



May 10, 2024

Subject Management Discussion and Analysis of the Company's Operating Result for quarter 1/2024 ended 31 March 2024 (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 1/2024 ended 31 March 2024 (reviewed) as follows:

Overview of operating performance

For Q1-2024, the Company and its subsidiaries have profit of Baht 173.83 Million, decreased by Baht 228.97 Million or 56.84 percent from the profit of Baht 402.80 Million in Q1-2023 and total revenue of Baht 1,663.21 Million, increased by Baht 117.16 Million or 7.58 percent from total revenue of Baht 1,546.05 Million in Q1-2023. The details are as follow:

Revenues

1. Hire purchase interest income

Hire purchase interest income was Baht 1,249.25 Million in Q1-2024, increased by Baht 112.61 Million or 9.91 percent from Baht 1,136.64 Million in Q1-2023. This was mainly due to an increase in hire purchase portfolio.

2. Interest income on financial leases

Interest income on financial leases was Baht 22.55 Million in Q1-2024, increased by Baht 2.25 Million or 11.08 percent from Baht 20.30 Million in Q1-2023. This was mainly due to an increase in financial leases portfolio.

3. Interest income from loan

Interest income from loan was Baht 202.61 Million in Q1-2024, increased by Baht 26.38 Million or 14.97 percent from Baht 176.23 Million in Q1-2023. This was due to an increase in car loan portfolio.

4. Service income from insurance broker

Service income from insurance broker was Baht 122.97 Million in Q1-2024, decreased by Baht 37.56 Million or 23.40 percent from Baht 160.53 Million in Q1-2023. This was mainly due to a decrease in the new disbursement.

Expenses

1. Selling and administrative expenses

Selling and administrative expenses in Q1-2024 was Baht 339.56 Million, increased by Baht 19.46 Million or 6.08 percent from Baht 320.10 Million in Q1-2023. This increase was mainly due to the expense of Solar Power Purchase Agreement (Solar PPA) business and operating expense of the Company and subsidiaries.

2. Expected credit losses and impairment loss on assets foreclosed

Expected credit losses and impairment loss on assets foreclosed in Q1-2024 was Baht 554.06 Million, increased by Baht 240.94 Million or 76.95 percent from Baht 313.12 Million in Q1-2023. This was due to an increase in allowance for expected credit losses according to the delinquency, and an increase in impairment loss on assets foreclosed and loss on sale of assets foreclosed.

3. Financial Cost

Financial Cost in Q1-2024 was Baht 551.67 Million, increased by Baht 143.64 Million or 35.20 percent from Baht 408.03 Million in Q1-2023. This was due to an increase of the borrowings amount to support the portfolio expansion and an increase of interest expense rate according to the rise of policy interest rate.

Please be informed accordingly.

Yours sincerely,

Asia Sermkij Leasing Public Company Limited

(Mr. Danai Lapaviwat)

Chief Financial Officer