



TQMalpha

2Q24 Results Presentation



August 2024

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1H24 Key Highlights

- TQM's total revenue in 1H24 grew YoY, driven by higher sales of insurance product. Motor insurance, characterized by a high renewal rate. Group insurance also contributed to this growth.

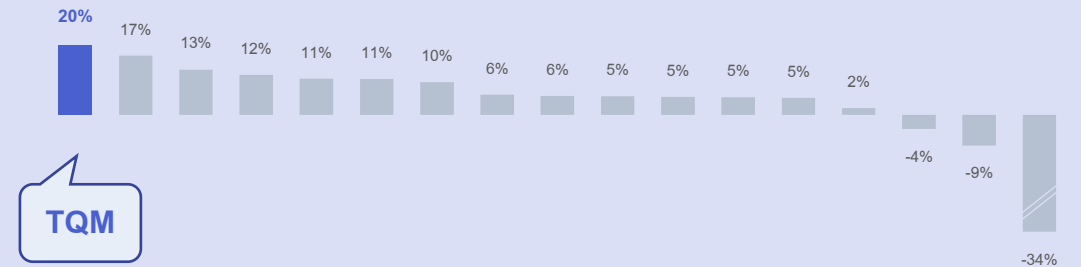
+8.0% YoY
1H24
Total income

- Gross profit and net profit-parent continued to expand by 6.1% and 7.7% respectively, despite increased services costs. Gross profit margin of 51.0% was comparable to the previous year's figure.

- Strategic investments: My Group Intelligent Co. Ltd. and Ngern Rueang Jib Co. Ltd. to unlock TQM's full potential.

- Compared to its sector, TQM sustained a high net profit margin and return.

1H24 Net Profit Margin of Listed Insurance Companies



Source: www.setsmart.com

MY GROUP

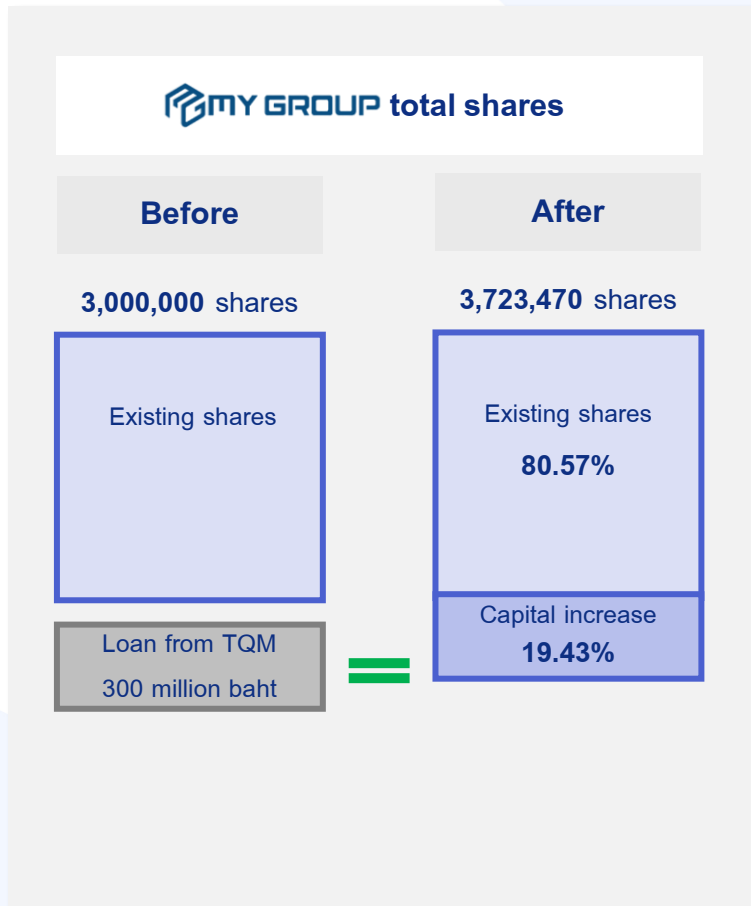


JIPJIP MONEY



Updated Investment Transaction

- 19 July 2024, TQM invested in 19.43% of My Group Intelligent Company Limited shares, valued at 300 million baht.
- My Group, owner of the Mysave and Shippop brands, operates over 6,600 logistics service points, making it Thailand's leading and largest shipping aggregator.
- Expanding our touchpoints will significantly enhance our channels, ensuring comprehensive customer access across all regions.



mysave
5,300+ service points



SHIPP
1,300+ service points



Updated Investment Transaction

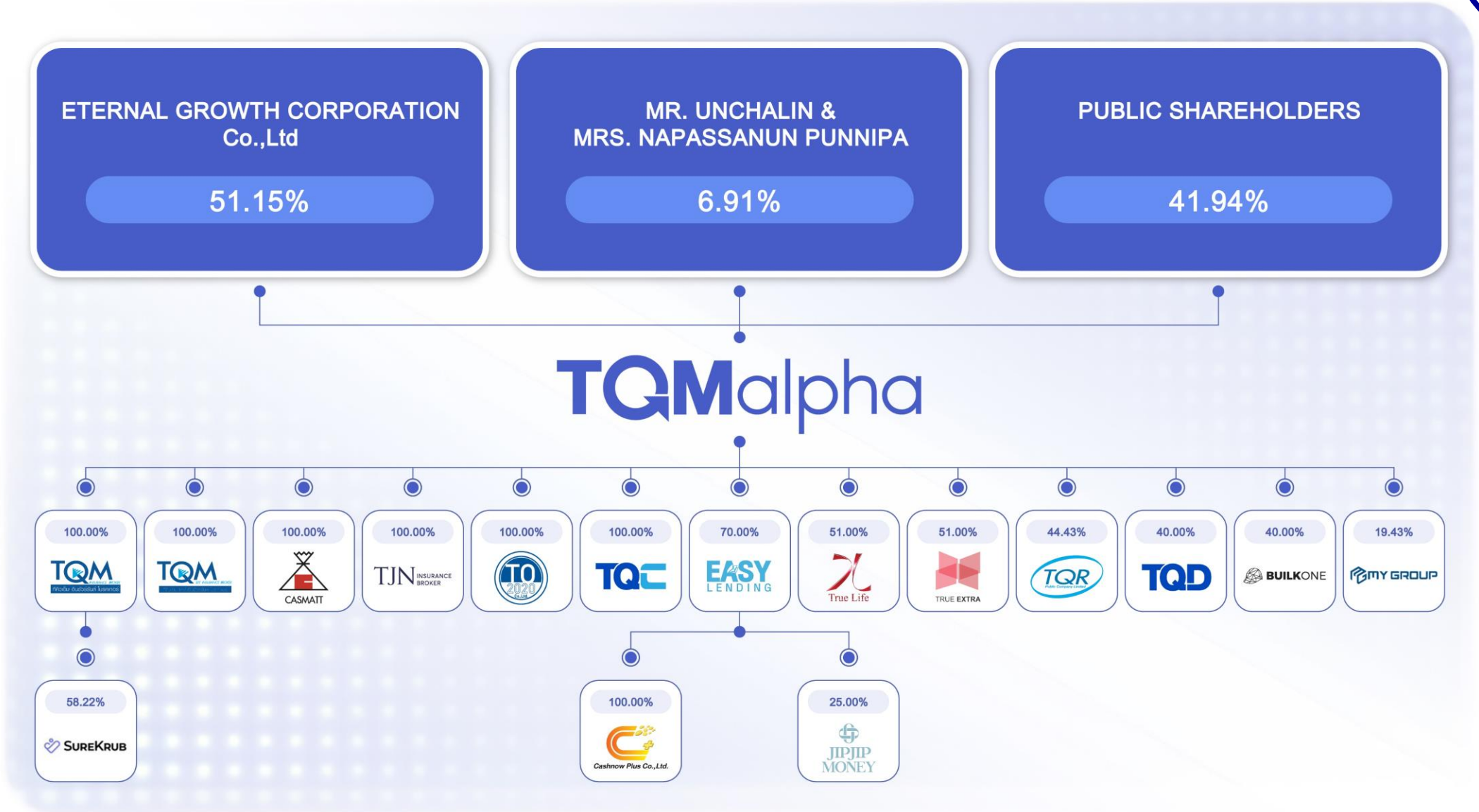
- Easy Lending Co., Ltd. plans to hold 25% of Ngern Rueang Jib Co., Ltd. shares.
- JIPJIP Money is a leading brand specializing in premium consignment services for luxury assets, including high-end bags, watches, jewelry, and more.

