บริษัท ธิติกร จำกัด (มหาชน)
Thitikorn Public Company Limited

TK. 006/ 2565

February 22, 2022

Subject : Report of operating results for 2021, net profit increase 28.3% and total revenue decrease 21.4%

Attention : President

The Stock Exchange of Thailand

The operating performance for 2021 of Thitikorn Public Company Limited and its subsidiaries reported a net profit of 471.8 Million Baht, an increase of 28.3% from 367.6 Million Baht compared to the same period last year, total revenue of 2,002.4 Million Baht, a decrease of 21.4% from 2,548.2 Million Baht compared to the same period last year.

Global Covid-19 pandemic had negatively affected broader economic activities causing the domestic economy to slow down continuously which directly affected domestic consumption. In addition, Thailand household debt increased to 89.3% of GDP at the end of Q3/2021 and expected to rise further; which was the 5th highest in Asia and the 12th highest in the world. Thai GDP contracted -6.1% in 2020, the second worst contraction in recent history compared to -10.8% in 1998 due to the Tom Yum Kung crisis. From 2020 to 2021, Thailand has encountered 5 waves of COVID-19 pandemic with total accumulated 2,223,435 infection cases and 21,698 deaths. As COVID-19 virus straints has constantly mutated, globally and Thailand faced with 5 main variants which are Wuhan or S (Serine), G, Alpha, Delta, and Omicron. Global pandemic was expected to subside its severity after over 70% of all the world population were fully vaccinated in each country, especially children under 11 years old. However, it is not currently possible to clearly assess the total impact of Covid-19 pandemic with risk factors, resulting in TK conservative policy in underwriting new loans.

Domestic motorcycle sales in Q4/2021 were 405,478 units or 9.4% increased from 370,702 units from last year. Motorcycle sales for 2021 were 1,610,223 units or 6.1% increased from 1,517,682 units from the same period last year after the sales declined for 3 consecutive years. Automobile sales in Q4/2021 were 227,188 units or 11.7% decreased from 257,381 units from last year. Automobile sales for 2021 were 759,119 units or 4.2% decreased from 792,146 units from last year which also declined for 3 consecutive years. The business was affected directly in following points:

1. Total Revenues for 2021 were 2,002.4 Million Baht, a decrease of 21.4% from 2,548.2 Million Baht compared to the same period last year. As for the Hire-Purchase Income in 2021, amount of 1,370.8 Million Baht decreased by 31.2% from 1,993.6 Million Baht compared to the same period last year due to the ongoing economic downturn, mainly came from the severe situation of the pandemic in this quarter.

Other Incomes for 2021 were 578.9 Million Baht, an increase of 7.0% from 541.1 Million Baht compared to the same period last year as a result of declining of portfolio and enforcement of the Debt Collection Act in September 2021

2. Total Expenses for 2021 were 1,344.4 Million Baht, a decrease of 32.8% from 2,001.1 Million Baht compared to the same period last year. Total selling and administrative expenses for 2021 were 1,059.7 Million Baht, a decrease of 22.1% from 1,361.1 Million Baht compared to the same period last year due to:

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

2.2 The increasing usage of Digital Technology

3. Cost of fund for 2021 were 34.2 Million Baht, a decrease of 53.3% from 73.3 Million Baht compared to the same period last year due to reduction of loan facilities and an effective managing cost of fund. As of the end of 2021, after repayment of debentures 600 Million Baht in February and 70 Million Baht in August, the company had cash & deposits position of approximately 2,581.7 Million Baht, D/E ratio was 0.23X decreased from 0.37X in 2020 which is more than adequate for the acquisition of MFIL in Myanmar as approval by shareholder on April 23,2020 and ready to accelerate its business expansion when the situation improves.

At the end of 2021, the company had a total of 3,949.4 Million Baht in Net Hire-Purchase Contract and Loan Receivables, a decrease of 14.0% from 4,591.3 Million Baht compared to the end of previous year due to the strict credit policy in the past 2 years. Since 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 Company allowance for doubtful accounts was higher than other Operators in the same business which using temporary relief measures since the second quarter of 2020; at the end of 2021 allowance for doubtful accounts amounted to 371.6 Million Baht, account receivables overdue more than 3 months was 7.1% and Coverage Ratio was 120.5% (The allowance for doubtful accounts at the end of 2020 amounted of 561.7 Million Baht, account receivables overdue more than 3 months was 9.2% and Coverage Ratio was 118.3%). The company's Total Assets were 6,979.0 Million Baht, a decrease of 5.1% from 7,356.8 Million Baht compared to the end of previous year. Total Liabilities of 1,322.0 Million Baht, a 33.9% decrease from 2,000.5 Million Baht compared to the end of previous year.

In 2021, Thai citizens have received 104.1 million doses of vaccination or 65.8% of the fully vaccinated (2 doses) population while global citizens have received 8,901,730,198 doses of vaccination or 48.9% of the fully vaccinated (2 doses) population. In 2022, the world population will receive more vaccination, and it is expected to be the year that the global pandemic would come to an end. Thailand's exports sector grew at 17.1% from global economy open up, especially high-income countries such as the United States, the European Union, Japan and China, reopened their economy with pent up demand which resulted in product price increase couple with production shortage; however, export sector faced unprecedented high transportation cost due to container shortage. Thailand tourism sector experienced a contraction for two consecutive years since global pandemic with only 427,869 foreign tourist arrivals in 2021 or 98.9% decreased from 39.9 million in 2019. Domestic tourism also was affected with 90 million tourists in 2021 or 60.8% decreased from 229.7 million in 2019. Tourism revenue in 2021 from foreign and

domestic tourists only reached Baht 380 billion or 87.3% decreased compared with Baht 3 trillion in 2019. In addition, Thailand for the first time invested in research and development for ChulaCov19 vaccines by Chula Vaccine Research Center and King Chulalongkorn Memorial Hospital, which started the trial on June 14th, 2021 at King Chulalongkorn Memorial Hospital. ChulaCov19 was expected to be officially used in the middle of 2022, which will help Thailand guard against future outbreak. As a result, the company expected to expand its business opportunity and enhancement to the quality of its hire-purchase customers. 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 on the other hand, if the situation improves, the group of Companies is ready to accelerate its business expansion immediately by using the Company's cash which is sufficient to expand for at least another 12 months which is expected to benefit the company performance in the medium and long run.

Please be informed accordingly.

Best regards

(Ms. Prathama Phornprapha)

Director / Managing Director