

Krungthai Card Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2023

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Krungthai Card Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Krungthai Card Public Company Limited and its subsidiaries as at 31 March 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Krungthai Card Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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

Ratana Jala

Certified Public Accountant (Thailand) No. 3734

EY Office Limited

Bangkok: 12 May 2023

Krungthai Card Public Company Limited and its subsidiaries
Statement of financial position
As at 31 March 2023

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		1,705,205	2,181,929	1,684,759	2,173,596
Loans to customers and					
accrued interest receivables, net - current portion	4	92,361,126	94,013,966	91,777,971	93,577,010
Short-term lending		-	-	1,606,000	746,000
Other receivables, net		440,462	485,292	308,632	431,967
Total current assets		94,506,793	96,681,187	95,377,362	96,928,573
Non-current assets					
Loans to customers and accrued interest					
receivables, net - non-current portion	4	2,017,281	1,387,838	-	-
Other non-current financial assets	5	1,998	1,998	1,988	1,988
Investments in subsidiaries and an associate, net	6	110,963	105,745	730,943	780,943
Properties for sale		4,163	39,052	-	-
Leasehold improvements and equipment		348,202	348,077	332,251	334,788
Right-of-use assets		290,640	330,911	278,051	317,920
Intangible assets		467,122	483,335	460,946	476,589
Deferred tax assets	7.1	2,394,072	2,344,336	1,707,013	1,669,654
Other non-current assets		78,722	73,512	76,121	70,910
Total non-current assets		5,713,163	5,114,804	3,587,313	3,652,792
Total assets		100,219,956	101,795,991	98,964,675	100,581,365

The accompanying notes are an integral part of the financial statements.

Krungthai Card Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2023

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	31 March 2023	31 December 2022	31 March 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Liabilities					
Current liabilities					
Short-term borrowings	8, 10.1	9,976,567	10,178,974	9,076,690	9,278,304
Trade payables	10.1	830,027	1,820,142	769,226	1,777,688
Accrued interest expenses		254,372	280,402	254,261	279,987
Income tax payable		1,405,572	924,158	1,410,724	928,515
Accrued expenses		741,791	1,286,830	727,129	1,261,320
Other payables		838,901	808,525	823,755	805,209
Current portion of lease liabilities		137,483	161,484	131,062	155,256
Current portion of long-term debentures	9	6,407,139	4,639,494	6,407,139	4,639,494
Deferred income for reward points		2,609,138	2,587,146	2,609,138	2,587,146
Total current liabilities		23,200,990	22,687,155	22,209,124	21,712,919
Non-current liabilities					
Lease liabilities, net of current portion		157,922	175,546	151,643	168,667
Long-term borrowings	8, 10.1	6,000,000	6,000,000	6,000,000	6,000,000
Long-term debentures, net of current portion	9	36,868,205	40,816,763	36,868,205	40,816,763
Provisions for employee benefits		550,950	540,773	533,405	523,980
Total non-current liabilities		43,577,077	47,533,082	43,553,253	47,509,410
Total liabilities		66,778,067	70,220,237	65,762,377	69,222,329

The accompanying notes are an integral part of the financial statements.

Krungthai Card Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2023

(Unit: Thousand Baht)

Notes	Consolidated financial statements		Separate financial statements	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Authorised share capital				
2,578,334,070 ordinary shares of Baht 1.00 each	2,578,334	2,578,334	2,578,334	2,578,334
Issued and paid-up share capital				
2,578,334,070 ordinary shares of Baht 1.00 each	2,578,334	2,578,334	2,578,334	2,578,334
Share premium				
Share premium on ordinary shares	1,891,809	1,891,809	1,891,809	1,891,809
Surplus on business combination under				
common control	423,694	423,694	-	-
Other components of equity	4,844	4,844	-	-
Retained earnings				
Appropriated - legal reserve	257,833	257,833	257,833	257,833
Unappropriated	28,068,413	26,196,703	28,474,322	26,631,060
Equity attributable to owners of the parent	33,224,927	31,353,217	33,202,298	31,359,036
Non-controlling interests	216,962	222,537	-	-
Total shareholders' equity	33,441,889	31,575,754	33,202,298	31,359,036
Total liabilities and shareholders' equity	100,219,956	101,795,991	98,964,675	100,581,365

The accompanying notes are an integral part of the financial statements.

