

**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**MARCH 31, 2021**

**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:-

No. 455/1, Rama 3 Road, Kwang Bangklo, Khet Bangkorlaem, Bangkok 10120, 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, 2020.

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.

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:-

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

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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 became effective in the current period

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current period.

2.4 Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has revised TFRS 16 leases and published in the Government Gazette on January 27, 2021. There is added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted.

The management of the Company and its subsidiaries are currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

**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, 2020.

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**4. TRANSACTIONS WITH RELATED PARTIES**

Details of relationship with related parties are as follows:-

	<u>Nature of business</u>	<u>Relationship</u>
<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 Chantarasereeku		Shareholder/the mother of director

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

	<u>Pricing Policy</u>	<u>Baht</u>			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>For the three-month periods ended March 31,</u>		<u>For the three-month periods ended March 31,</u>	
		<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<u>Subsidiary company</u>					
Expenses :					
Commission expenses	Agreed price	-	-	4,616,822.43	4,009,345.79
Sales promotion expenses	Agreed price	-	-	3,564,000.00	2,860,000.00
Interest expenses	Interest rate financial institutions	-	-	11,359.19	13,126.75
<u>Related companies</u>					
Revenue :					
Commission income					
Toyota Krungthai Co.,Ltd.	Agreed 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	1,236,071.65	1,307,577.00	1,236,071.65	1,307,577.00
Rental fee					
Car Loft Auto Import Co., Ltd.	Rental charge at 86,290-225,000 Baht/Month	675,000.00	258,870.00	-	-
Expenses :					
Repair expense					
Siam Nissan Krungthai Co., Ltd.	Market price	199,478.15	271,178.52	185,520.95	260,164.77
Toyota Krungthai Co.,Ltd.	Market price	2,415,833.21	2,520,900.56	2,018,403.45	1,881,089.20
Car Loft Auto Import Co., Ltd.	Market price	48,571.00	39,033.80	45,620.50	39,033.80
Mitsu Impression Co.,Ltd.	Market price	29,046.95	20,409.05	29,046.95	20,409.05
		<u>2,692,929.31</u>	<u>2,851,521.93</u>	<u>2,278,591.85</u>	<u>2,200,696.82</u>

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		Baht			
		Consolidated financial statements		Separate financial statements	
		For the three-month periods		For the three-month periods	
		ended March 31,		ended March 31,	
Pricing Policy		2021	2020	2021	2020
Commission expense					
Car Loft Auto Import Co., Ltd.	Agreed price	140,186.92	224,299.07	140,186.92	224,299.07
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	55,806,144.67	161,223,849.06	55,806,144.67	161,223,849.06
Car Loft Auto Import Co., Ltd.	Market price for major buyer	34,813,084.11	10,598,130.84	34,813,084.11	10,598,130.84
Mitsu Impression Co.,Ltd.	At cost after deduct special discount	1,397,257.94	8,034,579.44	1,397,257.94	8,034,579.44
		<u>92,016,486.72</u>	<u>181,223,945.32</u>	<u>92,016,486.72</u>	<u>181,223,945.32</u>
<u>Related person</u>					
Interest expenses	Interest rate of 3.22% per annum	-	793,972.60	-	793,972.60

The outstanding between the Company, subsidiary and related companies as at March 31, 2021 and 2020 are as follows:-

		Baht			
		Consolidated financial statements		Separate financial statements	
		As at March	As at December	As at March	As at December
		31, 2021	31, 2020	31, 2021	31, 2020
<b><u>Outstanding balances at the statements of financial position</u></b>					
<b><u>Subsidiary company</u></b>					
Receivable - down payment		-	-	702,500.00	1,184,646.00
Subsidiary payable		-	-	47,578,803.41	56,535,245.30
Accrued interest expenses		-	-	3,923.75	5,527.30
Accrued expenses - commission		-	-	5,774,000.00	6,151,000.00
Short-term loans from :					
Balance beginning		-	-	-	-
Additional loans		-	-	-	50,000,000.00
Return loans		-	-	-	(50,000,000.00)
Balance forward		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b><u>Related company</u></b>					
Accrued income					
Toyota Krungthai Co., Ltd.		-	6,720,000.00	-	6,720,000.00
Other current receivables					
Siam Nissan Krungthai Co., Ltd.		877,001.05	498,383.80	877,001.05	498,383.80
Right-of-use assets					
Siam Nissan Krungthai Co., Ltd.		7,052,043.77	7,306,936.92	7,052,043.77	7,306,936.92
Lease liabilities					
Siam Nissan Krungthai Co., Ltd.		7,223,973.82	7,448,980.93	7,223,973.82	7,448,980.93

