



August 9, 2023

Subject Management Discussion and Analysis of the Company's Operating Result for quarter 2/2023 ended 30 June 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 2/2023 ended 30 June 2023 (reviewed) as follows:

Overview of operating performance

For Q2-2023, the Company and its subsidiaries have profit of Baht 336.58 Million, decreased by Baht 22.44 Million or 6.25 percent from the profit of Baht 359.02 Million in Q2-2022 and total revenue of Baht 1,636.76 Million, increased by Baht 265.82 Million or 19.39 percent from total revenue of Baht 1,370.94 Million in Q2-2022. The details are as follow:

Revenues

1. Hire purchase interest income

Hire purchase interest income was Baht 1,194.46 Million in Q2-2023, increased by Baht 171.33 Million or 16.75 percent from Baht 1,023.13 Million in Q2-2022. This was mainly due to an increase in hire purchase portfolio.

2. Interest income on financial leases

Interest income on financial leases was Baht 21.17 Million in Q2-2023, increased by Baht 1.77 Million or 9.12 percent from Baht 19.40 Million in Q2-2022. This was mainly due to an increase in financial leases portfolio.

3. Interest income from loan

Interest income from loan was Baht 187.73 Million in Q2-2023, increased by Baht 44.63 Million or 31.19 percent from Baht 143.10 Million in Q2-2022. 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 174.70 Million in Q2-2023, increased by Baht 32.25 Million or 22.64 percent from Baht 142.45 Million in Q2-2022. 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 Q2-2023 was Baht 419.50 Million, increased by Baht 110.68 Million or 35.84 percent from Baht 308.82 Million in Q2-2022. This was due to an increase in a written-off account receivables and an increase in delinquency.

2. Financial Cost

Financial Cost in Q2-2023 was Baht 459.12 Million, increased by Baht 137.02 Million or 42.54 percent from Baht 322.10 Million in Q2-2022. 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

(Mr. Danai Lapaviwat)
Chief Financial Officer