



Thitikorn Public Company Limited

“Motorcycle Hire- Purchase Specialist”

March 7, 2024

- I. Company Profile**
- II. Industry Overview**
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- IV. Financial Highlights**

I. Company Profile

- **1972** **Established with 1MB registered capital to provide motorcycle HP in Bangkok**
- **1982** **No.1 in terms of market share of motorcycle HP in Bangkok**
- 1991 Increased registered capital to 70 MB
- 1995 Acquired 99.99% of CVA to expand HP business in Central and Eastern area
- **2000** **Initiated motorcycle insurance program to minimize risk which later become the industry standard**
- 2002 Received award from The Consumer Protection Board
- 2003 Acquired CYP to provide automobile HP
- Listed on the SET and raised fund of 1,100 MB**
- **2005** **Issued first TK's Thai Baht-Debenture of 745 MB**
- 2008 4-Stars Corporate Governance Scoring appraised by Thai Institute of Directors Association (IOD)
- **2010** **Received Company Rating A- (Stable) from TRIS**
- 2011 Acquired Cetelem (Thailand) Co., Ltd and changed its name to "TK Debt Services Co., Ltd."
- 2012 Celebrate 40th year Anniversary
- TK is one of the 17 listed companies to receive an "Investors' Choice Award" from Thai Investors Association (TIA)
- TK is one of the 9 Thai listed companies to be included in MSCI Small Cap Indices in November 30, 2012
- 2013 Total Assets surpassed 10,000 MB for the first time

- **2014** **First overseas operation in Cambodia, “Suosdey Finance” in Panom Penh**
Second overseas operation in Laos, “Sabaidee Leasing” in Vientiane
- **2015** Established TK NGERN TAN JAI with 50 MB registered capital to provide Nano Finance
- **2016** **TK is one of the 12 listed companies to receive an “Investors’ Choice Award” from Thai Investors Association (TIA) for the eight consecutive years from 2009 to 2016**

Expanded two branches in Battambang and Siem Riep, Cambodia through Suosdey Finance.
- **2017** Issued TK’s Thai Baht-Debenture of 1,800 MB, 3 –years, Fixed Rate 2.71% per annum.

Celebrate 45th year Anniversary, launch “ มิน กิน เที่ยว กับ TK” Free overseas package tour for new customers.

Expanded three branches in Kampong Cham, Svay Rieng, Kampong Speu, Cambodia through Suosdey Finance.

Established a subsidiary “Mingalaba Thitikorn Microfinance Co.,Ltd” in Myanmar
- **2018** Completed the process for disposal of the ordinary shares of subsidiary “TK Debt Servives Co.,Ltd”

Expand two branches in Luang Prabang and Savannakhet, Laos through Sabaidee Leasing.

Issued TK’s Thai Baht-Debenture of 600 MB, 3 year, Fixed Rate 2.27% per annum.
- **2019** Recieved Microfinance Business License in Myanmar “Mingalaba Thitikorn Microfinance Co.,Ltd”

TK is 1 of the 193 listed companies to receive an 5-Stars Corporate Governance Scoring appraised by Thai Institute of Directors Association (IOD)

On June 11, 2019 Submit a proposal to expand three branches in Pakse, Xieng Khouang, Udomchai, Laos through Sabaidee Leasing.

- **2020** Expanded six branches in Kampong Thom, Kampot, Banteay Meanchey, Takao, Pursat and Kampong Chhnang, Cambodia through Suosdey Finance.
AGM approval of the acquisition and transfer of all shares in Myanmar Finance International Limited-MFIL in Myanmar
Received Company Rating A- (Negative) from TRIS
TK is one of the 6 listed companies that received a full score of 100 (for the 12th consecutive year) from an assessment on the quality of the Annual General Meeting (AGM) from the Thai Investors Association (TIA)
- **2021** On March 24, 2021, Bank of Lao PDR issues temporary permits to open 3 branches in Champasak, Xieng Khouang, Udomchai, Laos through Sabaidee Leasing.
A- rating by TRIS since 2010 to May 2021, on July 30, 2021 TRIS issued BBB+ (Stable) rating to TK
Established TK BROKER with 3 MB registered capital to provide non-life insurance broker services in Thailand
- **2022** **TK Ngern Tan Jai received additional license to operate Personal Loan under Supervision for Non-Bank Operator on January 10, 2022, consisting of**
 1. Supervised Personal Loan Business without any collateral
 2. Supervised Personal Loan Business with collateral of vehicle registrationTK BROKER received Non-Life Insurance Broker license
TK has been included in SETCLMV index (Total revenue of at least 10% from Cambodia, Laos, Myanmar and Vietnam)
On July 27, 2022 TRIS issued BBB+ (Stable) rating to TK
TK is one of the 4 listed companies to receive an “Investors’ Choice Award # 4” from Thai Investors Association (TIA) for the fifteen consecutive years from 2009 to 2022
- **2023** TK is 1 of 195 companies that received both 5 medals (AGM Checklist) (TIA) and 5 stars (CGR Checklist) (IOD).
TRIS Rating assigned the company rating of TK at "BBB+" (Stable)

Total net portfolio of 3,659 MB

Thitikorn Plc. (TK)

Motorcycle hire purchase provider
With 2,081 MB portfolio size



99.99%

C.V.A . Co., Ltd. (CVA)

Debt collection servicer



99.99%

Chayapak Co., Ltd. (CYP)

Automobile hire purchase provider
with 211 MB portfolio size



บริษัท ทีเค เงินต้นใจ จำกัด
TK NGERN TAN JAI CO., LTD.

99.99%

TK NGERN TAN JAI Co., Ltd

Nano Finance in Thailand
with 110 MB portfolio size

Suosdey Finance PLC.

Motorcycle hire purchase provider
with 1,152 MB portfolio size



99.95%

Sabaidee Leasing Co., Ltd.

Motorcycle hire purchase provider
with 103 MB portfolio size



86.89%

Mingalaba Thitikorn Microfinance Co., Ltd

Microfinance in Myanmar
with 0.0 MB portfolio size*



99.00%

Proven Track Record

- No.1 in motorcycle HP in Bangkok since 1982
- Most recognizable brand by motorcycle dealers & customers
- Reputable major shareholders - *Dr.Chumpol Phornprapha & Families*
- Proven management with market expertise more than five decades in HP industry
- Never been an NPL with any financial institutions since founded
- Large valuable database of over 3,000,000 customers
- Extensive & nationwide outlets with 73 branches in 56 provinces of Thailand
- Regional extensive 19 branches in Kingdom of Cambodia , Lao PDR and Myanmar
- Consistently provide HP service during any economic condition

Solid Financial Position

- Solid Capital Base : *5,588.9 million baht*
- D/E ratio of 0.2 times : *average D/E of financial sector is 7.7 times*
- Abundant credit line from the leading financial institutions with favorable terms & conditions and ample liquidity with over 2,180 MB in cash and fixed deposit as of Dec 2023, which were accounted for 34.0% of total Assets.
- 57.1% of Total Assets are income generating assets
- High quality motorcycle HP portfolio with 7.2% NPL
- Starting from January 1, 2020, the Group has adopted TFRS9 Financial Instruments
- Stringent loan provision : *reserve full amount of the whole contract value*
- BBB+ (Stable) rating By TRIS

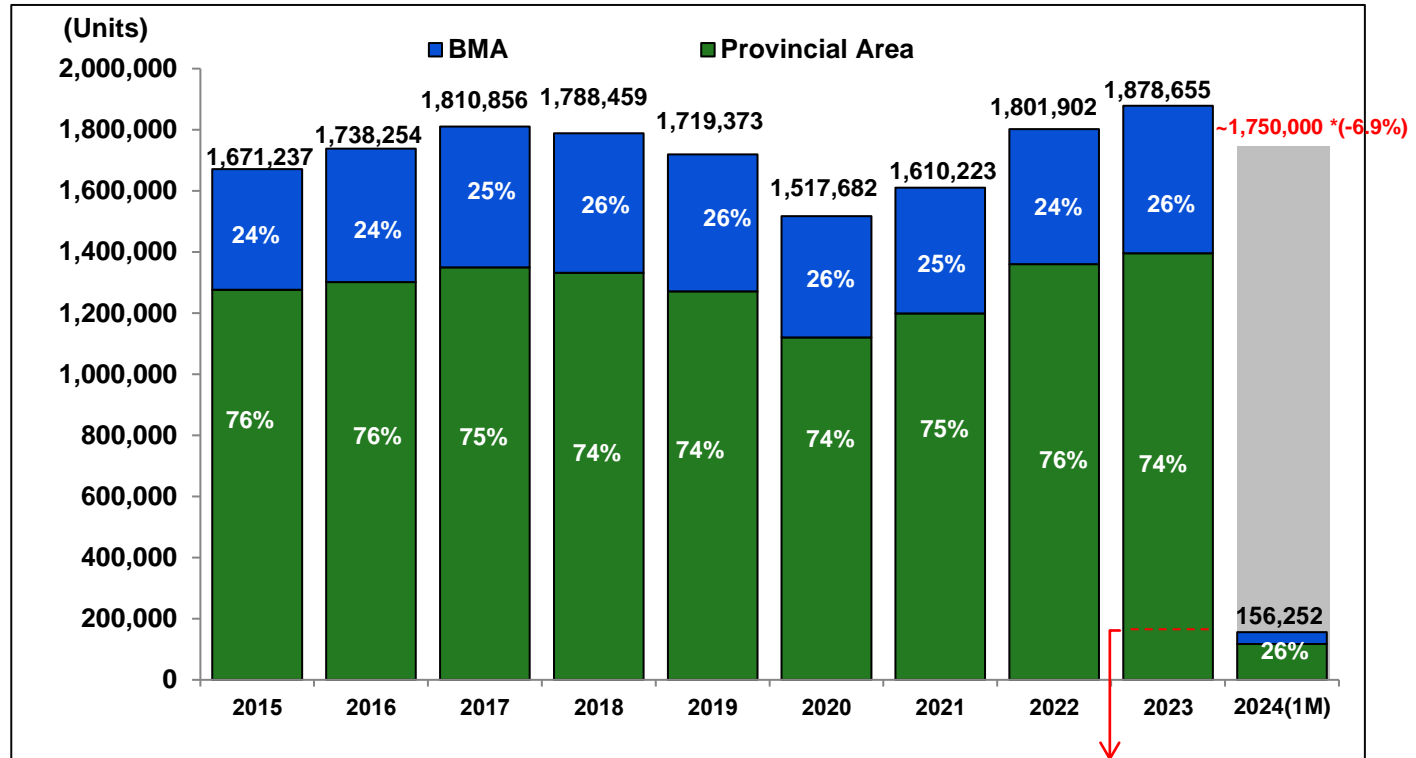
II. Industry Overview

Thailand Motorcycle Sales

Motorcycle sales reached a new record high for two consecutive years in 2011 and 2012

From 2013 to 2015 sales continue to decline for three consecutive years due to slow down in economic activities, however, from 2016 to 2017 sales continue to increase around 4% annually

From 2018 to 2020 sales continue to decline for three consecutive years, due to trade war and Covid 19 Global Pandemic, however, in 2022 and 2023 sales continue to increase for two consecutive years but in 2024 expected to decrease by 6.9%



Source : Thailand Motorcycle Hire Purchase Association

*Thai Honda Manufacturing Co., Ltd.

