



May 9, 2023

Subject Management Discussion and Analysis of the Company's Operating Result for quarter 1/2023 ended 31 March 2023 (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 1/2023 ended 31 March 2023 (reviewed) as follows:

### Overview of operating performance

For Q1-2023, the Company and its subsidiaries have profit of Baht 402.80 Million, increased by Baht 51.76 Million or 14.74 percent from the profit of Baht 351.04 Million in Q1-2022 and total revenue of Baht 1,546.05 Million, increased by Baht 245.00 Million or 18.83 percent from total revenue of Baht 1,301.05 Million in Q1-2022. The details are as follow:

### Revenues

#### 1. Hire purchase interest income

Hire purchase interest income was Baht 1,136.64 Million in Q1-2023, increased by Baht 184.54 Million or 19.38 percent from Baht 952.10 Million in Q1-2022. This was mainly due to an increase in hire purchase portfolio.

#### 2. Interest income on financial leases

Interest income on financial leases was Baht 20.30 Million in Q1-2023, increased by Baht 1.89 Million or 10.27 percent from Baht 18.41 Million in Q1-2022. This was mainly due to an increase in financial leases portfolio.

#### 3. Interest income from loan

Interest income from loan was Baht 176.23 Million in Q1-2023, increased by Baht 36.11 Million or 25.77 percent from Baht 140.12 Million in Q1-2022. 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 160.53 Million in Q1-2023, increased by Baht 9.33 Million or 6.17 percent from Baht 151.20 Million in Q1-2022. 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 Q1-2023 was Baht 313.12 Million, increased by Baht 22.61 Million or 7.78 percent from Baht 290.51 Million in Q1-2022. This was due to an increase in a written-off account receivables and an increase in delinquency. The NPL ratio at Q1-2023 was 3.73 percent of the total portfolio.

### 2. Financial Cost

Financial Cost in Q1-2023 was Baht 408.03 Million, increased by Baht 112.31 Million or 37.98 percent from Baht 295.72 Million in Q1-2022. This was due to an increase in an average interest rate and borrowings amount to support hire purchase portfolio growth.

Please be informed accordingly.

Yours sincerely,

Asia Sermkij Leasing Public Company Limited

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(Mr. Danai Lapaviwat)  
Chief Financial Officer