

**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**MARCH 31, 2020**

**1. GENERAL INFORMATION**

a) Address and legal status

The Company was registered to be a limited company under the Civil and Commercial Code with the Ministry of Commerce on January 29, 1992. The Company was converted to be a public company limited with the Ministry of Commerce on August 19, 2004.

The address of its registered office are as follow:-

Head office : Located at 455/1, Rama 3 Road, Kwang Bangklo, Khet  
Bangkorlaem, Bangkok 10120, Thailand.

Branch office : Located at 288/9, Asoke - Dindang Road, Kwang Bangkapi,  
Khet Huaikhwang, Bangkok 10400, Thailand.

b) Nature the company's business

Main business activities of the company is a provider of operating lease in car rental business and selling of used cars. The others relating car maintenance services are also provided e.g. fitting and repairing services.

**2. SIGNIFICANT ACCOUNTING POLICIES**

2.1 Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting", and the requirements of the Securities and Exchange Commission (SEC). 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 situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2019.

The interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

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 financial statements in Thai language version.

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2.2 Basis for consolidation financial statements

2.2.1 The accompanying consolidated financial statements include the accounts of Krungthai Car Rent And Lease Public Company Limited and the following a subsidiary since November 1, 2005 as follow:-

Subsidiary company	Main business	Percentage of holding
Krungthai Automobile Co., Ltd.	Buying, selling and exchanging cars and spare part for both used and unused, and repairing	100

2.2.2 The acquisition of investment in the subsidiary was recorded by the purchase method

2.2.3 Significant intercompany transactions between the Company and its subsidiary have been eliminated.

2.3 Financial reporting standards that become effective in the current year

During the period, the Company and its subsidiary have adopted the revised and new financial reporting standards, interpretations and the accounting guidance, which are effective for fiscal years beginning on or after January 1, 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. Except, the new standard involves changes to key principles, as summarized below.

**Financial reporting standards related to financial instruments:**

A set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TAS 32	Financial Instruments: Presentation
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

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These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

**TFRS 16 Leases**

TFRS 16 Leases supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The Company and its subsidiary have adopted TFRSs related to financial instruments and TFRS 16 the first-time in its financial statements by applying modified retrospective approach of adoption of which the cumulative effect as an adjustment to the retained earnings as at January 1, 2020 and the comparative information was not restated. The cumulative effect of the change is described in Note 4 to the interim financial statements.

**Accounting Treatment Guidance on "Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation"**

The Federation of Accounting Professions announced Accounting Treatment Guidance on "Temporary relief measures on accounting alternatives in response to the impact of the COVID-19 situation". Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On April 22, 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between January 1, 2020 and December 31, 2020.

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The Company and its subsidiary have elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where use a simplified approach to determine expected credit losses.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- Not to include information relating to the uncertain COVID-19 situation, which may affect the estimation of future taxable profits. Into data to estimate the adequacy of future taxable profits in order to take advantage of deferred tax assets.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2019 except the changes in accounting policies as follows.

**3.1 Financial assets and financial liabilities**

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS - Financial instruments standards are as follows:

**(1) Classification and measurement of financial assets**

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortized cost. Classification is driven by the Company and its subsidiaries' business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets that are equity instruments are measured at fair value through profit or loss or through other comprehensive income.

Financial liabilities are classified and measured at amortized cost.

**(2) Impairment of financial assets**

The Company and its subsidiary recognized an allowance for expected credit losses on its financial assets measured at amortized cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Company and its subsidiary accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Company and its subsidiary applies a simplified approach to determine the lifetime expected credit losses.

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**3.2 Leases**

At inception of a contract, the Company and its subsidiary assess whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**Right-of-use assets-as a lessee**

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are stated at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities (if any). The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of the lease term and the estimated useful lives for each of right-of-use assets.

**Lease liabilities**

At the commencement date of the lease, lease liabilities are measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

**Short-term leases and leases of low-value assets**

Leased that have a lease term of 12 months or less from the commencement date and not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

**4.CUMULATIVE EFFECTS OF CHANGES IN ACCOUNTING POLICIES DUE TO THE  
ADOPTION OF NEW FINANCIAL REPORTING STANDARDS**

As described in Note 2.3 to the interim financial statements, during the current period, the Company and its subsidiary have impacts from adoption of TFRSs related to financial instruments and TFRS 16. The cumulative effect of the changes in accounting policies are recognized as an adjustment to retained earnings as at January 1, 2020 and the comparative information was not restated.

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The changes in accounting policies due to the adoption of above financial reporting standards, are summarized below.

	Baht			
	Consolidated financial statements			
	As at December 31, 2019	The impacts of TFRSs related to financial instruments	The impacts of TFRS 16	As at January 1, 2020
<b>Statement of financial position</b>				
Investments in available-for-sale securities	59,087,104.00	(59,087,104.00)	-	-
Trade and other current receivables	167,788,006.73	(2,378,382.19)	-	165,409,624.54
Other current financial assets	-	59,087,104.00	-	59,087,104.00
Right-of-use assets	-	-	114,425,553.15	114,425,553.15
Leasehold right	10,657,946.15	-	(10,657,946.15)	-
Total assets	5,530,700,370.43	(2,378,382.19)	103,767,607.00	5,632,089,595.24
Current portion of lease liabilities	48,685,489.69	-	15,842,859.17	64,528,348.86
Lease liabilities	2,928,507.87	-	87,924,747.83	90,853,255.70
Total liabilities	3,475,324,804.54	-	103,767,607.00	3,579,092,411.54
Retained earnings - unappropriated	1,612,899,691.29	(2,352,877.79)	-	1,610,546,813.50
Gain from investment in securities measurement	25,504.40	(25,504.40)	-	-
Total Shareholder's equity	2,055,375,565.89	(2,378,382.19)	-	2,052,997,183.70

