provident Fund Act B.E. 2530. All employees are members of the Provident Fund, which is managed by Krungthai Asset Management Public Company Limited. Under the Fund's regulations, employees can elect to contribute to the fund at the rate of 3% to 15% of their basic salary and the Group contributes to the fund at the rate of 5% to 6% of their basic salary.

For the years ended December 31, 2021 and 2020, the Group's contributions which were charged to the statement of profit or loss and other comprehensive income for the consolidated financial statements amounting to Baht 63.7 million and Baht 62.8 million, respectively. and for the separate financial statements amounting to Baht 60.1 million and Baht 58.8 million, respectively.

24. INCOME TAX EXPENSE

Income tax expense for the years ended December 31, 2021 and 2020 are as follows:

Unit: Thousand Baht		
CONSOLIDATED		
FINANCIAL STATEMENTS		
	2021	2020
Current income tax expense	(1,512,405)	(1,373,596)
Deferred tax	45,548	1,896
Total income tax expense	(1,466,857)	(1,371,700)

Unit: Thousand Baht		
SEPARATE		
FINANCIAL STATEMENTS		
	2021	2020
Current income tax expense	(1,505,394)	(1,339,873)
Deferred tax	(65,547)	15,324
Total income tax expense	<u>(1,570,941)</u>	<u>(1,324,549)</u>

The reconciliations between income tax expense and accounting profit for the years ended December 31, 2021 and 2020 are follows:

Unit: Thousand Baht		
CONSOLIDATED		
FINANCIAL STATEMENTS		
	2021	2020
		"Restated"
Accounting profit before tax	<u>7,255,377</u>	<u>6,880,017</u>
Income tax expense at domestic tax rates		
- Tax rate at 20%	(1,451,075)	(1,376,003)
Tax effect of non-taxable revenues and expenses	(15,782)	4,303
Income tax expense per the statements of profit or loss and other comprehensive income	<u>(1,466,857)</u>	<u>(1,371,700)</u>
Effective tax rate (%)	20.2	19.9
Unit: Thousand Baht		
SEPARATE		
FINANCIAL STATEMENTS		
	2021	2020
Accounting profit before tax	<u>7,821,827</u>	<u>6,659,530</u>
Income tax expense at domestic tax rates		
- Tax rate at 20%	(1,564,365)	(1,331,906)
Tax effect of non-taxable revenues and expenses	(6,576)	7,357
Income tax expense per the statements of profit or loss and other comprehensive income	<u>(1,570,941)</u>	<u>(1,324,549)</u>
Effective tax rate (%)	20.1	19.9

The Group used tax rates of 20% for the corporate income tax calculation for the years ended December 31, 2021 and 2020.

25. TRANSACTIONS WITH RELATED PARTIES

The Group and the Company have transactions with related parties. Certain portions of the Group's and the Company's assets, liabilities, revenues and administrative expenses represent transactions occurred with such related parties. These parties are related through common shareholders and/or directorships. Those significant transactions with related parties as included in the consolidated and separate financial statements are determined at the prices in line with those occur in the normal course of business based on the market price in general or the price as stipulated in the agreements.

25.1 The significant balances with related parties

The significant balances with related parties as at December 31, 2021 and 2020 are as follows:

Related parties	Relationship	Unit: Thousand Baht	
		CONSOLIDATED FINANCIAL STATEMENTS	
		2021	2020 “Restated”
Krung Thai Bank PCL.	Major Shareholder		
- Deposits at a financial institution (a part of cash and cash equivalents)		1,958,685	1,726,604
- Other receivables		635	1,792
- Short-term borrowings		4,730,000	9,440,000
- Trade payables		592,100	713,776
- Accrued interest expenses		864	472
- Other current liabilities		1,467	1,693
- Long-term borrowings		1,500,000	-
KTB Computer Services Co., Ltd.	Same Ultimate Holding Company		
- Trade payables		56	29
KTB General Services and Security Co., Ltd.	Same Ultimate Holding Company		
- Trade payables		5,963	8,507
Krungthai Assets Management PCL.	Same Ultimate Holding Company		
- Other receivables		3,315	3,622
- Trade payables		76	79
Krungthai Panich Insurance PCL.	Same Ultimate Holding Company		
- Other receivables		1,157	1,100
Krungthai AXA-Life Insurance PCL.	Same Ultimate Holding Company		
- Other receivables		600	730
KTB Law Co., Ltd.	Same Ultimate Holding Company		
- Trade payables		-	200

