



ราชนานี ลีสซิ่ง
Ratchthani Leasing
A Thanachart Group Company

10 May 2024

Subject : Management Discussion and Analysis for the first quarter ended 31 March 2024

(reviewed)

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 first quarter ended 31 March 2024 (reviewed) as follows:

Performance Overview

In the first quarter of 2024 continued to recover unevenly, supported by a continuing growth in tourism sector, contributing to the improved recovery in tourism-related businesses. Meanwhile, a delay in the 2024 budget, which weighed down public spending, together with enduring high level of household indebtedness, remained key headwinds for the period, as did agricultural production that declined due to the impacts of drought. As such, Thai economy remains under high uncertainties from both domestic and external factors in the periods ahead, the Company will be closely monitor.

For the first quarter of 2024, the net profit of the Company and its subsidiary reported a net profit of Baht 343.19 million. It represented an ROE of 10.83%, improved from 5.07% in 4Q23. The total income amounted to Baht 1,111.31 million, financial cost amounted to Baht 315.99 million, the selling and administrative expense amounted to Baht 186.84 million, and expected credit loss amounted to Baht 176.99 million. The Total assets amounted to Baht 55,980.83 million, the total liabilities amounted to Baht 42,952.71 million and the total equity amounted to Baht 13,028.12 million.

For the Separate financial statements, the Company reported a net profit of the first quarter of 2024 amounted to Baht 315.56 million, decreased by Baht 90.87 million or 22.36% on year-on-year basis, due to a slowdown in net interest income and non-interest income, consistent with the Company's direction for a slower loan growth amid an uneven economic recovery. Loan expansion will be focused on quality and profitable loan segments. The total income amounted to Baht 1,072.46 million, decreased by Baht 55.07 million or 4.88%, the financial cost amounted to Baht 315.99 million, increased by Baht 54.16 million or 20.69% on year-on-year basis from higher funding cost aligning with the policy rate increases, expected credit loss amounted to Baht 176.99 million, decreased by Baht 4.86 million or 2.67% on year-on-year basis, the

positive trend is attributed to the Company's efforts in implementing various measures to manage the quality of the loan portfolio.

In the first quarter of 2024, total assets amounted to Baht 55,789.10 million, increased by Baht 1,161.81 million or 2.13% on year-on-year basis. The net of total hire purchase and financial leasing loans amounted to Baht 49,895.82 million, decreased by Baht 2,913.27 million or 5.52%, on year-on-year basis, total loans to customers and accrued interest receivables net amounted to baht 640.30 million, increased by Baht 276.95 million or 76.22%, accounted for 90.58% of total assets. Total liabilities and shareholders' equity amounted to Baht 42,884.82 million and amounted to Baht 12,904.29 million respectively.

Comparing financial position in the first quarter of 2024 and the ended of 2023. The total assets increased by Baht 687.02 million or 1.25%. The net of total hire purchase loans decreased by Baht 1,768.67 million or 3.42%, total loans to customers and accrued interest receivables decreased by baht 78.46 million or 10.92%. Total liabilities increased by Baht 371.47 million or 0.87% and shareholders' equity increased by Baht 315.56 million or 2.51% 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 first quarter of 2024 amounted to Baht 27.64 million, the selling and administrative expenses amounted to Baht 5.12 million, and the total income amounted to Baht 39.69 million

Yours faithfully,

Ratchthani Leasing Public Company Limited

- Kovit Rongwattanasophon -

(Mr. Kovit Rongwattanasophon)

Chairman of the Executives Committee

and Managing Director