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	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Trade and other current payables				
Siam Nissan Krungthai Co., Ltd.	217,366.60	233,812.97	30,650.95	15,134.08
Toyota Krungthai Co., Ltd.	1,493,020.45	1,598,312.66	1,481,333.32	1,582,109.37
Car Loft Auto Import Co., Ltd..	14,576.94	212,349.64	11,419.90	212,349.64
Mitsu Impression Co.,Ltd.	15,395.69	60,021.06	15,395.69	60,021.06
Total	<u>1,740,359.68</u>	<u>2,104,496.33</u>	<u>1,538,799.86</u>	<u>1,869,614.15</u>
Payables - purchase assets for leases				
Toyota Krungthai Co., Ltd.	20,447,333.30	5,535,186.00	20,447,333.30	5,535,186.00
Car Loft Auto Import Co., Ltd.	13,930,000.00	-	13,930,000.00	-
Total	<u>34,377,333.30</u>	<u>5,535,186.00</u>	<u>34,377,333.30</u>	<u>5,535,186.00</u>
Accrued expenses - commission				
Car Loft Auto Import Co., Ltd.	152,757.00	168,224.30	152,757.00	168,224.30

Directors and executive remuneration for the three-month periods ended March 31, 2021 and 2020 consisted of :

	Baht	
	Consolidated/Separate financial statements	
	2021	2020
Directors	398,611.36	379,630.61
Executive directors	2,360,363.26	2,257,743.90
Executives	2,960,486.36	2,836,055.75
Total	<u>5,719,460.98</u>	<u>5,473,430.26</u>

**5. CASH AND CASH EQUIVALENTS**

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Cash on hand	213,780.62	277,492.10	44,652.90	108,365.18
Cash at banks - current accounts	764,309.33	1,103,948.27	764,309.33	1,103,948.27
Cash at banks - savings accounts	67,405,266.03	37,809,465.71	67,237,049.40	37,645,248.12
Total	<u>68,383,355.98</u>	<u>39,190,906.08</u>	<u>68,046,011.63</u>	<u>38,857,561.57</u>

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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, 2021 and December 31, 2020, the Company has cash at banks-savings accounts has interest rate of 0.10% - 0.375% per annum.

**6. 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, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Trade receivables				
Undue	128,073,806.05	124,371,566.95	120,118,641.55	118,097,634.29
Over 0 months to 3 months	15,836,602.12	24,888,370.58	15,836,602.12	24,888,370.58
Over 3 months to 6 months	1,230,076.67	1,895,970.17	1,230,076.67	1,895,970.17
Over 6 months to 12 months	1,375,840.20	1,561,239.88	1,375,840.20	1,561,239.88
Over 12 months	3,400,832.80	2,933,822.59	3,400,832.80	2,933,822.59
Total	149,917,157.84	155,650,970.17	141,961,993.34	149,377,037.51
<u>Less Allowance for expected credit losses</u>	<u>(6,391,814.52)</u>	<u>(6,364,469.82)</u>	<u>(6,343,116.25)</u>	<u>(6,343,116.25)</u>
Trade receivables - net	<u>143,525,343.32</u>	<u>149,286,500.35</u>	<u>135,618,877.09</u>	<u>143,033,921.26</u>
Other current receivables				
Accrued incomes	13,457,751.34	17,601,147.23	12,604,583.81	17,300,206.75
Prepaid expenses	23,686,170.33	26,736,688.65	23,170,517.89	26,437,696.02
Insurance receivables	3,086,997.86	2,785,812.00	3,086,997.86	2,785,812.00
Other	3,895,311.44	4,767,679.89	1,703,393.59	2,442,958.56
Total other current receivables	<u>44,126,230.97</u>	<u>51,891,327.77</u>	<u>40,565,493.15</u>	<u>48,966,673.33</u>
Total trade and other current receivables	<u>187,651,574.29</u>	<u>201,177,828.12</u>	<u>176,184,370.24</u>	<u>192,000,594.59</u>
Trade receivables-net consisted of:				
Trade receivables of car leases	97,877,897.50	98,364,986.98	97,877,897.50	98,364,986.98
Trade receivables of sale of cars	45,647,445.82	50,921,513.37	37,740,979.59	44,668,934.28
Total	<u>143,525,343.32</u>	<u>149,286,500.35</u>	<u>135,618,877.09</u>	<u>143,033,921.26</u>