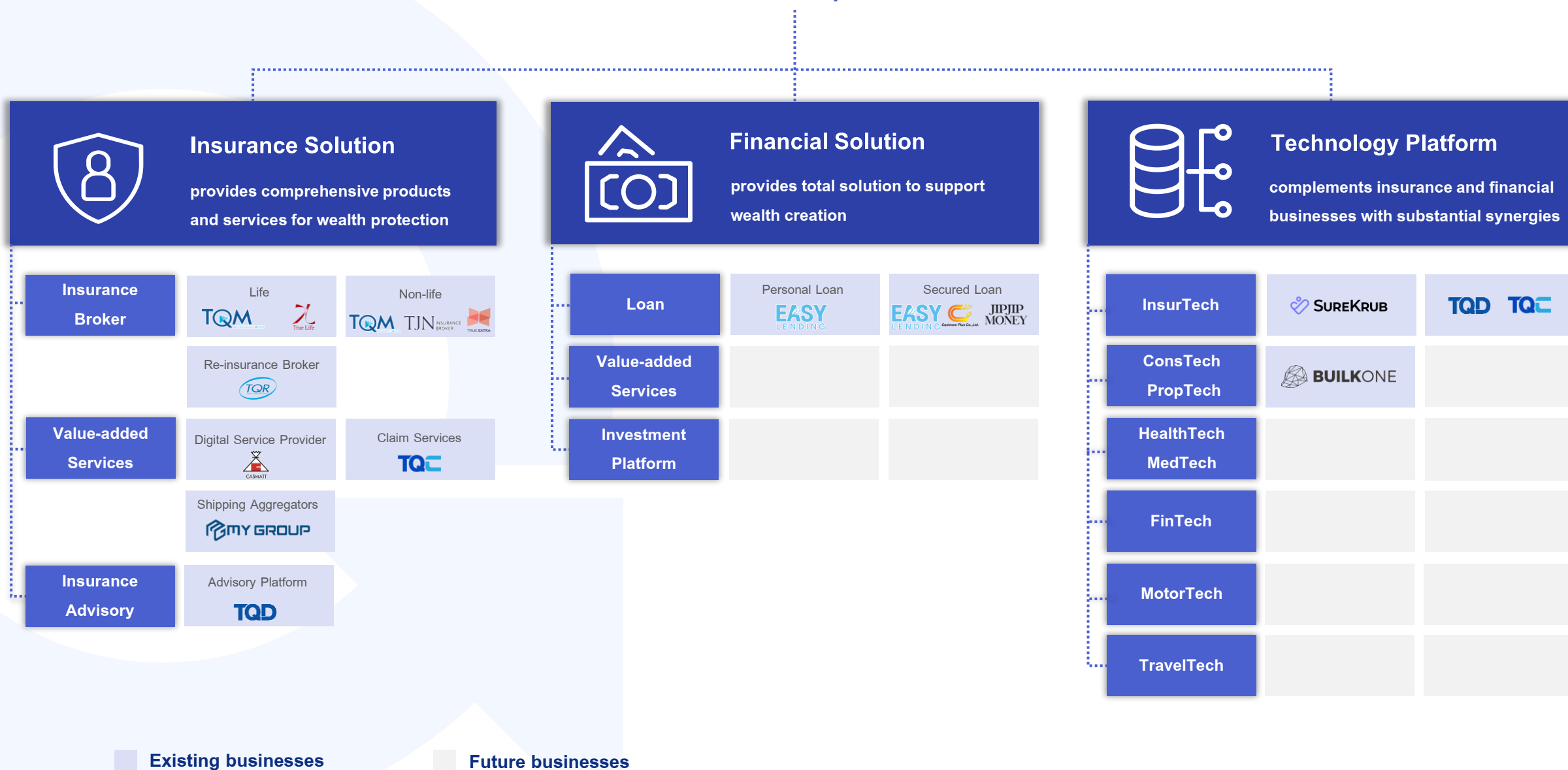


- **Bank of Thailand Licensed:** The sole luxury goods finance company meeting the high standards to offer personal loans.
- **Tech-Enhanced Operations:** Leveraging AI-driven data analytics to elevate the standard of luxury asset evaluation.
- **Top-Tier Security:** Industry-leading, individualized protection for each luxury asset.



TQM's Shareholding Structure





Financial Solution

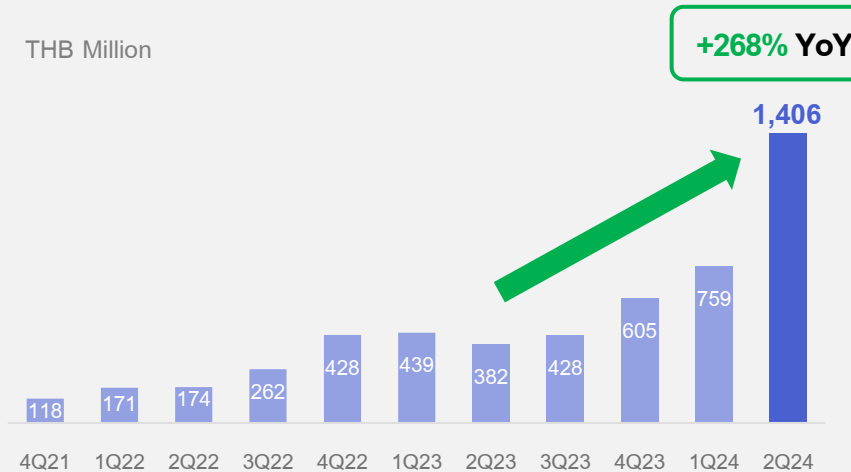


- Our premium and secured loan portfolio continues to grow according to plan, supported by an expanding range of financial products.
- Our strategy is to keep car title loans **under 5%** of our lending portfolio.

EASY
LENDING

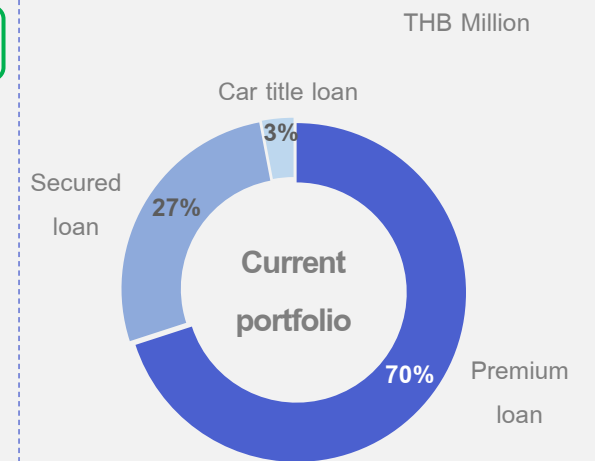
Assets: Outstanding loan

THB Million



+268% YoY

THB Million



Cumulative loan since 4Q21 have **exceeded 5 billion baht**.

In 1H24, new bookings **surpassed 2 billion baht**,
with **70% attributed to insurance premium loan**.

Target

Premium target in FY2027
THB 50,000 million

Average of approx. 5 – 10% revenue growth in 2024 - 2025

Strategic
direction

Sustainable Growth

Customer Happiness

Strategy

1

Finding
potential partner



2

Turn
Competitors
into Partners



3

Technology
Transformation



4

Data Driven



5

Human and
Culture



6

One Customer
Multiple
Products



7

M&A





Insurance business

- Motor insurance continues to be the majority of our portfolio. Enhanced service and customer trust have led to improved renewal rates.
- Popularity of EV remain strong in the Thai market, with YoY growth in new EV registration in 1H24, presenting increased sales opportunities.
- Unlocking potential in life insurance: leveraging the strength and readiness of our sales team to capitalize on opportunities in life insurance segment, as well as support by TQC.