	Baht			
	Separate financial statements			
	As at December 31, 2019	The impacts of TFRSs related to financial instruments	The impacts of TFRS 16	As at January 1, 2020
<b>Statement of financial position</b>				
Investments in available-for-sale securities	59,081,116.89	(59,081,116.89)	-	-
Trade and other current receivables	155,405,746.45	(1,459,313.31)	-	153,946,433.14
Other current financial assets	-	59,081,116.89	-	59,081,116.89
Right-of-use assets	-	-	23,933,589.52	23,933,589.52
Leasehold right	5,617,518.69	-	(5,617,518.69)	-
Total assets	5,310,346,602.98	(1,459,313.31)	18,316,070.83	5,327,203,360.50
Current portion of lease liabilities	48,685,489.69	-	4,573,732.88	53,259,222.57
Lease liabilities	2,928,507.87	-	13,742,337.95	16,670,845.82
Total liabilities	3,489,169,142.55	-	18,316,070.83	3,507,485,213.38
Retained earnings - unappropriated	1,378,701,701.26	(1,433,924.34)	-	1,377,267,776.92
Gain from investment in securities measurement	25,388.97	(25,388.97)	-	-

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Total Shareholder's equity	<u>1,821,177,460.43</u>	<u>(1,459,313.31)</u>	<u>-</u>	<u>1,819,718,147.12</u>
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4.1 Financial instruments

The total impact on the retained earnings as at January 1, 2020 is as follows:

	Baht	
	Consolidated financial statements	Separate financial statements
Retained earnings - unappropriated as at December 31, 2019	1,612,899,691.29	1,378,701,701.26
Increase in loss allowance for trade and other current receivables	(2,378,382.19)	(1,459,313.31)
Debt instruments - Fair value through profit or loss	25,504.40	25,388.97
Retained earnings - unappropriated as at January 1, 2020 - TFRS 9	<u>1,610,546,813.50</u>	<u>1,377,267,776.92</u>

Classification and measurement

The classifications, measurement basis and carrying values of financial assets in accordance with TFRS9 as at January 1, 2020, and with the carrying amounts under the former basis, are as follows:-

	Baht		
	Consolidated financial statements		
	FVPL	Amortized cost	Total
Financial assets as at January 1, 2020			
Cash and cash equivalents	-	86,370,717.12	86,370,717.12
Other current financial assets	59,087,104.00	-	59,087,104.00
Trade and other current receivables	-	167,788,006.73	167,788,006.73
Total financial assets	<u>59,087,104.00</u>	<u>254,158,723.85</u>	<u>313,245,827.85</u>

	Baht		
	Separate financial statements		
	FVPL	Amortized cost	Total
Financial assets as at January 1, 2020			
Cash and cash equivalents	-	85,935,707.10	85,935,707.10
Other current financial assets	59,081,116.89	-	59,081,116.89
Trade and other current receivables	-	155,405,746.45	155,405,746.45
Total financial assets	<u>59,081,116.89</u>	<u>241,341,453.55</u>	<u>300,422,570.44</u>

4.2 Leases

Upon initial application of TFRS 16 the Company and its subsidiary recognized lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using incremental borrowing rate at January 1, 2020. For leases previously classified as finance leases, the Company and its subsidiary recognized the carrying amount of the right-of-use

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assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.



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	Baht	
	Consolidated financial statements	Separate financial statements
Operating lease commitments disclosed as at December 31, 2019	97,854,164.00	8,616,800.00
<u>Add:</u> Purchase or extension options reasonably certain to be exercised	29,566,002.60	12,179,700.00
	127,420,166.60	20,796,500.00
<u>Less:</u> Deferred interest expenses	(23,652,559.60)	(2,480,429.17)
Additional lease liabilities from TFRS 16 adoption	103,767,607.00	18,316,070.83
Finance lease liabilities as at December 31, 2019	51,613,997.56	51,613,997.56
Lease liabilities recognized as at January 1, 2020	155,381,604.56	69,930,068.39
Consisted of:		
Current lease liabilities	64,528,348.86	53,259,222.57
Non-current lease liabilities	90,853,255.70	16,670,845.82
	155,381,604.56	69,930,068.39

The recognized right-of-use assets relate to type the of assets as at January 1, 2020 as follows.

	Baht	
	Consolidated financial statements	Separate financial statements
Land and land improvements	114,425,553.15	23,933,589.52
Total right-of-use assets	114,425,553.15	23,933,589.52

## 5. TRANSACTIONS WITH RELATED PARTIES

Details of relationship with related parties are as follows:-

	Nature of business	Relationship
<u>Subsidiary company</u>		
Krungthai Automobile Co., Ltd.	Buying, selling and exchanging car and spare parts for both new and unused, and repairing	100% of holding
<u>Related companies</u>		
Thanapat Property Co., Ltd.	Office rental	Shareholder/Co-Director
Siam Nissan Krungthai Co., Ltd.	Selling car and repair service	Shareholder/Co-Director
Toyota Krungthai Co., Ltd.	Selling car and repair service	Shareholder/Co-Director
Car Loft Auto Import Co., Ltd.	Selling car import	Shareholder/Co-Director
Mitsu Impression Co.,Ltd	Selling car import	Shareholder/Co-Director
<u>Related person</u>		
Mrs. Wipaporn Chantarasereekul		Shareholder/the mother of director

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During the periods, the Company has significant business transactions with subsidiary and related parties as follows:

	Pricing Policy	Baht			
		Consolidated financial statements		Separate financial statements	
		For the three-month periods ended March 31,		For the three-month periods ended March 31,	
		2020	2019	2020	2019
<u>Subsidiary company</u>					
Revenue :					
Interest received.	Interest rate of 2.50% - 3.10% per annum	-	-	-	90,471.23
Expenses :					
Commission expenses	Agreed price	-	-	4,009,345.79	3,518,691.53
Sales promotion expenses	Agreed price	-	-	2,860,000.00	4,016,000.00
Purchase of assets :					
Cars for leases	Market price for major buyer	-	-	-	364,485.98
<u>Related companies</u>					
Revenue :					
Commission income					
Toyota Krungthai Co.,Ltd.	Market price	4,040,000.00	-	4,040,000.00	-
Show room for rent					
Siam Nissan Krungthai Co., Ltd.	Agreed price by area 350 sqm., rental charge at 83,000 Baht/Month	249,000.00	249,000.00	249,000.00	249,000.00
Service center income					
Siam Nissan Krungthai Co., Ltd.	Agreed price	1,307,577.00	1,276,912.50	1,307,577.00	1,276,912.50
Rental fee					
Carloft Import Co., Ltd.	Rental charge at 86,290 Baht/Month	258,870.00	258,870.00	-	-
Interest received.					
Siam Nissan Krungthai Co., Ltd.	Interest rate of 3.15% per annum	-	210,575.34	-	210,575.34
Expenses :					
Repair expense					
Siam Nissan Krungthai Co., Ltd.	Market price	271,178.52	383,594.46	260,164.77	383,594.46
Toyota Krungthai Co.,Ltd.	Market price	2,520,900.56	1,677,214.39	1,881,089.20	1,371,491.85
Car Loft Auto Import Co., Ltd.	Market price	39,033.80	25,409.00	39,033.80	25,409.00
Mitsu Impresstion Co.,Ltd.	Market price	20,409.05	-	20,409.05	-
		<u>2,851,521.93</u>	<u>2,086,217.85</u>	<u>2,200,696.82</u>	<u>1,780,495.31</u>
Commission expense					
Car Loft Auto Import Co., Ltd.	Agreed price	224,299.07	140,186.91	224,299.07	140,186.91
Purchase of assets :					
Car for leases					
Siam Nissan Krungthai Co., Ltd.	At cost after deduct special discount	1,367,385.98	-	1,367,385.98	-
Toyota Krungthai Co., Ltd.	At cost after deduct special discount	161,223,849.06	341,481,178.04	161,223,849.06	341,481,178.04
Car Loft Auto Import Co., Ltd.	Market price for major buyer	10,598,130.84	5,934,579.44	10,598,130.84	5,934,579.44
Mitsu Impresstion Co.,Ltd.	At cost after deduct special discount	8,034,579.44	-	8,034,579.44	-
		<u>181,223,945.32</u>	<u>347,415,757.48</u>	<u>181,223,945.32</u>	<u>347,415,757.48</u>
<u>Related person</u>					
Interest expenses	Interest rate of 3.22% per annum	793,972.60	793,972.60	793,972.60	793,972.60

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The outstanding between the Company, subsidiary and related companies are as follows :-

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
<b><u>Outstanding balances at the statements of financial position</u></b>				
<b><u>Subsidiary company</u></b>				
Receivable - down payment	-	-	1,384,154.00	808,444.00
Subsidiary payable	-	-	20,510,172.46	17,962,038.05
Accrued interest expenses	-	-	6,093.70	4,188.74
Accrued expenses - commission	-	-	4,210,000.00	5,230,000.00
<b><u>Related companies</u></b>				
Other current receivables				
Siam Nissan Krungthai Co., Ltd.	955,343.62	938,513.06	955,343.62	938,513.06
Right-of-use assets				
Siam Nissan Krungthai Co., Ltd.	8,071,616.36	-	8,071,616.36	-
Toyota Krungthai Co., Ltd.	1,318,409.69	-	-	-
Thanapat Property Co., Ltd.	3,762,004.48	-	-	-
Total	<u>13,152,030.53</u>	<u>-</u>	<u>8,071,616.36</u>	<u>-</u>
Lease liabilities				
Siam Nissan Krungthai Co., Ltd.	8,110,456.89	-	8,110,456.89	-
Toyota Krungthai Co., Ltd.	1,325,611.37	-	-	-
Thanapat Property Co., Ltd.	3,782,065.73	-	-	-
Total	<u>13,218,133.99</u>	<u>-</u>	<u>8,110,456.89</u>	<u>-</u>
Trade and other payables				
Siam Nissan Krungthai Co., Ltd.	247,680.49	86,066.21	110,664.59	86,066.21
Toyota Krungthai Co., Ltd.	1,511,722.09	1,263,836.38	1,414,620.22	1,263,836.38
Car Loft Auto Import Co., Ltd.	69,743.04	148,222.84	35,145.02	125,658.67
Mitsu Impression Co.,Ltd.	14,418.46	-	14,418.46	-
Total	<u>1,843,564.08</u>	<u>1,498,125.43</u>	<u>1,574,848.29</u>	<u>1,475,561.26</u>
Payables - purchase assets for leases				
Siam Nissan Krungthai Co., Ltd.	1,463,103.00	-	1,463,103.00	-
Toyota Krungthai Co., Ltd.	54,446,381.00	57,744,894.60	54,446,381.00	57,744,894.60
Total	<u>55,909,484.00</u>	<u>57,744,894.60</u>	<u>55,909,484.00</u>	<u>57,744,894.60</u>
Accrued expenses - commission				
Car Loft Auto Import Co., Ltd.	56,074.77	56,074.77	56,074.77	56,074.77
<b><u>Related person</u></b>				
Debentures	100,000,000.00	100,000,000.00	100,000,000.00	100,000,000.00
Accrued interest expenses	79,397.26	79,397.26	79,397.26	79,397.26

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Directors and executive remuneration for the three-month periods ended March 30, 2020 and 2019 consisted of :

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Directors	379,630.61	395,317.23	379,630.61	395,317.23
Executive directors	2,257,743.90	2,108,717.10	2,257,743.90	2,108,717.10
Executives	2,836,055.75	2,652,400.85	2,836,055.75	2,481,571.71
Total	<u>5,473,430.26</u>	<u>5,156,435.18</u>	<u>5,473,430.26</u>	<u>4,985,606.04</u>

**6. CASH AND CASH EQUIVALENTS**

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Cash on hand	526,564.82	288,515.34	356,929.80	111,569.31
Cash at banks - current accounts	2,084,788.81	5,645,031.20	2,084,788.81	5,645,031.20
Cash at banks - savings accounts	<u>68,149,427.27</u>	<u>80,437,170.58</u>	<u>67,984,761.60</u>	<u>80,179,106.59</u>
Total	<u>70,760,780.90</u>	<u>86,370,717.12</u>	<u>70,426,480.21</u>	<u>85,935,707.10</u>

The Company and its subsidiary have made an agreement to allow the bank to automatically transfer funds from the savings accounts to such current accounts, in case of an overdraft.

As at March 31, 2020 and December 31, 2019, the Company has cash at banks-savings accounts has interest rate of 0.10% - 0.375% per annum.