(Mr. Praphaisith Tankeyura)

Director

(Mr. Rathian Srimongkol)

Director

(Unaudited but reviewed)

Krungthai Card Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 31 March 2023**

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenue					
Interest income		3,012,817	2,611,774	2,961,650	2,597,004
Fee and service income		2,136,351	1,809,308	2,127,387	1,799,665
Bad debt recovery		821,520	856,756	791,124	840,769
Gain on exchange rate, net		26,909	8,860	26,909	8,860
Other income		57,325	69,957	58,343	64,399
Total revenue		6,054,922	5,356,655	5,965,413	5,310,697
Expenses					
Administrative expenses		1,925,256	1,742,329	2,009,445	1,702,501
Management remuneration	10.3	59,425	55,661	53,473	52,725
Expected credit loss		1,366,511	1,045,095	1,208,070	1,030,107
Total expenses		3,351,192	2,843,085	3,270,988	2,785,333
Operating income		2,703,730	2,513,570	2,694,425	2,525,364
Finance costs		390,442	337,271	386,491	335,104
Share of profit from investments in an associate		5,218	4,042	-	-
Profit before income tax		2,318,506	2,180,341	2,307,934	2,190,260
Income tax expense	7.2	452,371	435,913	464,672	438,459
Net profit for the period		1,866,135	1,744,428	1,843,262	1,751,801
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		1,866,135	1,744,428	1,843,262	1,751,801

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Krungthai Card Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 31 March 2023

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit (loss) attributable to				
Owners of the parent	1,871,710	1,747,272	1,843,262	1,751,801
Non-controlling interests	(5,575)	(2,844)		
	<u>1,866,135</u>	<u>1,744,428</u>		
Total comprehensive income (loss) attributable to				
Owners of the parent	1,871,710	1,747,272	1,843,262	1,751,801
Non-controlling interests	(5,575)	(2,844)		
	<u>1,866,135</u>	<u>1,744,428</u>		
Earnings per share of the Company				
Basic earnings per share (Baht)	<u>0.73</u>	<u>0.68</u>	<u>0.71</u>	<u>0.68</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Krungthai Card Public Company Limited and its subsidiaries

Statement of changes in equity

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements								
	Owners of the parent								
	Issued and paid-up share capital	Share premium on ordinary shares	Surplus on business combination under common control	Other components of equity - share of other comprehensive income from an associate	Retained earnings		Total owners of the parent	Non- controlling interests	Total
					Appropriated Legal reserve	Unappropriated			
Beginning balance as at 1 January 2022	2,578,334	1,891,809	423,694	-	257,833	21,684,687	26,836,357	248,043	27,084,400
Profit (loss) for the period	-	-	-	-	-	1,747,272	1,747,272	(2,844)	1,744,428
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income (loss) for the period	-	-	-	-	-	1,747,272	1,747,272	(2,844)	1,744,428
Ending balance as at 31 March 2022	2,578,334	1,891,809	423,694	-	257,833	23,431,959	28,583,629	245,199	28,828,828
Beginning balance as at 1 January 2023	2,578,334	1,891,809	423,694	4,844	257,833	26,196,703	31,353,217	222,537	31,575,754
Profit (loss) for the period	-	-	-	-	-	1,871,710	1,871,710	(5,575)	1,866,135
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income (loss) for the period	-	-	-	-	-	1,871,710	1,871,710	(5,575)	1,866,135
Ending balance as at 31 March 2023	2,578,334	1,891,809	423,694	4,844	257,833	28,068,413	33,224,927	216,962	33,441,889

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Krungthai Card Public Company Limited and its subsidiaries

Statement of changes in equity (continued)

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Separate financial statements				
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Total
			Appropriated		
			Legal reserve	Unappropriated	
Beginning balance as at 1 January 2022	2,578,334	1,891,809	257,833	22,059,741	26,787,717
Profit for the period	-	-	-	1,751,801	1,751,801
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,751,801	1,751,801
Ending balance as at 31 March 2022	2,578,334	1,891,809	257,833	23,811,542	28,539,518
Beginning balance as at 1 January 2023	2,578,334	1,891,809	257,833	26,631,060	31,359,036
Profit for the period	-	-	-	1,843,262	1,843,262
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,843,262	1,843,262
Ending balance as at 31 March 2023	2,578,334	1,891,809	257,833	28,474,322	33,202,298

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Krungthai Card Public Company Limited and its subsidiaries**Statement of cash flows****For the three-month period ended 31 March 2023**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before income tax	2,318,506	2,180,341	2,307,934	2,190,260
Adjustments to reconcile profit before income tax				
to net cash received (paid) from operating activities:				
Amortisation of discount on investments in debt securities	(1)	(1)	(1)	(1)
Share of profit from investments in an associate	(5,218)	(4,042)	-	-
Employee benefits expenses	12,550	11,179	11,798	10,693
Depreciation and amortisation	132,379	140,021	129,649	137,196
(Gain) loss on disposal and write-off of leasehold improvements				
and equipment, net	107	(184)	107	(17)
Expected credit loss	1,366,511	1,045,095	1,208,070	1,030,107
Reversal of loss on impairment of properties for sale	(84,834)	(5,109)	-	-
Loss on impairment of investment in subsidiary	-	-	50,000	-
Interest expenses	386,021	332,696	382,070	330,530
Profit from operating activities before changes				
in operating assets and liabilities	4,126,021	3,699,996	4,089,627	3,698,768
Operating assets (increase) decrease				
Loans to customers and accrued interest receivables, net	(342,910)	1,435,846	590,969	1,395,336
Other receivables	44,626	86,721	123,335	84,786
Properties for sale	119,723	15,610	-	-
Other non-current assets	(5,210)	2,844	(5,211)	2,935
Operating liabilities increase (decrease)				
Trade payables	(986,082)	(303,429)	(1,004,430)	(301,718)
Accrued expenses	(545,039)	(501,443)	(534,191)	(498,299)
Other payables	30,376	(616,275)	18,546	(609,204)
Deferred income for reward points	21,992	19,022	21,992	19,022
Cash provided by operating activities	2,463,497	3,838,892	3,300,637	3,791,626
Interest expenses paid	(380,154)	(313,498)	(375,971)	(311,550)
Employee benefits paid	(2,373)	(10,332)	(2,373)	(10,332)
Income tax paid	(20,693)	(17,881)	(19,822)	(16,953)
Net cash provided by operating activities	2,060,277	3,497,181	2,902,471	3,452,791