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**7. INVENTORIES**

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Used car	159,867,157.07	143,684,213.51	104,351,492.46	101,414,525.02
Spare parts of car	1,510,337.95	2,112,091.31	1,510,337.95	1,369,089.31
Total	<u>161,377,495.02</u>	<u>145,796,304.82</u>	<u>105,861,830.41</u>	<u>102,783,614.33</u>

**8. OTHER CURRENT FINANCIAL ASSETS**

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Financial assets designated to measure at fair value through profit or loss				
Unit trust - Mutual fund	48,020,183.54	13,391.03	48,020,183.54	13,391.03
<u>Add</u> Unrealized gain on measurement	<u>945.71</u>	<u>0.47</u>	<u>945.71</u>	<u>0.47</u>
Other current financial assets	<u>48,021,129.25</u>	<u>13,391.50</u>	<u>48,021,129.25</u>	<u>13,391.50</u>

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

As at March 31, 2021 and December 31, 2020, 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 17).
	10	- Bank overdrafts credit line of Baht 20 million (see Note 17).
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As at March 31, 2021 and December 31, 2020, the fixed deposit accounts has interest rate of 0.30% - 0.35% per annum.

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**10. INVESTMENT IN SUBSIDIARY COMPANY**

This account consisted of:

	Baht							
					Value of investment under		Separate financial statements	
	Number of shares		Percentage of holding		the equity method		Cost method	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
<u>Subsidiary company</u>								
Krungthai Automobile Co., Ltd.	400,000	400,000	100	100	<u>287,484,856.98</u>	<u>285,313,006.57</u>	<u>48,812,300.00</u>	<u>48,812,300.00</u>
					<u>287,484,856.98</u>	<u>285,313,006.57</u>	<u>48,812,300.00</u>	<u>48,812,300.00</u>

**11. ASSETS FOR LEASES**

Movements of the assets for leases account for the three-month period ended March 31, 2021 are summarized as follows.

	Baht
	<u>Consolidated/Separate financial statements</u>
<b>At cost</b>	
Balance as at December 31, 2020	6,599,197,073.79
Acquisitions during the period	279,324,186.98
Transferred in (transferred out) during the period	<u>(277,993,411.02)</u>
Balance as at March 31, 2021	<u>6,600,527,849.75</u>
<b>Accumulated depreciation</b>	
Balance as at December 31, 2020	(2,335,805,952.52)
Depreciation for the period	(218,889,154.15)
(Transferred in) transferred out during the period	<u>175,667,708.42</u>
Balance as at March 31, 2021	<u>(2,379,027,398.25)</u>
<b>Net book value</b>	
Balance as at December 31, 2020	<u>4,263,391,121.27</u>
Balance as at March 31, 2021	<u>4,221,500,451.50</u>



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As at March 31, 2021 and December 31, 2020, the Company has cars for leases under lease liabilities as follows:-

	Amount (Cars)		Net value (Baht)	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Cars	662	414	427,919,115.06	278,439,287.36

As at March 31, 2021 and December 31, 2020, the Company has transferred the right of 1,946 and 1,968 cars' registers, respectively as collateral for long-term loans from 2 local financial institutions, respectively, (see Note 18).

