



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 14/2565

10 November 2022

Subject: Management Discussion and Analysis for the 3-month and 9-month ended September 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 September 30, 2022. The Company’s net profit was 171.1 million baht compared to net profit of 166.4 million baht in the same period of the previous year. It increased by 4.7 million baht, representing a 2.8% increase. The details are as follows:

(Unit : Million baht)

Statement of comprehensive income	For the 3-month ended		Changes	
	Sep 30, 2022	Sep 30, 2021	Amount	Percentage
Revenue				
Interest Income	599.2	488.1	111.1	22.8
Revenue from sales and services	4.5	-	4.5	100.0
Fee and service income	2.7	0.9	1.8	193.3
Other income	1.1	1.8	(0.7)	(38.1)
Total revenue	607.5	490.8	116.7	23.8
Expenses				
Cost of sales and services	2.3	-	2.3	100.0
Selling expenses	14.9	4.9	10.0	206.3
Administrative expenses	286.2	226.7	59.4	26.2
Expected credit loss	43.9	24.7	19.3	78.1
Finance costs	46.0	27.0	19.0	70.3
Total expenses	393.3	283.3	110.0	38.8
Profit before income tax expenses	214.2	207.5	6.7	3.2
Income tax expenses	43.1	41.1	2.1	5.0
Profit for the period	171.1	166.4	4.7	2.8
Basic earnings per share (Baht per share)	0.08	0.08	-	-



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1. Total revenue for the 3-month ended September 30, 2022 was 607.5 million baht compared to total revenue of 490.8 million baht in the same period of the previous year. It increased by 116.7 million baht, representing a 23.8% 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 209 new branches in the third quarter of 2022.
2. Total expenses for the 3-month ended September 30, 2022 was 393.3 million baht compared to total expenses of 283.3 million baht in the same period of the previous year. It increased by 110.0 million baht, representing a 38.8% increase. This was mainly due to opening new branches in year 2021 and the third quarter of 2022 and increased in the number of employee, resulting to the Company's selling and administrative expenses of 286.2 million baht, compared to selling and administrative expenses of 226.7 million baht in the same period of the previous year. It increased by 59.4 million baht, representing a 26.2% increase. Furthermore, growth of new loan portfolio increase by 1,573.7 million baht from the year 2021, resulting in increased of expected credit loss from the year 2021. It increased by 19.3 million baht.

For operating result for the 9-month ended September 30, 2022, the Company's net profit was 501.5 million baht compared to net profit of 422.2 million baht in the same period of the previous year. It increased by 79.3 million baht, representing a 18.8% increase. The detail is as follows :

(Unit : Million baht)

Statement of comprehensive income	For the 9-month ended		Changes	
	Sep 30, 2022	Sep 30, 2021	Amount	Percentage
Revenue				
Interest Income	1,681.2	1,319.1	362.0	27.4
Revenue from sales and services	7.4	-	7.4	100.0
Fee and service income	7.8	3.5	4.4	126.4
Other income	4.7	5.9	(1.2)	(21.0)
Total revenue	1,701.1	1,328.5	372.6	28.0
Expenses				
Cost of sales and services	3.5	-	3.5	100.0
Selling expenses	29.8	20.1	9.7	48.4
Administrative expenses	810.7	667.2	143.5	21.5
Expected credit loss	110.3	41.4	69.0	166.8
Finance costs	118.8	73.7	45.0	61.1
Total expenses	1,073.0	802.3	270.7	33.7
Profit before income tax expenses	628.0	526.2	101.8	19.4



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(Unit : Million baht)

Statement of comprehensive income	For the 9-month ended		Changes	
	Sep 30, 2022	Sep 30, 2021	Amount	Percentage
Income tax expenses	126.5	104.0	22.5	21.7
Profit for the period	501.5	422.2	79.3	18.8
Basic earnings per share (Baht per share)	0.24	0.20	0.04	20.0

1. Total revenue for the 9-month ended September 30, 2022 was 1,701.1 million baht compared to total revenue of 1,328.5 million baht in the same period of the previous year. It increased by 372.6 million baht, representing a 28.0% 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 209 new branches in the 9-month of 2022.
2. Total expenses for the 9-month ended September 30, 2022 was 1,073.0 million baht compared to total expenses of 802.3 million baht in the same period of the previous year. It increased by 270.7 million baht, representing a 33.7% increase. This was mainly due to opening new branches in year 2021 and the 9-month of 2022 and increased in the number of employee, resulting to the Company's selling and administrative expenses of 810.7 million baht, compared to selling and administrative expenses of 667.2 million baht in the same period of the previous year. It increased by 143.5 million baht, representing a 21.5% increase. Furthermore, growth of new loan portfolio increase by 1,573.7 million baht from the year 2021, resulting in increased of expected credit loss from the year 2021. It increased by 69.0 million baht.

(Unit: Million baht)

Statement of Financial Position	As of		Changes	
	Sep 30, 2022	Dec 31, 2021	Amount	Percentage
Assets	11,267.9	9,529.5	1,738.4	18.2
Liabilities	6,103.0	4,623.0	1,480.1	32.0
Equity	5,164.9	4,906.6	258.3	5.3
Debt to Equity ratio (times)	1.18	0.94	0.24	25.4



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1. **Total assets:** The Company had total assets as of September 30, 2022 of 11,267.9 million baht, an increase of 1,738.4 million baht from the year 2021, representing a 18.2% increase. This was mainly due to growth of loan portfolio increased amount 1,573.7 million baht from the year 2021.
2. **Total liabilities:** The Company had total liabilities as of September 30, 2022 of 6,103.0 million baht, an increase of 1,480.1 million baht from the year 2021, representing a 32.0% increase. This was mainly because of borrowings from financial institutions to support loan expansion.
3. **Equity:** The Company had equity as of September 30, 2022 of 5,164.9 million baht, an increase of 258.3 million baht from the year 2021, representing a 5.3% increase. The Company's equity increased from net profit for the 9-month of 501.5 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 September 30, 2022 of 1.18 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