

Subject : Report of operating results for the year 2019, increase 25.8%.

Attention : Directors and Managers

The Stock Exchange of Thailand

The performance for the year 2019 of Thitikorn Public Company Limited and its subsidiaries recorded a net profit of 504.5 Million Baht, an increase of 25.8% from 401.1 Million Baht compared to last year, which is the highest annual profit in the past 7 years.

Due to Thailand's economic slowdown in 2019, GDP growth is only 2.4%, decrease from 4.1% in 2018, as a result of the 2.8% decline in exports due to the Trade War between China and the United States, compare to 6.7% growth in 2018. In addition, the Thai baht has appreciated 8.8% in this year and continuously appreciated throughout the past 3 years by 17% compared to USD. As for the prices of agricultural products that continually decreased, including rubber, palm oil, rice, sugarcane, directly affects domestic consumption. In addition, household debt increased 79.1% of GDP in the third quarter of 2019, resulting in the company having a policy to increase caution in granting loans.

According with the overall market conditions in the country, Motorcycle Sales in 2019 were 1,719,373 units, down 3.9% from 1,788,459 units from last year. Automobile Sales in 2019 were 1,007,552 units, a decrease of 3.3% from 1,041,739 units from last year. Directly affecting the business as follows:

1. Total Revenue for the year 2019 was 3,719.1 Million Baht, a decrease of 3.9% from 3,871.8 Million Baht compared to last year. As for the hire-purchase income in the year of 2019, the amount of 2,966.6 Million Baht decreased by 6.4% from 3,170.3 Million Baht compared to last year.

2. Other Incomes in the year 2019 were 731.1 Million Baht, an increase of 9.1% from 670.0 Million Baht compared to last year. Due to the quality of the customers tends to improve along with efficient collection management, resulting in other incomes to increase and positively impact the overall performance of the company

3. Total Expenditures for the year 2019 were 3,086.0 Million Baht, a decrease of 8.2% from 3,359.9 Million Baht in last year. Total selling and administrative expenses for the year 2019 was 1,866.8 Million Baht, a decrease of 13.7% from 2,163.8 Million Baht compared to last year due to:

3.1 The company has managed the administrative expenses, regarding the cost control of each department, such as reducing paperwork and redundancy, and the increasing use usage of Digital Technology.

3.2 An effective cost of fund management.

At the end of the year 2019, the company had a total of 7,438.6 Million Baht in Net Hire-Purchase Contract and Loan Receivables, a decrease of 20.6% from 9,372.5 Million Baht compared to the previous year that came from the strict credit policy. The company's Total Assets were 9,163.3 Million Baht, a decrease of 13.4% from 10,578.4 Million Baht compared to the previous year. And Total Liabilities of 3,839.7 Million Baht, a 30.2% decrease from 5,500.7 Million Baht compared to the previous year. Since the 3rd quarter until present the company has a extended the repayment period for good customers with whom paid more than half of the total amount of the original contract which may experience a some delay in monthly installment. However the company does not reduce loan loss provision of customers in this group. As a result, the company's reserves at the end of

the year 2019 were 632.5 Million Baht, plus 1% general reserve (77.1 Million Baht), totaling 709.6 Million Baht in accounts receivable (the company has a policy to set an additional general reserve of 1% in order to support the new reserve policy in the form of TFRS9), the allowance for doubtful accounts was at 8.7% and having receivables overdue more than 3 months at 4.5%, resulting in the Coverage Ratio at 193.5%.

The performance of the company has improved since the last quarter of 2018 to the present, due to strict measures on credit underwriting and continuous quality control of customers and the company still has a policy to accelerate write-off for customers with irregular payment of monthly installments, which is expected to benefit the company in the long run.

Please be informed accordingly.

Best regards

(Miss Prathama Phomprapha)

Managing Director