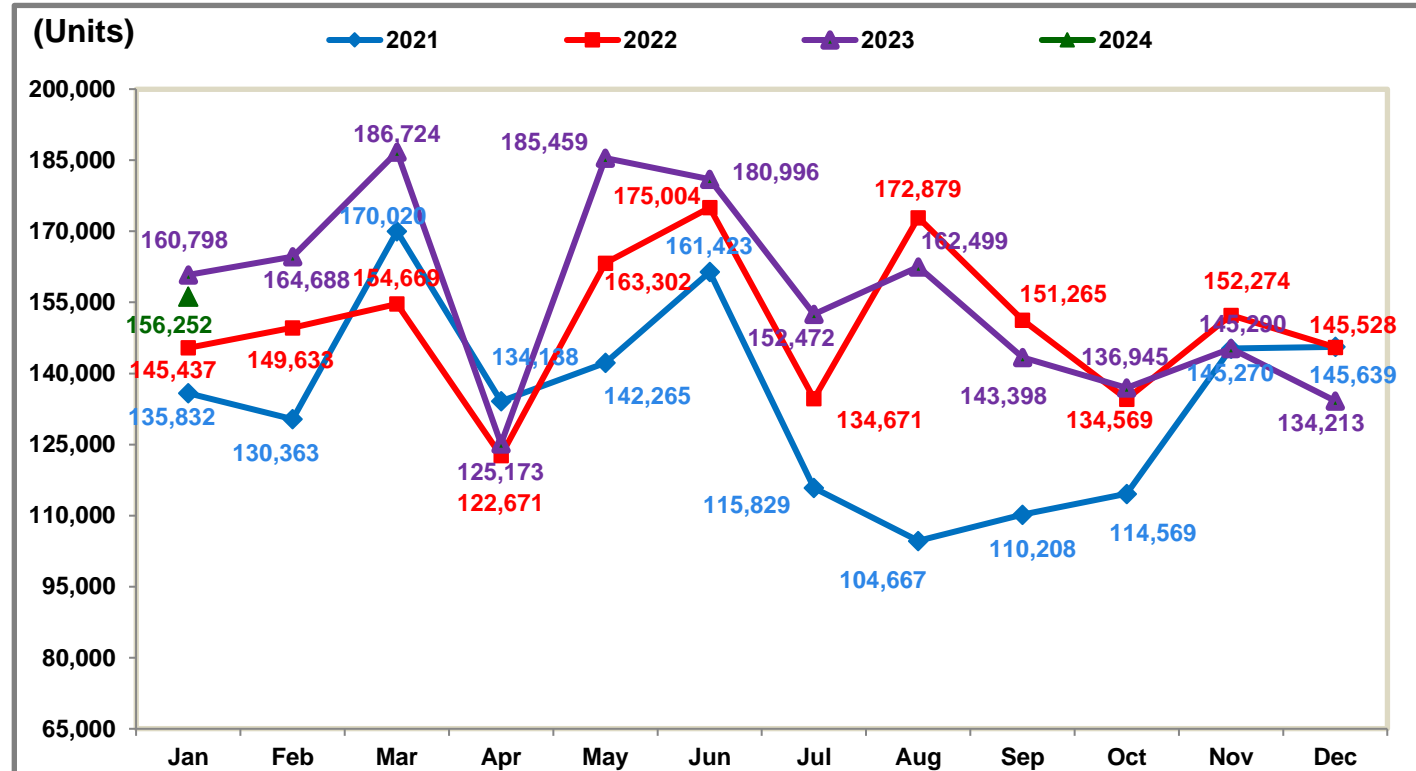
160,798 (1M)

Monthly Motorcycle Sales

2021 Motorcycle monthly sales, 6 out of 12 months were higher than previous year

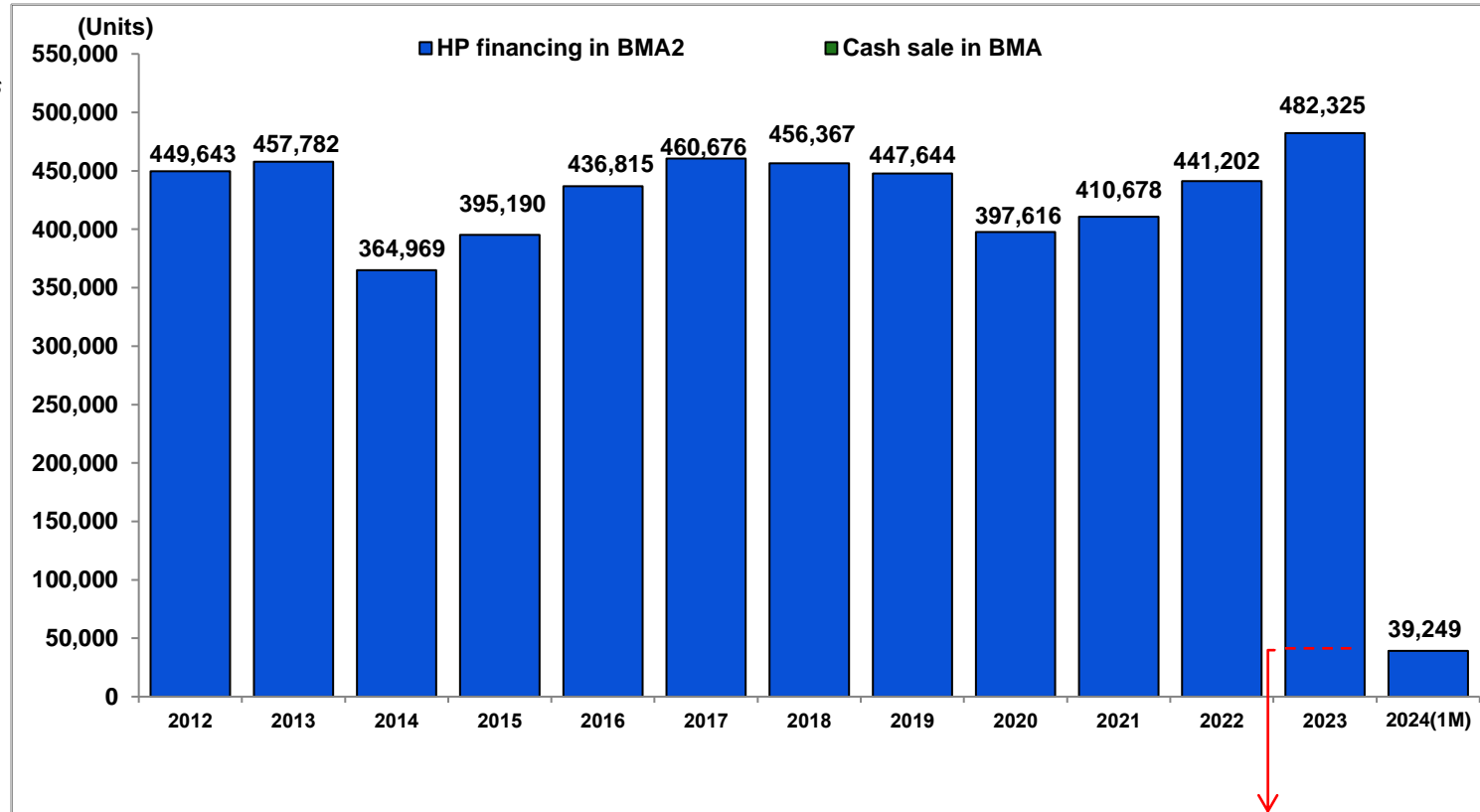
2022 Motorcycle monthly sales, 9 out of 12 months were higher than previous year

2023 Motorcycle monthly sales, 8 out of 12 months were higher than previous year



Motorcycle Hire Purchase in BMA

TK estimate that cash sales portion around 25%



Source : Thailand Motorcycle Hire Purchase Association

* Ratio H1 Year 2012 => Cash sale in BMA 49% , HP financing in BMA 51%

BMA : Bangkok and Metro Area

40,241 (1M)

