

Mitsib 007/2565

May 13, 2022

Subject: Management Discussion and Analysis for the three-month period ended March 31, 2022

To: Managing Director
The Stock Exchange of Thailand

As a result of COVID-19 pandemic having a widespread impact, and inevitably effecting leasing customers of Mitsib Leasing Public Company Limited ("the Company"). Our customers continuously were faced with difficulties in making instalment payments to the company. In order to support our customers and aid them in maintaining their cash flow, the company provided relief measures during January to March 31, 2022 as follows;

- Minimum payments of 70% of current monthly instalments.
- Debt restructuring of hire purchase loans for customers who requested and are eligible according to the Company's terms and conditions.
- Debt rescheduling of 2 installments for customers who were infected with COVID-19.



The Company would like to clarify the overall operating results for the three-month period ended March 31, 2022 which are summarised as follows:

Statement of comprehensive income	2021	2022	Change	
	Thousand Baht	Thousand Baht	Thousand Baht	%
For the period ended 31 March				
Revenue				
Revenue from sales	124,160	49,052	(75,108)	(60.49%)
Finance income on the net investment in hire purchase contract	39,137	44,919	5,782	14.77%
Interest income on factoring	131	544	413	315.27%
Other income	10,870	19,376	8,506	78.25%
Total Revenue	174,298	113,891	(60,407)	(34.66%)
Expenses				
Cost of sales of goods	118,409	50,019	(68,390)	(57.76%)
Distribution costs	11,881	8,048	(3,833)	(32.26%)
Administrative expenses	33,101	41,222	8,121	24.53%
Total expenses	163,391	99,289	(64,102)	(39.23%)
Profit from operating activities	10,907	14,602	3,695	33.88%
Loss arising from derecognition of receivable under hire purchase contracts	(533)	(5,874)	5,341	1002.06%
Finance cost	(6,811)	(8,016)	1,205	17.69%
Gains and reversal (loss) of expected credit loss	(5,896)	(2,443)	(3,453)	58.57%
Share of loss of joint venture	(70)	(64)	(6)	(8.57%)
Profit (Loss) before income tax expense	(2,403)	(1,795)	608	25.30%
Tax expense	(638)	(228)	(410)	(64.26%)
Profit (Loss) for the period	(3,041)	(2,023)	(1,018)	(33.48%)
Other comprehensive income (expenses)			-	
Total comprehensive income (expenses) for the period after tax	-	-	-	
Total comprehensive (expenses) for the period	(3,041)	(2,023)	(1,018)	(33.48%)
Earnings per share			-	
Basic earnings (Loss) per share	(0.004)	(0.003)	(0.001)	(25.00%)

Total comprehensive expense for the three-month period ended March 31, 2022 is 2.02 million Baht, decreasing 1.02 million Baht or 33.48% from March 31, 2021 because:

1. **Total Revenue** for the three-month period ended March 31, 2022 was 113.89 million Baht, decreasing 60.42 million Baht or 34.66% from March 31, 2021 because of decreasing in sales

volume of Taxi. However, interest income of the company increased from that period of last year because the subsidiary companies provided their lending to new customers.

2. **Total Expenses** for the three-month period ended March 31, 2022 was 99.29 million Baht, decreasing 64.10 million Baht or 39.23% because:

- **Cost of sale of goods** was 50.02 million Baht, decreasing 68.39 million Baht or 57.76%, because of decreasing in sales volume of Used-Taxi.
- **Administrative expense** was 41.22 million Baht, increasing 8.12 million Baht or 24.53%, due to the gain(loss) from the termination of receivables under hire purchase contract. Because of the affect from COVID-19, the customer did loss of their ability to pay.
- **Financial cost** was 8.02 million Baht, increasing 1.20 million Baht or 17.69%, due to an increase in loans from subsidiary companies which used for lending to their new customers.
- **Expected credit loss** was 2.44 million Baht, decreasing 3.45 million Baht or 58.57%, because of an increase in other loan receivables form subsidiary companies in the first quarter of year 2022.

Statement of financial position	December 31, 2021	March 31, 2022	Change	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Current asset	763,712	796,739	33,027	4.32%
Non-Current asset	809,846	789,065	(20,781)	(2.57%)
Total asset	1,573,558	1,585,804	12,246	0.78%
Current Liabilities	465,728	520,384	54,656	11.74%
Non-Current Liabilities	379,349	338,962	(40,387)	(10.65%)
Total Liabilities	845,077	859,346	14,269	1.69%
Equity	728,481	726,458	(2,023)	(0.28%)
Total Liabilities and Equity	1,573,558	1,585,804	12,246	0.78%

Statement of financial position as of March 31, 2022 changed from December 31, 2021 as follows;

1. **Total assets** as of March 31, 2022 was 1,585.80 million Baht, increasing 12.25 million Baht or 0.78%, because of an increase in inventory for used-taxi and an increase of loan receivables.

2. **Total liabilities** as of March 31, 2022 is 859.35 million Baht, increasing 14.27 million Baht or 1.69%, because the Company borrowed loan from other individual party to support the company's financing business.

Yours Sincerely,

Mr. Nitipat Yongsanguanchai

Chief Executive Officer

Mitsib Leasing Public Company Limited

