

MITSIB 002

10 June 2019

Subject: Management discussion and analysis for three-month ended as of 31 March 2019

To: President

The Stock Exchange of Thailand

Mitsib Leasing Public Company Limited (“the company”) would like to submit Management Discussion and Analysis for three-month ended as of 31 March 2019 with details as follows:

Revenue from sales

For 3-month period ended 30 March 2019, the company sale revenue is 45.86 MB, which decreased by 52.19 MB from 3-month period in 2018 recorded as 98.05 MB, accounting for 53.23%. Due to an impact on government policy (“HUK Taxi”). When government announced on lately 2018, as a result, customers delay on making a decision.

Revenue from hire-purchase contracts

Mitsib’s Revenue from hire-purchase contracts can divide into two parts. The first one is a section that company sell in a this portion by their own, when any customer comes into our head office or branches, then Mitsib’s accounting record as revenue from hire-purchase contract and according to hire purchase agreement. The second part, Mitsib prepare only leasing contract and also Mitsib will record an accounting as revenue from hire-purchase contracts – according to loan agreement.

For 3-month period ended 31 March 2019, revenue from hire-purchase contracts was 48.05 MB as it jumped by 3.99 form 44.05 MB or 9.07% compare to previous year’s figure, increasing by hire-purchase contract from 2,495 contracts in 31 December 2018 to 2,550 contracts in 31 March 2019, especially an newly hire-purchase contracts from dealers, which increased from 432 contracts from the end of year 2018 to 553 contracts in 31 March 2019.



Other income

Other income in the financial statements of the company for 3-month period ended 31 March 2019 was 6.81 MB or 6.75% of total revenue. Thus, it increased from the same period of the previous year of 4.59 MB, as a result of reversal of doubtful accounts of 3.12 MB.

Cost of sales of goods

For 3-month period ended 31 March 2019, the total cost of sales is 45.30 MB or 98.79% of total sale revenues. Representing decrease trend about 50.63%, when compared with previous 3-month period. Mainly, contributed from an decreasing in raw material cost and others, due to a lower amount in taxi sold and vehicle registration cost.

Finance costs

For 3-month period ended 31 March 2019, Mitsib's finance costs is 9.06 MB, increasing by 17.31 MB, when compared with the previous period, mainly contributed from a higher paid in finance costs, as result of a higher amount in debt.

Gross profit margin

For 3-month period ended 31 March 2019. Mitsib gross profit margin is 0.56 MB or 1.21% of total sale revenues. Decreasing by 6.29 MB when compared with previous 3-month period . Mainly, contributed from an decreasing in sales revenue, due to a lower amount in taxi sold.

Gross profit of revenue from hire-purchase contracts

For 3-month period ended 31 March 2019. Interest income gross profit is 39.09 MB or 81.35% of total interest income. Increasing by 2.76 MB or 7.59% when compared with previous 3-month period . Mainly, contributed from a newly source of fund that provided a lower borrow interest rate.

Administrative expenses

For 3-month period ended 31 March 2019. Administrative expenses is 20.54 MB, Increasing by 3.83 MB, when compared with fiscal year. Due to an increase in the amount of salary management team, meeting fee and depreciation on head office building.



Net profit

For 3-month period ended 31 March 2019. Mitsib's net profit is 16.62 MB, Decreasing by 18.54 MB, when compared with fiscal year. Due to an decrease in revenue from sales, on the other hand, Administrative expenses increased as well

Sincerely yours,

Best regards,

Mr. Nitipat Yongsanguanchai

Chief Executive Officer

Mitsib Leasing Public Company Limited

