



**Star Money Public Company Limited**

204/1-8 Sukhumwit Road, Thang Kwian Tumbon, KLaeng District, Rayong, 21110

Tel : (+66) 61-393-9988 Company Registration No. 0107565000263

No. SM-SET005/2023

11 August 2023

Subject: Management Discussion and Analysis for the three-month and six-month ended June 30,2023

To: President

The Stock Exchange of Thailand

Star Money Public Company Limited (the “Company”) would like to report its operating results for the three-month ended June 30,2023. The company's net profit was 25.43 million baht compared to net profit 33.53 million baht in the same period of the previous year, a decrease of 8.10 million baht or 24.16% the details are as follows:

(Unit: Million baht)

Income Statement	For the three-month ended		Change	
	Jun 30,2023	Jun 30,2022	Amount	Percentage
<b>Revenues</b>				
Sales and service income	237.15	277.99	(40.84)	(14.69)
Hire purchase Interest income	19.24	21.45	(2.21)	(10.30)
Loan interest income	110.27	98.80	11.47	11.61
Fee and service income	4.15	3.40	0.75	22.06
Other income	11.21	10.23	0.98	9.58
<b>Total revenues</b>	<b>382.02</b>	<b>411.86</b>	<b>(29.84)</b>	<b>(7.25)</b>
<b>Expenses</b>				
Cost of sales	199.26	235.55	(36.29)	(15.41)
Selling expenses	4.09	3.57	0.52	14.57
Administrative expenses	102.98	95.48	7.50	7.86
<b>Total expenses</b>	<b>306.34</b>	<b>334.60</b>	<b>(28.26)</b>	<b>(8.45)</b>
<b>Profit from operating activities</b>	<b>75.68</b>	<b>77.26</b>	<b>(1.58)</b>	<b>(2.05)</b>
Expected credit losses	18.08	14.33	3.75	26.17
Loss on impairment and disposals of assets foreclosed	7.70	4.89	2.81	57.46
<b>Profit before finance cost and income tax expenses</b>	<b>49.90</b>	<b>58.04</b>	<b>(8.14)</b>	<b>(14.02)</b>
Finance cost	17.92	16.03	1.89	11.79
<b>Profit before income tax expenses</b>	<b>31.98</b>	<b>42.01</b>	<b>(10.03)</b>	<b>(23.88)</b>
Income tax expenses	6.54	8.48	(1.94)	(22.88)
<b>Profit for the period</b>	<b>25.43</b>	<b>33.53</b>	<b>(8.10)</b>	<b>(24.16)</b>



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- Total revenues for the three-month ended June 30,2023 was 382.02 million baht, compared to the same period of the previous year was 411.86 million baht, a decrease of 29.84 million baht or 7.25%, from the reduction in the proportion of installment sales of mobile phone because it is a product that tends to have a high risk of NPL in the future.
- Total expenses for the three-month ended June 30,2023 was 306.34 million baht, compared to the same period of the previous year was 334.60 million baht, a decrease of 28.26 million baht or 8.45%, because cost of sales decreased according to product sales, an increased from employee's salary as a result of expansion of branches and employee.
- Expected credit losses for the three-month ended June 30,2023 was 18.08 million baht, compared to the same period of the previous year was 14.33 million baht, an increase of 3.75 million baht or 26.17%
- Loss on impairment and disposals of assets foreclosed for the three-month ended June 30,2023 was 7.70 million baht, compared to the same period of the previous year was 4.89 million baht, an increase of 2.81 million baht or 57.46%
- Financial costs for the three-month ended June 30,2023 was 17.92 million baht, compared to the same period of the previous year was 16.03 million baht, an increase of 1.89 million baht or 11.79%, due to rising interest rates.

For operating results for the six-month ended June 30,2023. The company had a net profit of 43.29 million baht, compared to the same period of the previous year of 60.80 million baht, a decrease of 17.51 million baht or 28.80%. The details are as follows:

(Unit: Million baht)