Related parties	Relationship	Unit: Thousand Baht	
		2021	2020
Krung Thai Bank PCL.	Major Shareholder		
- Deposits at a financial institution (a part of cash and cash equivalents)		1,615,782	1,468,536
- Other receivables		635	1,791
- Short-term borrowings		3,630,000	7,660,000
- Trade payables		591,281	712,484
- Accrued interest expenses		240	399
- Other current liabilities		1,467	1,693
- Long-term borrowings		1,500,000	-
KTB General Services and Security Co., Ltd.	Same Ultimate Holding Company		
- Trade payables		4,773	7,934
Krungthai Assets Management PCL.	Same Ultimate Holding Company		
- Other receivables		3,315	3,622
- Trade payables		76	78
Krungthai Panich Insurance PCL.	Same Ultimate Holding Company		
- Other receivables		1,157	1,100
Krungthai AXA-Life Insurance PCL.	Same Ultimate Holding Company		
- Other receivables		600	730
KTB Law Co., Ltd.	Same Ultimate Holding Company		
- Trade payables		-	200
KTC Pico (Bangkok) Co., Ltd.	Subsidiary		
- Other receivables		174	334
- Short-term borrowings		50,798	52,143
- Accrued interest expenses		2	3
- Other current liabilities		73	22
KTC Nano Co., Ltd.	Subsidiary		
- Other receivables		32	389
- Short-term borrowings		49,648	50,270
- Accrued interest expenses		1	1
- Other current liabilities		73	-
KTC Pico (Chonburi) Co., Ltd.	Subsidiary		
- Other receivables		27	278
- Other current liabilities		3	-
KTC Pico (Samut Sakhon) Co., Ltd.	Subsidiary		
- Other receivables		27	27
KTC Pico (Pathum Thani) Co., Ltd.	Subsidiary		
- Other receivables		27	246
- Other current liabilities		13	-
KTC Pico (Samut Prakan) Co., Ltd.	Subsidiary		
- Other receivables		27	282
- Other current liabilities		5	-
KTC Prepaid Co., Ltd.	Subsidiary		
- Other receivables		27	63
- Short-term borrowings		100,075	99,900
- Accrued interest expenses		2	171
- Other current liabilities		73	-
Krungthai Leasing Co., Ltd.	Subsidiary		
- Other receivables		1,514	-
- Trade payables		15	-

25.1.1 Movements of short-term borrowings from related financial institutions and related parties

Movements of short-term borrowings from related financial institutions for the years ended December 31, 2021 and 2020 are as follows:

Related parties	Relationship	Unit: Thousand Baht		
		CONSOLIDATED		
		2021	2020	"Restated"
Krung Thai Bank PCL.	Major Shareholder			
Beginning balance		9,440,000	7,160,000	
<u>Add</u> Borrowings during the years		101,260,000	141,790,000	
<u>Less</u> Repayments during the years		(105,970,000)	(139,510,000)	
Ending balance		<u>4,730,000</u>	<u>9,440,000</u>	
KT Zmico Securities Co., Ltd.	Same Ultimate Holding Company			
Beginning balance		-	349,625	
<u>Add</u> Borrowings during the years		-	2,720,375	
<u>Less</u> Repayments during the years		-	(3,070,000)	
Ending balance		<u>-</u>	<u>-</u>	
Unit: Thousand Baht				
SEPARATE				
Related parties	Relationship	FINANCIAL STATEMENTS		
		2021	2020	
		Major Shareholder		
Krung Thai Bank PCL.				
Beginning balance		7,660,000	3,490,000	
<u>Add</u> Borrowings during the years		70,080,000	60,650,000	
<u>Less</u> Repayments during the years		(74,110,000)	(56,480,000)	
Ending balance		<u>3,630,000</u>	<u>7,660,000</u>	
KT Zmico Securities Co., Ltd.	Same Ultimate Holding Company			
Beginning balance		-	349,625	
<u>Add</u> Borrowings during the years		-	2,720,375	
<u>Less</u> Repayments during the years		-	(3,070,000)	
Ending balance		<u>-</u>	<u>-</u>	

As at December 31, 2021, short-term borrowings from related financial institutions are promissory notes have carrying interest rate at Money Market Rate (MMR), which is 0.60 - 0.70% per annum. (As at December 31, 2020 : 0.75 - 0.95% per annum)

Movements of short-term borrowings from related parties for the years ended December 31, 2021 and 2020 are as follows:

Related parties	Relationship	Unit: Thousand Baht	
		SEPARATE	
		FINANCIAL STATEMENTS	
2021	2020		
KTC Pico (Bangkok) Co., Ltd.	Subsidiary		
Beginning balance		52,143	17,929
<u>Add</u> Borrowing during the years		54,126	81,621
<u>Less</u> Repayment during the years		(55,471)	(47,407)
Ending balance		<u>50,798</u>	<u>52,143</u>
KTC Nano Co., Ltd.	Subsidiary		
Beginning balance		50,270	50,110
<u>Add</u> Borrowing during the years		49,800	220,320
<u>Less</u> Repayment during the years		(50,422)	(220,160)
Ending balance		<u>49,648</u>	<u>50,270</u>
KTC Pico (Chonburi) Co., Ltd.	Subsidiary		
Beginning balance		-	9,900
<u>Add</u> Borrowing during the years		-	27,000
<u>Less</u> Repayment during the years		-	(36,900)
Ending balance		<u>-</u>	<u>-</u>
KTC Pico (Samut Sakhon) Co., Ltd.	Subsidiary		
Beginning balance		-	9,800
<u>Add</u> Borrowing during the years		-	27,000
<u>Less</u> Repayment during the years		-	(36,800)
Ending balance		<u>-</u>	<u>-</u>
KTC Pico (Pathum Thani) Co., Ltd.	Subsidiary		
Beginning balance		-	9,900
<u>Add</u> Borrowing during the years		-	27,000
<u>Less</u> Repayment during the years		-	(36,900)
Ending balance		<u>-</u>	<u>-</u>
KTC Pico (Samut Prakan) Co., Ltd.	Subsidiary		
Beginning balance		-	9,850
<u>Add</u> Borrowing during the years		-	27,000
<u>Less</u> Repayment during the years		-	(36,850)
Ending balance		<u>-</u>	<u>-</u>
KTC Prepaid Co., Ltd.	Subsidiary		
Beginning balance		99,900	-
<u>Add</u> Borrowing during the years		100,100	99,900
<u>Less</u> Repayment during the years		(99,925)	-
Ending balance		<u>100,075</u>	<u>99,900</u>

As at December 31, 2021, short-term borrowings from related parties are borrowings have carrying interest rate at Money Market Rate (MMR), which is 0.70% per annum. (As at December 31, 2020 : 0.95% per annum)

25.2 The significant transactions with related parties

The significant transactions with related parties for the years ended December 31, 2021 and 2020 are as follows:

Related parties	Relationship	Unit: Thousand Baht		
		CONSOLIDATED		
		2021	2020	“Restated”
Krung Thai Bank PCL.	Major Shareholder			
- Fee and service income		2,133	1,925	
- Other income		7,776	8,061	
- Administrative expenses		142,124	227,384	
- Finance costs		48,591	60,841	
KTB Computer Services Co., Ltd.	Same Ultimate Holding Company			
- Administrative expenses		334	817	
KTB General Services and Security Co., Ltd.	Same Ultimate Holding Company			
- Administrative expenses		48,319	52,831	
Krungthai Assets Management PCL.	Same Ultimate Holding Company			
- Fee and service income		4,368	5,633	
- Administrative expenses		73	76	
Krungthai Panich Insurance PCL.	Same Ultimate Holding Company			
- Fee and service income		14,865	15,671	
KT Zmico Securities Co., Ltd.	Same Ultimate Holding Company			
- Finance costs		-	1,839	
Krungthai AXA-Life Insurance PCL.	Same Ultimate Holding Company			
- Fee and service income		56,869	106,149	
- Other income		1,587	-	
Krungthai IBJ Leasing Co., Ltd.	Same Ultimate Holding Company			
- Administrative expenses		10,188	5,427	
KTB Law Co., Ltd.	Same Ultimate Holding Company			
- Interest income		-	28	
- Administrative expenses		-	545	