**7. TRADE AND OTHER CURRENT RECEIVABLES**

The outstanding balance of trade and other receivables aging are as follow:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Trade receivables				
Undue	107,088,501.42	111,640,627.38	106,074,006.42	103,376,810.88
Over 0 months to 3 months	20,105,306.05	12,466,489.42	12,040,429.22	11,736,107.42
Over 3 months to 6 months	1,948,241.02	2,495,695.04	1,948,241.02	1,620,975.39
Over 6 months to 12 months	1,106,782.45	1,569,823.82	1,106,782.45	1,569,823.82
Over 12 months	<u>2,200,059.12</u>	<u>1,345,224.00</u>	<u>2,200,059.12</u>	<u>1,345,224.00</u>
Total	132,448,890.06	129,517,859.66	123,369,518.23	119,648,941.51
Less Allowance for doubtful accounts	<u>(5,704,860.56)</u>	<u>(3,677,091.67)</u>	<u>(5,656,678.03)</u>	<u>(3,677,091.67)</u>
Trade receivables - net	<u>126,744,029.50</u>	<u>125,840,767.99</u>	<u>117,712,840.20</u>	<u>115,971,849.84</u>

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**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2020**

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Other current receivables				
Accrued incomes	14,170,729.07	9,684,856.04	13,131,264.18	9,486,241.63
Prepaid expenses	20,648,144.97	23,464,726.68	20,495,593.57	23,302,990.49
Insurance receivables	3,025,697.88	3,067,084.14	3,025,697.88	3,067,084.14
Other	5,443,190.20	5,730,571.88	2,565,332.32	3,577,580.35
Total other current receivables	43,287,762.12	41,947,238.74	39,217,887.95	39,433,896.61
Total trade and other current receivables	170,031,791.62	167,788,006.73	156,930,728.15	155,405,746.45
Trade receivables-net consisted of:				
Trade receivables of car leases	97,890,772.01	94,542,099.08	97,890,772.01	94,542,099.08
Trade receivables of sale of cars	28,853,257.49	31,298,668.91	19,822,068.19	21,429,750.76
Total	126,744,029.50	125,840,767.99	117,712,840.20	115,971,849.84

**8. INVENTORIES**

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Used car	215,342,474.67	233,357,717.69	145,177,893.18	161,184,752.08
Spare parts of car	1,912,011.84	1,662,559.05	1,912,011.84	1,662,559.05
Total	217,254,486.51	235,020,276.74	147,089,905.02	162,847,311.13

**9. OTHER CURRENT FINANCIAL ASSETS**

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Other current financial assets				
Unit trust - Mutual fund	40,100,609.25	59,087,104.00	40,094,622.14	59,081,116.89
Other current financial assets	40,100,609.25	59,087,104.00	40,094,622.14	59,081,116.89

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**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**  
**MARCH 31, 2020**

**10. CASH AT BANK USING FOR GUARANTEE**

As at March 31, 2020 and December 31, 2019, the Company has fixed deposit accounts with a local commercial banks 2 credit lines, respectively, and fixed deposit accounts was guaranteed as follows:-

Credit Line No.	Credit amount (Million Baht)	Guaranteed
1	20	- The letter of guarantee issued by the bank for rental contracts, bidding envelope and using electricity of the company credit line of Baht 100 million.
2	20	- Short - term loans in promissory note in credit line of Baht 80 million (see Note 18).
	10	- Bank overdrafts credit line of Baht 20 million (see Note 18).
	<u>50</u>	

As at March 31, 2020 and December 31, 2019, the fixed deposit accounts has interest rate of 0.90% - 0.95% per annum.

**11. INVESTMENT IN SUBSIDIARY COMPANY**

This account consisted of:

	Baht							
	Number of shares				Value of investment under the equity method		Separate financial statements Cost method	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
<u>Subsidiary company</u>								
Krungthai Automobile Co., Ltd.	400,000	400,000	100	100	283,314,637.05	283,010,405.46	48,812,300.00	48,812,300.00
					<u>283,314,637.05</u>	<u>283,010,405.46</u>	<u>48,812,300.00</u>	<u>48,812,300.00</u>

**12. ASSETS FOR LEASES**

Movements of the assets for leases account for the three-month period ended March 31, 2020 are summarized as follows.

	Baht
	<u>Consolidated/Separate financial statements</u>
<b>At cost</b>	
Balance as at December 31, 2019	6,403,429,572.46
Acquisitions during the period	327,933,638.30
Transferred in (transferred out) during the period	(223,086,976.66)
Balance as at March 31, 2020	<u>6,508,276,234.10</u>

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**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2020**

	<u>Baht</u>
	<u>Consolidated/Separate</u>
	<u>financial statements</u>
<b>Accumulated depreciation</b>	
Balance as at December 31, 2019	(2,111,736,253.70)
Depreciation for the period	(217,339,864.20)
(Transferred in) transferred out during the period	138,517,578.14
Balance as at March 31, 2020	<u>(2,190,558,539.76)</u>
<b>Net book value</b>	
Balance as at December 31, 2019	<u>4,291,693,318.76</u>
Balance as at March 31, 2020	<u><u>4,317,717,694.34</u></u>

As at March 31, 2020 and December 31, 2019, the Company has cars for leases under lease liabilities as follows:-

	<u>Amount (Cars)</u>		<u>Net value (Baht)</u>	
	<u>As at March</u>	<u>As at December</u>	<u>As at March</u>	<u>As at December</u>
	<u>31, 2020</u>	<u>31, 2019</u>	<u>31, 2020</u>	<u>31, 2019</u>
Cars	171	253	52,349,747.90	77,795,910.68

As at March 31, 2020 and December 31, 2019, the Company has transferred the right of 2,302 and 2,339 cars' registers, respectively as collateral for long-term loans from 2 local financial institutions, respectively, (see Note 18).

As at March 31, 2020 and December 31, 2019, the Company has minimum amounts on car leases under uncanceled operating lease agreements, presented by amounting in contracts as follow :-

	<u>Baht</u>	
	<u>As at March</u>	<u>As at December</u>
	<u>31, 2020</u>	<u>31, 2019</u>
Under 1 year	1,143,495,271.42	1,169,065,323.50
Over 1 year to 5 years	<u>1,718,543,478.21</u>	<u>1,788,656,580.95</u>
Total	<u><u>2,862,038,749.63</u></u>	<u><u>2,957,721,904.45</u></u>

As at March 31, 2020 and December 31, 2019, the Company has been fully depreciated cars for leases but they are still in used at total amounting cost of Baht 255.67 million and Baht 255.53 million, respectively.