Income Statement	For the six-month ended		Change	
	Jun 30,2023	Jun 30,2022	Amount	Percentage
<b>Revenues</b>				
Sales and service income	409.02	455.09	(46.07)	(10.12)
Hire purchase Interest income	40.56	36.40	4.16	11.43
Loan interest income	219.25	198.47	20.78	10.47
Fee and service income	8.49	6.38	2.11	33.07
Other income	21.53	21.48	0.05	0.23
<b>Total revenues</b>	<b>698.85</b>	<b>717.82</b>	<b>(18.97)</b>	<b>(2.64)</b>
<b>Expenses</b>				
Cost of sales	345.66	387.24	(41.58)	(10.74)
Selling expenses	6.97	6.67	0.30	4.50
Administrative expenses	204.80	186.48	18.32	9.82
<b>Total expenses</b>	<b>557.43</b>	<b>580.39</b>	<b>(22.96)</b>	<b>(3.96)</b>
<b>Profit from operating activities</b>	<b>141.42</b>	<b>137.43</b>	<b>3.99</b>	<b>2.90</b>
Expected credit losses	34.09	25.06	9.03	36.03
Loss on impairment and disposals of assets foreclosed	15.55	6.26	9.29	148.40
<b>Profit before finance cost and income tax expenses</b>	<b>91.78</b>	<b>106.11</b>	<b>(14.33)</b>	<b>(13.50)</b>
Finance cost	37.42	30.04	7.38	24.57
<b>Profit before income tax expenses</b>	<b>54.36</b>	<b>76.07</b>	<b>(21.71)</b>	<b>(28.54)</b>
Income tax expenses	11.07	15.27	(4.20)	(27.50)
<b>Profit for the period</b>	<b>43.29</b>	<b>60.80</b>	<b>(17.51)</b>	<b>(28.80)</b>



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1. Total revenues for the six-month ended June 30,2023 was 698.85 million baht, compared to the same period of the previous year was 717.82 million baht, a decrease of 18.97 million baht or 2.64%, from the reduction in the proportion of installment sales of mobile phone because it is a product that tends to have a high risk of NPL in the future.
2. Total expenses for the six-month ended June 30,2023 was 557.43 million baht, compared to the same period of the previous year was 580.39 million baht, a decrease of 22.96 million baht or 3.96%, because cost of sales decreased according to product sales, an increased from employee's salary as a result of expansion of branches and employee.
3. Expected credit losses for the six-month ended June 30,2023 was 34.09 million baht, compared to the same period of the previous year was 25.06 million baht, an increase of 9.03 million baht or 36.03%
4. Loss on impairment and disposals of assets foreclosed for the six-month ended June 30,2023 was 15.55 million baht, compared to the same period of the previous year was 6.26 million baht, an increase of 9.29 million baht or 148.40%, due to increased from loss on sales and impairment of buses and trucks.
5. Financial costs for the six-month ended June 30,2023 was 37.42 million baht, compared to the same period of the previous year was 30.04 million baht, an increase of 7.38 million baht or 24.57%, due to rising interest rates.

Company's financial position

(Unit: Million baht)

Statement of Financial Position	As of		Change	
	Jun 30,2023	Dec 31,2022	Amount	Percentage
Current assets	1,255.07	1,738.72	(483.65)	(27.82)
Non-current assets	1,556.22	1,471.16	85.06	5.78
<b>Total assets</b>	<b>2,811.29</b>	<b>3,209.88</b>	<b>(398.59)</b>	<b>(12.42)</b>
Current liabilities	1,320.13	1,686.89	(366.76)	(21.74)
Non-current liabilities	380.47	411.64	(31.17)	(7.57)
<b>Total liabilities</b>	<b>1,700.60</b>	<b>2,098.53</b>	<b>(397.93)</b>	<b>(18.96)</b>
Shareholder's equity	1,110.69	1,111.35	(0.66)	(0.06)
<b>Total liabilities and shareholder's equity</b>	<b>2,811.29</b>	<b>3,209.88</b>	<b>(398.59)</b>	<b>(12.42)</b>



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1. **Total assets:** The company had total assets as of June 30,2023 of 2,811.09 million baht, a decrease of 398.59 million baht from the year ended 2022 or 12.42%, the main reason was the remaining bank deposits from the IPO capital increase are used to repay loans from financial institutions by allocation of the utilization of capital increase within the original objectives.
2. **Total liabilities:** The company had total liabilities as of June 30,2023 of 1,700.60 million baht, a decrease of 397.93 million baht from the year ended 2022 or 18.96%, mainly due to a decrease in loans from financial institutions.
3. **Shareholders' Equity:** The Company had shareholders' equity as of June 30,2023 of 1,110.69 million baht, a decrease of 0.66 million baht from the year ended 2022 or 0.06%, the main factor is increase from net profit for the period in the amount of 43.29 million baht, and a decrease from the dividend payment for the year 2022 in the amount of 44 million baht.

Please be informed according.

*Sincerely yours,*

*(MR. Chusak Vivatwongskasem)*

*Managing Director*

*Authorized Person to Disclose information*