Related parties	Relationship	Unit: Thousand Baht	
		SEPARATE	
		2021	2020
Krung Thai Bank PCL.	Major Shareholder		
- Fee and service income		2,133	1,925
- Other income		7,430	7,518
- Administrative expenses		128,190	219,706
- Finance costs		38,374	35,487
KTB General Services and Security Co., Ltd.	Same Ultimate Holding Company		
- Administrative expenses		42,228	45,016
Krungthai Assets Management PCL.	Same Ultimate Holding Company		
- Fee and service income		4,368	5,633
- Administrative expenses		73	75
Krungthai Panich Insurance PCL.	Same Ultimate Holding Company		
- Fee and service income		14,549	14,549
KT Zmico Securities Co., Ltd.	Same Ultimate Holding Company		
- Finance costs		-	1,839
Krungthai AXA-Life Insurance PCL.	Same Ultimate Holding Company		
- Fee and service income		56,869	106,149
- Other income		1,587	-
Krungthai IBJ Leasing Co., Ltd.	Same Ultimate Holding Company		
- Administrative expenses		10,188	5,427
KTB Law Co., Ltd.	Same Ultimate Holding Company		
- Administrative expenses		-	545
KTC Pico (Bangkok) Co., Ltd.	Subsidiary		
- Other income		498	569
- Finance cost		374	439
KTC Nano Co., Ltd.	Subsidiary		
- Other income		344	319
- Finance cost		366	554
KTC Pico (Chonburi) Co., Ltd.	Subsidiary		
- Other income		274	278
- Finance cost		-	36
KTC Pico (Samut Sakhon) Co., Ltd.	Subsidiary		
- Other income		27	27
- Finance cost		-	35
KTC Pico (Pathum Thani) Co., Ltd.	Subsidiary		
- Other income		310	203
- Finance cost		-	36
KTC Pico (Samut Prakan) Co., Ltd.	Subsidiary		
- Other income		346	282
- Finance cost		-	36
KTC Prepaid Co., Ltd.	Subsidiary		
- Other income		339	63
- Finance cost		732	171
Krungthai Leasing Co., Ltd.	Subsidiary		
- Other income		1,658	-
- Administrative expenses		32	-

The above revenues and expenses are determined according to the following agreements:

- Business cooperation agreement

Business cooperation agreement is service agreement between the Company and Krung Thai Bank Public Company Limited (“KTB”) was expired on March 31, 2018. The Company and KTB (“Counterparties”) entered into a business cooperation agreement dated March 30, 2018 to provide cooperation and support each other. The term of the agreement is 5 years commencing on April 1, 2018. The expiration of this agreement will not impact the existence of agreement, memorandum of agreement or other service request under this agreement which are normal business activities of the counterparties.

25.3 Management remuneration

Management remuneration for the years ended December 31, 2021 and 2020 consist of the following:

	Unit: Thousand Baht		
	CONSOLIDATED		
	FINANCIAL STATEMENTS		
	2021	2020	“Restated”
Short-term management remuneration	258,279	234,865	
Long-term management remuneration	3,247	4,914	
Total	261,526	239,779	

	Unit: Thousand Baht		
	SEPARATE		
	FINANCIAL STATEMENTS		
	2021	2020	
Short-term management remuneration	227,067	206,100	
Long-term management remuneration	2,945	4,145	
Total	230,012	210,245	

26. FINANCIAL INSTRUMENTS INFORMATION DISCLOSURES

During the years 2021 and 2020, the Group did not speculate in or engage in the trading of any derivatives.

26.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted the policy of only dealing with creditworthy counterparts as a means of mitigating the risk of financial losses from defaults.

The carrying amount of the assets recorded in the statement of financial position, net of allowance expected credit loss, represents the Group's maximum exposure to credit risk.

The Group's major business is the issuing of credit cards and provision of loan financing. The Group has established processes for approving credit lines, as well as consistently applied billing and collection processes.

The maximum exposure to credit risk

The table below shows the maximum exposure to credit risk for recognized and unrecognized financial instruments. The maximum exposure is shown gross carrying amounts before both the effect of mitigation through use of master netting and collateral arrangements. For financial assets recognized on the statement of financial position, the maximum exposure to credit risk equals their gross carrying amounts before deducting allowance for expected credit loss.

As at December 31, 2021 and 2020, the maximum exposures to credit risk are as follows:

	Unit: Thousand Baht	
	CONSOLIDATED FINANCIAL STATEMENTS	
	2021	2020
		“Restated”
Loans to customers and accrued interest receivables	92,635,708	94,907,376
Other financial assets measured at amortized cost	4,995	4,992
<u>Total financial assets</u>	<u>92,640,703</u>	<u>94,912,368</u>
Loan commitments	161,357,855	174,242,677
<u>Total maximum exposure to credit risk</u>	<u>253,998,558</u>	<u>269,155,045</u>

	Unit: Thousand Baht	
	SEPARATE FINANCIAL STATEMENTS	
	2021	2020
Loans to customers and accrued interest receivables	89,434,999	90,145,535
Other financial assets measured at amortized cost	4,985	4,982
<u>Total financial assets</u>	<u>89,439,984</u>	<u>90,150,517</u>
Loan commitments	161,357,855	174,242,677
<u>Total maximum exposure to credit risk</u>	<u>250,797,839</u>	<u>264,393,194</u>

Credit quality analysis

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The Company has adopted the policy to prevent this risk by performing credit analysis from customers' information and follow-up on customer status consistently.

