



SAWAD-008/2024

15 March 2024

Subject Management Discussion and Analysis for the three-month period ended 31 March 2024

To Managing Director

The Stock Exchange of Thailand

We, Srisawad Corporation Public Company Limited (the “Company”), would like to provide an overview of the financial performance for the three-month period ended 31 March 2024 with detail as per below:

Company Overview:

In light of the overall economic situation, the Company has observed an increasing demand for microlending products among Thai people, as evidenced by the growing number of individuals contacting our branches to request loans. This year, the Company has adopted a policy to focus on expanding its core business, specifically car-for-cash loans. Alongside the expansion of the loan portfolio, the Company is also prioritizing the reduction of portfolio risk, particularly in hire-purchase loans. This is being achieved by implementing more stringent credit extension criteria, such as reducing the loan-to-value ratio.

Events related to Fast Money Company Limited:

The Statement of Financial Position as of 31 March 2024, showed growth compared to the same quarter of the previous year, due to on 30 June 2023, the Company acquired 49% of the share capital of Fast Money Company Limited from the Government Savings Bank, following the resolution of the Extraordinary General Meeting of Shareholders No. 1/2023. Consequently, the Company's consolidated financial statements for Q2/2023 included the financial statements of Fast Money Company Limited, a subsidiary of the Company, as detailed below.

1. Statement of Financial Position: The Company has incorporated the assets, liabilities, and equity of Fast Money Company Limited into its consolidated financial statements. As a result, the Company's net loans to customers increased by 48.54% compared to Q1/2023 and by 1.27% compared to Q4/2023.



	31 March 2023	31 December 2023	31 March 2024
Company	67,202	84,013	85,303
Fast Money Company Limited	-	14,556	14,516
Total	67,202	98,569	99,819

2. For the three-month period ended 31 March 2024, the Company and its subsidiaries reported a consolidated net profit totaling 1,278 million Baht. This represents a decrease in net profit of 43 million Baht, or 3.26%, compared to the net profit of 1,321 million Baht in the same quarter of the previous year. The contributing factors are as follows:

2.1 Factors Related to Income

In the first quarter of 2024, interest income totaled 4,595 million Baht, compared to 3,108 million Baht in the same quarter of the previous year, representing an increase of 1,487 million Baht, or 47.84%. This significant increase is attributable to the fact that, in the first quarter of 2023, the Company did not include the income and interest income of Fast Money Company Limited. Additionally, net loans to customers increased from 67,202 million Baht as of the first quarter of 2023 to 99,819 million Baht as of the first quarter of 2024, reflecting a growth of 48.54%.

2.2 Factors Related to Expenses

2.2.1. Operating Expenses

In the first quarter of 2024, operating expenses totaled 2,492 million Baht, compared to 1,778 million Baht in the same quarter of the previous year, representing an increase of 714 million Baht, or 40.16%. This increase was mainly due to losses from the sale of foreclosed properties related to hire-purchase agreements. Since the first quarter of 2023, the Company has implemented stricter customer selection criteria, continuously reducing the amount of credit extended and lowering the loan-to-value ratio to minimize losses from repossessed assets. Additionally, the financial statements for the first quarter of 2023 did not include the income and expenses of Fast Money Company Limited, as mentioned previously.



2.2.2. Expected Credit Loss

In the first quarter of 2024, the expected credit loss totaled 486 million Baht, an increase of 278 million Baht compared to the same quarter of the previous year. This increase was primarily due to the growth of the loan portfolio, as previously mentioned, and the inclusion of Fast Money Company Limited's financial statements in the Company's consolidated financial statements.

2.2.3. Finance Costs

In the first quarter of 2024, finance costs amounted to 789 million Baht, compared to 344 million Baht in the same quarter of the previous year, representing an increase of 445 million Baht. This increase was mainly due to higher borrowings from financial institutions and the issuance of senior debentures, which grew from 43,031 million Baht in Q1 2023 to 75,022 million Baht in Q1 2024. This total includes borrowings of 10,088 million Baht from Fast Money Company Limited, coupled with the impact of rising market interest rates.

Financial Position as of 31 March 2024

1. Total Assets

Total assets amounted to 114,613 million Baht, compared to 111,465 million Baht at the end of 2023, reflecting an increase of 3,148 million Baht. This increase was driven by the rising demand for loans.

2. Total Liabilities

Total liabilities amounted to 82,122 million Baht, an increase of 1,854 million Baht. This increase in liabilities aligns with the growth of the loan portfolio.

Best Regards,

Wanaporn Pornkitipong

Director of Finance and Accounting