As at March 31, 2021 and December 31, 2020, the Company has minimum amounts on car leases under uncanceled operating lease agreements, presented by amounting in contracts as follow :-

	Baht	
	As at March 31, 2021	As at December 31, 2020
Under 1 year	1,120,233,336.50	1,127,575,591.98
Over 1 year to 5 years	1,648,469,689.51	1,656,904,457.71
Total	<u>2,768,703,026.01</u>	<u>2,784,480,049.69</u>

As at March 31, 2021 and December 31, 2020, the Company has been fully depreciated cars for leases but they are still in used at total amounting cost of Baht 272.56 million and Baht 348.30 million, respectively.

**12. PROPERTY, PLANT AND EQUIPMENT**

Movements of the property, plant and equipment account for the three-month period ended March 31, 2021 are summarized as follows.

	Baht	
	Consolidated financial statements	Separate financial statements
<b>At cost</b>		
Balance as at December 31, 2020	215,534,274.60	30,943,909.35
Acquisitions during the period	329,717.17	304,396.61
Disposal and write-off during the period	<u>(629,954.68)</u>	<u>(629,954.68)</u>
Balance as at March 31, 2021	<u>215,234,037.09</u>	<u>30,618,351.28</u>

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	Baht	
	Consolidated financial statements	Separate financial statements
<b>Accumulated depreciation</b>		
Balance as at December 31, 2020	(41,845,658.55)	(27,029,008.86)
Depreciation for the period	(975,655.57)	(389,935.47)
Accumulated depreciation on disposal and write-off	629,945.68	629,945.68
Balance as at March 31, 2021	<u>(42,191,368.44)</u>	<u>(26,788,998.65)</u>
<b>Net book value</b>		
Balance as at December 31, 2020	<u>173,688,616.05</u>	<u>3,914,900.49</u>
Balance as at March 31, 2021	<u><u>173,042,668.65</u></u>	<u><u>3,829,352.63</u></u>

As at March 31, 2021 and December 31, 2020, equipment are fully depreciated but still in use are presented in the consolidated financial statements at cost of Baht 31.73 million and Baht 31.21 million, respectively and in the separate financial statements of Baht 23.32 million and Baht 22.89 million, respectively.

**13. RIGHT-OF-USE ASSETS**

Movements of the right of use assets account for the three-month period ended March 31, 2021 are summarized as follows.

	Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at December 31, 2020	87,570,731.18	15,158,550.83
Additions during the period	3,574,174.68	-
Depreciation for the period	<u>(4,176,811.16)</u>	<u>(784,303.26)</u>
Net book value as at March 31, 2021	<u><u>86,968,094.70</u></u>	<u><u>14,374,247.57</u></u>

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**14. OTHER INTANGIBLE ASSETS**

Movements of the other intangible assets account for the three-month period ended March 31, 2021 are summarized as follows.

	Baht	
	Consolidated financial statements	Separate financial statements
<b>At cost</b>		
Balance as at December 31, 2020	19,551,525.13	17,128,342.69
Acquisitions during the period	338,278.00	230,278.00
Balance as at March 31, 2021	<u>19,889,803.13</u>	<u>17,358,620.69</u>
<b>Accumulated amortization</b>		
Balance as at December 31, 2020	(7,067,908.21)	(5,851,374.03)
Amortization for the period	(89,025.38)	(30,625.48)
Balance as at March 31, 2021	<u>(7,156,933.59)</u>	<u>(5,881,999.51)</u>
<b>Net book value</b>		
Balance as at December 31, 2020	<u>12,483,616.92</u>	<u>11,276,968.66</u>
Balance as at March 31, 2021	<u>12,732,869.54</u>	<u>11,476,621.18</u>

As at March 31, 2021 and December 31, 2020, intangible assets are fully amortization but still in use are presented in the consolidated financial statements at cost of Baht 6.02 million and in the separate financial statements of Baht 5.26 million.