The table below shows the credit quality of financial assets exposed to credit risk. The amounts presented for financial assets are gross carrying amount (before deducting allowance for expected credit loss) and loan commitments.

Explanation of 12-months expected credit loss, lifetime expected credit loss - not credit impaired, and lifetime expected credit loss-credit impaired are included in Note 3.2 to the financial statements.

CONSOLIDATED FINANCIAL STATEMENTS					Unit: Thousand Baht
December 31, 2021					
	12-month ECL (Stage 1)	Lifetime ECL-not credit impaired (Stage 2)	Lifetime ECL- credit impaired (Stage 3)	Financial assets apply simplified approach to calculate lifetime expected credit losses	Total
Loans to customers and accrued interest receivables - net					
Not yet due	75,751,233	7,284,790	-	878,438	83,914,461
Overdue 1 - 90 days	861,578	2,093,673	-	584,792	3,540,043
More than 90 days	799,806	1,043,052	1,602,385	1,735,961	5,181,204
Total	77,412,617	10,421,515	1,602,385	3,199,191	92,635,708
<u>Less</u> Allowance for expected credit loss	<u>(3,917,623)</u>	<u>(2,365,051)</u>	<u>(1,066,053)</u>	<u>(2,342,559)</u>	<u>(9,691,286)</u>
Net book value	<u>73,494,994</u>	<u>8,056,464</u>	<u>536,332</u>	<u>856,632</u>	<u>82,944,422</u>
Other financial assets measured at amortized cost					
Investment grade	4,995	-	-	-	4,995
<u>Less</u> Allowance for expected credit loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net book value	<u>4,995</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,995</u>

CONSOLIDATED FINANCIAL STATEMENTS					Unit: Thousand Baht
"Restated"					
December 31, 2020					
	12-month ECL (Stage 1)	Lifetime ECL-not credit impaired (Stage 2)	Lifetime ECL- credit impaired (Stage 3)	Financial assets apply simplified approach to calculate lifetime expected credit losses	Total
Loans to customers and accrued interest receivables - net					
Not yet due	75,807,724	7,674,742	-	2,026,688	85,509,154
Overdue 1 - 90 days	1,112,625	2,539,957	-	444,327	4,096,909
More than 90 days	556,206	855,296	1,602,808	2,287,003	5,301,313
Total	77,476,555	11,069,995	1,602,808	4,758,018	94,907,376
<u>Less</u> Allowance for expected credit loss	<u>(3,864,666)</u>	<u>(2,444,544)</u>	<u>(1,046,078)</u>	<u>(2,604,610)</u>	<u>(9,959,898)</u>
Net book value	<u>73,611,889</u>	<u>8,625,451</u>	<u>556,730</u>	<u>2,153,408</u>	<u>84,947,478</u>
Other financial assets measured at amortized cost					
Investment grade	4,992	-	-	-	4,992
<u>Less</u> Allowance for expected credit loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net book value	<u>4,992</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,992</u>

Unit: Thousand Baht

SEPARATE FINANCIAL STATEMENTS

December 31, 2021

	12-month ECL (Stage 1)	Lifetime ECL-not credit impaired (Stage 2)	Lifetime ECL- credit impaired (Stage 3)	Total
Loans to customers and accrued interest receivables - net				
Not yet due	75,750,048	7,284,790	-	83,034,838
Overdue 1 - 90 days	861,302	2,093,616	-	2,954,918
More than 90 days	799,806	1,043,052	1,602,385	3,445,243
Total	77,411,156	10,421,458	1,602,385	89,434,999
<u>Less</u> Allowance for expected credit loss	(3,917,564)	(2,365,030)	(1,066,053)	(7,348,647)
Net book value	<u>73,493,592</u>	<u>8,056,428</u>	<u>536,332</u>	<u>82,086,352</u>
Other financial assets measured at amortized cost				
Investment grade	4,985	-	-	4,985
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Net book value	<u>4,985</u>	<u>-</u>	<u>-</u>	<u>4,985</u>