Family

SUZUKI



HONDA



YAMAHA



Automatic

HONDA



SUZUKI



YAMAHA



Vespa



Sport

HONDA



YAMAHA



Kawasaki

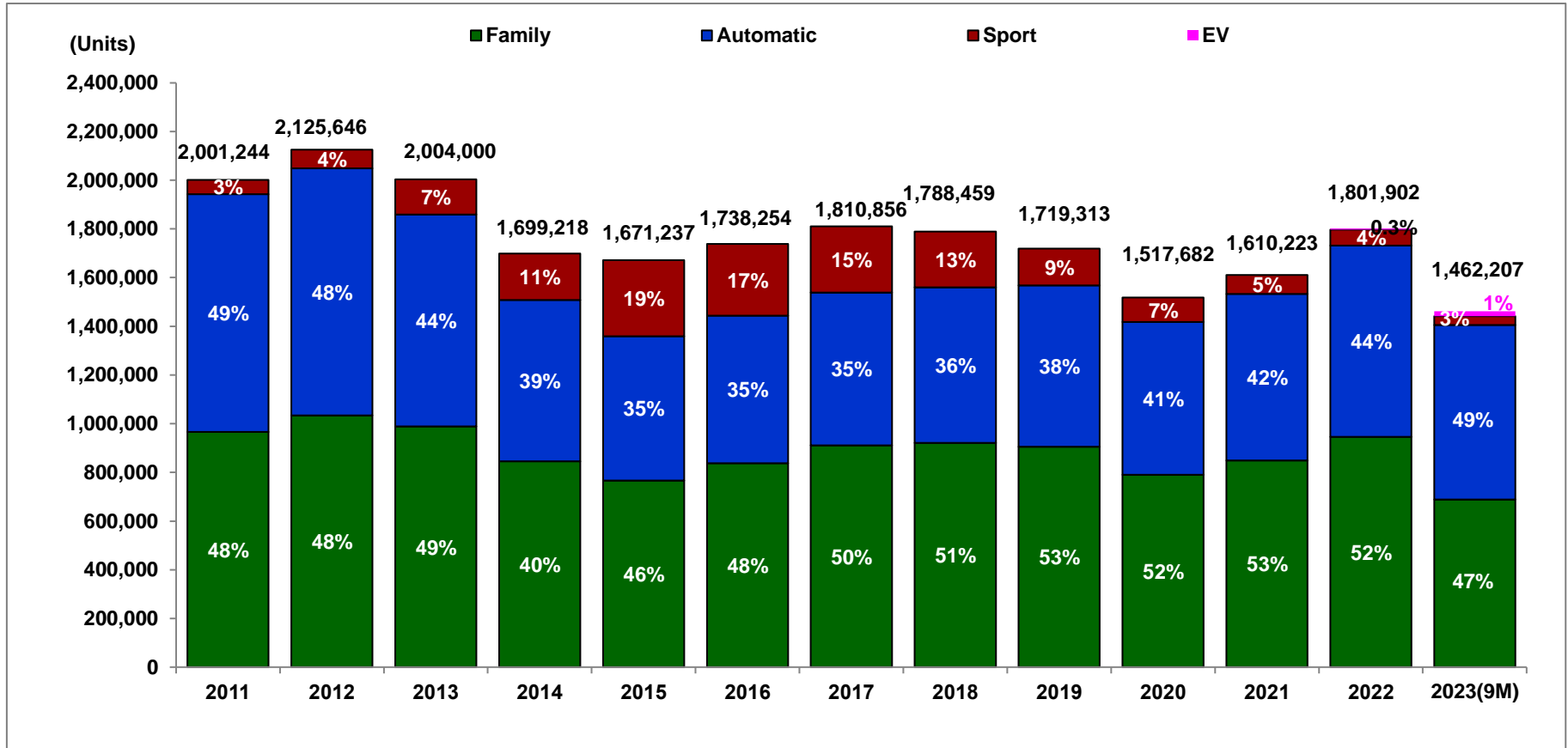


ZONGSHEN RYLKA

infinity



Motorcycle by Category

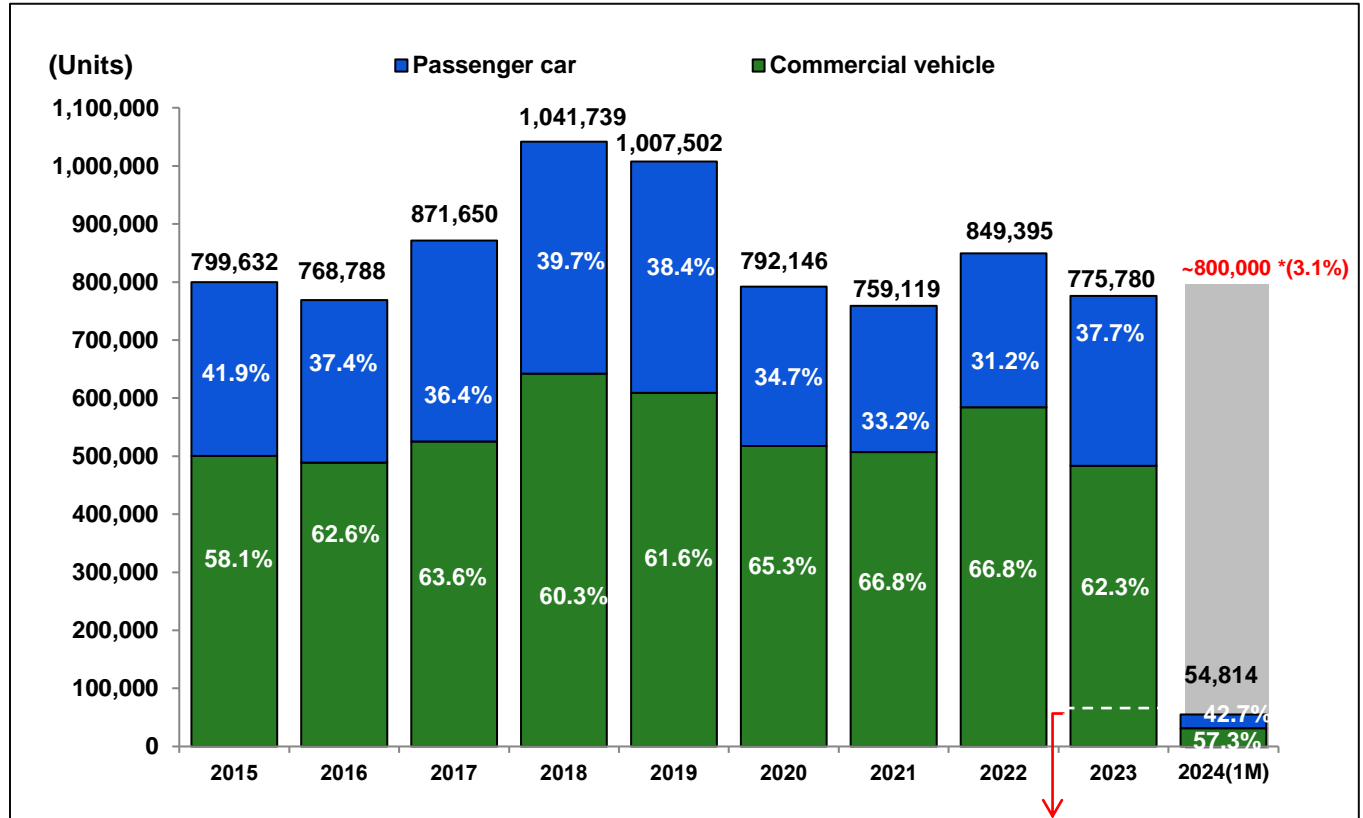


Source : Thailand Motorcycle Hire Purchase Association, AP HONDA

Thailand Automobile Sales

From 2013 to 2016 automobile sales continue to decline for four consecutive years from the First time car buyer scheme in 2012, however, from 2017 to 2018 sales continue to increase 13.4% in 2017 and 19.5% in 2018

From 2019 to 2021 sales continue to decline for three consecutive years, due to Covid 19 Global Pandemic and semiconductors chip shortage, however, in 2022 sales increased for the first time in three years but in 2023 sales decreased 8.7% but expected to slightly increase by 3.1% in 2024



Source : Toyota Motor Thailand Co.,Ltd.

65,579 (1M)

*Toyota

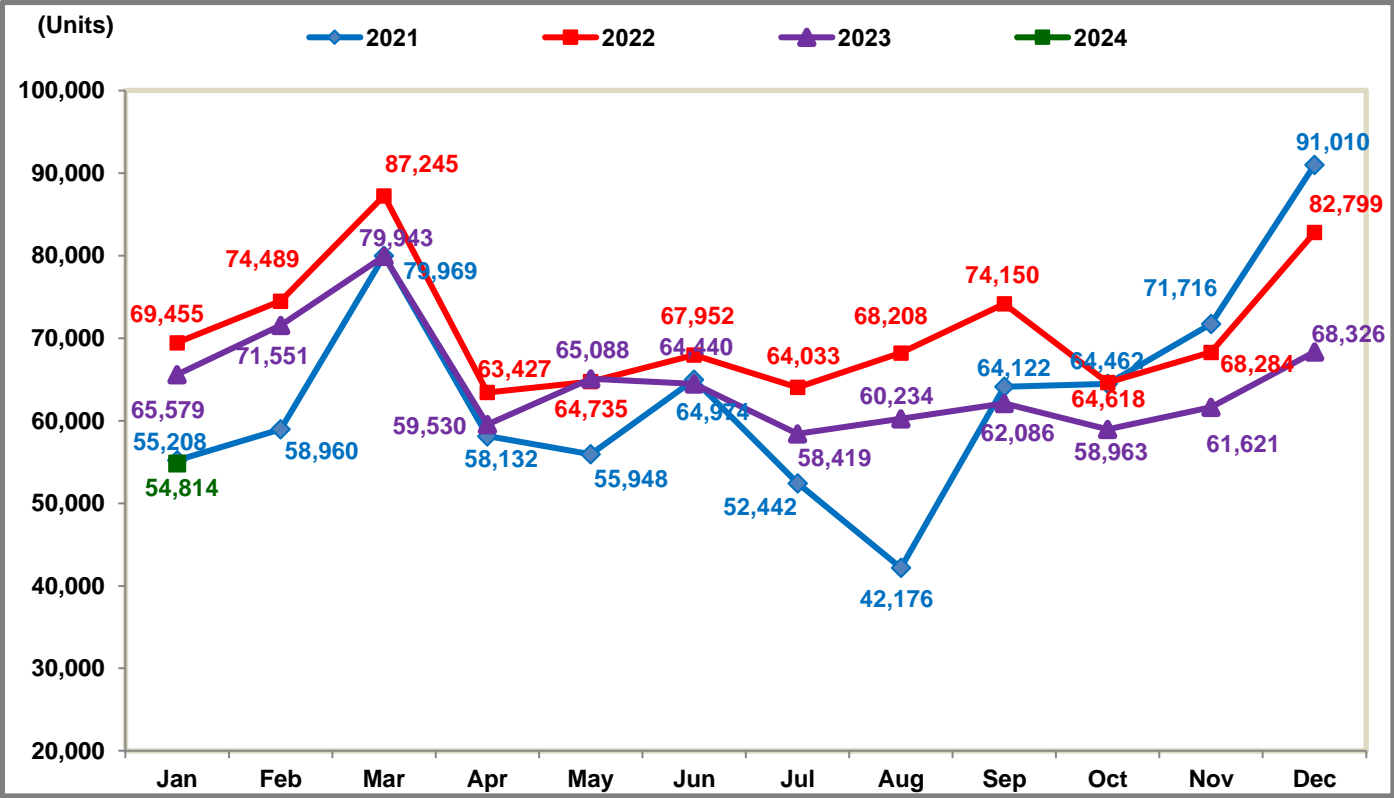
800,000

Monthly Automobile Sales

2021 Automobile monthly sales, 4 out of 12 months were higher than previous year.

2022 Automobile monthly sales, 10 out of 12 months were higher than previous year.

2023 Automobile monthly sales, 11 out of 12 months were lower than previous year



Car by Category

Popular Vehicle



SUV, MPV & PPV



III. Operational Results

Hire Purchase Business

Motorcycle

Business Policy

Hire purchase provider for all brands

Focus on new motorcycle hire purchase

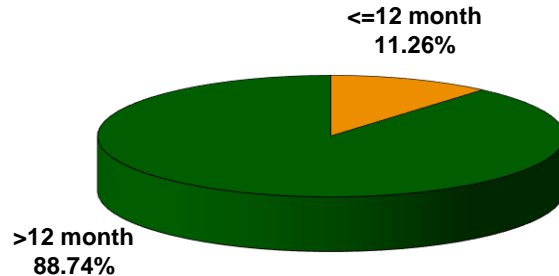
Hire purchase term of 24 - 36 months

Product Brands

All brands such as Honda, Yamaha, Suzuki, Kawasaki, etc.