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**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**  
**MARCH 31, 2020**

**13. PROPERTY, PLANT AND EQUIPMENT**

Movements of the property, plant and equipment account for the three-month period ended March 31, 2020 are summarized as follows.

	Baht	
	Consolidated financial statements	Separate financial statements
<b>At cost</b>		
Balance as at December 31, 2019	216,222,340.70	31,764,122.89
Acquisitions during the period	321,419.70	280,629.89
Balance as at March 31, 2020	<u>216,543,760.40</u>	<u>32,044,752.78</u>
<b>Accumulated depreciation</b>		
Balance as at December 31, 2019	(40,125,708.64)	(27,654,044.31)
Depreciation for the period	(962,098.92)	(363,567.54)
Balance as at March 31, 2020	<u>(41,087,807.56)</u>	<u>(28,017,611.85)</u>
<b>Net book value</b>		
Balance as at December 31, 2019	<u>176,096,632.06</u>	<u>4,110,078.58</u>
Balance as at March 31, 2020	<u>175,455,952.84</u>	<u>4,027,140.93</u>

As at March 31, 2020 and December 31, 2019, equipment are fully depreciated but still in use are presented in the consolidated financial statements at cost of Baht 32.85 million and Baht 32.34 million, respectively and in the separate financial statements of Baht 24.71 million and Baht 24.25 million, respectively.

**14. RIGHT OF USE ASSETS**

Movements of the right of use assets account for the three-month period ended March 31, 2020 are summarized as follows.

	Baht	
	Consolidated financial statements	Separate financial statements
<b>Net book value As at January 1, 2020</b>	10,657,946.15	5,617,518.69
Adjustments of right-of-use assets due to TFRS16 adoption	103,767,607.00	18,316,070.83
<b>Net book value As at January 1, 2020 - as adjusted</b>	114,425,553.15	23,933,589.52
Additions during the period	35,000.00	-
Depreciation for the period	(5,364,691.48)	(1,630,532.57)
<b>Net book value As at March 31, 2020</b>	<u>109,095,861.67</u>	<u>22,303,056.95</u>



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**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**  
**MARCH 31, 2020**

**15. INTANGIBLE ASSETS**

Movements of the intangible assets account for the three-month period ended March 31, 2020 are summarized as follows.

	Baht	
	Consolidated financial statements	Separate financial statements
<b>At cost</b>		
Balance as at December 31, 2019	15,433,768.13	13,275,695.69
Acquisitions during the period	1,118,687.50	1,118,687.50
Balance as at March 31, 2020	<u>16,552,455.63</u>	<u>14,394,383.19</u>
<b>Accumulated amortization</b>		
Balance as at December 31, 2019	(6,735,024.75)	(5,728,842.69)
Amortization for the period	(78,196.60)	(32,492.21)
Balance as at March 31, 2020	<u>(6,813,221.35)</u>	<u>(5,761,334.90)</u>
<b>Net book value</b>		
Balance as at December 31, 2019	<u>8,698,743.38</u>	<u>7,546,853.00</u>
Balance as at March 31, 2020	<u>9,739,234.28</u>	<u>8,633,048.29</u>

As at March 31, 2020 and December 31, 2019, intangible assets are fully amortization but still in use are presented in the consolidated financial statements at cost of Baht 6.00 million and Baht 5.73 million, respectively and in the separate financial statements of Baht 5.24 million and Baht 4.97 million, respectively.

**16. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES**

Deferred tax assets and deferred tax liabilities as follows:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Deferred tax assets	123,462,363.07	110,654,623.92	148,448,539.40	136,159,924.47
Deferred tax liabilities	-	-	(25,612,586.25)	(25,868,839.89)

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<u>123,462,363.07</u>	<u>110,654,623.92</u>	<u>122,835,953.15</u>	<u>110,291,084.58</u>
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**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**  
**MARCH 31, 2020**

Changes in deferred tax assets and deferred tax liabilities for the three-month period ended March 31, 2020, are summarized as follows:

	Baht			
	Consolidated financial statements			
	Balance as at Dec. 31, 2019	Revenue (expenses) during the period		
	In profit or loss	In other comprehensive income		
Deferred tax assets:				
Accrued expense - rental	29,642.11	5,557.89	-	35,200.00
Provision for employee benefit	3,261,798.46	127,683.44	1,494,997.41	4,884,479.31
Leases liabilities	-	141,198.47	-	141,198.47
Tax losses carry forward	133,232,052.10	10,782,019.44	-	144,014,071.54
Total	<u>136,523,492.67</u>	<u>11,056,459.24</u>	<u>1,494,997.41</u>	<u>149,074,949.32</u>
Deferred tax liabilities:				
Investment in available-for-sale securities	6,376.10	-	6,376.10	-
Inventories	2,384,390.93	(195,432.57)	-	2,579,823.50
Assets for leases	23,471,446.82	442,983.27	-	23,028,463.55
Equipment	6,654.90	2,355.70	-	4,299.20
Total	<u>25,868,868.75</u>	<u>249,906.40</u>	<u>6,376.10</u>	<u>25,612,586.25</u>

	Baht			
	Separate financial statements			
	Balance as at Dec. 31, 2019	Revenue (expenses) during the period		
	In profit or loss	In other comprehensive income		
Deferred tax assets:				
Accrued expense- rental	29,642.11	5,557.89	-	35,200.00
Provision for employee benefit	2,898,230.26	102,975.14	1,376,875.65	4,378,081.05
Leases liabilities	-	21,186.81	-	21,186.81
Tax loss carry forward	133,232,052.10	10,782,019.44	-	144,014,071.54
Total	<u>136,159,924.47</u>	<u>10,911,739.28</u>	<u>1,376,875.65</u>	<u>148,448,539.40</u>
Deferred tax liabilities:				
Investment in available-for-sale securities	6,347.24	-	6,347.24	-
Inventories	2,384,390.93	(195,432.57)	-	2,579,823.50
Assets for leases	23,471,446.82	442,983.27	-	23,028,463.55
Equipment	6,654.90	2,355.70	-	4,299.20

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Total	<u>25,868,839.89</u>	<u>249,906.40</u>	<u>6,347.24</u>	<u>25,612,586.25</u>
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**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2020**