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Krungthai Card Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Cash paid for short-term lending	-	-	(860,000)	-
Cash paid for purchase of leasehold improvements and equipment	(35,177)	(37,512)	(32,098)	(37,142)
Cash paid for purchase of computer software	(28,017)	(34,731)	(28,017)	(34,712)
Cash received from sale of leasehold improvements and equipment	2	833	2	106
Net cash used in investing activities	(63,192)	(71,410)	(920,113)	(71,748)
Cash flows from financing activities				
Cash paid for short-term borrowings, net	(212,997)	(5,051,296)	(212,204)	(5,051,755)
Cash received from issuance of long-term debentures	-	2,000,000	-	2,000,000
Cash paid for redemption of long-term debentures	(2,200,000)	(1,000,000)	(2,200,000)	(1,000,000)
Cash paid for lease liabilities	(60,812)	(62,892)	(58,991)	(60,980)
Net cash used in financing activities	(2,473,809)	(4,114,188)	(2,471,195)	(4,112,735)
Net decrease in cash and cash equivalents	(476,724)	(688,417)	(488,837)	(731,692)
Cash and cash equivalents as at 1 January	2,181,929	2,362,884	2,173,596	2,018,849
Cash and cash equivalents as at 31 March	1,705,205	1,674,467	1,684,759	1,287,157

The accompanying notes are an integral part of the financial statements.

Krungthai Card Public Company Limited and its subsidiaries

Table of contents for notes to interim consolidated financial statements

For the three-month period ended 31 March 2023

Note	Contents	Page
1.	General information	1
2.	Basis of preparation of the financial statements	1
3.	Supplementary disclosures of cash flows information	4
4.	Loans to customers and accrued interest receivables, net.....	7
5.	Other financial assets	11
6.	Investments in subsidiaries and an associate, net	11
7.	Deferred tax assets and income tax.....	13
8.	Borrowings.....	14
9.	Long-term debentures.....	15
10.	Transactions with related parties	15
11.	Financial information classified by operating segments.....	19
12.	Fair value of financial instruments.....	19
13.	Coronavirus Disease 2019 Pandemic (COVID-19)	20
14.	Events after the reporting period.....	20
15.	Approval of interim financial statements.....	20

Krungthai Card Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month period ended 31 March 2023

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 28 October 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 6 to the interim consolidated financial statements.

2. Basis of preparation of the financial statements

2.1 Basis of preparation of the interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, Accounting Guidelines’ promulgated by the Federation of Accounting Professions (“TFAC”), and accounting practices generally accepted in Thailand. The Company chooses to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

2.2 Basis of preparation of the consolidated and separate financial statements

The consolidated financial statements

These interim consolidated financial statements include the financial statements of Krungthai Card Public Company Limited and its subsidiaries (collectively as “the Group”) and have been prepared on the same basis as that used for the consolidated financial statements for the year ended 31 December 2022, with no significant changes in the shareholding structure of subsidiaries during the period.

The separate financial statements

Investments in subsidiaries and an associate in the separate financial statements are accounted for using the cost method.

2.3 New financial reporting standards

a) Financial reporting standards that became effective in the current period

The revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Groups' financial statements.

b) Accounting Guidance on Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19

The Federation of Accounting Professions has announced Accounting Guidance on Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19. Its objectives are to provide temporary relief measures and an alternative for all entities providing assistance to debtors in accordance with guidelines of the Bank of Thailand. The accounting guidance is applicable for provisions of assistance to such debtor made during the period from 1 January 2022 to 31 December 2023 or until the Bank of Thailand makes changes.

(Unaudited but reviewed)

Under this accounting guidance, entity may elect to adopt accounting treatments consistent with the circular of the Bank of Thailand No. BOT.RPD2.C.802/2564 “Guidelines regarding the provision of financial assistance to debtors affected by COVID-19 (sustainable debt resolution)”. The assistance to debtors can be classified into 2 groups by debt restructuring method as follows:

- For debt restructuring for the purpose of reducing the debt burden of debtors that involves more than just a payment timeline extension, entity may elect to apply the temporary relief measures relating to staging assessment and setting aside of provisions. (Assistance type 1)
- For debt restructuring involving only a payment timeline extension, entity is required to perform staging assessment and set aside provisions in accordance with the relevant financial reporting standards. (Assistance type 2)

For the debtor who has been in the Assistance type 1, entity can apply accounting treatments as set out in this accounting guidance from 1 January 2022 to 31 December 2023.

