FitchRatings

29 OCT 2026

Fitch Affirms Asia Sermkij Leasing at 'A(tha)'; Outlook Negative

Fitch Ratings - Bangkok - 29 Oct 2026: Fitch Ratings (Thailand) has affirmed Asia Sermkij Leasing Public Company Limited's (ASK) National Long-Term Rating at 'A(tha)' and National Short-Term Rating at 'F1+(tha)'. The Outlook is Negative.

ASK's ratings reflect our expectation of extraordinary support from its Taiwan-based ultimate parent, Chailease Holding Company Limited (BBB-/Negative). The Negative Outlook is in line with the Outlook on the parent's Long-Term Issuer Default Rating (IDR).

Key Rating Drivers

Support-Driven Rating: ASK's ratings are driven by our expectation of extraordinary support from its ultimate parent, Chailease, and take into account ASK's support-driven credit profile relative to other entities within Fitch's Thai national rating universe. The National Long-Term Rating denotes expectations of a low level of default risk relative to other issuers in the country.

Downside Risk to Support Ability: The Negative Outlook on Chailease's Long-Term IDR reflects downside risk to its ability to provide support to its Thai subsidiary. That said, ASK represented less than 10% of the group's consolidated assets at end-1H26, indicating a moderate burden for the parent to extend extraordinary support. We do not expect any change in the parent's propensity to provide support, given ASK's high integration and long-standing history with the parent.

Strategically Important Role: ASK operates the group's truck hire-purchase franchise in Thailand, playing an integral role in Chailease's strategy of expanding in emerging markets. ASK is Chailease's largest subsidiary in south-east Asia, accounting for 45% of the group's regional loan portfolio at end-1Q26. It also serves as the group's regional hub for truck and commercial vehicle financing and shares operational know-how with other south-east Asian subsidiaries.

ASK benefits from product-development synergies with its parent. This broadens its offerings and improves operational efficiency and diversification.

Closer Group Integration: Chailease increased its stake in ASK to 57.9% from 50.4% following a capital injection in 2025, reinforcing its long-term commitment to the subsidiary. The parent exercises significant control through board representation and close oversight of strategy. ASK's risk-management policies align with the group-wide framework, particularly in credit risk management, portfolio monitoring and risk-model development.

We expect Chailease to remain closely involved over the medium term, supporting ASK's business

expansion, operational efficiency and risk controls as part of the group's broader south-east Asia strategy.

Ordinary Support Reinforces Funding: ASK has more diversified funding access than other domestic non-bank financial institutions, reflecting its position within Chailease group. This includes access to Thai capital markets and bank credit facilities. The parent also provides ordinary support through shareholder loans and by arranging syndicated facilities. We expect this mix of market access and shareholder support to continue underpinning ASK's funding flexibility through the cycle.

Persistent Asset-Quality Pressure: ASK's impaired-loan ratio remains high, despite dropping to 7.3% in 1H26, from 8.1% at end-2025 (2024: 7.0%) on tighter risk controls, underwriting and collection management. We expect increased oversight and continued support from Chailease to gradually ease asset-quality pressure, though a full recovery will likely take time. Loan growth remains subdued amid a challenging operating environment, which could continue to weigh on the ratio.

Modest Recovery in Profitability: We expect tighter underwriting and stabilising used-truck prices to provide some offset to earnings pressure from weak loan growth. ASK's pre-tax income-to-average assets ratio rose to 1.7% in 1H26 (2025: 1.0%; 2024: 0.5%) as credit costs eased, though it remains below the 2021-2024 average of 2.1%.

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/ Downgrade

ASK's ratings are linked to Chailease's ability and propensity to provide support, while also taking into account relativities within the Thai national rating universe.

A downgrade of Chailease's Long-Term IDR would reflect a reduced ability to provide support and would likely lead to a downgrade of ASK's National Long-Term Rating.

Any weakening in Chailease's propensity to support ASK could also lead to negative rating action on ASK's National Long-Term Rating. This could be indicated by a weaker strategic alignment, a plan to reduce its ownership in ASK to below 50% or declining management control and integration. However, we do not expect such changes in the near to medium term.

ASK's National Short-Term Rating could be downgraded if its National Long-Term Rating were to fall to 'A-(tha)' or below.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

An improvement in Chailease's credit profile could lead to a positive reassessment of ASK's support-driven rating relative to Thai national rating peers.

We could also take positive rating action if ASK's importance to Chailease rises significantly. This may arise from an increase in Chailease's shareholding combined with greater reputational links or from a

sustained rise in ASK's profit and asset contribution to over 20%.

There is no upside to the National Short-Term Rating, which is already at the top-end of the scale.

DEBT AND OTHER INSTRUMENT RATINGS: KEY RATING DRIVERS

ASK's senior unsecured notes are rated at the same level as its National Long-Term Rating, as the instruments represent its unsecured and unsubordinated obligations and rank equally with other similar obligations.

DEBT AND OTHER INSTRUMENT RATINGS: RATING SENSITIVITIES

ASK's senior unsecured debt rating would move in tandem with its National Long-Term Rating.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

Public Ratings with Credit Linkage to other ratings

ASK's National Ratings are linked to Chailease's credit profile, as denoted by the shareholder's Long-Term IDR.

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Rating Actions

ENTITY/DEBT	RATING		RECOVERY	PRIOR
Asia Sermkij Leasing Public Company Limited	Natl LT	A(tha) ⊖	Affirmed	A(tha) ⊖
	Natl ST	F1+(tha)	Affirmed	F1+(tha)
• senior unsecured	Natl LT	A(tha)	Affirmed	A(tha)

RATINGS KEY	OUTLOOK	WATCH
POSITIVE	⊕	◈
NEGATIVE	⊖	◈
EVOLVING	◈	◆
STABLE	■	

Applicable Criteria

National Scale Rating Criteria (pub.22 Dec 2020)

Non-Bank Financial Institutions Rating Criteria (pub.25 Sep 2026) (including rating assumption sensitivity)

Additional Disclosures

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Endorsement Status

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