



**ราชนานี ลีสซิ่ง**  
**Ratchthani Leasing**  
A Thanachart Group Company

February 16, 2023

Subject : Management Discussion and Analysis for the year ended 31 December 2022  
(Audited)

To : Director and Manager  
The Stock Exchange of Thailand

Ratchthani Leasing Public Company Limited would like to clarify the management discussion and analysis for the year ended 31 December 2022 (Audited) as follows

### **Performance Overview**

In 2022, Thai economy continued to recover after the COVID-19 pandemic has subsided, resulting in a strong improvement in economic activities. With the key economic drivers of tourism, private consumption, tourism sector also resumed its growth momentum owing to the relaxation of international travel restrictions. However, rising inflation limited the consumption recovery, rising policy interest rates worldwide, and uncertainties from prolonged geopolitical conflicts. The Company maintained a prudent risk management, selective growth strategy and closely monitored asset quality.

For the fourth quarter of 2022, the net profit of the Company and its subsidiary reported a net profit of Baht 352.78 million. The total income amounted to Baht 1,131.27 million, financial cost amounted to Baht 251.99 million, the selling and administrative expense amounted to Baht 200.48 million and expected credit loss amounted to Baht 235.91 million. The total Assets amounted to Baht 53,909.26 million, and represented the ROE of 14.65% while the total liabilities amounted to Baht 41,548.32 million and the total equity amounted to Baht 12,360.92 million.

For the Separate financial statements, the Company report net profit of the fourth quarter of 2022 amounted to Baht 313.56 million, decreased by Baht 101.67 million or 24.49% from the same period last year. The total revenue amounted to Baht 1,071.85 million, increased by Baht 65.43 million or 6.50%. Interest expenses amounted to Baht 251.99 million, increased by Baht 26.69 million or 11.85%. For the expected credit loss for the fourth quarter of 2022 amounted to Baht 235.91 million, an increased from the same period last year of Baht 127.18 million or 116.97%. On the current unfavorable economic conditions and the prolonged COVID-19 pandemic, the Company remains prudent in setting provision to cover Probability of default (PD) and Loss given default (LGD) shift. Moreover, the Company closely monitors customers payment ability in order to reflect real behavior in ECL model and offers further assistance to those in need in timely manner. The allowance for expected credit loss was set at the prudent level, preparing for the future uncertainties.

For the overall performance of 2022, the net profit amounted to Baht 1,725.72 million, increased by Baht 46.87 million or 2.79% from 2021. The total revenue amounted to Baht 4,333.17 million, increased by Baht 193.99 million or 4.69% from 2021, and interest expenses of 2022 amounted to Baht 925.53 million, increased by Baht 12.32 million or 1.35%. For the expected credit loss amounted to Baht 555.11 million, an decreased by Baht 30.79 million or 5.26%. The decreasing ECL was result from more well-managed asset quality.

### **Financial Position Overview**

As of 31 December 2022, total assets amounted to Baht 53,659.28 million, an increased by Baht 4,671.25 million or 9.54% from the same period last year. Total hire purchase and financial leasing loans amounted to Baht 51,893.45 million, an increased by Baht 3,982.42 million or 8.31% from the same period last year, total loans to customers and accrued interest receivables net amounted to Baht 207.65 million, accounted for 97.10% of total assets. Total liabilities and shareholders' equity amounted to Baht 41,469.23 million and 12,190.05 million, respectively.

### **Operation Performance of Subsidiary**

#### **RTN Insurance Broker Company Limited**

RTN Insurance Broker Company Limited which is principally engaged in life and non-life insurance brokerages. The business is focus on support hire purchase loans insurance services of Ratchthani Leasing Public Company Limited. Net profit for the fourth quarter of 2022 amounted to Baht 39.22 million, the selling and administrative expenses amounted to Baht 11.18 million, and the total income amounted to Baht 60.20 million

Net profit for the year of 2022 amounted to Baht 170.33 million, the selling and administrative expense amounted to Baht 43.67 million, and the total income amounted to Baht 256.69 million.

Yours faithfully,

Ratchthani Leasing Public Company Limited

- Kovit Rongwattanasophon -

(Mr. Kovit Rongwattanasophon)

Chairman of the Executives Committee  
and Managing Director

บริษัท ราชธานีลีสซิ่ง จำกัด (มหาชน)

**Ratchthani Leasing Public Company Limited**

สำนักงานใหญ่ 77/35-36 ชั้น 11UP อาคารสินสารถาวเวอร์ ถนนกรุงธนบุรี แขวงคลองตันใต้ เขตคลองสาน กรุงเทพมหานคร 10600

Head Office 77/35-36 11UP Floor, Sinsathorn Tower, Krungthongburi Road, Khlongtongnai Sub-district, Khlongsan District, Bangkok 10600

ทะเบียนเลขที่ 0107545000209 Tel : 02-431-9000 Fax : 02-431-9099 Website : www.ratchthani.com E-mail : irthani@thani.co.th