2.4 Significant accounting policies

These interim financial statements are prepared by using the same accounting policies and method of computation as those used for the financial statements for the year ended 31 December 2022.

3. Supplementary disclosures of cash flows information

3.1 Non-cash items for the three-month periods ended 31 March 2023 and 2022 are as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Payable for purchase of leasehold improvements and equipment brought forward	592	19,399	592	19,317
<u>Add</u> Purchase of leasehold improvements and equipment	34,932	19,288	31,853	18,535
<u>Less</u> Cash paid for purchase of leasehold improvements and equipment	(35,177)	(37,512)	(32,098)	(37,142)
Payable for purchase of leasehold improvements and equipment carried forward (presented as a part of trade payables)	347	1,175	347	710
Payable for purchase of computer software brought forward	108,835	32,517	108,835	32,517
<u>Add</u> Purchase of computer software	24,208	17,197	24,208	17,178
<u>Less</u> Cash paid for purchase of computer software	(28,017)	(34,731)	(28,017)	(34,712)
Payable for purchase of computer software carried forward (presented as a part of trade payables)	105,026	14,983	105,026	14,983

(Unaudited but reviewed)

3.2 Changes in liabilities from financing activities for the three-month periods ended 31 March 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Cash flow from				31 March 2023
	1 January 2023	financing activities		Non-cash changes	
		Cash received	Cash paid		
Short-term borrowings	10,178,974	68,197,003	(68,410,000)	10,590	9,976,567
Long-term borrowings	6,000,000	-	-	-	6,000,000
Current portion of long-term debentures	4,639,494	-	(2,200,000)	3,967,645	6,407,139
Long-term debentures	40,816,763	-	-	(3,948,558)	36,868,205
Lease liabilities	337,030	-	(60,812)	19,187	295,405
Total	61,972,261	68,197,003	(70,670,812)	48,864	59,547,316

(Unit: Thousand Baht)

	Consolidated financial statements				
	Cash flow from				31 March 2022
	1 January 2022	financing activities		Non-cash changes	
		Cash received	Cash paid		
Short-term borrowings	9,129,971	25,458,704	(30,510,000)	1,291	4,079,966
Long-term borrowings	1,500,000	-	-	-	1,500,000
Current portion of long-term debentures	9,500,000	-	(1,000,000)	2,197,753	10,697,753
Long-term debentures	34,273,049	2,000,000	-	(2,183,653)	34,089,396
Lease liabilities	366,193	-	(62,892)	65,886	369,187
Total	54,769,213	27,458,704	(31,572,892)	81,277	50,736,302

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements					
	1 January 2023	Cash flow from financing activities		Non-cash changes	31 March 2023
		Cash received	Cash paid		
Short-term borrowings	9,278,304	62,698,056	(62,910,260)	10,590	9,076,690
Long-term borrowings	6,000,000	-	-	-	6,000,000
Current portion of long-term debentures	4,639,494	-	(2,200,000)	3,967,645	6,407,139
Long-term debentures	40,816,763	-	-	(3,948,558)	36,868,205
Lease liabilities	323,923	-	(58,991)	17,773	282,705
Total	61,058,484	62,698,056	(65,169,251)	47,450	58,634,739

(Unit: Thousand Baht)

Separate financial statements					
	1 January 2022	Cash flow from financing activities		Non-cash changes	31 March 2022
		Cash received	Cash paid		
Short-term borrowings	8,230,492	22,159,279	(27,211,034)	1,291	3,180,028
Long-term borrowings	1,500,000	-	-	-	1,500,000
Current portion of long-term debentures	9,500,000	-	(1,000,000)	2,197,753	10,697,753
Long-term debentures	34,273,049	2,000,000	-	(2,183,653)	34,089,396
Lease liabilities	351,548	-	(60,980)	65,298	355,866
Total	53,855,089	24,159,279	(28,272,014)	80,689	49,823,043

(Unaudited but reviewed)

4. Loans to customers and accrued interest receivables, net**4.1 Outstanding balances of loan to customers and accrued interest receivables classified by type of business and stage are as follows:**

(Unit: Thousand Baht)

Consolidated financial statements				
31 March 2023				
	Credit card	Personal loan	Lease receivables	Total
Stage 1	60,093,820	25,453,079	-	85,546,899
Stage 2	6,528,087	5,618,709	-	12,146,796
Stage 3	739,144	902,133	-	1,641,277
Financial assets where applied simplified approach to calculate lifetime expected credit loss	-	-	3,301,076	3,301,076
Total loans to customers	67,361,051	31,973,921	3,301,076	102,636,048
<u>Add</u> Accrued interest receivables and undue interest receivables	279,392	396,962	-	676,354
Total loan to customers and accrued interest receivables	67,640,443	32,370,883	3,301,076	103,312,402
<u>Less</u> Allowance for expected credit loss	(4,454,909)	(3,778,406)	(700,680)	(8,933,995)
Total loans to customers and accrued interest receivables, net	63,185,534	28,592,477	2,600,396	94,378,407