Categorized by Outstanding Duration

Hire Purchase Account Receivables Balance as of Dec 23



Automobile

Hire purchase provider mainly

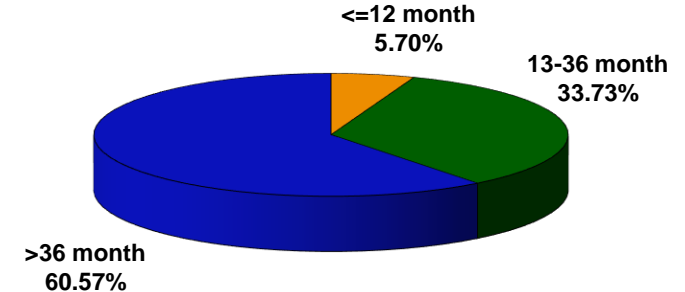
Brand new cars

(91% new cars and 9% second hand cars)

Hire purchase term of 48 - 60 months

All brands mainly Toyota, Isuzu, Honda, Nissan, Ford, Mitsubishi etc.

Categorized by Outstanding Duration



TK Branches & Networks

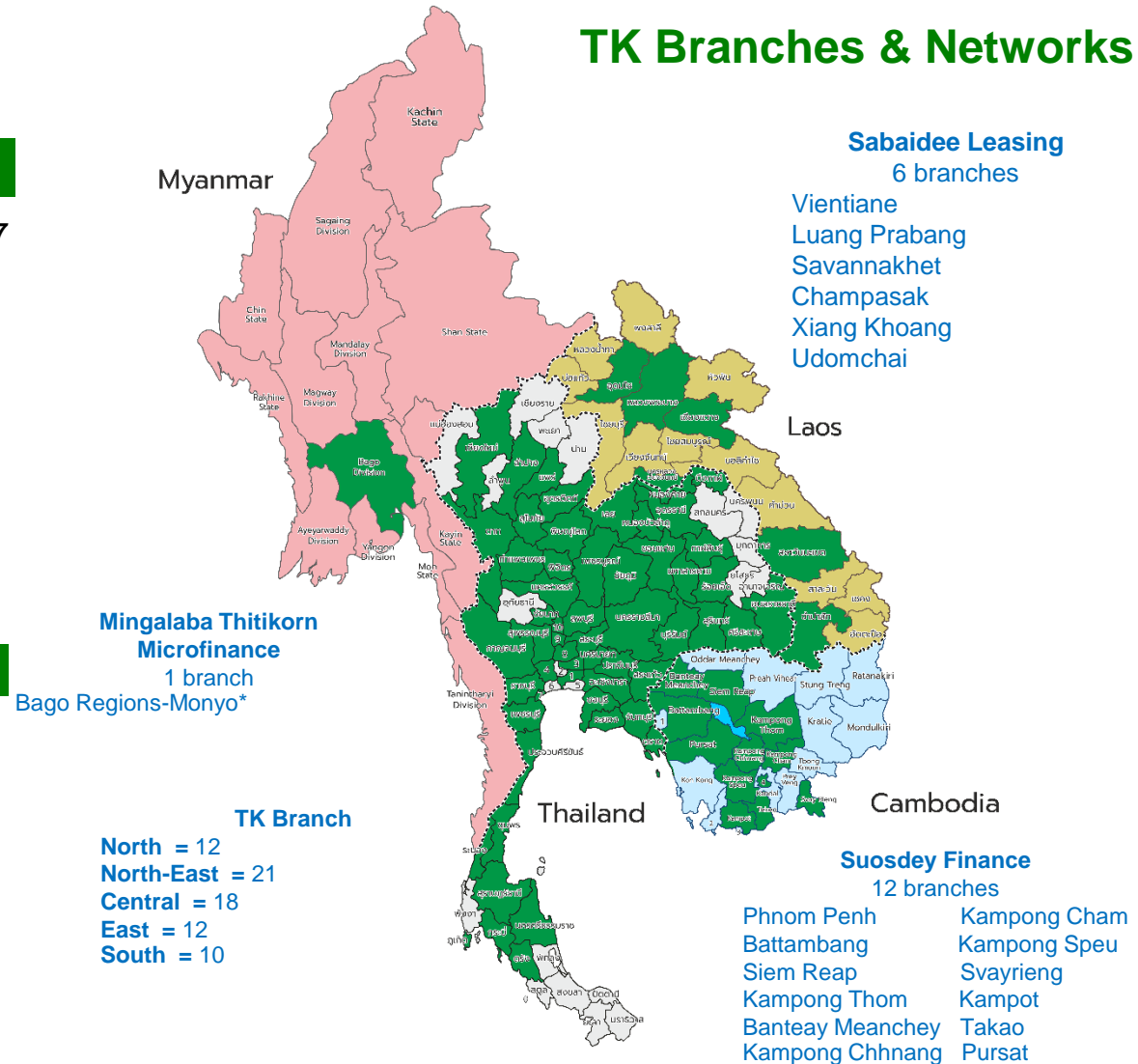
Branch

- Extensive **73** branches in **56** provinces out of 77 provinces in Thailand
- Three subsidiaries
 - * Suosdey Finance, the head office locates in Phnom Penh, Kingdom of Cambodia
 - * Sabaidee Leasing, the head office locates in Vientiane, Laos People's Democratic Republic
 - * Mingalaba Thitikorn Microfinance, the head office locates in Baco, Republic of the Union of Myanmar

Network

- Servicing over **224** motorcycle strategic alliances
- Servicing over **45** automobile strategic alliances
- Multiple payment channels nationwide

As of Feb 29, 2024



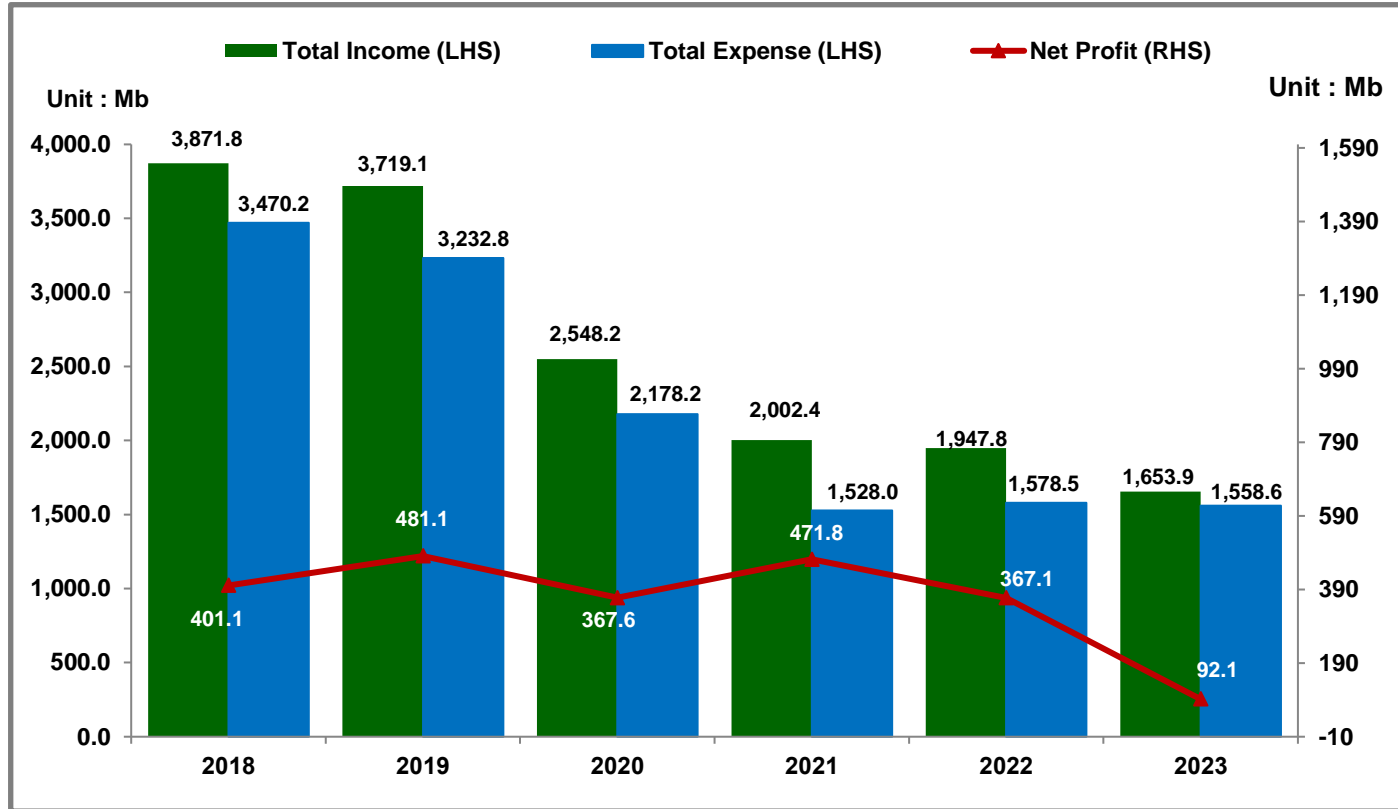
IV. Financial Highlights

Revenue, Expense and Net Profit

“From 2015 to 2017, TK operation has continued to improve from our stringent credit approval policy, branch network expansion both locally and regionally.”