**15. 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, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Deferred tax assets	147,787,924.22	151,699,139.36	166,295,693.89	172,301,908.81
Deferred tax liabilities	-	-	(19,589,976.78)	(21,564,641.91)
	<u>147,787,924.22</u>	<u>151,699,139.36</u>	<u>146,705,717.11</u>	<u>150,737,266.90</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, 2021**

Changes in deferred tax assets and deferred tax liabilities for the three-month period ended March 31, 2021, are summarized as follows:

	Baht			
	Consolidated financial statements			
	Balance as at Dec. 31, 2020	Revenue (expenses) during the period In profit or loss	Balance as at Mar. 31, 2021 In other comprehensive income	
Deferred tax assets:				
Loss from remeasuring of derivative instruments	222,722.64	-	(141,851.06)	80,871.58
Leases liabilities	491,295.26	111,602.71	-	602,897.97
Provision for employee benefit	5,220,377.08	128,846.17	-	5,349,223.25
Tax losses carry forward	167,329,386.29	(5,984,478.09)	-	161,344,908.20
Total	173,263,781.27	(5,744,029.21)	(141,851.06)	167,377,901.00
Deferred tax liabilities:				
Inventories	2,138,381.06	327,995.67	-	1,810,385.39
Assets for leases	19,426,260.85	1,646,669.46	-	17,779,591.39
Total	21,564,641.91	1,974,665.13	-	19,589,976.78

  

	Baht			
	Separate financial statements			
	Balance as at Dec. 31, 2020	Revenue (expenses) during the period In profit or loss	Balance as at Mar. 31, 2021 In other comprehensive income	
Deferred tax assets:				
Loss from remeasuring of derivative instruments	222,722.64	-	(141,851.06)	80,871.58
Leases liabilities	62,793.42	14,100.33	-	76,893.75
Provision for employee benefit	4,687,006.46	106,013.90	-	4,793,020.36
Tax loss carry forward	167,329,386.29	(5,984,478.09)	-	161,344,908.20
Total	172,301,908.81	(5,864,363.86)	(141,851.06)	166,295,693.89
Deferred tax liabilities:				
Inventories	2,138,381.06	327,995.67	-	1,810,385.39
Assets for leases	19,426,260.85	1,646,669.46	-	17,779,591.39
Total	21,564,641.91	1,974,665.13	-	19,589,976.78

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

**MARCH 31, 2021**

**16. OTHER NON - CURRENT ASSETS**

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Deposit	4,719,542.09	4,420,018.74	918,092.56	618,569.20
Withholding tax deducted at source	250,442,858.83	234,440,965.67	250,289,748.93	234,279,690.27
<u>Less allowance for the refund</u>	<u>(44,767,763.28)</u>	<u>(43,233,692.29)</u>	<u>(44,767,763.28)</u>	<u>(43,233,692.29)</u>
Withholding tax deducted at source - net	205,675,095.55	191,207,273.38	205,521,985.65	191,045,997.98
Total	<u>210,394,637.64</u>	<u>195,627,292.12</u>	<u>206,440,078.21</u>	<u>191,664,567.18</u>

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

This account consisted of:

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2021	As at December 31, 2020	As at March 31, 2021	As at December 31, 2020
Promissory notes	30,000,000.00	120,000,000.00	30,000,000.00	120,000,000.00
Total	<u>30,000,000.00</u>	<u>120,000,000.00</u>	<u>30,000,000.00</u>	<u>120,000,000.00</u>

As at March 31, 2021 and December 31, 2020, 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, 2021 and December 31, 2020, 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
5	40	MMR	- No guaranteed
6	30	MMR	- No guaranteed
	<u>280</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, 2021**

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

This account consisted of:

	Baht	
	<u>Consolidated/Separate financial statements</u>	
	As at March 31, 2021	As at December 31, 2020
Long-term loans from financial institutions	1,012,090,347.62	1,079,947,749.32
<u>Less</u> Current portion due within one year	<u>(406,447,600.83)</u>	<u>(242,707,937.87)</u>
Long-term loans from financial institutions - net	<u>605,642,746.79</u>	<u>837,239,811.45</u>