(Unit: Thousand Baht)

Consolidated financial statements				
31 December 2022				
	Credit card	Personal loan	Lease receivables	Total
Stage 1	62,185,315	25,557,642	-	87,742,957
Stage 2	6,258,300	5,432,004	-	11,690,304
Stage 3	730,130	896,498	-	1,626,628
Financial assets where applied simplified approach to calculate lifetime expected credit loss	-	-	2,448,679	2,448,679
Total loans to customers	69,173,745	31,886,144	2,448,679	103,508,568
<u>Add</u> Accrued interest receivables and undue interest receivables	288,068	396,892	-	684,960
Total loan to customers and accrued interest receivables	69,461,813	32,283,036	2,448,679	104,193,528
<u>Less</u> Allowance for expected credit loss	(4,431,299)	(3,736,450)	(623,975)	(8,791,724)
Total loans to customers and accrued interest receivables, net	65,030,514	28,546,586	1,824,704	95,401,804

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements			
31 March 2023			
	Credit card	Personal loan	Total
Stage 1	60,093,820	25,453,040	85,546,860
Stage 2	6,528,087	5,618,708	12,146,795
Stage 3	739,144	902,131	1,641,275
Total loans to customers	67,361,051	31,973,879	99,334,930
<u>Add</u> Accrued interest receivables and undue interest receivables	279,392	396,958	676,350
Total loan to customers and accrued interest receivables	67,640,443	32,370,837	100,011,280
<u>Less</u> Allowance for expected credit loss	(4,454,909)	(3,778,400)	(8,233,309)
Total loans to customers and accrued interest receivables, net	63,185,534	28,592,437	91,777,971

(Unit: Thousand Baht)

Separate financial statements			
31 December 2022			
	Credit card	Personal loan	Total
Stage 1	62,185,315	25,557,560	87,742,875
Stage 2	6,258,300	5,431,990	11,690,290
Stage 3	730,130	896,497	1,626,627
Total loans to customers	69,173,745	31,886,047	101,059,792
<u>Add</u> Accrued interest receivables and undue interest receivables	288,068	396,888	684,956
Total loan to customers and accrued interest receivables	69,461,813	32,282,935	101,744,748
<u>Less</u> Allowance for expected credit loss	(4,431,299)	(3,736,439)	(8,167,738)
Total loans to customers and accrued interest receivables, net	65,030,514	28,546,496	93,577,010

4.2 As at 31 March 2023 and 31 December 2022, lease receivables (net of unearned income) classified by aging are as follows:

(Unit: Thousand Baht)

Consolidated financial statements		
	31 March 2023	31 December 2022
Not over 30 days	2,670,112	2,009,912
31 - 90 days	340,582	219,694
91 days and over	290,382	219,073
Total	3,301,076	2,448,679
<u>Less</u> Allowance for expected credit loss	(700,680)	(623,975)
Total	2,600,396	1,824,704

(Unaudited but reviewed)

4.3 Allowance for expected credit loss

Allowance for expected credit loss for the three-month periods ended 31 March 2023 and 2022 are as follows:

(Unit: Thousand Baht)

Consolidated financial statements					
31 March 2023					
	Financial assets where there has not been a significant increase in credit risk (Stage 1)	Financial assets where there has been a significant increase in credit risk (Stage 2)	Financial assets that are credit-impaired (Stage 3)	Financial assets where applied simplified approach to calculate lifetime expected credit loss	Total
Beginning balance	4,246,965	2,782,060	1,138,724	623,975	8,791,724
Changes in staging	134,255	(489,228)	354,973	-	-
Changes in risk parameters	(297,595)	717,271	1,498,195	152,606	2,070,477
New financial assets originated or purchased	125,841	-	-	12,384	138,225
Financial assets derecognised	(51,682)	(86,436)	(697,525)	(6,752)	(842,395)
Written-off	-	-	(1,142,503)	(81,533)	(1,224,036)
Ending balance	4,157,784	2,923,667	1,151,864	700,680	8,933,995

(Unit: Thousand Baht)

Consolidated financial statements					
31 March 2022					
	Financial assets where there has not been a significant increase in credit risk (Stage 1)	Financial assets where there has been a significant increase in credit risk (Stage 2)	Financial assets that are credit-impaired (Stage 3)	Financial assets where applied simplified approach to calculate lifetime expected credit loss	Total
Beginning balance	3,917,623	2,365,051	1,066,053	2,342,559	9,691,286
Changes in staging	203,824	(424,369)	220,545	-	-
Changes in risk parameters	(195,607)	525,168	1,288,460	14,459	1,632,480
New financial assets originated or purchased	116,394	-	-	270	116,664
Financial assets derecognised	(42,110)	(59,255)	(602,905)	-	(704,270)
Written-off	-	-	(987,613)	(4,112)	(991,725)
Ending balance	4,000,124	2,406,595	984,540	2,353,176	9,744,435