2018 Thai Economy started to slowdown from second half, TK tighten terms& conditions and accelerate write off for some group of customers

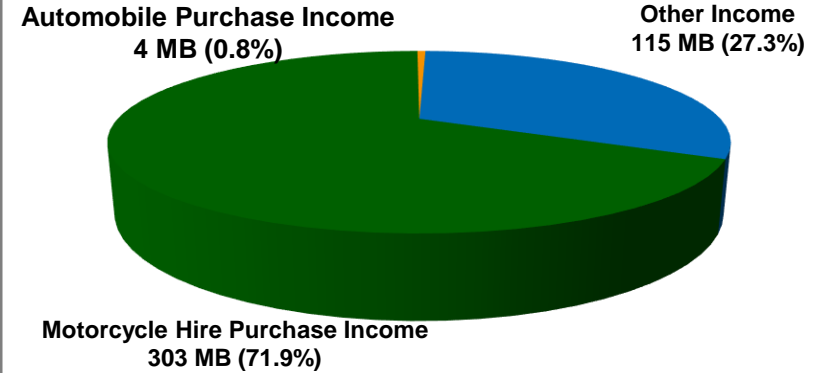
2019 to 2022, TK continued to tighten terms & conditions and accelerate write off especially during COVID19 Pandemic



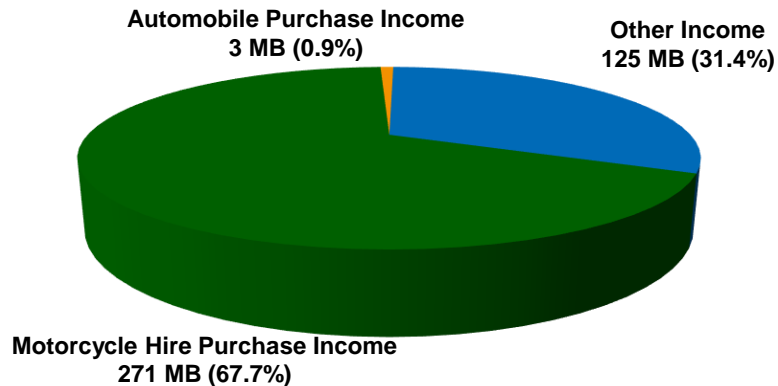
Revenue Breakdown

99.1% of Total Revenues contributed by Motorcycle HP Interest and Other Incomes

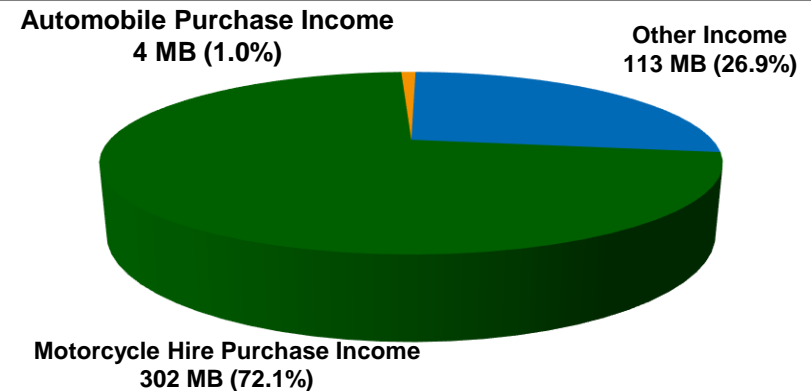
Q2/2023 Total Revenues = 422 MB



Q4/2023 Total Revenues = 399 MB

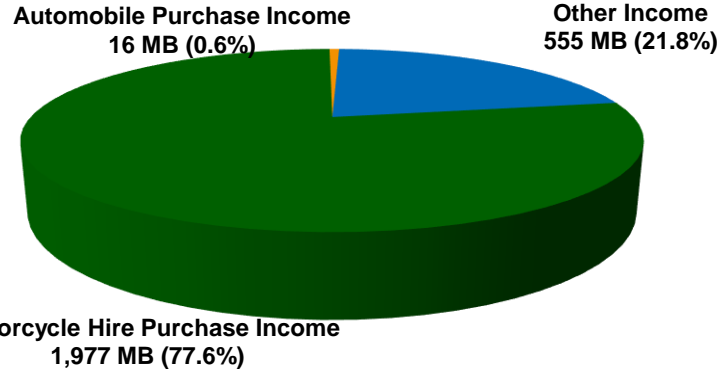


Q3/2023 Total Revenues = 419 MB

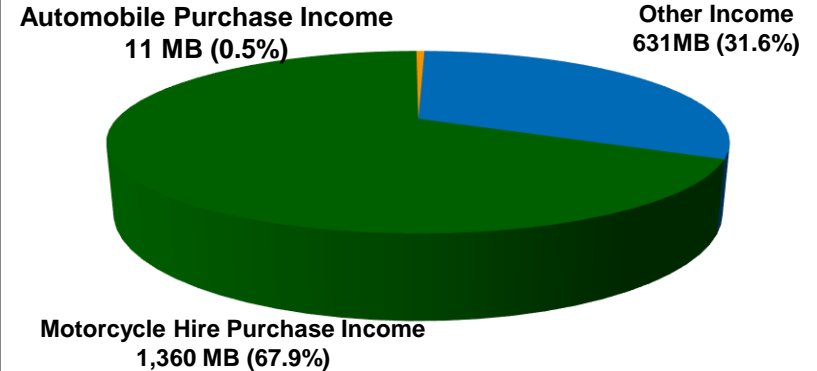


Revenue Breakdown

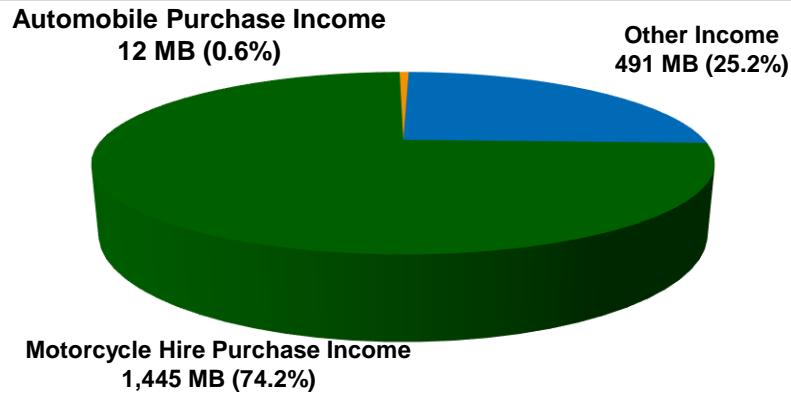
2020 Total Revenues = 2,548 MB



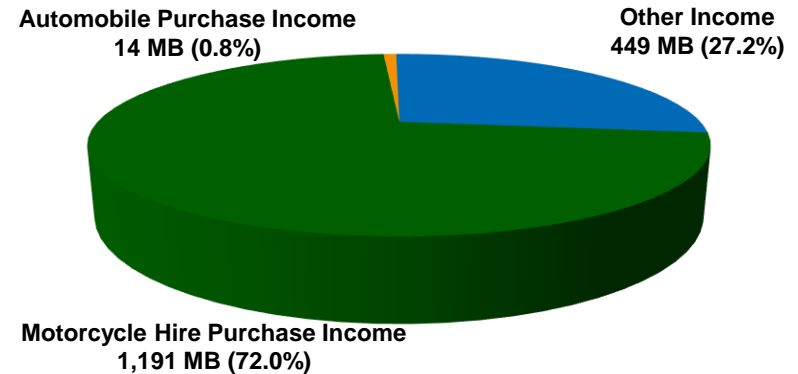
2021 Total Revenues = 2,002 MB



2022 Total Revenues = 1,948 MB



2023 Total Revenues = 1,654 MB



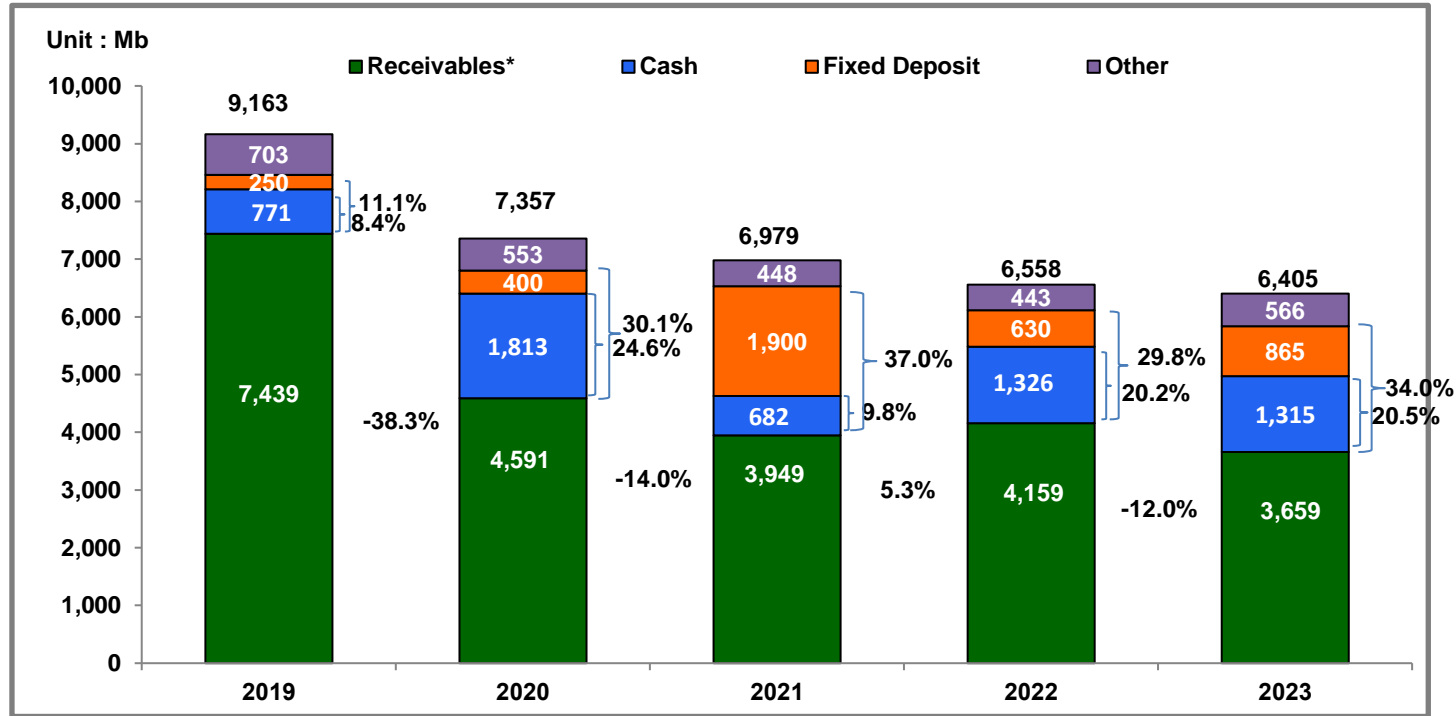
Total Assets vs. Hire Purchase Account Receivables

63.4% of TK Total assets are HP portfolio which generate stable monthly cash inflow from monthly installment from diversify customers over 111,237 accounts