Financial business

- Prioritize TQM's established customer base with a strong transaction history to mitigate underlying risks.
- Continue to explore more product segments, diversify risks and target high-potential opportunities.

Others

- With digital transformation projects, TQM is implementing AI and smart solutions to boost work efficiency, optimize sales opportunities and enhance services.
- Half-year performance is on track, aligning with the targeted top-line growth.

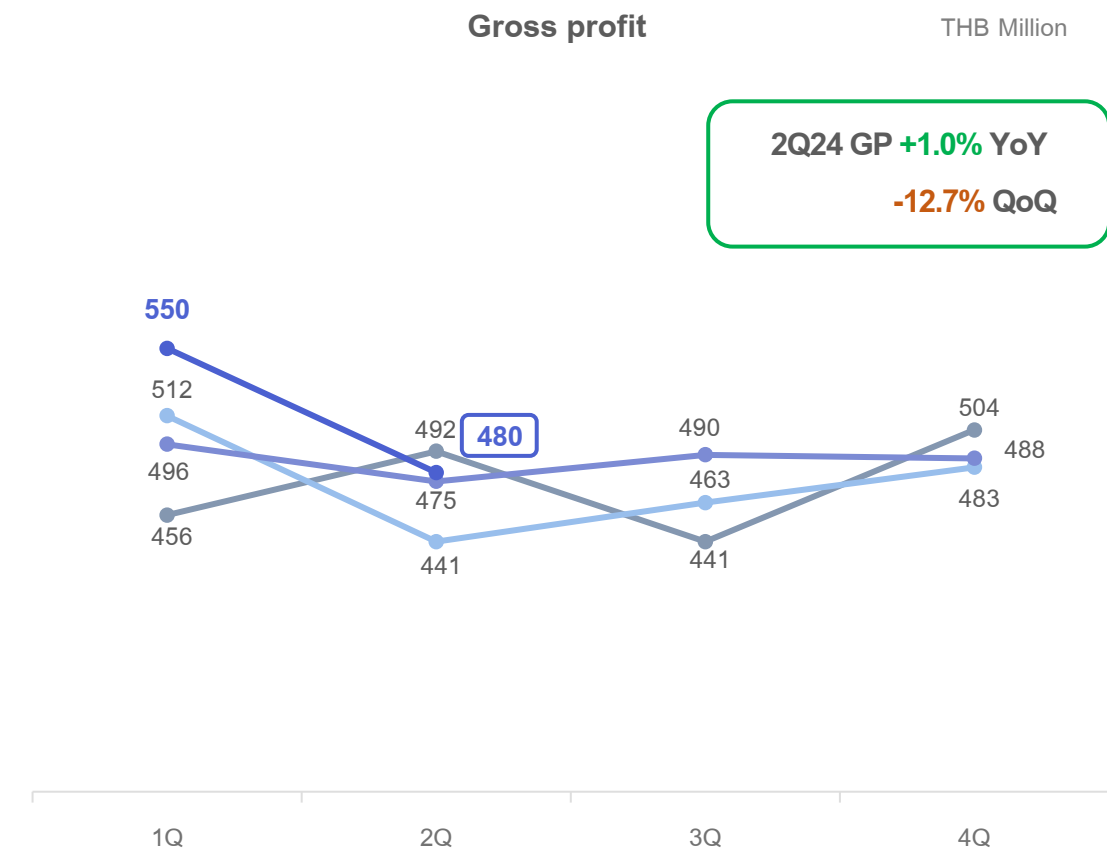
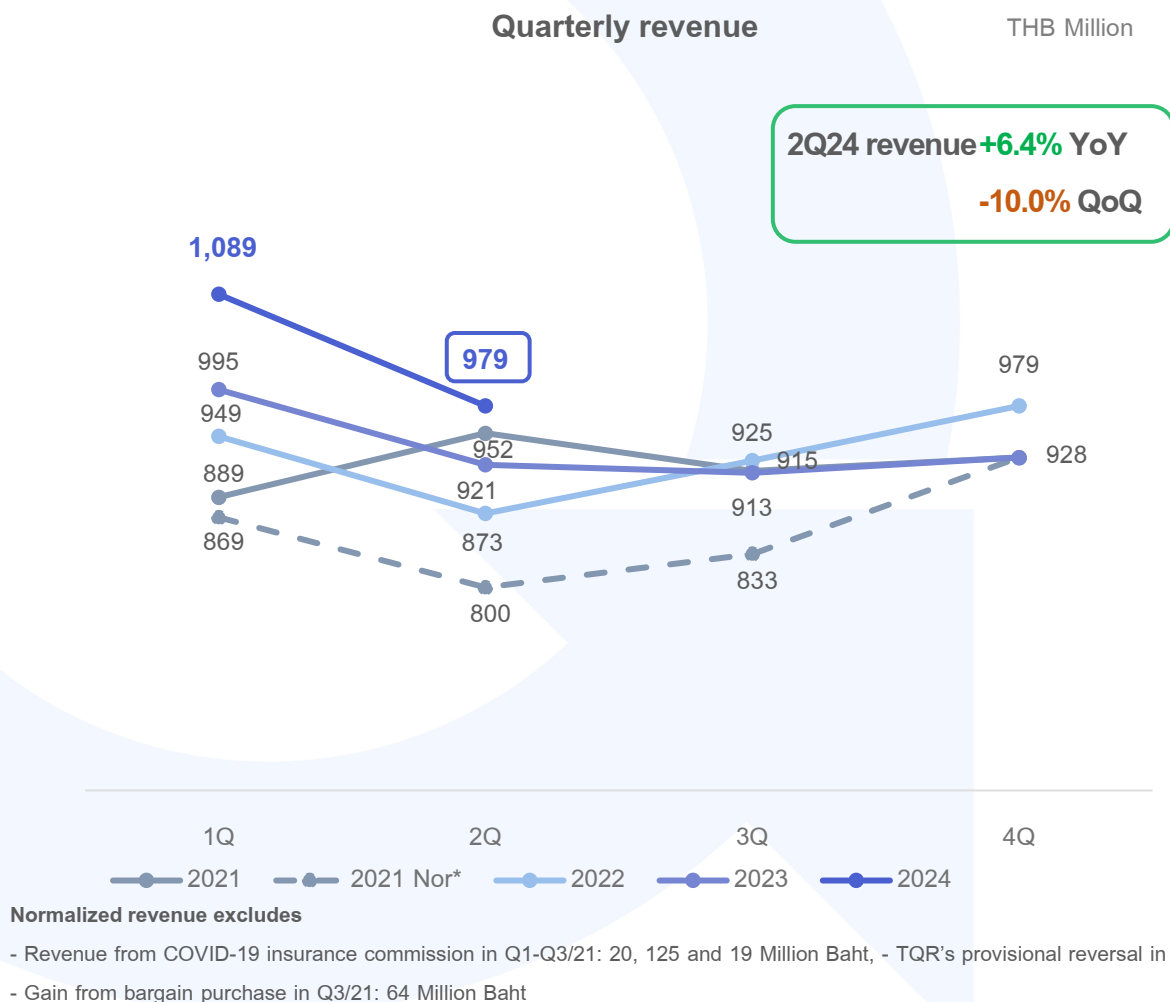


Financial Highlights

2Q24 Revenue

Total revenue grew, driven by strong growth in commission revenue by 13%

Gross profit increased YoY to 480 MB, with GPM above of 50%.



