

Mitsib 008/2567

09th May 2024Subject: Management Discussion and Analysis for the three month period ending 31st March 2024To: Managing Director
The Stock Exchange of Thailand**1. Overview of Operations**

In the first quarter of 2024, the country's economic outlook, including domestic tourism, is beginning to recover. This is a good trend for future business operations in Thailand, including the operations of Mitsub Leasing PLC and its subsidiary companies (“the Group”).

2. Performance Analysis

The Group would like to clarify the overall operating results for the three-month period ending on March 31, 2024 which are summarized as follows:

Statement of comprehensive income	3M	3M	Change	
	2024	2023	Thousand Baht	% YOY
Unit:Thousand Baht				
Revenue				
Revenue from sales	113,491	111,436	2,055	1.84%
Finance income on the net investment in hire purchase contract	43,171	37,240	5,931	15.93%
Interest income on factoring	29	239	(210)	(87.87%)
Interest income on other loan receivables	17,946	12,060	5,886	48.81%
Other income	17,856	18,635	(779)	(4.18%)
Total Revenue	192,493	179,610	12,883	7.17%
Expenses				
Cost of sales of goods	101,088	98,034	3,054	3.12%
Distribution costs	24,120	18,971	5,149	27.14%
Administrative expenses	23,424	20,893	2,531	12.11%
Expected credit losses	16,525	13,453	3,072	22.84%
Total expenses	165,157	151,351	13,806	9.12%
Profit from operating activities	27,336	28,259	(923)	(3.27%)
Finance cost	12,862	9,248	3,614	39.08%
Profit (Loss) before income tax expense	14,474	19,011	(4,537)	(23.87%)
Tax expense	3,360	4,584	(1,224)	(26.70%)
Total comprehensive income for the period	11,114	14,427	(3,313)	(22.96%)

For the three-month period ending on March 31, 2024, the Group had a net profit of 11.11 MB (“Million Baht”) a decrease by 3.32 MB or 22.96% due to the following:

2.1 Total revenue for the three-month period ending 31st March 2024, the Group had a total revenue of 192.49 MB, an increase by 12.88 MB or 7.17% due to the following.

- Revenue from sales of 113.49 MB, an increase of 2.06 MB, or 1.84% due to the increased sales of new and used public vehicles.
- Interest income on hire-purchase contracts of 43.17 MB, an increase of 5.93 MB or 15.93% was due to an increase in lending for public vehicles.
- Interest income of other loan receivables of 17.95 MB, an increase of 5.89 MB or 48.81% due to the increased amount of titles loan by subsidiary companies.

2.2 Total expense for the three-month period ending 31st March 2024, the Group had a total expense of 165.16 MB, an increase of 13.81 MB or 9.12% because of the following:

- Cost of goods sold of 101.09 MB an increase of 3.05 MB or 3.12% which varied with the increase in revenue from sales.
- Distribution costs of 24.12 MB an increase of 5.15 MB or 27.14% which varied with the increase in revenue from sales.
- Expected credit losses of 16.53 MB, an increase of 3.07 MB or 22.84% due to an increase in expected credit losses 7.47 MB and decrease in loss recognition from repossessions of public vehicles 4.40 MB.



3. Financial Position Analysis

Statement of financial position	As of Mar 31,2024	As of Dec 31,2023	Change	
	Thousand Baht	Thousand Baht	Thousand Baht	%
Assets				
Cash and cash equivalents	92,522	21,679	70,843	326.78%
Hire-purchase receivables, net	1,298,673	1,291,399	7,274	0.56%
Other loan receivables, net	471,705	452,708	18,997	4.20%
Inventories	53,634	54,502	(868)	-1.59%
Deferred tax assets	12,211	12,036	175	1.45%
Other	79,474	57,767	21,707	37.58%
Total assets	2,008,219	1,890,091	118,128	6.25%
Liabilities and equity				
Liabilities				
Borrowings from financial institutions	708,608	780,934	(72,326)	-9.26%
Borrowings from related parties	305,000	150,000	155,000	103.33%
Borrowings from other parties	145,731	145,585	146	0.10%
Other	66,085	41,891	24,194	57.75%
Total liabilities	1,225,424	1,118,410	107,014	9.57%
Equity	782,795	771,681	11,114	1.44%
Total liabilities and shareholders' equity	2,008,219	1,890,091	118,128	6.25%

Statement of financial position as of 31st March 2024 changed from 31st December 2023 because of the following:

3.1 Total assets as of 31st March 2024 was 2,008.22 MB, an increase of 118.13 MB or 6.25% due to:

- **Cash and cash equivalents** of 92.52 MB, an increase of 70.84 MB or 326.78% due to an increase in borrowing form related parties to support the increase in lending.
- **Hire-purchase receivables** of 1,298.67 MB, an increase of 7.27 MB or 0.56% due to an increase in hire purchase contracts.
- **Other loan receivables** of 471.71 MB, an increase of 19.00 MB or 4.20% due to an increase in lending from the subsidiary company.

3.2 Total liabilities as of 31st March 2024 was 1,225.42 MB, an increase of 107.01 MB or 9.57% due to:

- Borrowings from financial institutions of 708.61 MB a decrease of 72.33 MB or 9.26% due to loan pay off.
- Borrowings from related parties of 305.00 MB, an increase of 155.00 MB or 103.33% in order to support the increase in lending of the company.

3.3. Equity as of 31st March 2024 was 782.80 MB, an increase of 11.11 MB or 1.44% due to operating profit resulting this the three-month period 11.11 MB.

Yours Sincerely,

Mr. Nitipat Yongsanguanchai
Chief Executive Officer
Mitsib Leasing Public Company Limited

