



No. NCAP-ACC-2022-02

Next Capital Public Company Limited  
163 Thai Samut Building, 15<sup>th</sup> floor,  
Surawongse road, Suriyawongse, Bangrak,  
Bangkok 10500

May 11, 2022

Subject Management Discussion and Analysis for the 3-month ended March 31, 2022

To President  
The Stock Exchange of Thailand

Next Capital Public Company Limited and its subsidiary ("The Company") have informed the operating result for the 3-month ended March 31, 2022 as follows:

For operating result for the 3-month ended March 31, 2022, Profit owners of the parent was 65.23 million baht compared to net profit of 74.77 million baht in the same period of the previous year. It decreased by 9.54 million baht or equaled to a decrease rate of 12.76%. The detail is as follows:

(Unit : Million baht)

Statement of Comprehensive Income (Consolidated)	For the 3-month ended		Changes	
	Mar 31, 2022	Mar 31, 2021	Amount	Percentage
<b>Revenue</b>				
Interest income from hire-purchase	344.43	228.69	115.74	50.61
Fee and service income	52.36	29.85	22.51	75.41
Other income	57.67	52.58	5.09	9.68
<b>Total revenue</b>	<b>454.46</b>	<b>311.12</b>	<b>143.34</b>	<b>46.07</b>
<b>Expenses</b>				
Selling and administrative expenses	178.27	119.89	58.38	48.69
Expected credit loss	157.26	73.90	83.36	112.80
(Gain) Loss on disposals and diminution in value of foreclosed assets	1.48	(0.30)	1.78	(593.33)
Finance costs	35.40	23.57	11.83	50.19
<b>Total expenses</b>	<b>372.41</b>	<b>217.06</b>	<b>155.35</b>	<b>71.57</b>
<b>Profit before income tax expense</b>	<b>82.05</b>	<b>94.06</b>	<b>(12.01)</b>	<b>(12.77)</b>
Income tax expense	(16.87)	(19.29)	2.42	(12.55)
<b>Profit for the period</b>	<b>65.18</b>	<b>74.77</b>	<b>(9.59)</b>	<b>(12.83)</b>
<b>Profit owners of the parent</b>	<b>65.23</b>	<b>74.77</b>	<b>(9.54)</b>	<b>(12.76)</b>
<b>Basic earnings per share (Baht per share)</b>	<b>0.07</b>	<b>0.08</b>	<b>(0.01)</b>	<b>(12.50)</b>

บริษัท เน็กซ์ แลปปีตอล จำกัด (มหาชน) (Next Capital Public Company Limited)

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1. Revenue for the 3-month ended March 31, 2022 was 454.46 million baht compared to revenue of 311.12 million baht in the same period of the previous year. It increased by 143.34 million baht or equaled to a growth rate of 46.07%. This resulted from the recognition of interest income from hire-purchase amounting to 344.43 million baht which increased by 115.74 million baht or equaled to a growth rate of 50.61% compared to the same period of the previous year. It resulted from an increase in new hire-purchase contracts that effected to fee and service income increased in the same direction. Moreover, other income which mainly consisted of bad debt recoveries was increased as well.

2. Total expenses for the 3-month ended March 31, 2022 was 372.41 million baht compared to expenses of 217.06 million baht in the same period of the previous year. It increased by 155.35 million baht or equaled to a growth rate of 71.57%. It mainly resulted from selling and administrative expenses amounting to 178.27 million baht which increased by 58.38 million bath or equaled to a growth rate of 48.69% compared to the same period of the previous year. The main reason was an increase in the number of employee and compensation and collection fees paid to outsource companies. Moreover, expected credit losses amounting to 157.26 million baht was increased by 83.36 million baht or equaled to 112.80%. It resulted from an increase in new hire-purchase contracts compared to the same period of the previous year. In addition, finance costs amounting to 35.40 million bath was increased by 11.83 million baht or equaled to 50.19% compared to the same period of the previous year. It resulted from an increase in borrowings in accordance with the Company's business expansion.

(Unit : Million baht)

Statement of financial position (Consolidated)	As of		Changes	
	Mar 31, 2022	Dec 31, 2021	Amount	Percentage
Assets	6,945.03	5,831.17	1,113.86	19.10
Liabilities	4,860.44	3,822.89	1,037.55	27.14
Equity	2,084.59	2,008.28	76.31	3.80
<b>Debt to equity ratio</b>	<b>2.33</b>	<b>1.90</b>	-	-

**1. Total assets** Total assets of the Company as of March 31, 2022 was 6,945.03 million baht which increased from the year ended 2021 by 1,113.86 million baht or equaled to a growth rate of 19.10%. The increase was due to hire-purchase receivables. As of March 31, 2022 hire-purchase receivables increased by 1,049.40 million baht or equaled to 19.21% compared to the year ended 2021. A growth of hire-purchase receivables was in line with the Company's business expansion.



**2. Total liabilities** Total liabilities of the Company as of March 31, 2022 was 4,860.44 million baht which increased from the year ended 2021 by 1,037.55 million baht or equaled to a growth rate of 27.14%. The main reason was short-term borrowings from related companies increased by 700 million baht and long-term borrowings from financial institutions increased by 519.53 million baht since the Company had to manage liquidity in order to provide sufficient sources of funds in accordance with the Company's continuous business expansion. At the same time, short-term borrowings from financial institutions decreased by 170 million baht. As a result, the portion of current and non-current borrowings were 48.51% and 51.49% of total borrowings, respectively.

**3. Equity** Equity of the Company as of March 31, 2022 and December 31, 2021 were 2,084.59 million baht and 2,008.28 million baht, respectively. The main reason was the retained earnings increased in accordance with a growth of net profit.

**4. Debt to Equity Ratio** As of March 31, 2022 and December 31, 2021 debt to equity ratio of the Company was 2.33 times and 1.90 times, respectively. It resulted from an increase in liabilities.

Please be informed accordingly

Yours sincerely,

(Ms. Kruakaeo Yerabut)

Chief Financial Officer