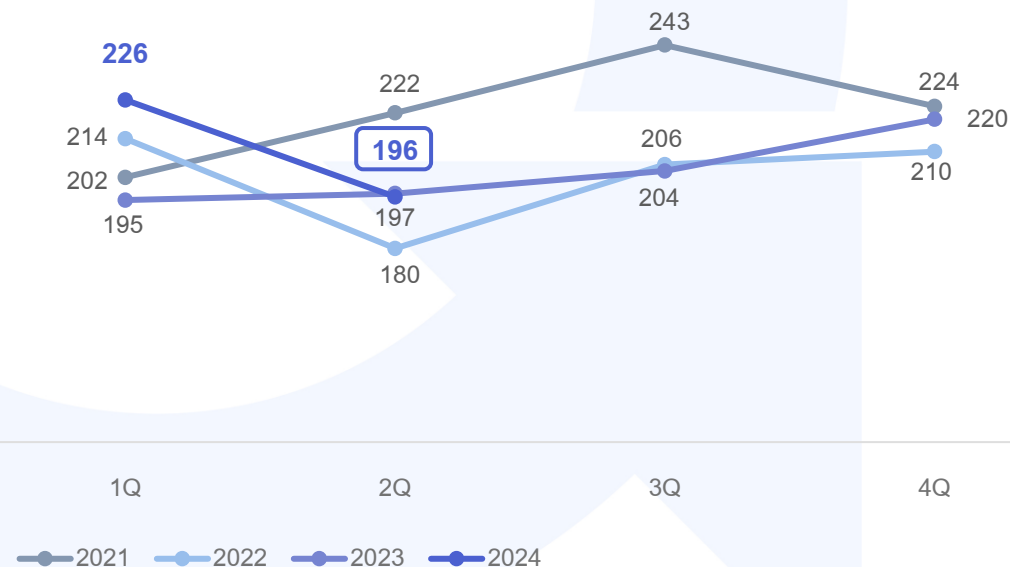
2Q24 Net profit

Our net profit - owners of parent
remained steady YoY, with 20% NPM.

Quarterly net profit – owners of parent

THB Million

2Q24 net profit **-0.4% YoY**
-13.0% QoQ

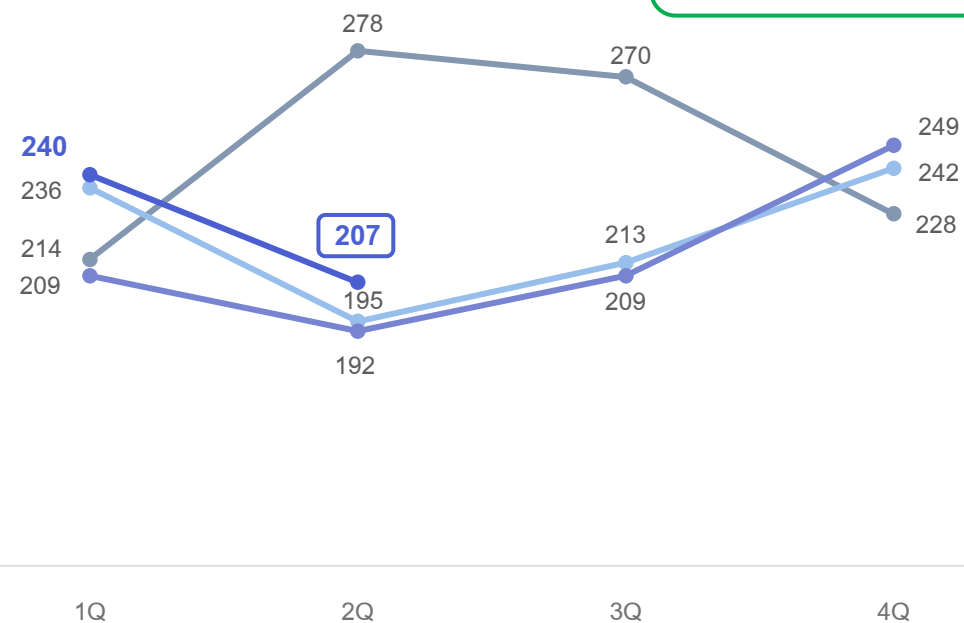


Strong YoY growth with 21% NPM.