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statements

31 March 2023

	Financial assets where there has not been a significant increase in credit risk (Stage 1)	Financial assets where there has been a significant increase in credit risk (Stage 2)	Financial assets that are credit- impaired (Stage 3)	Total
Beginning balance	4,246,961	2,782,054	1,138,723	8,167,738
Changes in staging	134,253	(489,223)	354,970	-
Changes in risk parameters	(297,594)	717,271	1,498,191	1,917,868
New financial assets originated or purchased	125,841	-	-	125,841
Financial assets derecognised	(51,680)	(86,436)	(697,523)	(835,639)
Written-off	-	-	(1,142,499)	(1,142,499)
Ending balance	4,157,781	2,923,666	1,151,862	8,233,309

(Unit: Thousand Baht)

Separate financial statements

31 March 2022

	Financial assets where there has not been a significant increase in credit risk (Stage 1)	Financial assets where there has been a significant increase in credit risk (Stage 2)	Financial assets that are credit- impaired (Stage 3)	Total
Beginning balance	3,917,564	2,365,030	1,066,053	7,348,647
Changes in staging	203,884	(424,377)	220,493	-
Changes in risk parameters	(195,607)	525,168	1,288,460	1,618,021
New financial assets originated or purchased	116,356	-	-	116,356
Financial assets derecognised	(42,110)	(59,255)	(602,905)	(704,270)
Written-off	-	-	(987,561)	(987,561)
Ending balance	4,000,087	2,406,566	984,540	7,391,193

(Unaudited but reviewed)

5. Other financial assets

Other financial assets as at 31 March 2023 and 31 December 2022 consist of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
Financial assets measured at amortised cost				
Government bonds	1,988	1,988	1,988	1,988
Others	10	10	-	-
Total other non-current financial assets	<u>1,998</u>	<u>1,998</u>	<u>1,988</u>	<u>1,988</u>

As at 31 March 2023, the Company pledged government bonds totaling Baht 0.6 million with Krung Thai Bank Public Company Limited for issuing letter of guarantees to other companies for the Company's business (31 December 2022: Baht 0.6 million).

6. Investments in subsidiaries and an associate, net

As at 31 March 2023 and 31 December 2022, the Company had investments in an associate which is accounted for using equity method in the consolidated financial statements as follows:

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Percentage of		Cost method		Equity method	
	shareholding					
	31	31	31	31	31	31
	March	December	March	December	March	December
	2023	2022	2023	2022	2023	2022
Associate						
Krungthai Advisory Co., Ltd.	24.00	24.00	<u>72,000</u>	<u>72,000</u>	<u>110,963</u>	<u>105,745</u>
Total investments in an associate			<u>72,000</u>	<u>72,000</u>	<u>110,963</u>	<u>105,745</u>

(Unaudited but reviewed)

As at 31 March 2023 and 31 December 2022, the Company had investments in subsidiaries and an associate which are accounted for using cost method in the separate financial statements as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	Percentage of shareholding		Cost method	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
Subsidiaries				
<u>Directly held</u>				
KTC Pico (Bangkok) Co., Ltd.	75.05	75.05	45,030	45,030
KTC Nano Co., Ltd.	75.05	75.05	37,525	37,525
KTC Prepaid Co., Ltd.	75.05	75.05	75,050	75,050
KTB Leasing Co., Ltd.	75.05	75.05	551,338	551,338
<u>Indirectly held*</u>				
KTC Pico (Chonburi) Co., Ltd.			-	-
KTC Pico (Pathum Thani) Co., Ltd.			-	-
KTC Pico (Samut Prakan) Co., Ltd.			-	-
KTC Pico (Samut Sakhon) Co., Ltd.			-	-
Total			708,943	708,943
<u>Less</u> Allowance for impairment			(50,000)	-
Total			658,943	708,943
Associate				
Krungthai Advisory Co., Ltd.	24.00	24.00	72,000	72,000
Total			72,000	72,000
Total investments in subsidiaries and an associate, net			730,943	780,943

* The Company held shares indirectly through KTC Pico (Bangkok) Co., Ltd.. KTC Pico (Bangkok) Co., Ltd. held shares of KTC Pico (Chonburi) Co., Ltd., KTC Pico (Pathum Thani) Co., Ltd., KTC Pico (Samut Prakan) Co., Ltd., and KTC Pico (Samut Sakhon) Co., Ltd. by 100 percent.

(Unaudited but reviewed)

7. Deferred tax assets and income tax**7.1 Deferred tax assets**

Deferred tax assets as at 31 March 2023 and 31 December 2022 are as follow.

