บริษัท เมืองไทย แคปปิตอล จำกัด (มหาชน)
32/1 ถนนจรัญสนิทวงศ์ แขวงบางอ้อ เขตบางพลัด กรุงเทพฯ 10700 02 880 1033 02 880 1173

Date 16 November, 2020

Subject Management Discussion and Analysis for the Three-Month Periods Ended September 30, 2020

To Managing Director

The Stock Exchange of Thailand

Muangthai Capital Public Company Limited ("the Company"), is intended to supplement and complement the consolidated interim financial statements for the three-month periods ended September 30, 2020 per following executive summary:

- Consolidated net profit for the three-month periods ended September 30, 2020 is 1,340 Million Baht or equivalent to net profit margin of 35.87%.
- Number of branches as of September 30, 2020 is 4,798 increased by 691 branches from December 31, 2019.
- Loan receivable quality or non-performing loan ratio for the three-month periods ended September 30, 2020 is 1.01%, (30 September 2019: 0.98% and 31 December 2019: 1.03%)
- Debt-to-Equity Ratio (D/E) is 2.77 times.

Overview of Company and its Subsidiaries Operating Results

The operating performance for the three-month periods ended September 30, 2020 of the Company and its subsidiaries has total net profit of 1,340 Million Baht, increased from the same period in the previous year by 260 Million Baht or 24.07%.

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Profit and Loss Statement (Consolidated) For the three-month periods ended 30 September 2020 and 2019 Unit : Million Baht	2020	2019	Change Amount	%
Interest and fee income from loans receivables and hire purchase receivables	3,555	3,104	451	14.53%
Fees and service income	173	183	(10)	-5.46%
Other income	9	17	(8)	-47.06%
Total revenue	3,737	3,304	433	13.10%
Services and administrative expenses	1,533	1,428	105	7.35%
Bad and doubtful debts expenses	-	116	(116)	-100.00%
Total expenses	1,533	1,544	(11)	-0.71%
Profit from operating activities	2,204	1,760	444	25.23%
Loss arising from derecognition of financial assets measured at amortised cost and hire purchase receivables	(106)	-	(106)	100%
Finance costs	(467)	(408)	(59)	14.46%
Gain and reversal of expected credit loss	53	-	53	100%
Profit before income tax	1,684	1,352	332	24.56%
Income tax	344	272	72	26.47%
Profit for the period	1,340	1,080	260	24.07%
Basic earnings per share (in Baht)	0.63	0.51	0.12	23.53%

1. Total revenue for the three-month periods ended September 30, 2020 is 3,737 Million Baht, increased end of same period in the previous year by 433 Million Baht or 13.10%
2. Selling and administrative expenses for the three-month periods ended September 30, 2020 is totaled 1,533 Million Baht, increased 105 Million Baht from 1,428 Million Baht end of same period in prior year, or 7.35%, due to the increase of depreciation expense from adoption of TFRS16 and employee's salary as a result of the expansion of branches and employee.
3. Expected credit loss (bad debt and doubtful debt) for the three-month periods ended September 30, 2020 is 53 Million Baht, comprise of bad debt amounting to 106 Million Baht and reversal of doubtful debt amounting to 53 Million Baht
4. Finance cost for the three-month periods ended September 30, 2020 is totaled 467 Million Baht, increased 59 Million Baht from 408 Million at the same period in prior year, or 14.46 % due to the increase of loans and interest rate calculated in accordance with TFRS16.

5. Consolidated net profit for the three-month periods ended September 30, 2020 is totaled 1,340 Million Baht, increased by 260 Million Baht, or 24.07%.

Overview of Company and its Subsidiary's Financial Position

Statements of Financial Position (Consolidated) Unit : Million Baht	30 September 2020	31 December 2019	Change	
			Amount	%
Current Assets	39,134	35,922	3,212	8.94%
Non-Current Assets	33,768	25,950	7,818	30.13%
Total Assets	72,902	61,872	11,030	17.83%
Current Liabilities	19,449	16,312	3,137	19.23%
Non-Current Liabilities	34,139	29,588	4,551	15.38%
Total Liabilities	53,588	45,900	7,688	16.75%
Total Equities	19,314	15,972	3,342	20.92%
Total Liabilities and Equities	72,902	61,872	11,030	17.83%

1. Total Assets

- As of September 30, 2020, the Company has total assets of 72,902 Million Baht, increased from last year 11,030 Million Baht or 17.83 %, mainly due to the increase of loan receivable.

2. Total Liabilities

- As of September 30, 2020, the Company has total liabilities of 53,588 Million Baht, increased from last year 7,688 Million Baht or 16.75%, mainly due to the increase of funding and the increase of contractual liabilities under TFRS16.

3. Total Equities

- Total equities as of September 30, 2020 is 19,314 Million Baht, increased from end of last year 3,342 Million Baht or 20.92%, derived from the increase of profit 3,844 Million Baht for the nine months period and the decrease of dividend payment 636 Million Baht.