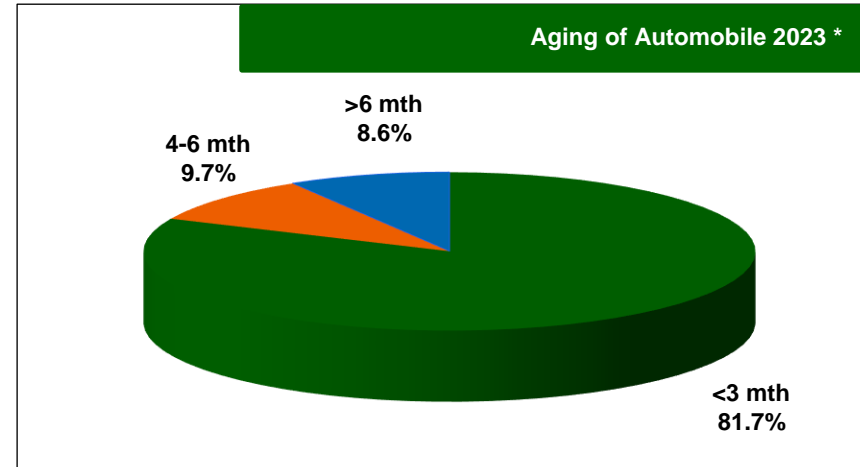
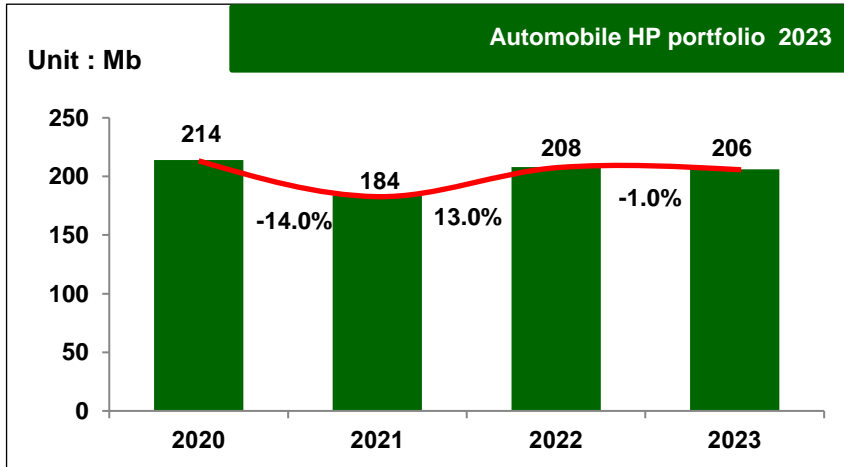
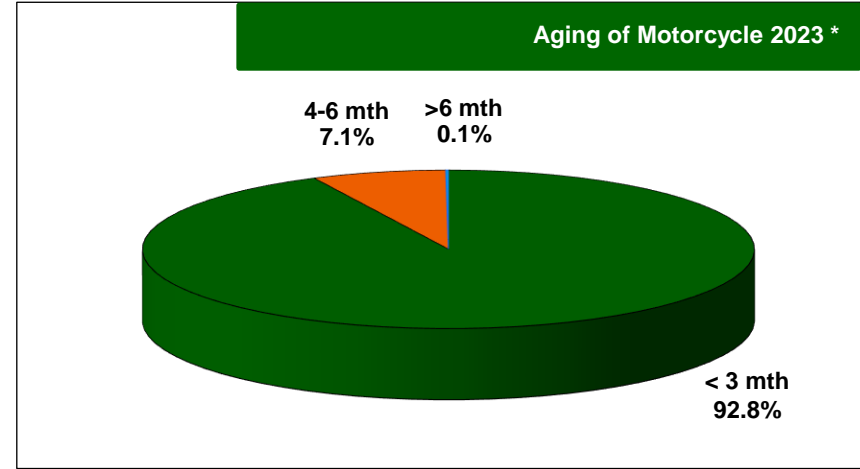
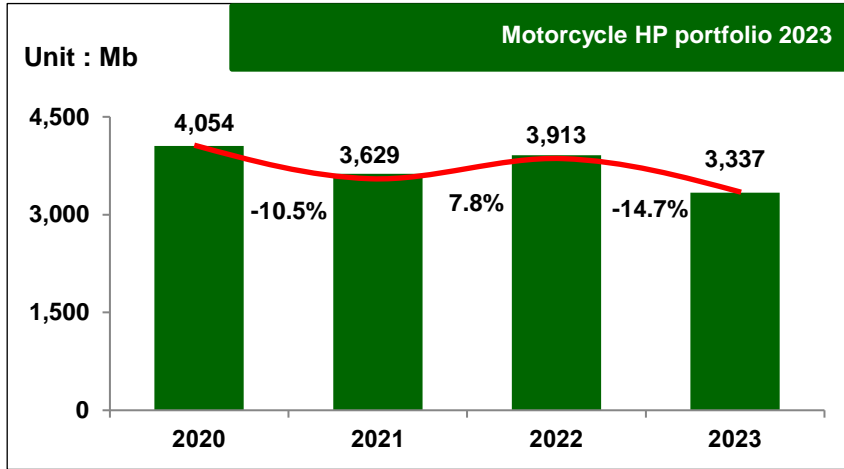
As of December 2021, Cash has reached record high of 2,582 million Baht or 37.0% of Total Assets

As of December 2022, Cash has reached record high of 1,956 million Baht or 29.8% of Total Assets

As of December 2023, Cash has reached record high of 2,180 million Baht or 34.0% of Total Assets



High Quality HP Portfolio



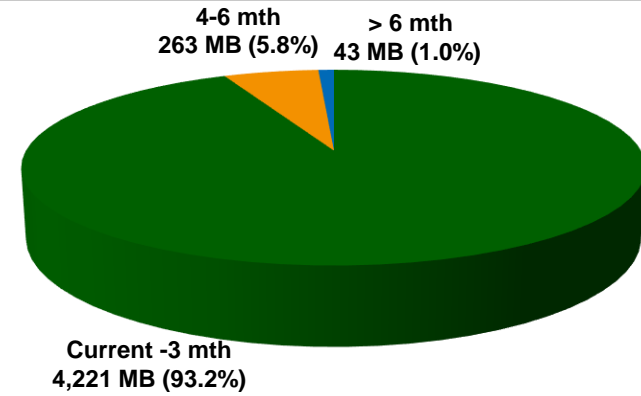
Note: Net HP receivable (less allowance for doubtful a/c) included SSD & SBD

* HP receivable

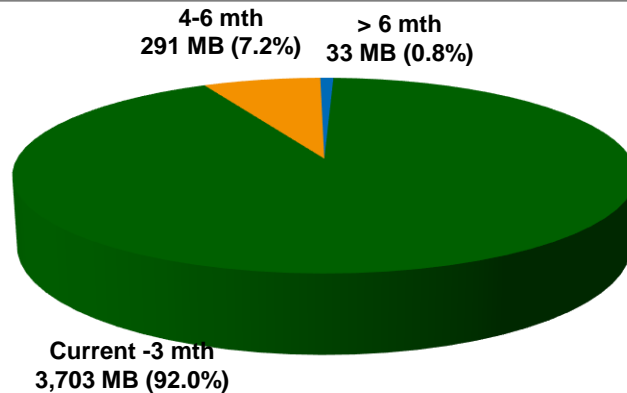
High Quality HP Portfolio

*Prudent expansion policy with strict credit approval process
and strong collection team create sustainable HP portfolio*

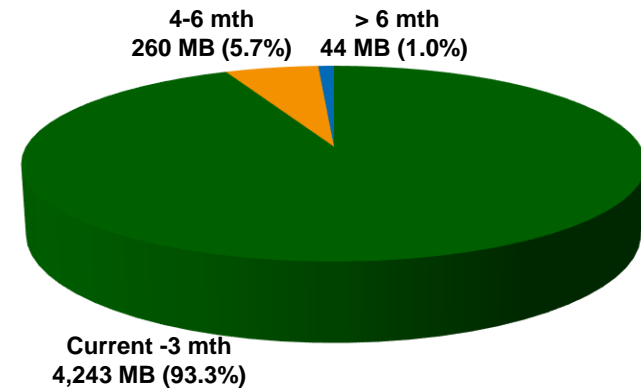
Q2/2023 : Aging of Total HP Portfolio (4,527 MB)



Q4/2023 : Aging of Total HP Portfolio (4,027MB)



Q3/2023 : Aging of Total HP Portfolio (4,547 MB)

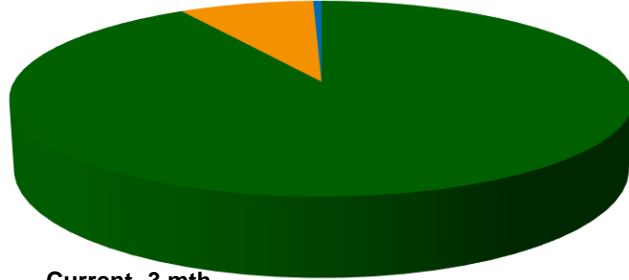


High Quality HP Portfolio

2020 : Aging of Total HP Portfolio (5,153 MB)

4-6 mth
424 MB (8.2%)

> 6 mth
51 MB (1.0%)

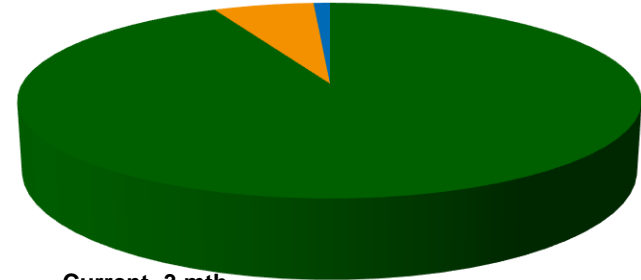


Current -3 mth
4,678 MB (90.8%)

2021 : Aging of Total HP Portfolio (4,321 MB)

4-6 mth
265 MB (6.1%)

> 6 mth
43 MB (1.0%)

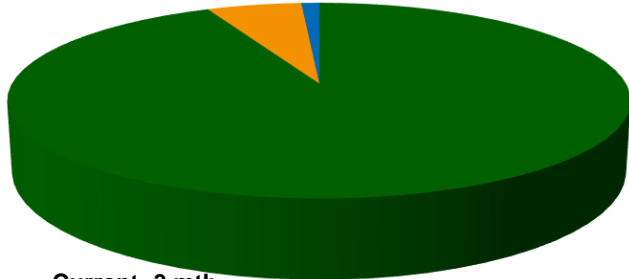


Current -3 mth
4,013 MB (92.9%)

2022 : Aging of Total HP Portfolio (4,503 MB)

4-6 mth
263 MB (5.8%)

> 6 mth
51 MB (1.1%)

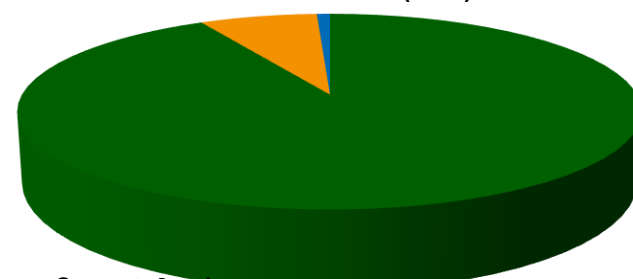


Current -3 mth
4,189 MB (93.1%)

2023 : Aging of Total HP Portfolio (4,027 MB)

4-6 mth
291 MB (7.2%)

