



บริษัท ฐิติกร จำกัด (มหาชน)

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TK 028/ 2564

May 11, 2021

Subject : Report of operating results for Q1/2021, net profit increase 3.7% and total revenue decrease 27.3%

Attention : President

The Stock Exchange of Thailand

The operating performance for Q1/2021 of Thitkorn Public Company Limited and its subsidiaries reported a net profit of 97.5 Million Baht, a increase of 3.7% from 94.0 Million Baht compared to the same period last year, total revenue of 538.7 Million Baht, a decrease of 27.3% from 740.9 Million Baht compared to the same period last year.

Global Covid-19 pandemic had negatively affecting broader economic activities causing the domestic economy to slow down continuously from the year 2019 which grew only 2.4%. The negative affected caused the contraction of export sector due to Trade War between United States and China, the appreciation of THB over the past 3 years, decline in major agricultural products prices such as rubber, palm oil, tapioca, sugarcane which directly affecting domestic consumption. In addition, household debt increased to record high of 89.3% of GDP at the end of 2020 and expected to rise further. This effect Thai GDP to contracted to -6.1% in 2020 due to negative growth in export for second consecutive year as well as sharp decline in tourism sector. The number of foreign tourists decline to 6.7 million (in Q1 2020), a decrease of 83.2% (from 39.7 million in 2019), which affected household consumption in the country decrease by 1% and private sector investment was -8.4%, with only public investment that could expand to a positive 5.7%. Thailand has had good control over the spread of Covid-19 compared to many countries until the last quarter of 2020, the government began to relax its measures from shut down the country in 2nd quarter and economic activity began to recover. However, the second wave resumed before the end of 2020 and continued with the third outbreak at the end of the first quarter of 2021, with more widespread than the first two rounds which directly impacted Thailand to maintain more stringent measures on visitors and Foreign tourists arriving which cannot travel freely to Thailand. Although the measures have been gradually phased out, it is not currently possible to clearly assess the total impact of Covid-19 pandemic, resulting to TK conservative policy in underwriting new loans.

Domestic motorcycle sales for Q1/2021 were 436,215 units, increase 1.2% from 431,004 units from last year. Automobile sales for Q1/2021 were 194,137 units, a decrease of 3.0% from 200,064 units from last year. Directly affecting the business as follows:

1. Total Revenues for Q1/2021 were 538.7 Million Baht, a decrease of 27.3% from 740.9 Million Baht compared to the same period last year. As for the hire-purchase income in Q1/2021, the amount of 367.1 Million Baht decreased by 38.9% from 601.4 Million Baht compared to the same period last year due to the ongoing economic downturn.

2. Other Incomes for Q1/2021 were 151.7 Million Baht, an increase of 11.8% from 135.7 Million Baht compared to the same period last year as a result of establishment of a special debt collection unit.

3. Total Expenses for Q1/2021 were 393.7 Million Baht, a decrease of 33.9% from 595.5 Million Baht compared to the same period last year. Total selling and administrative expenses for Q1/2021 were 301.4 Million Baht, a decrease of 25.3% from 403.7 Million Baht compared to the same period last year due to:

3.1 Cost control management and reduction of its administrative expenses in various departments, such as reducing paperwork and redundancy.

3.2 The increasing usage of Digital Technology.

4. Cost of fund for Q1/2021 were 10.3 Million Baht, a decrease of 57.8% from 24.4 Million Baht compared to the same period last year due to reduction in using credit facilities and an effective managing cost of fund. As of the end of Q1/2021, after repayment of debentures in the amount of 600 Million Baht, the company had a cash position of approximately 1,606 Million Baht, D/E ratio was 0.24X decreased from 0.37X in 2020 which is more than adequate for shares payment in the acquisition of MFIL in Myanmar as approval by shareholder on April 23,2020 which expected to close by the end of 2021 and ready to accelerate its business expansion when the situation improves.

At the end of Q1/2021, the company had a total of 4,249.4 Million Baht in Net Hire-Purchase Contract and Loan Receivables, a decrease of 7.4% from 4,591.3 Million Baht compared to the end of previous year due to the strict credit policy for more than 2 years. In the 2nd quarter of 2020, there were relief measures for customers who affected by Covid-19, however the company decided not to use the temporary right to classify customers according to the principles of the Federation of Accounting Professions of Thailand. The allowance for doubtful accounts at the end of Q1/2021 amounted to 530.8 Million Baht, account receivables overdue more than 3 months = 8.5% Coverage Ratio = 130.4% (The allowance for doubtful accounts at the end of 2020 amounted to 561.7 Million Baht, account receivables overdue more than 3 months = 9.2% Coverage Ratio = 118.3%). The company's Total Assets were 6,796.3 Million Baht, a decrease of 7.6% from 7,356.8 Million Baht compared to the end of previous year. Total Liabilities of 1,318.6 Million Baht, a 34.1% decrease from 2,000.5 Million Baht compared to the end of previous year.

For the last year, the Company approved relief measures for the customer who affected by the Covid-19 pandemic at the end of Q1 and continued to Q2. The company has assisted customer in Thailand as well as our neighboring countries subsidiaries with a total of 210,200 customers. Since the end of customer relief measures in Q2, most of the customers in Q3 & Q4 have resumed to pay monthly installment to similar level to Q1, accounting for 90% in term of amount; therefore lower provisions in Q3 & Q4 continued to the first quarter of this year. from good control over Covid-19 pandemic domestically first wave during last year. Thai government began to relax the pandemic control measures and began to gradually open up the country, to increase economic activity, even though last quarter had experienced new wave or of COVID pandemic domestically. However, many countries succeeded in the invention of Vaccine Covid-19, which Vaccine has been produced and started to vaccinated in many countries. It is expected to help reduce the outbreak and deaths. This will result in people around the world to return their life to normal in the near future. It is expected to have a positive effect on the quality of the receivables in the company's

portfolio. The company has prepared in the event that the Covid-19 pandemic should continue to prolong with strict measures on credit underwriting and continuously controlling the quality of customers which is expected to benefit the company performance in the medium and long run.

Please be informed accordingly.

Best regards

(Ms. Prathama Phomprapha)
Director / Managing Director