Unit: Thousand Baht

SEPARATE FINANCIAL STATEMENTS

December 31, 2020

	12-month ECL (Stage 1)	Lifetime ECL-not credit impaired (Stage 2)	Lifetime ECL- credit impaired (Stage 3)	Total
Loans to customers and accrued interest receivables - net				
Not yet due	75,804,451	7,674,742	-	83,479,193
Overdue 1 - 90 days	1,112,346	2,539,702	-	3,652,048
More than 90 days	556,206	855,296	1,602,792	3,014,294
Total	77,473,003	11,069,740	1,602,792	90,145,535
<u>Less</u> Allowance for expected credit loss	(3,864,575)	(2,444,443)	(1,046,066)	(7,355,084)
Net book value	<u>73,608,428</u>	<u>8,625,297</u>	<u>556,726</u>	<u>82,790,451</u>
Other financial assets measured at amortized cost				
Investment grade	4,982	-	-	4,982
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Net book value	<u>4,982</u>	<u>-</u>	<u>-</u>	<u>4,982</u>

26.2 Liquidity risk

Liquidity risk arises in the general funding of the Group's activities. It includes both the risk of being unable to obtain source of fund at appropriate maturities and rates and the risk of being unable to liquidate an asset at a reasonable price and in an appropriate timeframe.

The Group has access to a diverse funding base. Funds are raised using a broad range of instruments including liabilities evidenced by paper, subordinated liabilities and share capital. This enhances funding flexibility, limits dependence on any one source of funds and generally lowers the cost of funds. The Group strives to maintain a balance between continuity of funding and flexibility through the use of liabilities with a range of maturities. The Group continually assesses liquidity risk by identifying and monitoring changes in funding required to meet business goals and targets set in terms of the overall strategy. As at December 31, 2021 and 2020, the Group and the Company have a credit line with a related financial institution for the consolidated financial statements are Baht 25,161 million and Baht 32,461 million, respectively, and for the separate financial statements are Baht 24,030 million and Baht 18,030 million, respectively.

As at December 31, 2021 and 2020, the Group's and the Company's financial assets and liabilities are classified by remaining maturity as follows:

CONSOLIDATED FINANCIAL STATEMENTS						Unit: Thousand Baht
2021						
	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	2,362,885	-	-	-	-	2,362,885
Loans to customers	-	59,833,599	32,160,269	54,073	-	92,047,941
Other financial assets	-	3,001	1,984	-	10	4,995
Total financial assets	2,362,885	59,836,600	32,162,253	54,073	10	94,415,821
Financial liabilities						
Short-term borrowings from financial institutions and related parties	6,830,000	2,299,971	-	-	-	9,129,971
Long-term borrowings	-	-	1,500,000	-	-	1,500,000
Long-term debentures	-	9,500,000	20,758,049	13,515,000	-	43,773,049
Total financial liabilities	6,830,000	11,799,971	22,258,049	13,515,000	-	54,403,020
CONSOLIDATED FINANCIAL STATEMENTS						
"Restated"						
2020						
	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	2,197,388	-	-	-	-	2,197,388
Loans to customers	-	63,429,590	30,760,019	175,213	-	94,364,822
Other financial assets	-	-	3,001	1,981	10	4,992
Total financial assets	2,197,388	63,429,590	30,763,020	177,194	10	96,567,202
Financial liabilities						
Short-term borrowings from financial institutions and related parties	10,960,000	4,779,409	-	-	-	15,739,409
Long-term debentures	-	8,780,000	15,455,000	19,245,000	-	43,480,000
Total financial liabilities	10,960,000	13,559,409	15,455,000	19,245,000	-	59,219,409

Unit: Thousand Baht

SEPARATE FINANCIAL STATEMENTS

2021

	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	2,018,849	-	-	-	-	2,018,849
Loans to customers	-	59,513,370	29,333,899	-	-	88,847,269
Other financial assets	-	3,001	1,984	-	-	4,985
Total financial assets	<u>2,018,849</u>	<u>59,516,371</u>	<u>29,335,883</u>	<u>-</u>	<u>-</u>	<u>90,871,103</u>
Financial liabilities						
Short-term borrowings from financial institutions and related parties	7,030,521	1,199,971	-	-	-	8,230,492
Long-term borrowings	-	-	1,500,000	-	-	1,500,000
Long-term debentures	-	9,500,000	20,758,049	13,515,000	-	43,773,049
Total financial liabilities	<u>7,030,521</u>	<u>10,699,971</u>	<u>22,258,049</u>	<u>13,515,000</u>	<u>-</u>	<u>53,503,541</u>