Quarterly net profit

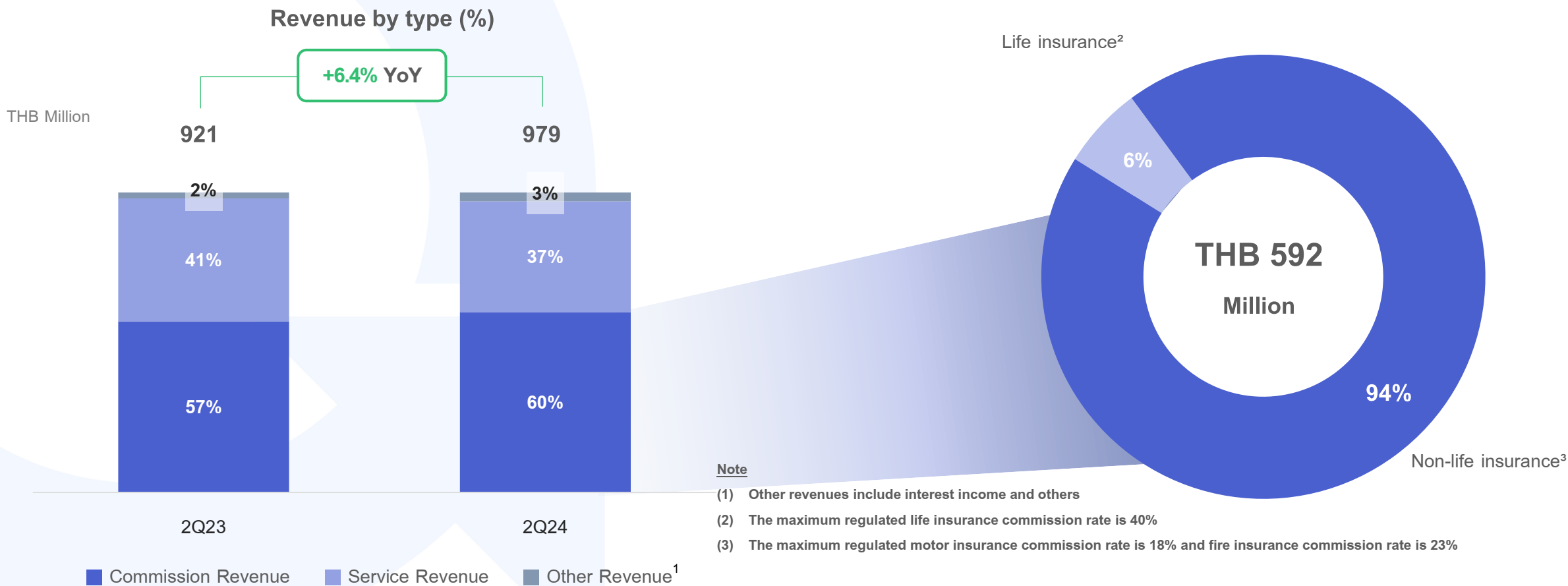
THB Million

2Q24 net profit **+7.6% YoY**
-13.9% QoQ



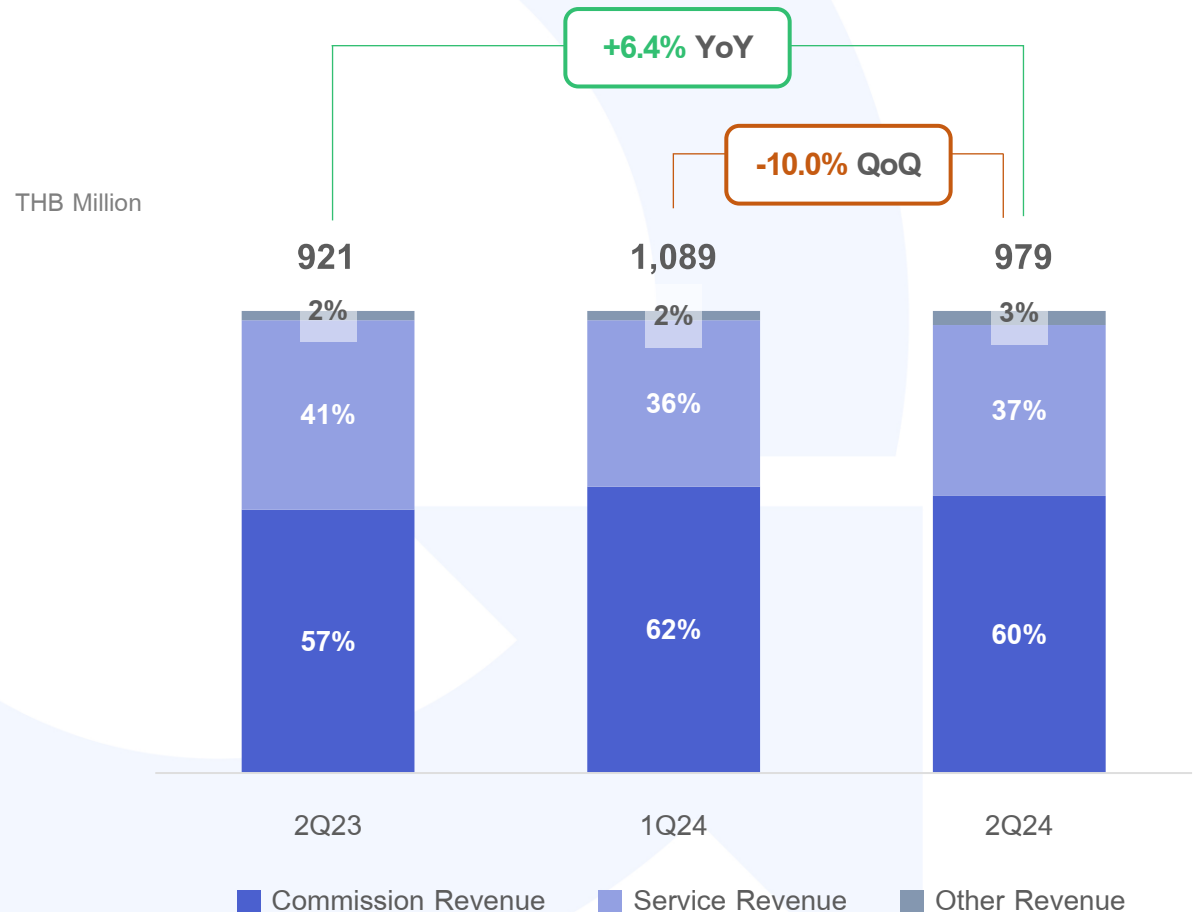
A breakdown of TQM's revenue model

Commission revenue remains our primary source of income.



Revenue breakdown

Revenue of TQM by type (%)

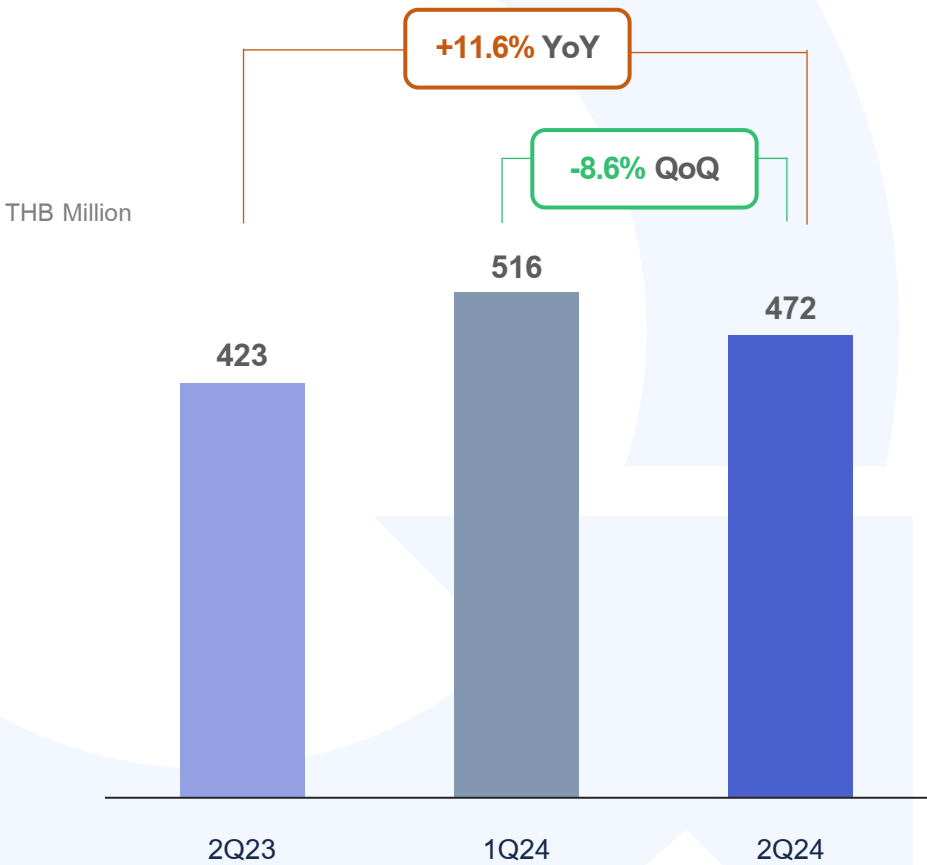


Key Summary

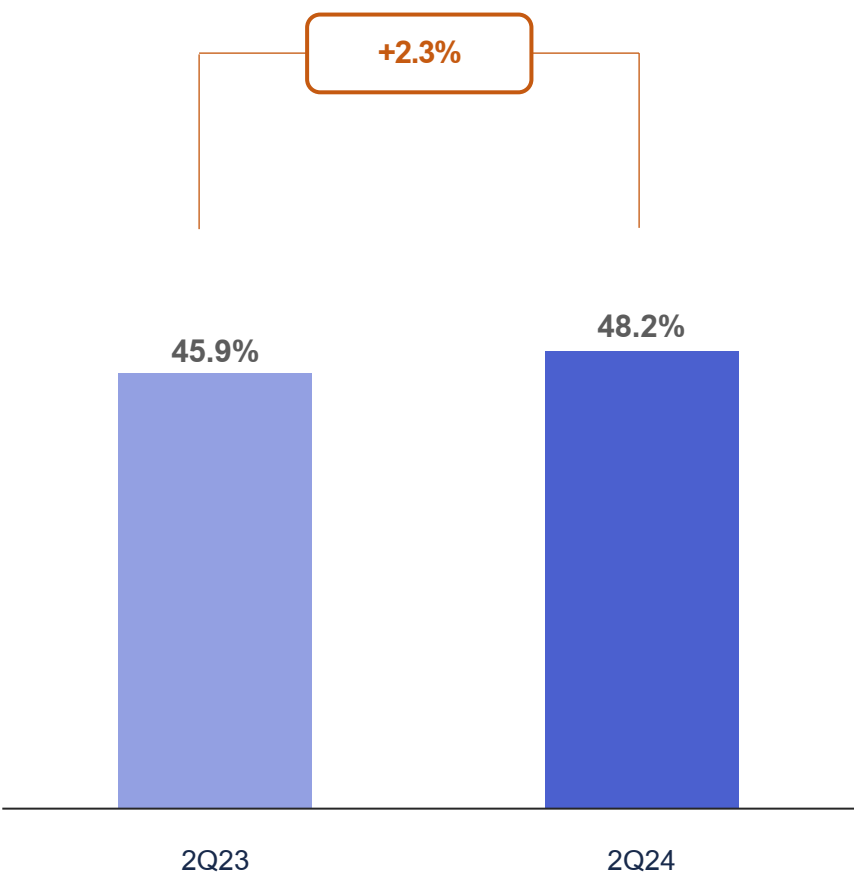
The revenue pattern has been consistent, with **Commission Revenue** as the main contributor, followed by **Service Revenue** and **Other Revenue**. This distribution has remained stable over the years, indicating a consistent composition of revenue sources.

