



บริษัท เอส 11 กรุ๊ป จำกัด(มหาชน) ทะเบียนเลขที่ 0107556000698

S 11 GROUP PUBLIC COMPANY LIMITED

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S11-003/2561

February 19, 2018

Subject: Management Discussion and Analysis for the year 2017 ended 31 December 2017

To: The President
The Stock Exchange of Thailand

Operating results of S 11 Group Public Company Limited ("the Company") for the year 2017 ended 31 December 2017, the Company generated the net profit of Baht 395.24 million or decreased 6.22% from Baht 421.44 million compared to the same period of 2016. The main reasons are as follows:

1. Total revenue for the year 2017 was Baht 1,438.39 million, increased 13.04% from Baht 1,272.48 million compared to the same period of the previous year in 2016. Major increased revenue was hire- purchase interest income.

Total hire-purchase interest income for the year 2017 was Baht 1,366.46 million, increased 13.13% from Baht 1,207.90 million compared to the same period of the previous year in 2016 resulting from the increasing of market share.

2. Total expense for the year 2017 was increased 32.92% from Baht 625.87 million to Baht 831.94 million compared to the same period of the previous year in 2016.

Sale and administrative expense for the year 2017 increased 33.21% from Baht 222.42 million to Baht 296.28 million compared to the same period of the previous year in 2016 according to the revenue's growth. However, the Company controls the operating cost to be effective which made the ratio of sale and administrative expense to total revenue decreased 15.14%.

Bad debts and doubtful account for the year 2017 increased 43.79% from Baht 255.76 million to Baht 367.77 million compared to the same period of the previous year in 2016. In 2017, the Company has set allowance for doubtful debts with a total of Baht 24 million in accordance with the principle of business fluctuation carefulness and IFRS 9 Thai Accounting Standards.

Loss on impairment and disposal of assets foreclosed for the year 2017 increased 13.67% from Baht 147.69 million to Baht 167.88 million compared to the same period of the previous year in 2016 that was increased at a decreasing rate compared to the increasing of hire purchase receivables.

Cost of fund for the year 2017 decreased 6.13% from Baht 119.89 million to Baht 112.54 million compared to the same period of the previous year in 2016 resulting from the variety of source of funds.

3. The net hire purchase receivables for the year 2017 was Baht 4,563.13 million, increased 17.18% from Baht 3,894.25 million compared to the same period of the previous year in 2016.

The total assets were Baht 5,016.77 million, increased 17.12% from Baht 4,283.35 million compared to the same period of the previous year in 2016. The total liabilities increased 23.01% from Baht 2,374.71 million to Baht 2,921.06 million compared to the same period of the previous year in 2016.

Please be informed accordingly.

Sincerely yours,

(Mrs. Katika Kusawadee)

Secretary of the Company

Authorized person for the signatory of the IT report