As at March 31, 2021, 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	630.00	Fixed Rate	2.16	Aug. 16 - Jul. 21	450
2	1,000	635.55	Fixed Rate	15.72	Jan. 18 - Apr. 24	1,145
3	300	300.00	THBFIX 6M +1.65%	4.79	Mar. 20 - Nov. 24	351
	<u>1,930</u>	<u>1,565.55</u>		<u>22.67</u>		<u>1,946</u>

As at December 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	630.00	Fixed Rate	2.24	Aug. 16 - Jul. 21	472
2	1,000	677.82	Fixed Rate	15.74	Jan. 18 - Apr. 24	1,145
3	300	300.00	THBFIX 6M +1.65%	4.79	Mar. 20 - Nov. 24	351
	<u>1,930</u>	<u>1,607.82</u>		<u>22.77</u>		<u>1,968</u>

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, 2021**

As at March 31, 2021 and December 31, 2020, the movement in long-term loans from financial institutions are as follows:-

	Baht	
	<u>Consolidated/Separate financial statements</u>	
	As at March 31, 2021	As at December 31, 2019
Balance beginning of the period	1,079,947,749.32	1,020,874,590.17
<u>Add</u> Loan increase during the period	-	570,951,856.50
<u>Less</u> Repayment during the period	<u>(67,857,401.70)</u>	<u>(511,878,697.35)</u>
Balance ending of the period	<u>1,012,090,347.62</u>	<u>1,079,947,749.32</u>

As at March 31, 2021, the Company entered into interest rate swap agreements with financial institutions, to swap interest of the debentures issued, totaling in notional amount of Baht 172.02 million to swap floating Baht interest rates plus margins as specified in agreements for fixed Baht interest rates. The purpose of the certain interest rate swap agreements is to hedge the cashflow of long-term (only the interest portion), which the Company elected to apply hedge accounting for these transactions.

**19. LEASE LIABILITIES**

Movements of the lease liabilities account for the three-month period ended March 31, 2021 are summarized as follows.

	Baht	
	<u>Consolidated</u> <u>financial statements</u>	<u>Separate</u> <u>financial statements</u>
As at December 31, 2020	353,530,096.29	282,584,003.88
Addition	176,779,754.79	172,999,754.79
Accretion of interest	(8,110,735.82)	(7,904,910.50)
Payments in the period	<u>(25,223,676.01)</u>	<u>(22,680,822.83)</u>
As at March 31, 2021	496,975,439.25	424,998,025.34
<u>Less</u> current portion	<u>(140,385,185.39)</u>	<u>(129,927,203.81)</u>
Lease liabilities - net of current portion	<u>356,590,253.86</u>	<u>295,070,821.53</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, 2021**

As at March 31, 2021, the Company and subsidiary have lease liabilities to be paid as follows:

	Baht					
	Consolidated financial statements			Separate financial statements		
	Principal	Deferred Interest	Total debts	Principal	Deferred Interest	Total debts
Payment due within 1 year	140,385,185.39	13,133,180.52	153,518,365.91	129,927,203.81	9,992,162.10	139,919,365.91
Payment due over 1 year to 5 years	319,517,775.44	21,449,903.48	340,967,678.92	291,623,636.88	12,904,728.04	304,528,364.92
Payment due over 5 years	37,072,478.42	4,920,071.59	41,992,550.01	3,447,184.65	139,815.35	3,587,000.00
Total	496,975,439.25	39,503,155.59	536,478,594.84	424,998,025.34	23,036,705.49	448,034,730.83

## 20. DEBENTURES

This account consisted of:

	Baht	
	Consolidated/Separate financial statements	
	As at March 31, 2021	As at December 31, 2020
Unsecured debentures - at face value	1,400,000,000.00	1,400,000,000.00
<u>Less</u> Deferred expenses on debentures issuance	(1,240,385.65)	(1,421,825.45)
	1,398,759,614.35	1,398,578,174.55
<u>Less</u> Current portion due within one year	(599,648,890.41)	-
Debentures - net	799,110,723.94	1,398,578,174.55

As at March 31, 2021, 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. 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



**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**  
**MARCH 31, 2021**

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)
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

Issued No. 5

Debenture issued on	:	September 11, 2019
Debentures value	:	Baht 100 million (100,000 units of par value of Baht 1,000 each)
Period and maturity date	:	3 years will mature on September 11, 2023
Interest rate	:	Fixed rate of 3.10% per annum
Interest payment due	:	Every March 11 and September 11 of each year

Debenture issuing costs are recorded as deferred financial fees and amortized to be interest expense using the effective interest rate method over the term of the debentures. Deferred debenture issuing costs are presented as a deduction against the debenture amounts in the statement of financial position.

