

November 7, 2019

Subject: Management Discussion and Analysis For the second quarter ended 30 September 2019  
(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 second quarter ended 30 September 2019 (reviewed) as follows:

#### Performance Overview

For the third quarter of 2019, the net profit of the Company and its subsidiary was 474.65 million baht. The total income was 1,067.12 million baht, financial cost was 263.90 million baht, the selling and administrative expense was 147.18 million baht and bad debts and doubtful accounts expense was 59.58 million baht. The Total Assets was 50,893.33 million baht, the total liabilities was 43,703.96 million baht and the total equity was 7,189.36 million baht which from the continuously expansion of hire purchase loans and related services. Illustrative stability in business operation and strength of the Group's financial position.

For the Separate financial statements, the Company had net profit of the third quarter of 2019 at 442.69 million baht, an increase of 12.23 million baht or 2.84% from the same period of the prior year. The total income was 1,024.23 million baht, an increase of 61.22 million baht or 6.36%, the financial cost was 263.90 million baht, an increase of 44.40 million baht or 20.23% from the same period of the prior year. For the bad debts and doubtful accounts expense was 59.58 million baht, a decrease of 13.50 million baht or 18.47%. The decrease was due to closely monitor the debt collections and the better ability to pay of receivable accounts which support the better of overall quality account receivables.

As of the end of the third quarter of 2019, the Company had 50,753.78 million baht in total assets, an increase of 5,006.09 million baht or 10.94% from the same period of the prior year. The increase was due to the continuous hire purchase loan expansion, particularly from trucks. The net of total hire purchase and financial leasing loans were 49,606.81 million baht, an increase of

4,835.60 million baht or 10.88% from the same period of the prior year, accounted for 97.74% of total assets. Total liabilities and shareholders' equity were 43,646.30 million baht and 7,107.47 million baht respectively.

Comparing financial position in the third quarter of 2019 and the ended of 2018, the Company has strong financial position among of the domestic economic uncertainty. The total assets increased 3,222.72 million baht or 6.78%. The net of total hire purchase loans increased 3,195.18 million baht or 6.88%. Total liabilities increased 3,310.25 million baht or 8.21% and shareholders' equity decreased 87.54 million baht or 1.22% 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 and start operation during in the first quarter of 2019. The business is focus on support hire purchase loans insurance services of Ratchthani Leasing Public Company Limited. Net profit for the third quarter of 2019 was 31.96 million baht, the selling and administrative expense was 4.37 million baht, and the total income was 44.34 million baht. Net profit for the nine-month period of 2019 was 82.09 million baht, the selling and administrative expense was 9.17 million baht, and the total income was 111.80 million baht.

Please be acknowledged

Yours sincerely,

(Mr. Kovit Rongwattanasophon )

Managing Director