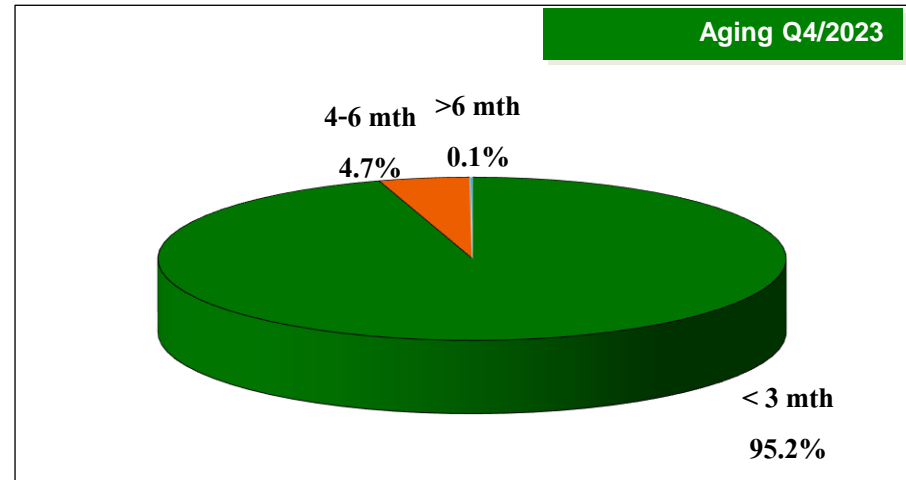
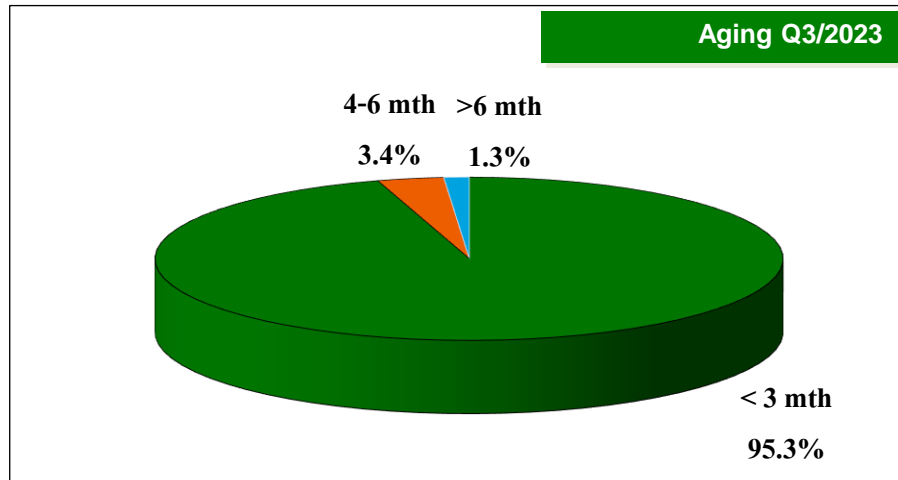
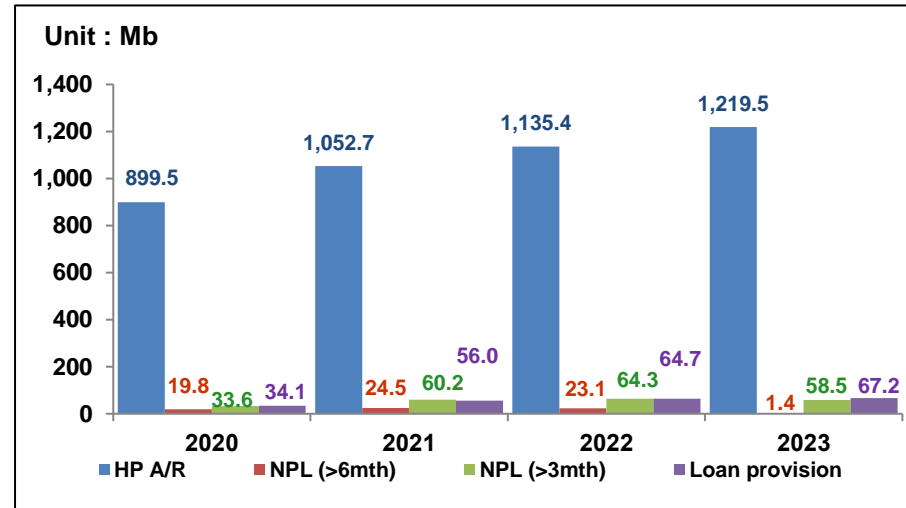
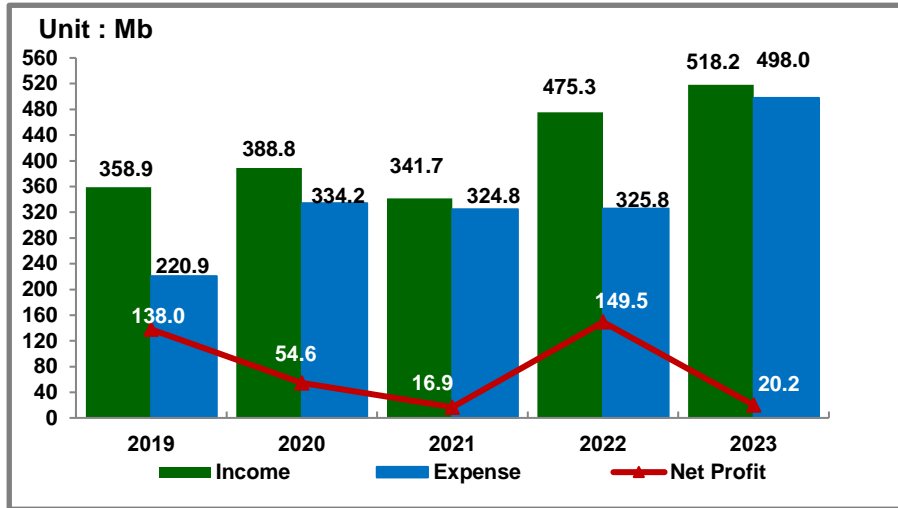
> 6 mth
33 MB (0.8%)



Current -3 mth
3,703 MB (92.0%)