**21. PROVISIONS FOR EMPLOYEE BENEFIT**

Provisions for employee benefit are as follows

The statements of financial position

	Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2021	At as December 31, 2020	As at March 31, 2021	At as December 31, 2020
Provisions for employee benefits at beginning of period	26,101,885.48	16,308,992.31	23,435,032.39	14,491,151.31
Actuarial loss	-	7,474,987.08	-	6,884,378.28
Benefits paid by the plan	-	(218,390.00)	-	-
Current service costs and interest	644,230.88	2,536,296.09	530,069.52	2,059,502.80
Provisions for employee benefits at ending of period	<u>26,746,116.36</u>	<u>26,101,885.48</u>	<u>23,965,101.91</u>	<u>23,435,032.39</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, 2021**

The statements of comprehensive income

For the three-month periods ended March 31, 2021 and 2020

	Baht			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current service costs and interest				
Service costs	538,990.04	542,204.96	435,743.52	428,839.19
Interest expenses	105,240.84	96,212.21	94,326.00	86,036.51
Total	<u>644,230.88</u>	<u>638,417.17</u>	<u>530,069.52</u>	<u>514,875.70</u>

**22. 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,	
	2021	2020	2021	2020
Interest income	45,777.44	130,298.10	45,777.44	130,298.10
Penalty of cancelled contracts	1,760,957.32	2,025,302.97	1,760,957.32	2,025,302.97
Repairing service income	1,236,071.65	1,307,577.00	1,236,071.65	1,307,577.00
Commission income	4,359,388.58	8,291,768.40	1,963,640.00	5,716,000.00
Others	7,275,148.02	6,486,522.60	4,379,309.39	3,973,466.29
Total	<u>14,677,343.01</u>	<u>18,241,469.07</u>	<u>9,385,755.80</u>	<u>13,152,644.36</u>

**23. (INCOME) TAX EXPENSES**

Major components of (income) tax expenses for the three-month periods ended March 31, 2021 and 2020 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,	
	2021	2020	2021	2020
(Income) tax expenses shown in profit or loss :				
Current tax expenses:				
Income tax for the period	630,123.98	307,842.03	-	-
Deferred tax expenses:				
Changes in temporary differences relating to the original recognition and reversal	<u>3,769,364.08</u>	<u>(11,306,365.64)</u>	<u>3,889,698.73</u>	<u>(11,161,645.68)</u>
Total	<u>4,399,488.06</u>	<u>(10,998,523.61)</u>	<u>3,889,698.73</u>	<u>(11,161,645.68)</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, 2021**

	Baht			
	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2021	2020	2021	2020
Income tax relating to components of other comprehensive income:				
Deferred tax relating to:				
Loss from remeasuring of derivative instrument:	141,851.06	-	141,851.06	-
Remeasuring investment	-	6,376.10	-	6,347.24
Actuarial loss	-	1,494,997.41	-	1,376,875.65
Total	<u>141,851.06</u>	<u>1,501,373.51</u>	<u>141,851.06</u>	<u>1,383,222.89</u>

**24. 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.

	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2021	2020	2021	2020
	Profit for the period attributable to ordinary shareholders (Baht)	46,835,679.63	60,137,647.69	44,663,829.22
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)	0.19	0.24	0.18	0.23

**25. COMMITMENTS AND CONTINGENT LIABILITIES**

**25.1 Commitments of services contracts**

As at March 31, 2021, the Company has 2 services contracts for the periods 1-2 years, the total rate of service charge of Baht 0.85 million per year.