**17. OTHER NON - CURRENT ASSETS**

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Deposit	5,115,106.60	5,169,533.20	1,313,657.07	1,368,083.67
Withholding tax deducted at source	240,075,692.40	224,976,174.64	239,912,753.23	224,771,022.46
<u>Less</u> allowance for the refund	<u>(45,003,330.13)</u>	<u>(41,273,886.63)</u>	<u>(45,003,330.13)</u>	<u>(41,273,886.63)</u>
Withholding tax deducted at source - net	195,072,362.27	183,702,288.01	194,909,423.10	183,497,135.83
Total	<u>200,187,468.87</u>	<u>188,871,821.21</u>	<u>196,223,080.17</u>	<u>184,865,219.50</u>

**18. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS**

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2020	As at December 31, 2019	As at March 31, 2020	As at December 31, 2019
Bank overdrafts	-	1,880,056.54	-	1,880,056.54
Promissory notes	-	40,000,000.00	-	40,000,000.00
Total	<u>-</u>	<u>41,880,056.54</u>	<u>-</u>	<u>41,880,056.54</u>

As at March 31, 2020 and December 31, 2019, the Company has the bank overdrafts with the two local commercial banks, with 2 credit lines total of Baht 25 million consist of the first credit line Baht 20 million and the second credit line Baht 5 million, carrying interest Fixed+1 and MOR per annum. The first loan is guaranteed by fixed deposit of Baht 10 million and the second loan is no guaranteed.

As at March 31, 2020 and December 31, 2019, the Company has short-term loans in promissory notes with five local commercial banks total of 6 credit lines, are as follows :-

Credit line No.	Credit line (Million Baht)	Interest rate (per annum)	Guaranteed
1	80	MMR	- The Company's fixed deposit amount of Baht 20 million
2	50	MMR	- Directors of the company
3	30	MMR	- No guaranteed
4	50	MMR	- No guaranteed

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5	40	MMR	- No guaranteed
6	30	MMR	- No guaranteed
	<u>280</u>		

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2020**

As at March 31, 2020 and December 31, 2019, the subsidiary company has bank overdraft from a local commercial bank with 1 credit line total of Baht 20 million, carrying interest MOR per annum. This loan is guaranteed by fixed deposit of directors of the company.

**19. BILL OF EXCHANGE**

This account consisted of:

	Baht	
	<u>Consolidated/Separate financial statements</u>	
	As at March 31, 2020	As at December 31, 2019
Bill of exchange-at face value	100,000,000.00	200,000,000.00
<u>Less</u> Discount	(366,358.32)	(330,269.82)
Bill of exchange-amortized value	<u>99,633,641.68</u>	<u>199,669,730.18</u>

As at March 31, 2020 and December 31, 2019, the Company has 1 bills of exchange in the amount of Baht 100 million and 2 bills of exchange in the amount of Baht 200 million, respectively. The interest rate is at fixed rate, due at the date specified on the front of the bill of exchange and the discount from the bill of exchange is recognized as finance cost for the three-month periods ended March 31, 2020 and 2019 in the amount of Baht 0.85 million and Baht 0.67 million, respectively in the consolidated and separate financial statements.

**20. DEBENTURES**

This account consisted of:

	Baht	
	<u>Consolidated/Separate financial statements</u>	
	As at March 31, 2020	As at December 31, 2019
Unsecured debentures - at face value	1,850,000,000.00	1,850,000,000.00
<u>Less</u> Deferred expenses on debentures issuance	(1,867,037.82)	(2,114,088.71)
	<u>1,848,132,962.18</u>	<u>1,847,885,911.29</u>

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<u>Less</u> Current portion due within one year	<u>(549,913,725.82)</u>	<u>(549,836,002.86)</u>
Net	<u>1,298,219,236.36</u>	<u>1,298,049,908.43</u>

**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**  
**MARCH 31, 2020**

As at March 31, 2020, the Company has the name-registered of unsubordinated, unsecured and non-holder's representative debentures. The debentures are available to institutional investors and major shareholders in the Notification of Securities and Exchange Commission. The details of issuance of debentures were as below:

Issued No. 1

Debenture issued on	:	June 22, 2017
Debentures value	:	Baht 300 million (300,000 units of par value of Baht 1,000 each)
Period and maturity date	:	3 years 2 days will mature on June 24, 2020
Interest rate	:	Fixed rate of 3.22% per annum
Interest payment due	:	Every March 22, June 22, September 22 and December 22 of each year

Issued No. 2

Debenture issued on	:	July 31, 2017
Debentures value	:	Baht 250 million (250,000 units of par value of Baht 1,000 each)
Period and maturity date	:	3 years 4 days will mature on August 4, 2020
Interest rate	:	Fixed rate of 3.22% per annum
Interest payment due	:	Every January 31, April 30, July 31 and October 31 of each year

Issued No. 3

Debenture issued on	:	March 28, 2018
Debentures value	:	Baht 600 million (600,000 units of par value of Baht 1,000 each)
Period and maturity date	:	4 years will mature on March 28, 2022
Interest rate	:	Fixed rate of 2.46% per annum
Interest payment due	:	Every March 28 and September 28 of each year

Issued No. 4

Debenture issued on	:	July 25, 2019
Debentures value	:	Baht 700 million (700,000 units of par value of Baht 1,000 each)

each)

Period and maturity date	:	4 years will mature on July 25, 2023
Interest rate	:	Fixed rate of 2.96% per annum
Interest payment due	:	Every July 25 and January 25 of each year

**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2020**

**21. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS**

This account consisted of:

	Baht	
	Consolidated/Separate financial statements	
	As at March 31, 2020	As at December 31, 2019
Long-term loans from financial institutions	1,104,896,333.15	1,020,874,590.17
<u>Less</u> Current portion due within one year	<u>(225,872,963.38)</u>	<u>(257,534,391.01)</u>
Net	<u>879,023,369.77</u>	<u>763,340,199.16</u>

As at March 31, 2020, the Company has 3 credit lines of long-term loans with two local financial institutions. Each credit line has been withdrawn to several loans and the details are as follows:

Credit line No.	Credit line using (Million Baht)	Withdraw loan (Million Baht)	Interest rate (per annum)	Monthly installment (Million Baht)	The first installment date of 1 <sup>st</sup> loan and the final installment date of final loan	Guaranteed The right of car's registers of the company
1	630	500	Fixed Rate	5.10	Aug. 16 - Jul. 21	1,089
2	1,000	898.51	Fixed Rate	14.58	Sep. 16 - Feb. 23	1,082
3	300	100	Fixed Rate	1.60	Mar. 20 - Feb. 24	131
	<u>1,930</u>	<u>1,498.51</u>		<u>21.28</u>		<u>2,302</u>

