



บริษัท เอเชียเซิร์มกิจลีสซิ่ง จำกัด (มหาชน)  
Asia Sermkij Leasing Public Company Limited

ทะเบียนเลขที่ บมจ. 0107546000393

February 18, 2022

Subject Management Discussion and Analysis of the Company's Operating Result for year 2021 ended 31 December 2021 (Audited)

Attention The President  
The Stock Exchange of Thailand

Asia Sermkij Leasing Public Company Limited ("the Company") would like to submit Management Discussion and Analysis for the operating performance of the year 2021 ended 31 December 2021 (Audited) as follows:

### Overview of operating performance

For the year 2021, the Company and its subsidiaries have profit of Baht 1,202.84 Million, increased by Baht 319.78 Million or 36.21 percent from the profit of Baht 883.06 Million in year 2020. This was due to the growth in disbursement, asset quality control and cost management. The new disbursement in 2021 was in the amount of Baht 30,843.76 million, increased by Baht 10,475.90 million or 51.43 percent from Baht 20,367.86 million in 2020. Total revenue in 2021 was Baht 4,414.38 Million, increased by Baht 818.77 Million or 22.77 percent from total revenue of Baht 3,595.61 Million in year 2020. The details are as follow:

### Revenues

#### 1. Hire purchase interest income

Hire purchase interest income was Baht 3,288.02 Million in year 2021, increased by Baht 430.40 Million or 15.06 percent from Baht 2,857.62 Million in year 2020. This was mainly due to an increase in hire purchase disbursement and portfolio.

#### 2. Interest income on financial leases

Interest income on financial leases was Baht 63.58 Million in year 2021, increased by Baht 15.32 Million or 31.74 percent from Baht 48.26 Million in year 2020. This was mainly due to an increase in financial leases disbursement and portfolio.

#### 3. Interest income from loan

Interest income from loan was Baht 453.45 Million in year 2021, increased by Baht 183.64 Million or 68.06 percent from Baht 269.81 Million in year 2020. This was mainly due to an increase in loan disbursement and portfolio of the subsidiary.

#### 4. Service income from insurance broker

Service income from insurance broker was Baht 468.32 Million in year 2021, increased by Baht 205.88 Million or 78.45 percent from Baht 262.44 Million in year 2020. This was mainly due to an increase in disbursement and penetration rate.

## **Expenses**

### **1. Selling and administrative expenses**

1. Selling and administrative expenses in year 2021 was Baht 1,049.22 Million, increased by Baht 61.12 Million or 6.19 percent from Baht 988.10 Million in year 2020. This increase was due to the growth of disbursement while the Company had better operating efficiency. The cost to income ratio in 2021 was 31.07 percent, decreased from 37.07 percent in 2020.

### **2. Expected credit loss expense and impairment loss on assets foreclosed**

Expected credit loss expense and impairment loss on assets foreclosed in year 2021 was Baht 816.72 Million, increased by Baht 259.43 Million or 46.55 percent from Baht 557.29 Million in year 2020. This was due to a special write-off according to the modified Ministerial Regulation No.374 about the write-off and the management overlay in the amount of Baht 189.53 million. However, NPL ratio in 2021 decreased to 2.71 percent from 2.87 percent in 2020.

### **3. Financial Cost**

Financial Cost in year 2021 was Baht 1,039.13 Million, increased by Baht 109.49 Million or 11.78 percent from Baht 929.64 Million in year 2020. This was due to an increase in loan to support disbursement while a slight increase in interest rate. The interest expense rate in 2021 was 2.55 percent, increased from 2.49 percent in 2020.

Please be informed accordingly.

Yours sincerely,

Asia Sermkij Leasing Public Company Limited

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(Mr. Danai Lapaviwat)  
Chief Financial Officer