Service costs increased in tandem with the growing revenue

Service cost

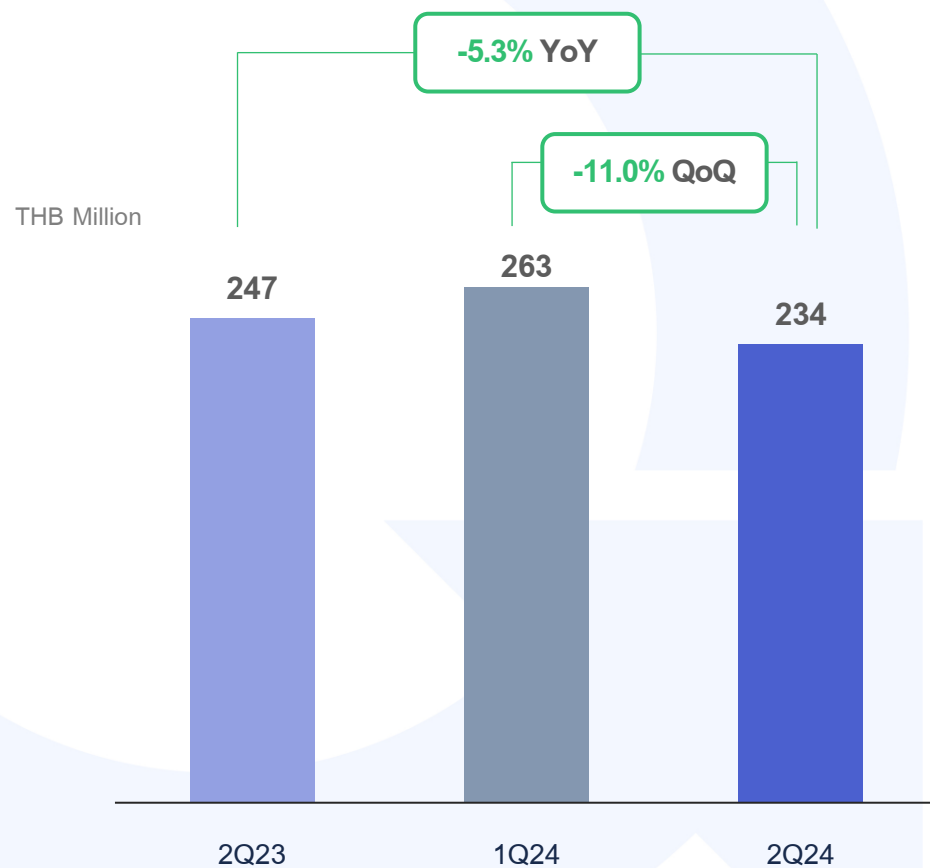


Service-cost-to-income

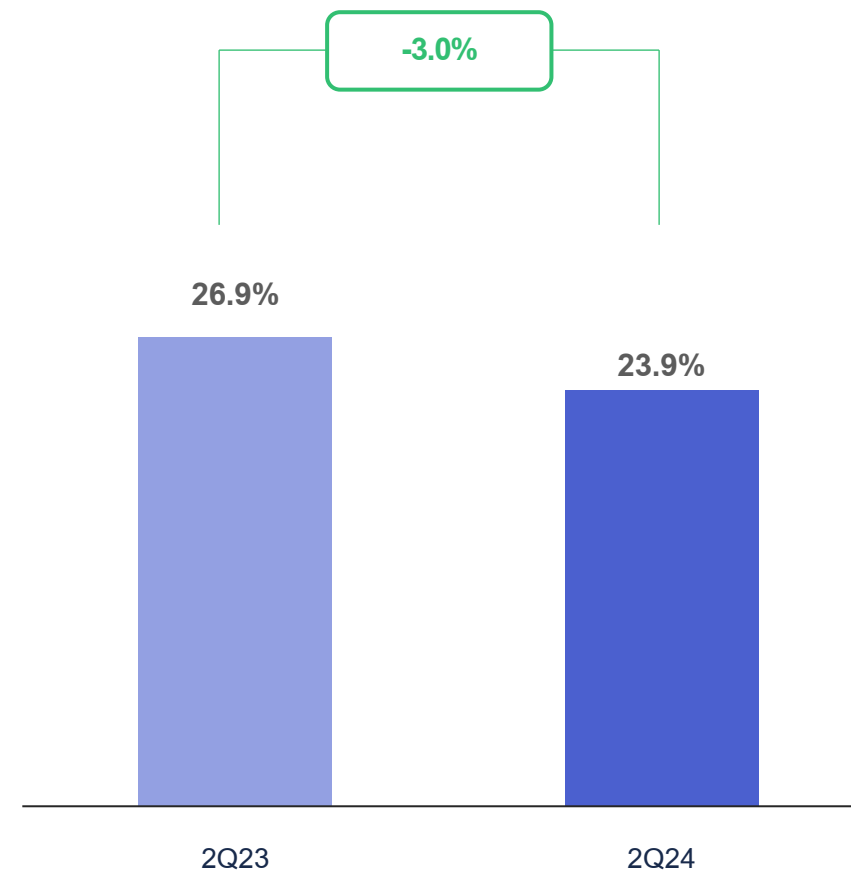


Administrative expenses decreased due to effective control and management

Admin Expenses

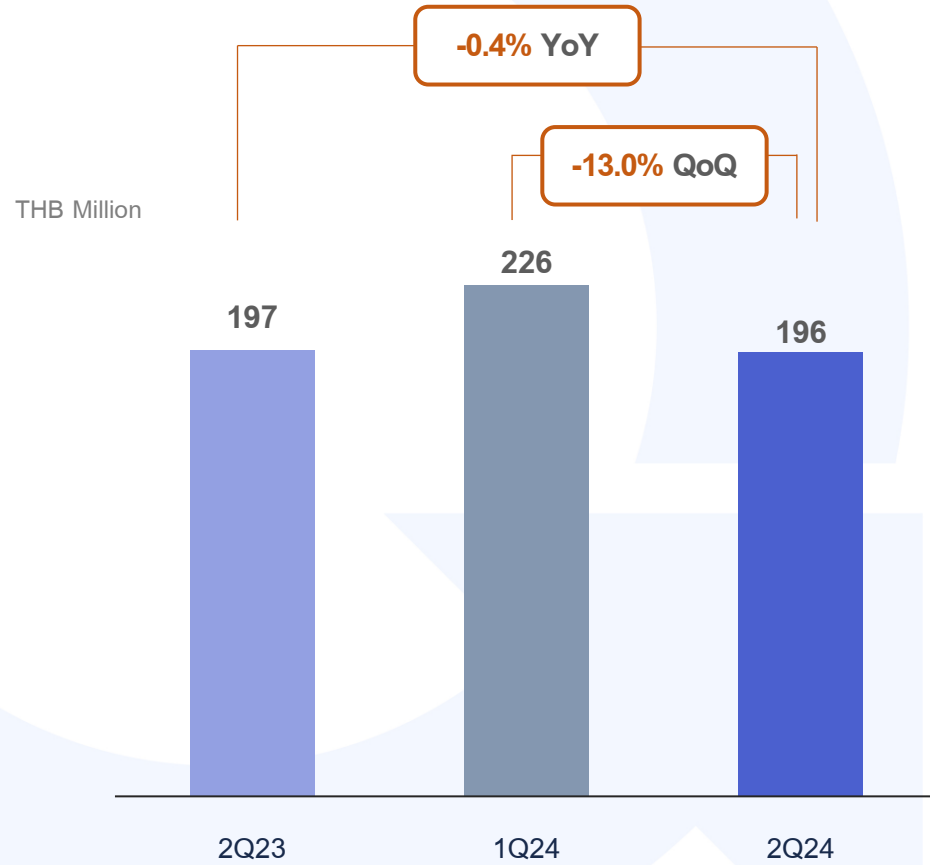


Admin Expenses to Income

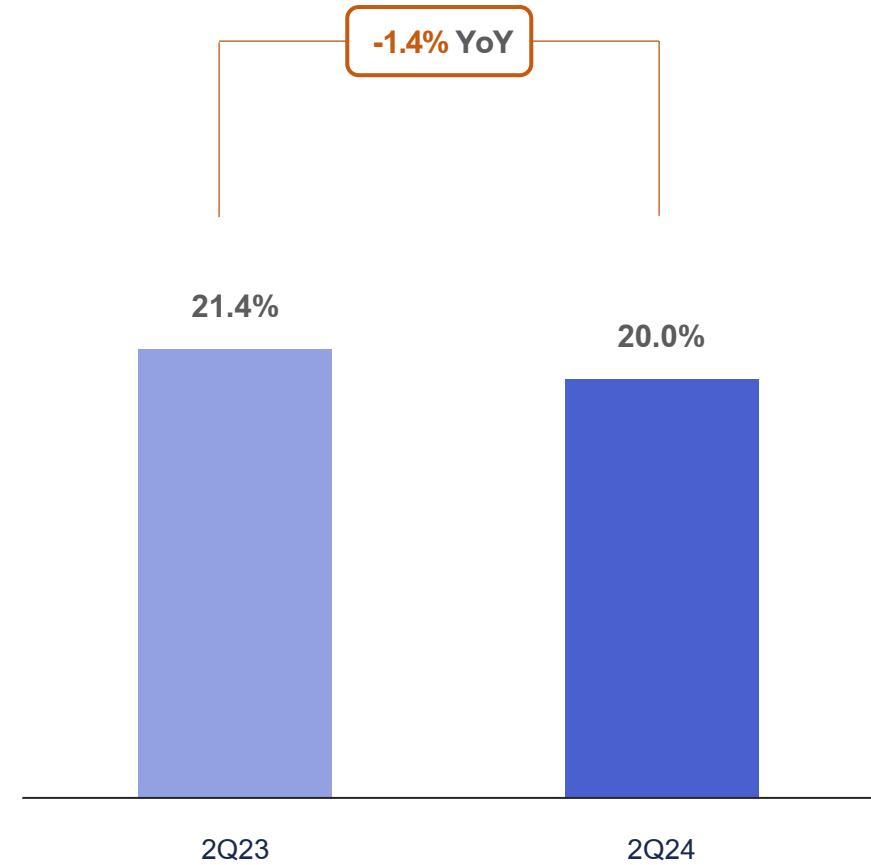


Net profit – owner of parent

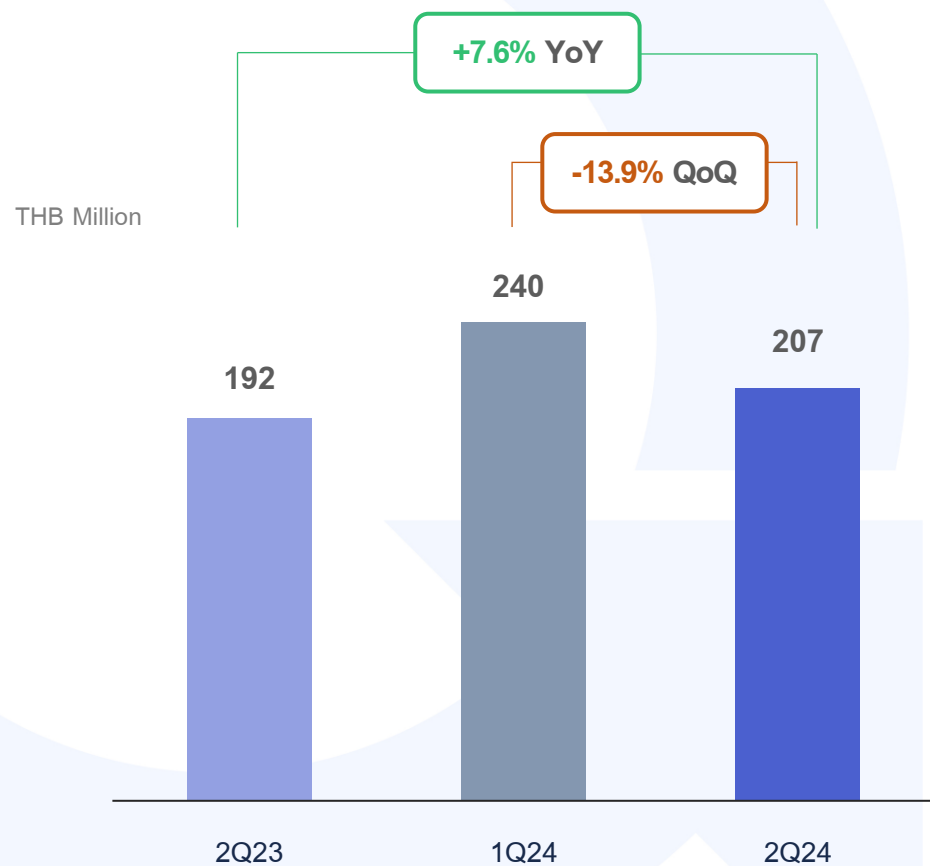
Net profit – owners of parent



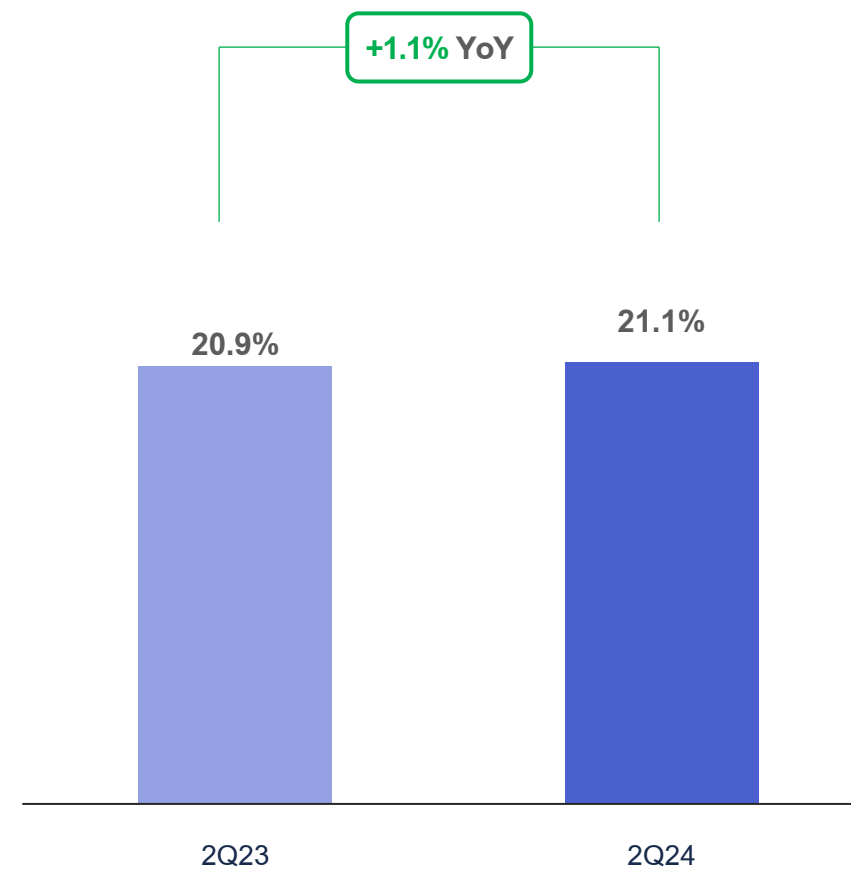
Net profit margin – owners of parent



Net profit

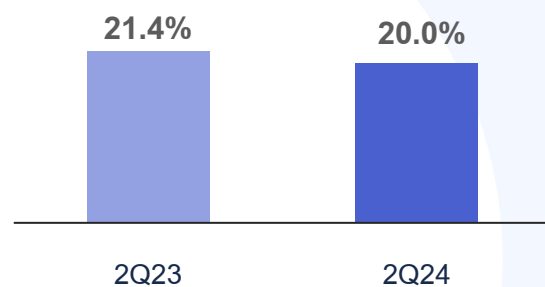


Net profit margin

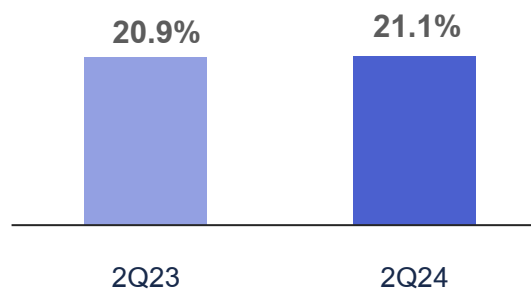


Overall TQM performance in 2Q24