As at December 31, 2019, the Company has 4 credit lines of long-term loans with two local financial institutions. Each credit line has been withdrawn to several loans and the details are as follows:

Credit line No.	Credit line using (Million Baht)	Withdraw loan (Million Baht)	Interest rate (per annum)	Monthly installment (Million Baht)	The first installment date of 1 <sup>st</sup> loan and the final installment date of final loan	Guaranteed The right of car's registers of the company
1	630	546.83	Fixed Rate	5.96	Aug. 16 - Jul. 21	1,091
2	150	150	Fixed Rate	3.00	Sep. 16 - Dec. 19	23
3	200	200	Fixed Rate	4.00	Jan. 17 - Feb. 20	269
4	1,000	<u>797.95</u>	Fixed Rate	12.94	Sep. 17 - Feb. 21	956

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<u>1,980</u>	<u>1,694.78</u>	<u>25.90</u>	<u>2,339</u>
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Under the long - term loan agreements, the Company shall have to comply with certain conditions and restrictions as specified in the agreement. The Company has to maintain a proper financial ratio at the agreed rate (3.5 : 1 times).

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**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2020**

As at March 31, 2020 and December 31, 2019, the movement in long-term loans from financial institutions are as follows:-

	Baht	
	Consolidated/Separate financial statements	
	As at March 31, 2020	As at December 31, 2019
Balance beginning of the period	1,020,874,590.17	1,087,021,431.56
<u>Add</u> Loan increase during the period	200,573,720.00	350,570,845.00
<u>Less</u> Repayment during the period	(116,551,977.02)	(416,717,686.39)
Balance ending of the period	<u>1,104,896,333.15</u>	<u>1,020,874,590.17</u>

**22. LEASE LIABILITIES**

Movements of the lease liabilities account for the three-month period ended March 31, 2020 are summarized as follows.

	Baht	
	Consolidated financial statements	Separate financial statements
Balance as at December 31, 2019	51,613,997.56	51,613,997.56
Effects of the adoption of TFRS16	103,767,607.00	18,316,070.83
Balance as at January 1, 2020	155,381,604.56	69,930,068.39
Payments in the period	(17,282,323.66)	(14,512,394.64)
Balance as at March 31, 2020	138,099,280.90	55,417,673.75
<u>Less</u> current portion	(54,811,586.08)	(41,771,106.75)
Lease liabilities - net of current portion	<u>83,287,694.82</u>	<u>13,646,567.00</u>

As at March 31, 2020, the Company and subsidiary have lease liabilities to be paid as follows:

Baht	
Consolidated financial statements	Separate financial statements

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	Principal	Deferred Interest	Total debts	Principal	Deferred Interest	Total debts
Payment due within 1 year	54,811,586.08	4,930,651.22	59,742,237.30	41,771,106.75	1,302,387.22	43,073,493.97
Payment due over 1 year to 5 years	46,186,494.48	11,749,957.72	57,936,452.20	9,034,344.52	1,709,340.25	10,743,684.77
Payment due over 5 years	37,101,200.34	601,714.72	37,702,915.06	4,612,222.48	11,500,667.17	16,112,889.65
Total	138,099,280.90	17,282,323.66	155,381,604.56	55,417,673.75	14,512,394.64	69,930,068.39

**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2020**

**23. PROVISION FOR EMPLOYEE BENEFIT**

Provision for employee benefits are as follows

The statements of financial position

	Baht			
	Consolidated financial statements		Separate financial statements	
	At as March	At as December	At as March	At as December
	31, 2020	31, 2019	31, 2020	31, 2019
Provision for employee benefits at beginning of period	16,308,992.31	12,255,423.31	14,491,151.31	10,364,561.31
Actuarial loss	7,474,987.07	3,530,233.00	6,884,378.27	3,051,310.00
Benefits paid by the plan	-	(4,887,399.00)	-	(3,637,500.00)
Past service costs and interest				
- change a considered a post employment plan amendment	-	3,277,686.00	-	3,072,470.00
Current service costs and interest	638,417.17	2,133,049.00	514,875.70	1,640,310.00
Provision for employee benefits at ending of period	24,422,396.55	16,308,992.31	21,890,405.28	14,491,151.31

The statements of comprehensive income

For the three-month periods ended March 31, 2020 and 2019

	Baht			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current service costs and interest				
Service costs	542,204.96	319,067.50	428,839.19	224,393.25
Interest expenses	96,212.21	113,888.75	86,036.51	95,165.00
Total	638,417.17	432,956.25	514,875.70	319,558.25

Principal actuarial assumptions in the estimates based on the actuarial principles

For the three-month periods ended March 31, 2020 and 2019

	Consolidated financial statements		Separate financial statement	
	2020	2019	2020	2019
Discount rate	1.61 - 1.69	3.30 - 3.38	1.61	3.38
Salary increase rate	6.00	6.94	6.00	6.94
Employee turnover rate				



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Less than 30 years	25.79 - 34.38	28.00 - 38.00	25.79 - 34.38	28.00 - 38.00
Age 30 - 39 years	11.46 - 17.19	18.00	11.46 - 17.19	18.00
Age 40 - 49 years	5.73 - 8.60	9.00	5.73 - 8.60	9.00
Age 50 - 60 years	5.73	5.00	5.73	5.00
Disability rate	Included of mortality rate	10 of mortality rate	Included of mortality rate	10 of mortality rate
Mortality rate	105.00 of Thai mortality table 2017	100.00 of Thai mortality table 2017	105.00 of Thai mortality table 2017	100.00 of Thai mortality table 2017

**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2020**

**24. OTHER INCOME**

This account consisted of:-

	Baht			
	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2020	2019	2020	2019
Interest income	130,298.10	329,292.32	130,298.10	419,763.55
Penalty of cancelled contracts	2,025,302.97	1,786,605.47	2,025,302.97	1,786,605.47
Repairing service income	1,307,577.00	1,276,912.50	1,307,577.00	1,276,912.50
Commission income	8,291,768.40	2,452,646.93	5,716,000.00	-
Others	6,486,522.60	8,614,019.44	3,973,466.29	5,476,262.36
Total	18,241,469.07	14,459,476.66	13,152,644.36	8,959,543.88