Unit: Thousand Baht

SEPARATE FINANCIAL STATEMENTS

2020

	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	1,913,623	-	-	-	-	1,913,623
Loans to customers	-	62,746,609	26,856,456	-	-	89,603,065
Other financial assets	-	-	3,001	1,981	-	4,982
Total financial assets	<u>1,913,623</u>	<u>62,746,609</u>	<u>26,859,457</u>	<u>1,981</u>	<u>-</u>	<u>91,521,670</u>
Financial liabilities						
Short-term borrowings from financial institutions and related parties	11,162,313	2,999,409	-	-	-	14,161,722
Long-term debentures	-	8,780,000	15,455,000	19,245,000	-	43,480,000
Total financial liabilities	<u>11,162,313</u>	<u>11,779,409</u>	<u>15,455,000</u>	<u>19,245,000</u>	<u>-</u>	<u>57,641,722</u>

26.3 Market Risk

Market risk is the risk that the Group may be affected by changes in value of position on the statements of financial position and off-the statements of financial position which is caused by fluctuation of interest rate resulting in negative impact on income. The Group monitors and controls the market risk in the trading book and book portfolios by comparing the existing risks with the approved risk limits/ indicators, conducting the approval processes for the breach of the limits/indicators and reporting to the executives and the Risk Management Committee regularly.

Interest rate risk

Interest rate risk is the effect of changes in interest rate on the assets and liabilities to the company's profit. The risk arises from timing difference in the residual term (for the case of fixed rate) and the next repricing (for the case of floating rate) of assets and liabilities or the changes of market interest rate which cause the interest rate of assets and liabilities to change disproportionately though the residual term of assets and liabilities is equal to the next repricing term. The risk management is aimed at optimizing the net income under given market interest rate levels consistent with business strategy of the Group.

As at December 31, 2021 and 2020 the Group's and the Company's financial assets and liabilities exposed to interest rate risk are as follows:

CONSOLIDATED FINANCIAL STATEMENTS									
2021									
	Depend on market rate	The earlier of remaining period of contract maturity or repricing date			Non-rate sensitive	Total	Average interest rate		
	Within 1 month	Within 1 year			More than 5 years			Floating rate	Fixed rate
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	% p.a.	% p.a.	
Financial assets									
Cash and cash equivalents	1,947	-	-	-	416	2,363	0.13	-	
Loans to customers	647	67,442	6,287	54	17,618	92,048	16.64	7.53	
Other financial assets	-	3	2	-	-	5	-	1.98	
Financial liabilities									
Short-term borrowings from financial institutions and related parties	9,130	-	-	-	-	9,130	0.73	0.68	
Long-term borrowings	-	-	1,500	-	-	1,500	-	1.23	
Long-term debentures	-	9,500	20,885	13,515	(127)	43,773	-	2.94	
Lease liabilities	-	-	-	-	366	366	-	2.84	

CONSOLIDATED FINANCIAL STATEMENTS									
2020									
	Depend on market rate	The earlier of remaining period of contract maturity or repricing date			Non-rate sensitive	Total	Average interest rate		
	Within 1 month	Within 1 year			More than 5 years			Floating rate	Fixed rate
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	% p.a.	% p.a.	
Financial assets									
Cash and cash equivalents	1,742	-	-	-	455	2,197	0.13	-	
Loans to customers	691	69,166	6,364	180	17,964	94,365	16.82	6.33	
Other financial assets	-	-	3	2	-	5	-	1.98	
Financial liabilities									
Short-term borrowings from financial institutions and related parties	15,740	-	-	-	(1)	15,739	0.93	0.89	
Long-term debentures	-	11,280	12,955	19,245	-	43,480	-	3.13	
Lease liabilities	-	-	-	-	490	490	-	2.79	

SEPARATE FINANCIAL STATEMENTS									
2021									
	Depend on	The earlier of remaining period of				Non-rate	Total	Average	
	market rate	contract maturity or		repricing date		sensitive		Floating	Fixed
	Within 1 month	Within 1 year	1-5 years	More than 5 years				rate	rate
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	% p.a.	% p.a.	
Financial assets									
Cash and cash equivalents	1,604	-	-	-	-	415	2,019	0.13	-
Loans to customers	571	67,197	3,705	-	-	17,374	88,847	16.64	7.62
Other financial assets	-	3	2	-	-	-	5	-	1.98
Financial liabilities									
Short-term borrowings from financial institutions and related parties	8,231	-	-	-	-	-	8,231	0.70	0.68
Long-term borrowings	-	-	1,500	-	-	-	1,500	-	1.23
Long-term debentures	-	9,500	20,885	13,515	(127)	43,773	-	-	2.94
Lease liabilities	-	-	-	-	-	352	352	-	2.93