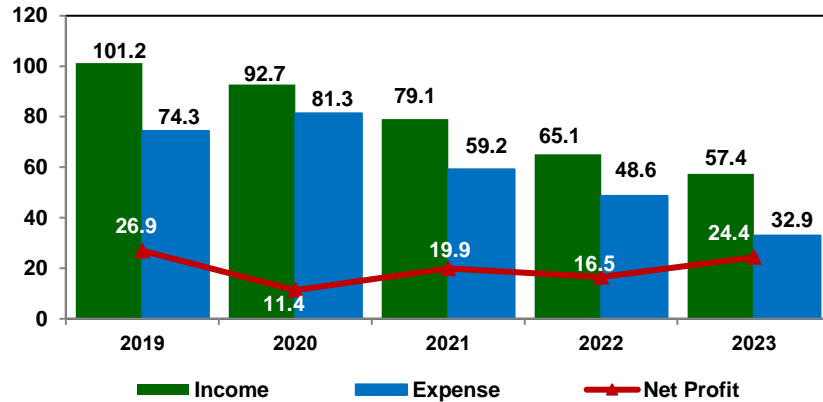
Suosdey Finance PLC-Phnom Penh



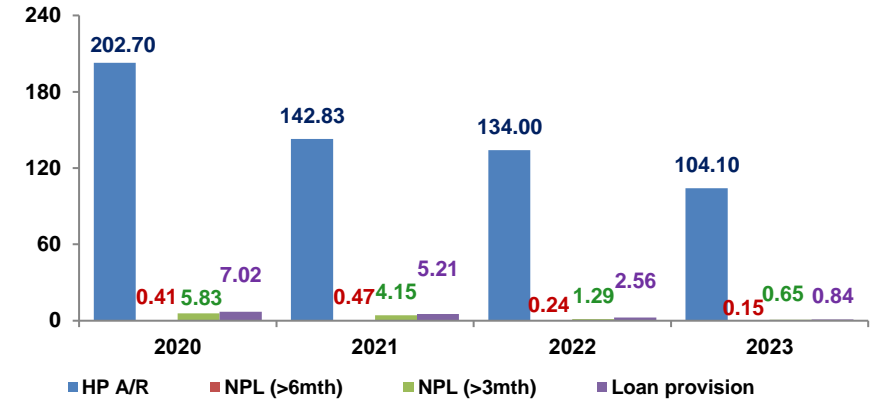




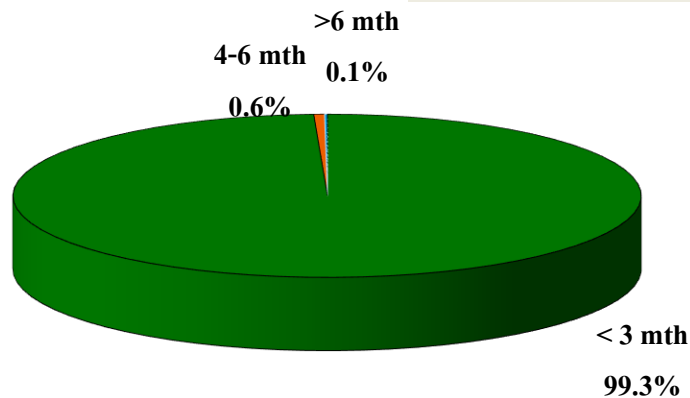
Unit : Mb



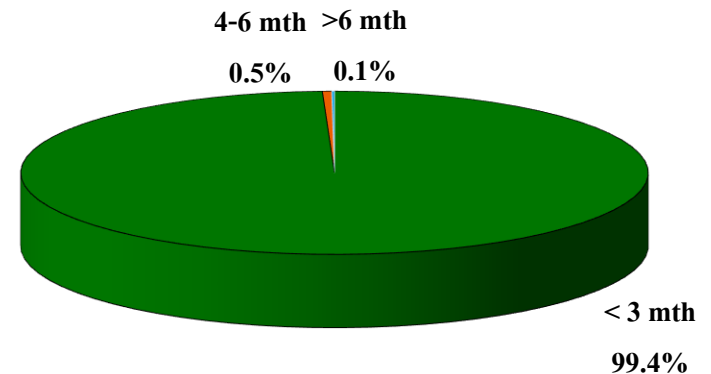
Unit : Mb



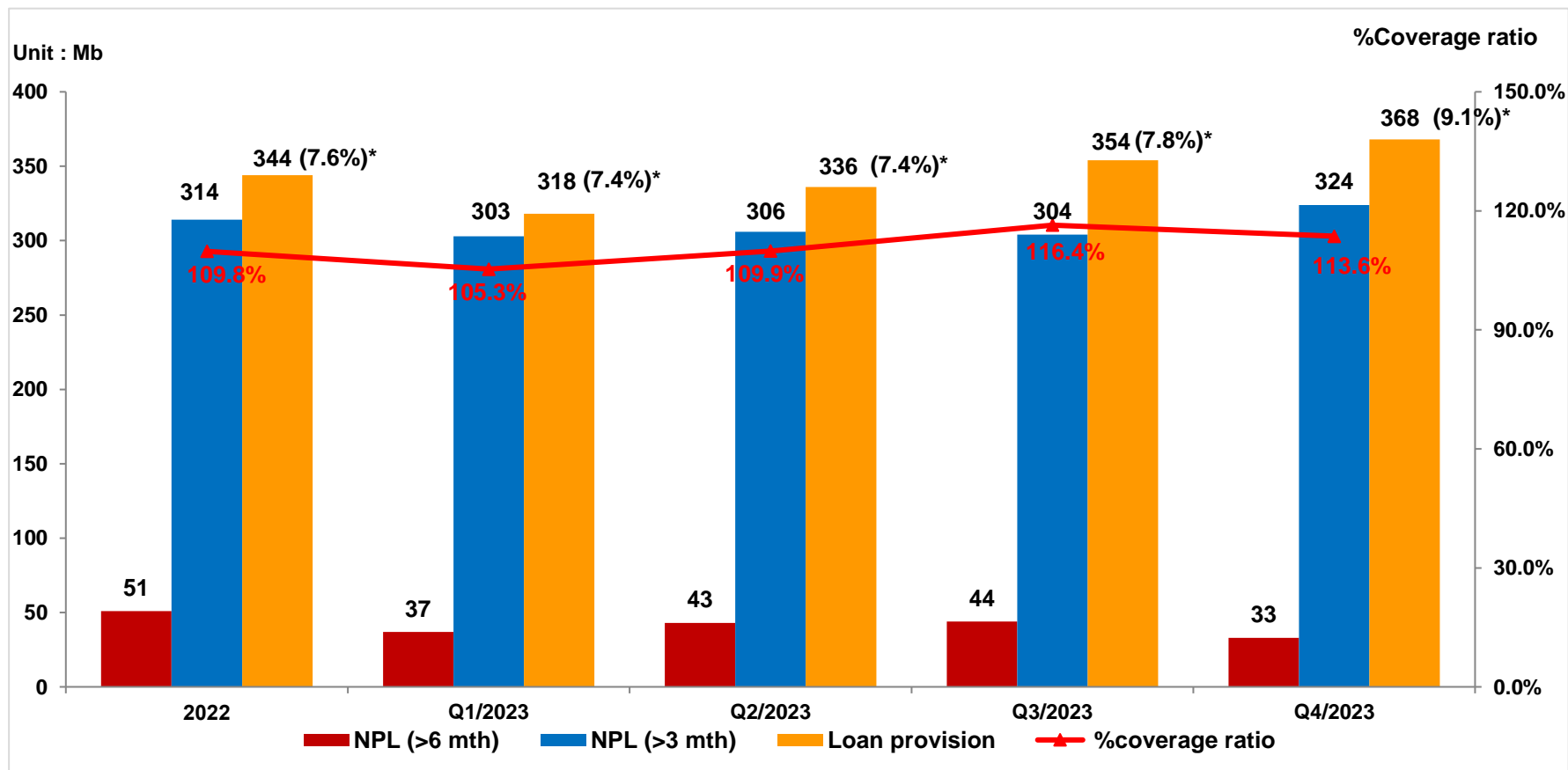
Aging Q3/2023



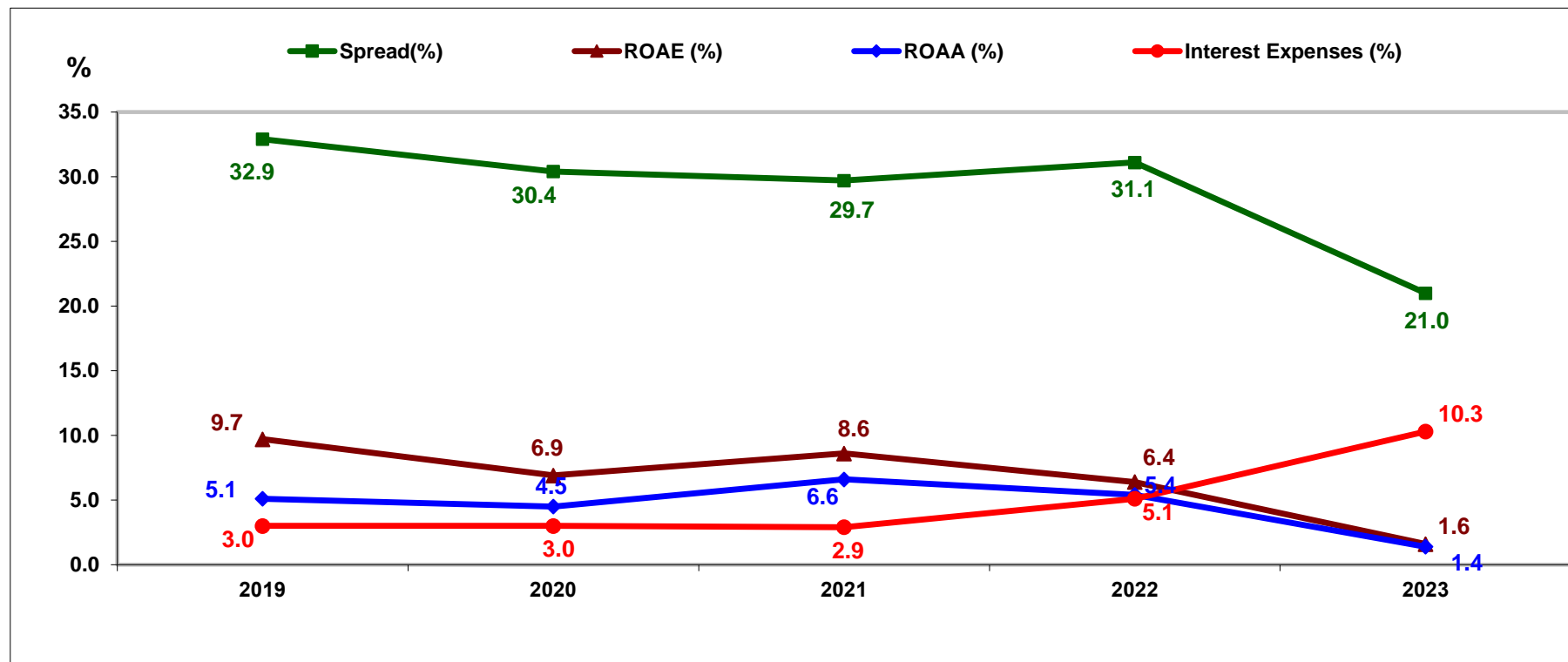
Aging Q4/2023



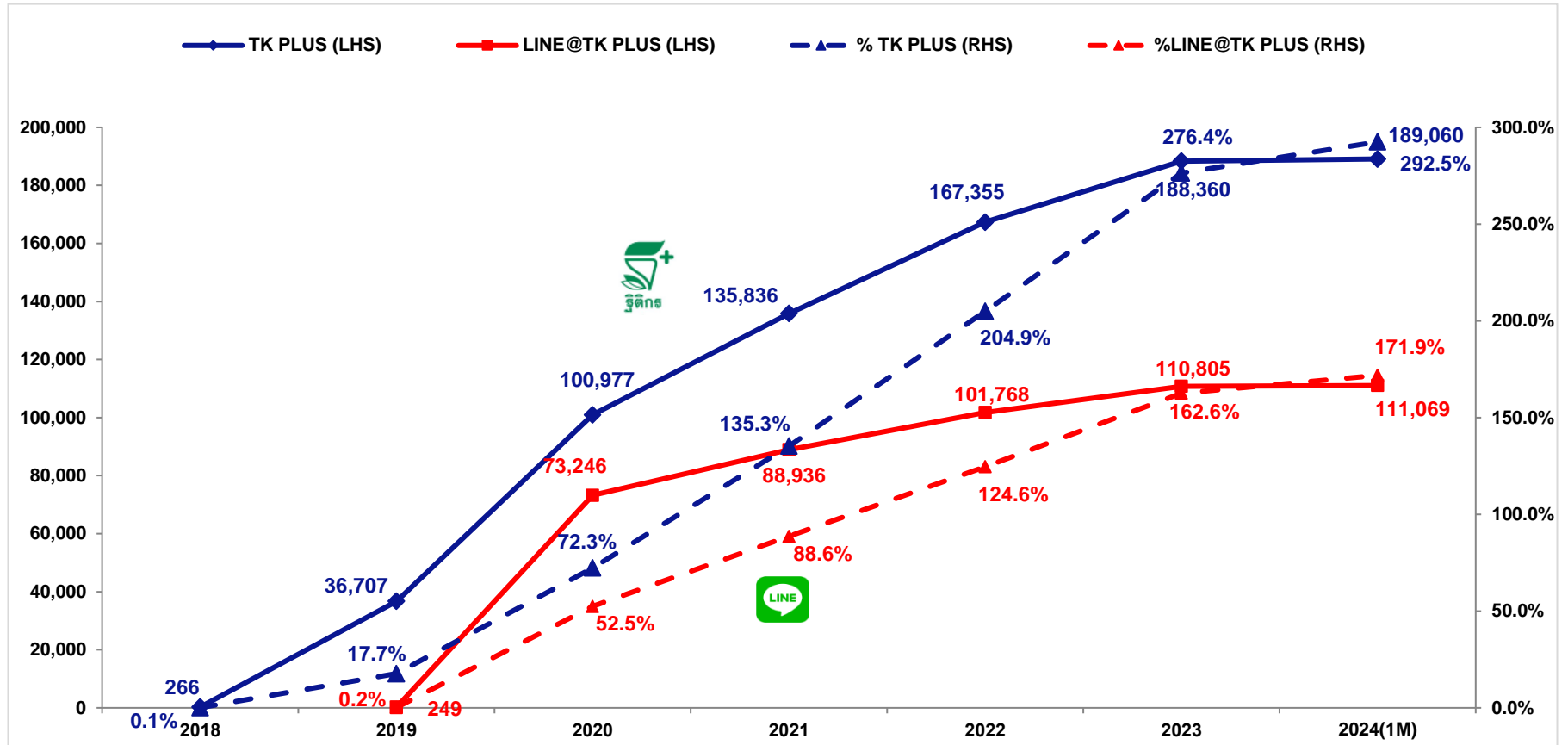
High Coverage Ratio



Profitability



* Annualized





Hire-Purchase by Thitikorn

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69 Ramkamhaeng Rd., Huamark, Bangkapi, Bangkok 10240

Tel: 662-310-7000

e-mail: investor@tk.co.th