



January 21, 2019

Subject : Management Discussion and Analysis for the year ended 31 December 2018
(Unaudited)

To : President
The Stock Exchange of Thailand

Ratchthani Leasing Public Company Limited would like to clarify the management discussion and analysis for the year ended 31 December 2018 (Unaudited) as follows:

Performance Overview

In 2018, the domestic economic have signed to expand from the tourism sector improvement, Private consumption and private investment also improved, This was the company achieved expansion loans target. The net profit in the fourth quarter of 2018 was 454.91 million baht. An increase of 134.90 million baht or 42.15% from the same period of the prior year. The total revenue was 1,010.39 million baht, an increase of 141.61 million baht or 16.30%. Interest expenses were 225.39 million baht, an increase of 11.87 million baht or 5.56%. The increasing was due to additional low cost of borrowing to support hire purchase loan expansion and maintained the company interest spread. For the provision expenses for the fourth quarter of 2018 was 92.00 million baht, a decrease from the same period of the prior year of 24.67 million baht or 21.15%. From the recording normal provision expenses was 52.00 million baht and provided general reserve 40.00 million baht.

For the overall performance of 2018, the net profit was 1,640.75 million baht, an increase of 514.94 million baht or 45.74% from 2017. A success in maintaining operating results marks the 12th consecutive quarterly growth. The total revenue was 3,827.36 million baht, an increase of 520.12 million baht or 15.73% from 2017, and interest expenses of 2018 were 869.80 million baht, a decrease of 12.60 million baht or 1.43%. For the impairment loss of loans was 402.60 million baht, a decrease of 120.83 million baht or 23.08%. From the Company provided normal provision was 232.60 million baht and provided general provision was 170.00 million baht to support the new accounting policy change in 2020.



Financial Position Overview

As of 31 December 2018, the company still had strong financial position. The total assets were 47,531.06 million baht, an increase of 8,039.27 million baht or 20.36% from the same period of the prior year. The increasing was due to the continuous hire purchase loan expansion, particularly from trucks. Total hire purchase loans were 46,411.63 million baht, an increase of 7,813.38 million baht or 20.24% from the same period of the prior year, accounted for 97.64% of total assets. Total liabilities and shareholders' equity were 40,336.05 million baht and 7,195.01 million baht, respectively.

Please be acknowledged

Your sincerely,

(Mr.Boonchu Wongpakdee)

Deputy Managing Director,

Chief Financial Officer