



August 10, 2022

Subject Management Discussion and Analysis of the Company's Operating Result for quarter 2/2022 ended 30 June 2022 (Reviewed)

Attention The President
The Stock Exchange of Thailand

Asia Sermkij Leasing Public Company Limited ("the Company") would like to submit Management Discussion and Analysis the operating performance for quarter 2/2022 ended 30 June 2022 (reviewed) as follows:

Overview of operating performance

For Q2-2022, the Company and its subsidiaries have profit of Baht 359.02 Million, increased by Baht 89.94 Million or 33.43 percent from the profit of Baht 269.08 Million in Q2-2021 and total revenue of Baht 1,370.94 Million, increased by Baht 280.69 Million or 25.75 percent from total revenue of Baht 1,090.25 Million in Q2-2021. The details are as follow:

Revenues

1. Hire purchase interest income

Hire purchase interest income was Baht 1,023.13 Million in Q2-2022, increased by Baht 209.06 Million or 25.68 percent from Baht 814.07 Million in Q2-2021. 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 19.40 Million in Q2-2022, increased by Baht 4.02 Million or 26.14 percent from Baht 15.38 Million in Q2-2021. This was mainly due to an increase in financial leases disbursement and portfolio.

3. Interest income from loan

Interest income from loan was Baht 143.10 Million in Q2-2022, increased by Baht 36.58 Million or 34.34 percent from Baht 106.52 Million in Q2-2021. This was mainly due to an increase in loan disbursement and portfolio.

4. Service income from insurance broker

Service income from insurance broker was Baht 142.47 Million in Q2-2022, increased by Baht 24.94 Million or 21.22 percent from Baht 117.53 Million in Q2-2021. This was mainly due to an increase in disbursement and penetration rate.

Expenses

1. Credit loss expense on receivables and impairment loss on assets foreclosed

Credit loss expense on receivables and impairment loss on assets foreclosed in Q2-2022 was Baht 308.82 Million, increased by Baht 75.15 Million or 32.16 percent from Baht 233.67 Million in Q2-2021. This was due to an increase in provision, the management overlay in the amount of Baht 29.05 million and the increase of Non-performing loan. The NPL ratio at Q2-2022 was 2.68 percent of the total portfolio, increased from 2.47 percent of total portfolio in Q2-2021.

2. Financial Cost

Financial Cost in Q2-2022 was Baht 322.10 Million, increased by Baht 67.42 Million or 26.47 percent from Baht 254.68 Million in Q2-2021. This was due to an increase in loan while an average interest slightly increased.

Please be informed accordingly.

Yours sincerely,

Asia Sermkij Leasing Public Company Limited

(Mr. Danai Lapaviwat)
Chief Financial Officer