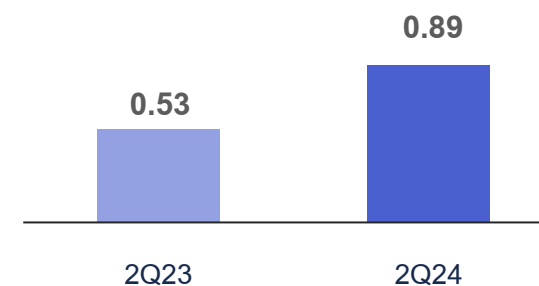
Net Profit Margin – owners of parent



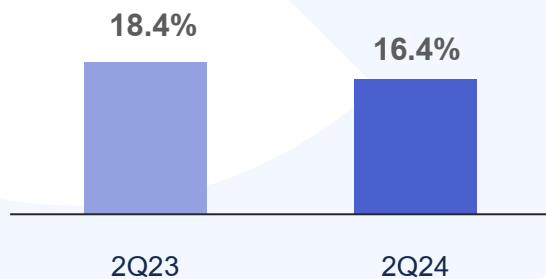
Net Profit Margin



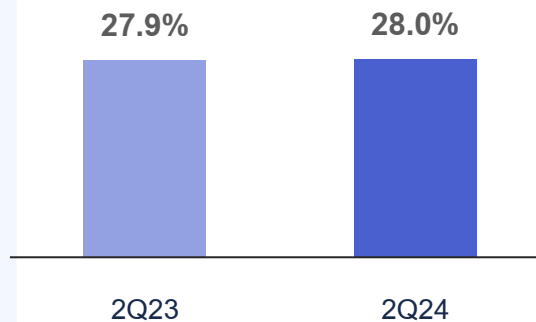
D/E Ratio



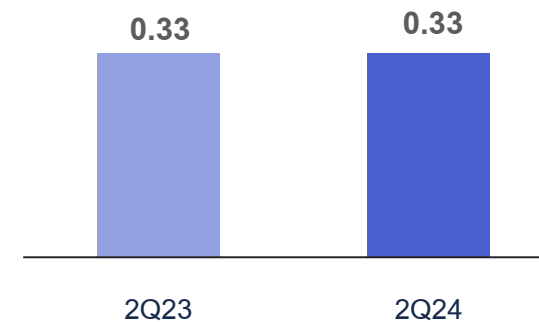
ROA



ROE



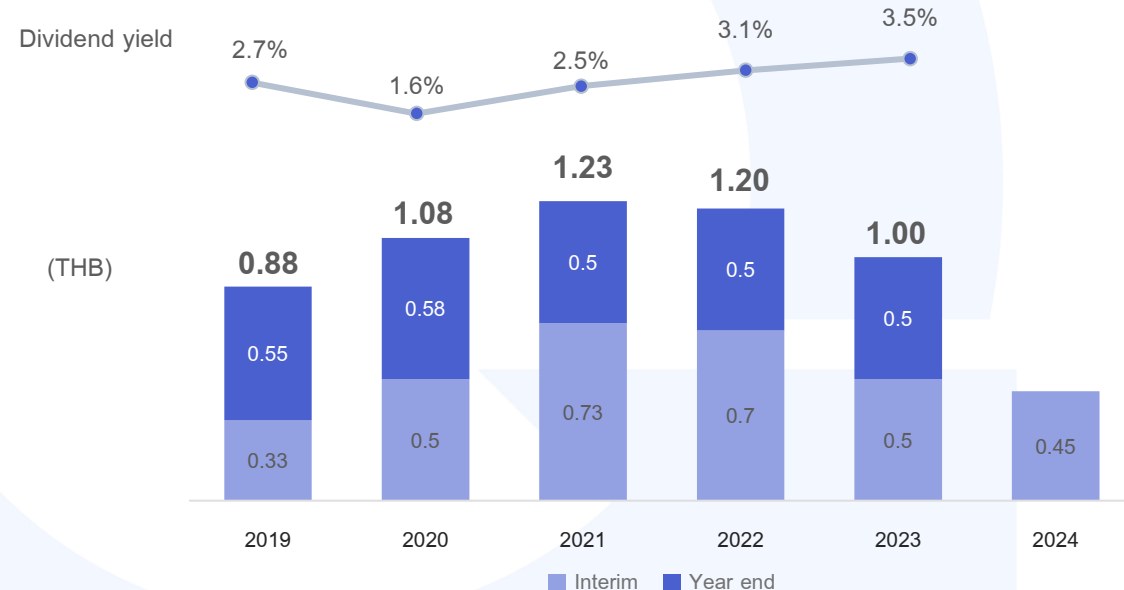
EPS (THB per share)



Dividend and price performance

**BoD approved an interim dividend payment for FY2024
at the rate of 0.45 THB per share**

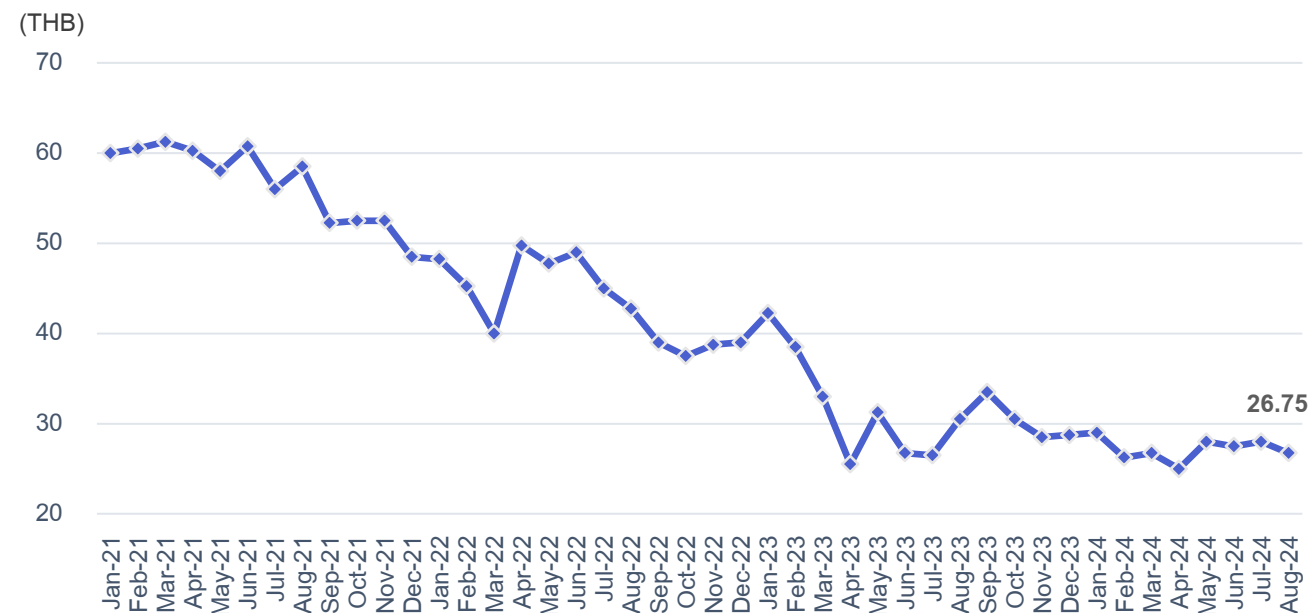
Dividend Payout according to profit
from annual performance



Note:

- 1) Dividend policy: not less than approx. 50% of its operating profit from separate financial statement after income taxes and retained earnings.
- 2) Dividend payout in 2019 - 2021 were re-calculated at new par.
- 3) Dividend are paid twice a year.
- 4) Dividend yield based on year-end price in 2019 – 2023

Historical share price (at new par)

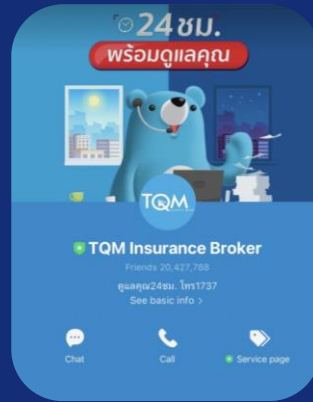


With consistent dividend payment, the dividend yield becomes more competitive at the current share price, as well as lower P/E ratio.

Data as of 21 August 2024

Click or scan the QR code for more details

TQMalpha



Investor
Presentation



Line OA:
TQM Insurance Broker



Financial Services:
Money Bear



Application:
TQM24

Investor Relations Contact

Ariya Silakorn

Chindanai Phithaksak

Tel: +662 119 8888 ext. 5095

Email: ir@tqm.co.th

Website: www.tqmalpha.com

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