(Unit: Thousand Baht)

	Consolidated financial statements			
			Changes in deferred tax for the three-month periods	
	31 March	31 December	ended 31 March	
	2023	2022	2023	2022
Deferred tax assets				
Allowance for expected credit loss	1,869,457	1,821,174	48,283	(7,783)
Deferred income for reward points	521,828	517,429	4,399	3,805
Difference from depreciation rate	(40,569)	(38,714)	(1,855)	2,078
Provision for employee benefits	110,190	108,155	2,035	169
Others	(66,834)	(63,708)	(3,126)	24
Total	2,394,072	2,344,336	49,736	(1,707)
Changes of deferred tax:				
Recognised in profit or loss			49,736	(1,707)
Recognised in other comprehensive income			-	-
Total			49,736	(1,707)

(Unit: Thousand Baht)

	Separate financial statements			
			Changes in deferred tax for the three-month periods	
	31 March	31 December	ended 31 March	
	2023	2022	2023	2022
Deferred tax assets				
Allowance for expected credit loss	1,085,645	1,061,498	24,147	(7,585)
Deferred income for reward points	521,828	517,429	4,399	3,805
Difference from depreciation rate	(40,556)	(38,698)	(1,858)	2,081
Provision for employee benefits	106,681	104,796	1,885	73
Others	33,415	24,629	8,786	(2,641)
Total	1,707,013	1,669,654	37,359	(4,267)
Changes of deferred tax:				
Recognised in profit or loss			37,359	(4,267)
Recognised in other comprehensive income			-	-
Total			37,359	(4,267)

(Unaudited but reviewed)

7.2 Income tax expense

Income tax expense for the three-month periods ended 31 March 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax	502,107	434,206	502,031	434,192
Deferred tax:				
Relating to temporary differences and reversal of temporary differences	(49,736)	1,707	(37,359)	4,267
Income tax expense reported in profit or loss	452,371	435,913	464,672	438,459

Reconciliations between income tax expense and the product of accounting profit multiplied by the applicable tax rate for the three-month periods ended 31 March 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit before tax	2,318,506	2,180,341	2,307,934	2,190,260
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	463,701	436,068	461,587	438,052
Effects of non-taxable revenue and non-deductible expenses, net	(11,330)	(155)	3,085	407
Income tax expense reported in profit or loss	452,371	435,913	464,672	438,459

8. Borrowings

As at 31 March 2023 and 31 December 2022, the Group had borrowings from financial institutions and related parties which short-term borrowings have interest rates at Money Market Rate (MMR) and long-term borrowings have interest rate at Capital Market Rate.

(Unaudited but reviewed)

9. Long-term debentures

Long-term debentures as at 31 March 2023 and 31 December 2022 are as follows:

(Unit: Thousand Baht)		
Consolidated and separate financial statements		
	31 March 2023	31 December 2022
Debentures	43,362,000	45,562,000
<u>Less</u> Discount on debentures	(86,656)	(105,743)
<u>Less</u> Current portion of long-term debentures	(6,407,139)	(4,639,494)
Long-term debentures, net of current portion	36,868,205	40,816,763

10. Transactions with related parties

During the period, the Group had significant business transactions with related parties. Such transactions are determined at the price as normal course of business or as stipulated in the agreements.

10.1 The significant balances with related parties

The significant balances with related parties are as follows:

(Unit: Thousand Baht)				
Related parties	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
Parent company				
Krung Thai Bank PCL.				
- Deposits at a financial institution				
(a part of cash and cash equivalents)	1,492,614	1,779,468	1,476,617	1,773,570
- Other receivables	4,103	5,348	4,102	5,348
- Short-term borrowings	3,700,000	5,230,000	2,600,000	4,130,000
- Trade payables	377,588	627,159	377,588	627,159
- Accrued interest expenses	640	1,533	522	1,104
- Accrued expenses	18,888	16,202	18,459	15,815
- Other current liabilities	1,467	1,467	1,467	1,467
- Long-term borrowings	6,000,000	6,000,000	6,000,000	6,000,000

(Unaudited but reviewed)

(Unit: Thousand Baht)

Related parties	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
Subsidiaries				
KTC Pico (Bangkok) Co., Ltd.				
- Other receivables	-	-	20	81
- Short-term borrowings	-	-	50,222	50,411
- Accrued interest expenses	-	-	2	4
- Other current liabilities	-	-	44	44
KTC Nano Co., Ltd.				
- Other receivables	-	-	7	27
- Short-term borrowings	-	-	49,780	49,600
- Accrued interest expenses	-	-	-	2
- Other current liabilities	-	-	44	44
KTC Pico (Chonburi) Co., Ltd.				
- Other receivables	-	-	7	27
- Other current liabilities	-	-	3	3
KTC Pico (Samut Sakhon) Co., Ltd.				
- Other receivables	-	-	7	27
KTC Pico (Pathum Thani) Co., Ltd.				
- Other receivables	-	-	7	27
- Other current liabilities	-	-	13	13
KTC Pico (Samut Prakan) Co., Ltd.				
- Other receivables	-	-	7	27
KTC Prepaid Co., Ltd.				
- Other receivables	-	-	7	27
- Short-term borrowings	-	-	100,121	99,319
- Accrued interest expenses	-	-	4	8
- Other current liabilities	-	-	26	26
KTB Leasing Co., Ltd.				
- Short-term lending	-	-	1,606,000	746,000
- Other receivables	-	-	1,238	4,360
- Accrued expenses	-	-	1	5

