



12 May 2023

Subject Management Discussion and Analysis for the first quarter ended 31 March 2023

To President,
 The Stock Exchange of Thailand

We, Micro Leasing Public Company Limited (the “Company”), would like to provide an overview of the financial performance for the first quarter ended 31 March 2023 with details as per below.

(Unit: Million Baht)

Statement of comprehensive income For the first quarter ended March31,2023 and 2022	Consolidated financial statements		Change Increase (Decrease)	
	2023	2022	Amount	%
Interest income from hire purchase	202.10	154.67	47.43	30.67
Fees and service revenues	34.17	35.79	(1.62)	(4.53)
Other revenues	1.72	1.52	0.20	13.16
Total revenues	237.99	191.98	46.01	23.97
Cost of sale and administration	82.90	59.75	23.15	38.74
Expected credit loss	54.57	18.19	36.38	200.00
Gain/Loss from assets foreclosed	62.41	21.18	41.23	194.66
Total expenses	199.88	99.12	100.76	101.65
Profit from operating activities	38.11	92.86	(54.75)	(58.96)
Finance cost	47.50	27.09	20.41	75.34
Income tax expenses (income)	(1.76)	14.04	(15.80)	(112.54)
Profit (loss) for the period	(7.63)	51.73	(59.36)	(114.74)
Profit (loss) for Equity attributable to the Company	3.08	51.74	(48.66)	(94.05)
Earnings per share (Baht per share)	0.0033	0.0553	-	-

1. Total Revenue for the quarter ended March 31,2023 was 237.99 Million Baht, compared to 191.98 Million Baht from the same period of last year, increase by 46.01 Million Baht or 23.97%. The main income of the Company and its subsidiaries were interest income from hire purchase which increased according with the growth of hire purchase portfolio. However, service income, vehicle insurance and MRTA slightly decreased due to strict quality screening of new loans.
2. Total Expenses for the quarter ended March 31,2023 was 199.88 Million Baht, compared to 99.12 Million Baht from the same period of last year, increase of 100.76 Million Baht or 101.65%. These was due to:
 - Selling and administration expenses for quarter ended March 31,2023 was 82.90 Million Baht, increase by 23.15 Million Baht or 38.74%. It was mainly due to employees salary adjustment, variable expenses arising from loan growth, an increasing number of credit personnel to prepare for branch expansion according to the business plan in subsidiaries and a rise in the costs of debt collection.
 - Expected credit losses for the quarter ended March 31,2023 was 54.57 Million Baht, increase by 36.38 Million Baht or 200.00%. This was due to the additional allowance for expected credit losses of hire - purchase receivables from loan growth and the deteriorating debt quality due to the economic situation that started to slow down since May 2022.
 - Loss from asset foreclosed for the quarter ended March 31, 2023 was 62.41 million Baht, increase by 41.23 million Baht or 194.64%, mostly as a result of a rise in the quantity of vehicles seized as a result of the oil price scenario, also an economic slow down which affect to some hire-purchase debtors who started to default on debt payment and had to contact to return the vehicles. To closely monitor customers, the Company has hired internal and external teams.
3. Financial cost for the quarter ended March 31,2023 was 47.50 Million Baht, compared to 27.09 Million Baht from the same period of last year, increase of 20.41 Million Baht or 75.34%. This was due to the increase in the Company's interest-bearing debt and an increase in the policy interest rate. This affects the increase in interest rates on bank loans and new debentures.
4. Net profit attributable to the Company for the quarter ended March 31,2023 was 3.08 Million Baht, compared to 51.74 Million Baht from the same period of last year, decrease by 48.66 Million Baht or 94.05%

Statement of financial position

(Unit: Million Baht)

Statement of financial position	Consolidated financial statements		Change Increase (Decrease)	
	31 March 2023	31 December 2022	Amount	%
Asset	5,694.89	5,511.41	183.48	3.33
Liabilities	3,555.00	3,363.89	191.11	5.68
Equity attributable to owners of the company	1,968.58	1,965.50	3.08	0.16
Debt to Equity Ratio	1.66	1.57	-	-

1. Total Asset

- As of March 31,2023 the Company and its subsidiaries total asset was 5,694.89 Million Baht, an increase of 183.48 Million Baht or 3.33% from the year ended 2022. This was mainly due to an increase of hire purchase portfolio and assets foreclosed.

2. Total Liabilities

- As of March 31,2023 the company and its subsidiaries total liabilities was 3,555.00 Million Baht, an increase of 191.11 Million Baht or 5.68% from the year ended 2022. This was in line with the expansion of the Company and subsidiaries' hire purchase portfolio from the increase of debentures and long-term loans from other persons.

3. Equity attributable to owners of the company

- As of March 31,2023 the company and its subsidiaries total equity was 1,968.58 Million Baht, an increase of 3.08 Million Baht or 0.16% from the year ended 2022 which was due to the total net profit for the period attributable to the shareholders of the Company.

4. Debt to Equity Ratio

- As of March 31,2023 the company and its subsidiaries debt to equity ratio was 1.66 times, compared to 1.57 times of the year end 2022. An increase of debt to equity ratio because increase in loans and debentures to as a source of loan expand business.

Please be informed according

Regards,



(Mr.Kandanai.Chonsuwat)

Deputy Managing Director of Accounting and Finance

(Ms. Thanaporn Waewsuwun)

Investor Relations

Phone. 034 109 200 Ext 9004

Email: ir@microleasingplc.com