SEPARATE FINANCIAL STATEMENTS									
2020									
	Depend on	The earlier of remaining period of				Non-rate	Total	Average	
	market rate	contract maturity or		repricing date		sensitive		Floating	Fixed
	Within 1 month	Within 1 year	1-5 years	More than 5 years				rate	rate
	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	Million Baht	% p.a.	% p.a.	
Financial assets									
Cash and cash equivalents	1,463	-	-	-	-	451	1,914	0.13	-
Loans to customers	-	69,174	2,721	-	-	17,708	89,603	16.82	6.27
Other financial assets	-	-	3	2	-	-	5	-	1.98
Financial liabilities									
Short-term borrowings from financial institutions and related parties	14,162	-	-	-	-	-	14,162	0.95	0.90
Long-term debentures	-	11,280	12,955	19,245	-	-	43,480	-	3.13
Lease liabilities	-	-	-	-	-	460	460	-	2.97

26.4 Interest rate sensitivity analysis

Analysis of sensitivity to changes in interest rates shows the potential change in interest rates on the statement of profit or loss and other comprehensive income of the Company by setting constant to other variables.

For financial assets and financial liabilities at the end of the reporting period, the Company estimates sensitivity analysis from profit or loss change for 12 months in advance under the assumption of changing interest rates of 1.00 percent of all types of financial assets and financial liabilities according to the period of interest rate adjustment in each.

The effect of changes in interest rates on profit or loss as at December 31, 2021 and 2020 can be summarized as follows:

	CONSOLIDATED FINANCIAL STATEMENTS 2021		Unit: Million Baht SEPARATE FINANCIAL STATEMENTS 2021	
	2020		2020	
	"Restated"			
Interest rate increase 1%	448	386	451	394
Interest rate decrease 1%	(475)	(451)	(477)	(451)

26.5 Fair value

The fair value disclosures of financial instruments, considerable judgment is necessarily required in estimation of fair value. Accordingly, the estimated fair value presented herein is not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Group in estimating fair values of financial instruments.

Fair value of financial assets and liabilities and their fair value hierarchy level classification are summarized as follows:

	CONSOLIDATED FINANCIAL STATEMENTS As at December 31, 2021			Unit: Thousand Baht
	Carrying amount	Fair value	Fair value hierarchy	Valuation techniques and key inputs used in fair value measurements
Assets				
Other financial assets	4,995	5,114	2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association
Liabilities				
Long-term debentures	43,773,049	44,874,570	2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association

	CONSOLIDATED FINANCIAL STATEMENTS As at December 31, 2020 "Restated"			Unit: Thousand Baht
	Carrying amount	Fair value	Fair value hierarchy	Valuation techniques and key inputs used in fair value measurements
Assets				
Other financial assets	4,992	5,243	2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association
Liabilities				
Long-term debentures	43,480,000	44,663,869	2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association

Unit: Thousand Baht SEPARATE FINANCIAL STATEMENTS			
	As at December 31, 2021	Fair value hierarchy	Valuation techniques and key inputs used in fair value measurements
<u>Assets</u>			
Other financial assets	4,985	5,101	2
			Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association
<u>Liabilities</u>			
Long-term debentures	43,773,049	44,874,570	2
			Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association

Unit: Thousand Baht SEPARATE FINANCIAL STATEMENTS			
	As at December 31, 2020	Fair value hierarchy	Valuation techniques and key inputs used in fair value measurements
<u>Assets</u>			
Other financial assets	4,982	5,231	2
			Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association
<u>Liabilities</u>			
Long-term debentures	43,480,000	44,663,869	2
			Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association

Cash and cash equivalents, short-term borrowings from financial institutions and related parties, deferred income for reward points and long-term borrowings, presented the fair value approximating the carrying amount in the statement of financial position.

Loans to customers and interest receivables, net presented the fair value approximating the carrying amount in the statement of financial position less allowance for expected credit loss.

27. CORONAVIRUS DISEASE 2019 PANDEMIC (COVID-19)

The COVID-19 pandemic is highly uncertain and continuing to evolve, resulting in the economic impact and affect to economic recovery, public income, and the ability to pay debt of debtors. The Ministry of Finance and the Bank of Thailand announced the relief measures to assist credit customers affected by the COVID-19 pandemic. The Group has considered to provide supports to customers following the relief measures for loans to customers affected from the impact of COVID-19 since March 26, 2020. In the current period, the Bank of Thailand has extended the measures to provide assistance and issue additional measures. The Group continues to provide customer assistance in accordance with the Bank of Thailand's relief measures.

The Group closely monitors the pandemic situation and reasonably estimate the potential impact to the Group. The Group's management believes that the Group will be able to continue as a going concern and meet their obligations as these fall due.

28. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issuing by the authorized directors of the Company on February 10, 2022.