**25.2 Commitments of capital expenditure**

As at March 31, 2021, the Company and subsidiary has the commitment about installation and software development system agreement and website design agreement, which the Company will be to pay under the both agreement in the consolidated financial statements the amount of Baht 2.15 million (included VAT) and the separate financial statements in the amount of Baht 1.88 million (included VAT).

**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
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**MARCH 31, 2021**

25.3 Guarantee

As at March 31, 2021, the Company has letters of guarantee issued by three local commercial bank for rental bidding guarantee in the amount of Baht 101.22 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.

25.4 Interest Rate Swap Transaction Agreement

As at March 31, 2021, the Company has the detail of the interest rate swap agreement outstanding as follow:

Principal amount	Interest Revenue Rate Swap	Interest Expenses Rate Swap	Termination date
	Agreement	Agreement	
92.02 Million	THBFIX 6M + 1.65	FIXED 2.45	March 2024
80.00 Million	THBFIX 6M + 1.65	FIXED 2.45	September 2024

**26. 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.

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 for the three-month periods ended March 31, 2021 and 2020 as follows :-

	Consolidated financial statements (Thousand Baht)					
	Car rent of operating		Used car distribution		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Income on car leases	327,495	328,224	-	-	327,495	328,224
Income on sale of cars	151,730	157,164	40,399	43,884	192,129	201,048
Total	479,225	485,388	40,399	43,884	519,624	529,272
Cost						
Cost of car leases	285,570	287,847	-	-	285,570	287,847
Cost of sales of cars	101,080	103,365	37,111	39,144	138,191	142,509
Total	386,650	391,212	37,111	39,144	423,761	430,356
Gross profit	92,575	94,176	3,288	4,740	95,863	98,916

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

**MARCH 31, 2021**

	Consolidated financial statements (Thousand Baht)					
	Car rent of operating		Used car distribution		Total	
	2021	2020	2021	2020	2021	2020
<u>Total assets as at March 31.</u>						
Assets for leases	4,221,500	4,317,718	-	-	4,221,500	4,317,718
Fixed assets	3,829	4,027	169,214	171,429	173,043	175,456
Right of use assets	14,374	22,303	72,594	86,793	86,968	109,096
Intangible assets	11,477	8,633	1,256	1,106	12,733	9,739
Other assets	934,798	975,668	24,706	41,297	959,504	1,016,965
Total	<u>5,185,978</u>	<u>5,328,349</u>	<u>267,770</u>	<u>300,625</u>	<u>5,453,748</u>	<u>5,628,974</u>

Major customers

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

**27. FINANCIAL INSTRUMENTS**

27.1 Fair value of financial instruments

Since the majority of the Company and its subsidiaries 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 statements of financial position.

27.2 Fair value hierarchy

As at March 31, 2021, 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/Separate financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Other non-current financial assets				
- Unit trust of mutual fund	-	48,021,129.25	-	48,021,129.25
<b>Financial liabilities measured at fair value</b>				
Other non-current financial liabilities				
- Derivative liabilities	-	404,357.89	-	404,357.89

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

**KRUNGTHAI CAR RENT AND LEASE PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**  
**MARCH 31, 2021**

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.

The fair value of interest rate swap contracts were calculated using the rates quoted by the Company and its subsidiary's and bankers which were based on market conditions existing at the statement of financial position date.

**28. EVENTS AFTER THE REPORTING PERIOD**

At the ordinary shareholders' meeting for the year 2021 held on April 27, 2021, the shareholders unanimously approved to pay dividend from the Company operation year 2020 to the shareholders with Baht 0.44 per share, in the amount of Baht 110 million. The dividend paid in the amount of Baht 55 million, appropriated for 250,000,000 shares of Baht 0.22 each was paid on September 9, 2020, and the remaining in the amount of Baht 55 million, appropriated for 250,000,000 shares of Baht 0.22 each was paid on May 24, 2021.

**29. APPROVAL OF INTERIM FINANCIAL STATEMENTS**

These interim financial statements were authorized for issue by the Board of Directors of the Company on May 14, 2021.