**25. (INCOME) TAX EXPENSES**

Major components of (income) tax expenses for the three-month periods ended March 31, 2020 and 2019 consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2020	2019	2020	2019
(Income) tax expenses shown in profit or loss :				
Current tax expenses:				
Income tax for the period	307,842.03	212,520.59	-	-
Deferred tax expenses:				
Changes in temporary differences relating to the original recognition and reversal	(11,306,365.64)	(11,961,049.08)	(11,161,645.68)	(12,090,545.28)
Total	(10,998,523.61)	(11,748,528.49)	(11,161,645.68)	(12,090,545.28)
Income tax relating to components of other comprehensive income:				
Deferred tax relating to:				
Remeasuring investment in available-for-sale	6,376.10	2,662.93	6,347.24	2,666.52

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Actuarial loss	<u>1,494,997.41</u>	<u>-</u>	<u>1,376,875.65</u>	<u>-</u>
Total	<u><u>1,501,373.51</u></u>	<u><u>2,662.93</u></u>	<u><u>1,383,222.89</u></u>	<u><u>2,666.52</u></u>

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**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**  
**MARCH 31, 2020**

**26. BASIC EARNINGS PER SHARE**

Basic earnings per share is computed by dividing profit for the period attributable to shareholders of the Company (excluded other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	For the three-month periods		For the three-month periods	
	ended March 31,		ended March 31,	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Profit for the period attributable to ordinary shareholders (Baht)	60,137,647.69	59,528,910.63	58,441,860.18	58,988,937.97
Weighted average number of ordinary shares (Shares)	250,000,000	250,000,000	250,000,000	250,000,000
Basic earnings per share (Baht per share)	0.24	0.24	0.23	0.24

**27. COMMITMENTS AND CONTINGENT LIABILITIES**

**27.1 Commitments of services contracts**

As at March 31, 2020, the Company has 3 services contracts for the periods 1-2 years, the total rate of service charge of Baht 0.84 million per year.

**27.2 Commitments of capital expenditure**

As at March 31, 2020, the Company has the commitment about installation and software development system agreement, which the Company will be to pay under the both agreement in the amount of Baht 4.49 million (included VAT).

**27.3 Guarantee**

As at March 31, 2020, the Company has letters of guarantee issued by three local commercial bank for rental bidding guarantee in the amount of Baht 104.65 million and using electricity in the amount of Baht 0.19 million. (total guarantee of Baht 265 million).

And the subsidiary company has 3 letters of guarantee issued by a local commercial bank for using electricity, guarantee by fixed deposit of directors in the amount of Baht 0.19 million.

**28. SEGMENT INFORMATION**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**  
**MARCH 31, 2020**

The Company and its subsidiary, business operations involve 2 principal segments: (1) Car rental and (2) Used car distribution and its operations are mainly carried in the same geographic area in Thailand. The financial information by segments are classified by business activities as follows.

Business activities are classified by product segments for the three-month periods ended March 31, 2020 and 2019 as follows :-

	Consolidated financial statements (Thousand Baht)					
	Car rent of operating		Used car distribution		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Income on car leases	328,224	304,648	-	-	328,224	304,648
Income on sale of cars	157,164	131,987	43,884	53,140	201,048	185,127
Total	485,388	436,635	43,884	53,140	529,272	489,775
Cost						
Cost of car leases	287,847	257,188	-	-	287,847	257,188
Cost of sales of cars	103,365	82,625	39,144	47,888	142,509	130,513
Total	391,212	339,813	39,144	47,888	430,356	387,701
Gross profit	94,176	96,822	4,740	5,252	98,916	102,074
<u>Total assets as at March 31,</u>						
Assets for leases	4,317,718	4,053,682	-	-	4,317,718	4,053,682
Fixed assets	4,027	11,059	171,429	178,517	175,456	189,576
Right of use assets	22,303	-	86,793	-	109,096	-
Intangible assets	8,633	5,627	1,106	793	9,739	6,420
Other assets	975,668	714,188	41,297	114,635	1,016,965	828,823
Total	5,328,349	4,784,556	300,625	293,945	5,628,974	5,078,501

#### Major customers

The Company and its subsidiary have no major customer (with revenue of 10 percent or more of an entity's revenue).

## **29. FAIR VALUE OF FINANCIAL INSTRUMENTS**

The Company and its subsidiary use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

#### Fair value hierarchy

Level 1 - Use of quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Use of inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (e.g. prices) or indirectly (e.g. derived from prices).

Level 3 - Use of unobservable inputs such as estimates of future cash flows.

**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**  
**MARCH 31, 2020**

As at March 31, 2020, the Company and its subsidiary had the following assets and liabilities that were measured at fair value using different levels of inputs as follows :-

	Baht			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Current investments				
-Unit trust	-	40,100,609.25	-	40,100,609.25

  

	Baht			
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Current investments				
-Unit trust	-	40,094,622.14	-	40,094,622.14

During the current period, there were no transfers within the fair value hierarchy.

Valuation techniques and inputs for Level 2 valuations

The fair value of investments in investment units which are not listed on the Stock Exchange of Thailand, is determined by using the net assets value per unit as announced by the fund managers.

**30. EVENTS AFTER THE REPORTING PERIOD**

At the Ordinary General Shareholders' Meeting held on April 24, 2020, the shareholders approved to

- 1) To pay dividend from the Company operation year 2019 to the shareholders with Baht 0.70 per share, in the amount of Baht 175.00 million. The dividend paid in the amount of Baht 90.00 million (appropriated for 250,000,000 shares of Baht 0.36 each) was paid on September 10, 2019, and the remaining in the amount of Baht 100.00 million, (appropriated for 250,000,000 shares of Baht 0.34 each), will be pay within May 22, 2020.
- 2) To approve the issuance and offering of debenture from Baht 2,200 million to Baht 1,000 million is totaled Baht 3,200 million and authorization of the Executive Board to proceed with respect to issuance and offering of debenture.

**31. APPROVAL OF INTERIM FINANCIAL STATEMENTS**

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These interim financial statements were authorized for issue by the Board of Directors of the Company on May 14, 2020.