



Saksiam Leasing Public Company Limited

49/47 Chetsada Bodin Road., Tha It, Muang Uttaradit, Uttaradit 53000

Tel : 055-444495 , 830778 Fax 055-440371

- Translation -

No. SAK-SET 12/2565

11 August 2022

Subject: Management Discussion and Analysis for the 3-month and 6-month ended June 30, 2022

To: President

The Stock Exchange of Thailand

Saksiam Leasing Public Company Limited (the “**Company**”) would like to report its operational results for the 3-month ended June 30, 2022. The Company’s net profit was 166.0 million baht compared to net profit of 137.1 million baht in the same period of the previous year. It increased by 29.0 million baht, representing a 21.1% increase. The details are as follows:

(Unit : Million baht)

Statement of comprehensive income	For the 3-month ended		Changes	
	Jun 30, 2022	Jun 30, 2021	Amount	Percentage
Revenue				
Interest Income	559.3	438.2	121.2	27.7
Revenue from sales and services	2.9	-	2.9	100.0
Fee and service income	2.9	1.4	1.5	109.7
Other income	1.4	1.8	(0.4)	(22.7)
Total revenue	566.6	441.4	125.1	28.4
Expenses				
Cost of sales and services	1.2	-	1.2	100.0
Selling expenses	8.3	8.9	(0.6)	(6.5)
Administrative expenses	272.5	228.7	43.8	19.2
Expected credit loss	37.1	11.7	25.4	216.1
Finance costs	39.6	21.3	18.2	85.5
Total expenses	358.7	270.6	88.1	32.6
Profit before income tax expenses	207.9	170.8	37.0	21.7
Income tax expenses	41.8	33.8	8.1	23.9
Profit for the period	166.0	137.1	29.0	21.1
Basic earnings per share (Baht per share)	0.08	0.07	0.01	14.3



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1. Total revenue for the 3-month ended June 30, 2022 was 566.6 million baht compared to total revenue of 441.4 million baht in the same period of the previous year. It increased by 125.1 million baht, representing a 28.4% increase. This was mainly due to growth of loan portfolio increase from both existing customer base and new customer base by expansion business plan of 201 new branches in year 2021 and 171 new branches in first half of 2022. The Company's revenue from sales and services was 2.9 million baht from sales and services of drone.
2. Total expenses for the 3-month ended June 30, 2022 was 358.7 million baht compared to total expenses of 270.6 million baht in the same period of the previous year. It increased by 88.1 million baht, representing a 32.6% increase. This was mainly due to opening new branches in year 2021 and first half of 2022 and increased in the number of employee, resulting to the Company's selling and administrative expenses of 280.8 million baht, compared to selling and administrative expenses of 237.6 million baht in the same period of the previous year. It increased by 43.2 million baht, representing a 18.2% increase. Furthermore, growth of new loan portfolio increase by 1,087.1 million baht from the year 2021, resulting in increased of expected credit loss from the year 2021. It increased by 25.4 million baht.

For operating result for the 6-month ended June 30, 2022, the Company's net profit was 330.4 million baht compared to net profit of 255.7 million baht in the same period of the previous year. It increased by 74.6 million baht, representing a 29.2% increase. The detail is as follows :

(Unit : Million baht)

Statement of comprehensive income	For the 6-month ended		Changes	
	Jun 30, 2022	Jun 30, 2021	Amount	Percentage
Revenue				
Interest Income	1,082.0	831.1	250.9	30.2
Revenue from sales and services	2.9	-	2.9	100.0
Fee and service income	5.2	2.6	2.6	102.6
Other income	3.5	4.1	(0.5)	(13.2)
Total revenue	1,093.5	837.7	255.9	30.5
Expenses				
Cost of sales and services	1.2	-	1.2	100.0
Selling expenses	14.9	15.2	(0.3)	(2.0)
Administrative expenses	524.5	440.4	84.1	19.1
Expected credit loss	66.4	16.7	49.7	298.1
Finance costs	72.7	46.7	26.0	55.8
Total expenses	679.8	519.0	160.7	31.0



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(Unit : Million baht)

Statement of comprehensive income	For the 6-month ended		Changes	
	Jun 30, 2022	Jun 30, 2021	Amount	Percentage
Profit before income tax expenses	413.8	318.7	95.1	29.9
Income tax expenses	83.4	62.9	20.5	32.6
Profit for the period	330.4	255.7	74.6	29.2
Basic earnings per share (Baht per share)	0.16	0.12	0.04	33.3

1. Total revenue for the 6-month ended June 30, 2022 was 1,093.5 million baht compared to total revenue of 837.7 million baht in the same period of the previous year. It increased by 255.9 million baht, representing a 30.5% increase. This was mainly due to growth of loan portfolio increase from both existing customer base and new customer base by expansion business plan of 201 new branches in year 2021 and 171 new branches in first half of 2022.
2. Total expenses for the 6-month ended June 30, 2022 was 679.8 million baht compared to total expenses of 519.0 million baht in the same period of the previous year. It increased by 160.7 million baht, representing a 31.0% increase. This was mainly due to opening new branches in year 2021 and first half of 2022 and increased in the number of employee, resulting to the Company's selling and administrative expenses of 539.4 million baht, compared to selling and administrative expenses of 455.6 million baht in the same period of the previous year. It increased by 83.8 million baht, representing a 18.4% increase. Furthermore, growth of new loan portfolio increase by 1,087.1 million baht from the year 2021, resulting in increased of expected credit loss from the year 2021. It increased by 49.7 million baht.

(Unit: Million baht)

Statement of Financial Position	As of		Changes	
	Jun 30, 2022	Dec 31, 2021	Amount	Percentage
Assets	10,771.3	9,529.5	1,241.8	13.0
Liabilities	5,777.5	4,623.0	1,154.5	25.0
Equity	4,993.8	4,906.6	87.2	1.8
Debt to Equity ratio (times)	1.16	0.94	0.21	22.8



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1. **Total assets:** The Company had total assets as of June 30, 2022 of 10,771.3 million baht, an increase of 1,241.8 million baht from the year 2021, representing a 13.0% increase. This was mainly due to growth of loan portfolio increased amount 1,087.1 million baht from the year 2021.
2. **Total liabilities:** The Company had total liabilities as of June 30, 2022 of 5,777.5 million baht, an increase of 1,154.5 million baht from the year 2021, representing a 25.0% increase. This was mainly because of borrowings from financial institutions to support loan expansion.
3. **Equity:** The Company had equity as of June 30, 2022 of 4,993.8 million baht, an increase of 87.2 million baht from the year 2021, representing a 1.8% increase. The Company's equity increased from net profit for the 6-month of 330.4 million baht. On 20 April 2022, the Annual General Meeting of the Company's shareholders for the year 2022, approved the resolution regarding to the payment of dividend from net profit for the year ended 31 December 2021 at the rate of Baht 0.116 per share, amounting to Baht 243.1 million baht. The dividend was paid on 18 May 2022.
4. **D/E Ratio:** The Company had a debt to equity ratio (D/E ratio) as of June 30, 2022 of 1.16 and as at December 31, 2021 of 0.94. The increment of D/E ratio was because total liabilities has increased to be higher than the equity.

Please be informed accordingly.

Sincerely yours,

(Mrs. Renu Wilasri)

Deputy Managing Director

Authorized Persons to Disclose Information