(Unaudited but reviewed)

(Unit: Thousand Baht)

Related parties	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
Related companies				
KTB General Services and Security Co., Ltd.				
- Trade payables	341	428	66	428
- Accrued expenses	4,360	2,781	3,994	2,400
Krungthai Assets Management PCL.				
- Other receivables	293	4,162	293	4,162
- Accrued expenses	17	82	17	82
Krungthai Panich Insurance PCL.				
- Other receivables	1,194	1,256	1,194	1,256
Krungthai-AXA Life Insurance PCL.				
- Other receivables	2,151	1,162	2,151	1,162

10.2 The significant transactions with related parties

The significant transactions with related parties can be summarised as follows:

(Unit: Thousand Baht)

Related parties	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Parent company				
Krung Thai Bank PCL.				
- Fee and service income	713	884	713	884
- Other income	5,610	11,495	5,609	11,495
- Administrative expenses	35,786	38,613	34,343	35,819
- Finance costs	55,038	11,314	50,412	8,873
Subsidiaries				
KTC Pico (Bangkok) Co., Ltd.				
- Other income	-	-	70	121
- Finance costs	-	-	189	89
KTC Nano Co., Ltd.				
- Other income	-	-	56	86
- Finance costs	-	-	186	88
KTC Pico (Chonburi) Co., Ltd.				
- Other income	-	-	13	13

(Unaudited but reviewed)

(Unit: Thousand Baht)

Related parties	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Subsidiaries (continued)				
KTC Pico (Samut Sakhon) Co., Ltd.				
- Other income	-	-	7	7
KTC Pico (Pathum Thani) Co., Ltd.				
- Other income	-	-	59	77
KTC Pico (Samut Prakan) Co., Ltd.				
- Other income	-	-	7	78
KTC Prepaid Co., Ltd.				
- Other income	-	-	39	85
- Finance costs	-	-	372	177
KTB Leasing Co., Ltd.				
- Fee and service income	-	-	208	-
- Other income	-	-	5,688	1,253
- Administrative expenses	-	-	10	47
Related companies				
KTB Computer Services Co., Ltd.				
- Administrative expenses	-	83	-	-
Krunghai General Services and Security Co., Ltd.				
- Other income	73	-	73	-
- Administrative expenses	11,686	12,758	10,536	11,727
Krunghai Assets Management PCL.				
- Fee and service income	374	236	374	236
- Administrative expenses	17	16	17	16
Krunghai Panich Insurance PCL.				
- Fee and service income	3,985	3,325	3,957	3,325
Krunghai-AXA Life Insurance PCL.				
- Fee and service income	-	7,299	-	7,299
- Other income	947	534	947	534
Krunghai Mizuho Leasing Co., Ltd.				
- Administrative expenses	2,683	2,947	2,544	2,798

During the current period, the Company has no changes in the significant agreement with the related parties as disclosed in Note 27.2 to the 2022 consolidated financial statements.

10.3 Management remuneration

Management remuneration for the three-month periods ended 31 March 2023 and 2022 consist of the following:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Short-term employee benefits	57,257	53,898	51,805	51,106
Post-employment benefits	2,168	1,763	1,668	1,619
Total	59,425	55,661	53,473	52,725

11. Financial information classified by operating segments

The Group's operations relate to a single business segment which is the financial services business and are carried out in a single geographic area which is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

12. Fair value of financial instruments

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	31 March 2023		31 December 2022	
	Book Value	Fair Value	Book Value	Fair Value
Financial assets				
Other financial assets	1,998	2,026	1,998	2,041
Financial liabilities				
Long-term debentures	43,275,344	43,381,710	45,456,256	45,553,792

	(Unit: Thousand Baht)			
	Separate financial statements			
	31 March 2023		31 December 2022	
	Book Value	Fair Value	Book Value	Fair Value
Financial assets				
Other financial assets	1,988	2,014	1,988	2,029
Financial liabilities				
Long-term debentures	43,275,344	43,381,710	45,456,256	45,553,792

Moreover, the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

13. Coronavirus Disease 2019 Pandemic (COVID-19)

The COVID-19 pandemic resulted in the economic impact, including public income and the ability to pay debt of debtors. 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 continuously which consistent with the announcement of the Bank of Thailand, for example, the reduction of the minimum repayment, the reduction of interest rate, extending credit limit, postponement of installment payment, and replacement of low-interest rate long-term loans.

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.

14. Events after the reporting period

On 7 April 2023, the Annual General Meeting of Shareholders of the Company passed a resolution to pay dividend for the year 2022 at Baht 1.15 per share, totaling Baht 2,965 million. The Company has already paid dividend to shareholders on 3 May 2023.

15. Approval of interim financial statements

These interim financial statements have been approved for issue by the authorised directors of the Company on 12 May 2023.