

## Executive Summary

Ngern Tid Lor Public Company Limited (“the Company”) would like to provide an overview and performance summary for the three-month period ended March 31, 2022 as follows:

- **The Number of branches** across all 74 provinces nationwide as of March 31, 2022 was 1,388, increased by 102 branches from December 31, 2021 which was in line with the Company’s strategy to continue expanding 500 branches within 2023.
- **Net profit** for the three-month period ended of March 31, 2022 recorded THB 940.4 million, which increased by 20.1% from THB 783.3 million at the same period of the previous year, which was due to an increase of interest income from lending businesses, fee and service income from non- life insurance businesses, as well as decreased in Loss arising from derecognition of financial assets measured at amortized cost and lower financial costs.
- **Non-performing loan ratio** as of March 31, 2022 was 1.3%, slightly increased from 1.2% as of December 31, 2021. Despite the surging of the third wave of COVID-19 outbreak, the Company still managed asset quality effectively.
- **Debt-to-equity ratio** as of March 31, 2022 was 2.1 times, which increased from 2.0 times as of December 31, 2021 and aligned with portfolio expansions.

## The Company’s Operating Results for the Three-Month Period Ended March 31, 2022

Unit: THB million	1Q22	1Q21	Increase/ (Decrease)	%Increase/ (Decrease)
Interest income on hire-purchase receivables	330.4	282.5	47.9	17.0%
Interest income on loans	2,434.5	2,048.3	386.2	18.9%
Fee and service income	591.2	544.9	46.3	8.5%
Other income	4.3	7.1	(2.8)	(39.1%)
<b>Total revenues</b>	<b>3,360.4</b>	<b>2,882.8</b>	<b>477.6</b>	<b>16.6%</b>
Service and administrative expenses	1,778.9	1,591.9	187.0	11.7%
<b>Total expenses</b>	<b>1,778.9</b>	<b>1,591.9</b>	<b>187.0</b>	<b>11.7%</b>
Loss arising from de-recognition of financial assets measured at amortized cost	(144.3)	(173.1)	(28.8)	(16.6%)
Finance costs	(268.7)	(289.9)	(21.2)	(7.3%)
Reversal of impairment loss determined in accordance with TFRS 9	4.5	150.8	(146.3)	(97.0%)
<b>Profit before income tax expense</b>	<b>1,173.0</b>	<b>978.7</b>	<b>194.3</b>	<b>19.9%</b>
Income tax expenses	(232.6)	(195.4)	37.2	19.0%
<b>Net profit for the period</b>	<b>940.4</b>	<b>783.3</b>	<b>157.1</b>	<b>20.1%</b>

**Total revenues** for the three-month period ended of March 31, 2022 reported at THB 3,360.4 million, increased by 16.6% from the same period of the previous year which was at THB 2,882.8 million. Despite COVID-19 impact, the Company showed an increase in interest income on loans, mainly due to the success of “TIDLOR” card which allows customers access to cash 24 hours a day, the Company continues to deliver superior services through all channels, including online, offline and mobile application services with convenience and safety amid COVID-19 outbreak. The Company has been serving around 341,000 TIDLOR cards by the end of March this year. Fee and service income increased by 8.5% from the same period of the previous year mainly due to a continuous improvement from the expansion of insurance businesses.

#### **Expenses**

- **Service and administrative expenses** were THB 1,778.9 million, increased by 11.7% as compared with the same period of the previous year of THB 1,591.9 million, which aligned with branch expansions and the expansion of lending businesses, insurance business, and TIDLOR cards.
- **Loss arising from de-recognition of financial assets measured at amortized cost** was THB 144.3 million, decreased by 16.6% from the same period of the previous year of THB 173.1 million, which aligned with good portfolio quality.
- **Reversal of impairment loss determined in accordance with TFRS9** was THB 4.5 million, decreased slightly from the same period of the previous year of THB 150.8 million, mainly due to a decrease of reversal of impairment loss compared to the same period of the previous year.
- **Finance costs** were THB 268.7 million which decreased by 7.3% from the same period of the previous year of THB 289.9 million, which was due to more efficient finance cost management resulted in a continuous decline in finance costs.

### The Company's Financial Position as at March 31, 2022

Unit: THB million	31-Mar-22	31-Dec-21	Increase/ (Decrease)	%Increase/ (Decrease)
Cash and cash equivalents	4,574.8	3,994.7	580.1	14.5%
Loans and hire purchase receivables	65,698.6	61,458.2	4,240.4	6.9%
Allowance for expected credit loss	(2,612.4)	(2,610.9)	1.5	0.1%
Other current assets	1,549.7	944.8	604.9	64.0%
Other non-current assets	2,784.5	2,738.6	45.9	1.7%
<b>Total assets</b>	<b>71,995.2</b>	<b>66,525.4</b>	<b>5,469.8</b>	<b>8.2%</b>
Current liabilities	26,508.4	22,503.3	4,005.1	17.8%
Non-current liabilities	22,141.6	21,617.1	524.5	2.4%
<b>Total liabilities</b>	<b>48,650.0</b>	<b>44,120.4</b>	<b>4,529.6</b>	<b>10.3%</b>
<b>Total shareholders' equity</b>	<b>23,345.2</b>	<b>22,405.0</b>	<b>940.2</b>	<b>4.2%</b>
<b>Total liabilities and shareholders' equity</b>	<b>71,995.2</b>	<b>66,525.4</b>	<b>5,469.8</b>	<b>8.2%</b>

**Total assets** were THB 71,995.2 million, increased by 8.2% from THB 66,525.4 million as of December 31, 2021, mainly due to the increase in total lending receivables and cash and cash equivalents due to preparation of cash for debenture repayment which was due at the beginning of April 2022.

**Total liabilities** were THB 48,650.0 million, increased by 10.3% from THB 44,120.4 million as of December 31, 2021, mainly due to the increase in short-term borrowings from financial institutions for working capital.

**Total shareholders' equity** was THB 23,345.2 million, increased by 4.2% from THB 22,405.0 million as of December 31, 2021, mainly due to the increase in net profit for the three-month ended March this year.

### Key Financial Figures

	31-Mar-22	31-Dec-21	31-Mar-21
<b><u>Profitability Ratio</u></b>			
Interest Income (%)	17.4	17.4	17.8
Funding cost (%)	1.7	2.0	2.2
Net interest margin (%)	15.7	15.4	15.6
Return on asset (ROA) (%)	5.4	5.3	5.7
<b><u>Financial Ratio</u></b>			
Debt to equity ratio (time)	2.1	2.0	3.5
<b><u>Asset Quality Ratio</u></b>			
NPL to total lending receivables (%)	1.3	1.2	1.5
NPL coverage ratio (%)	317.4	356.6	328.9
Credit cost (%)	0.9	0.7	0.2

For the three-month period ended March 2022, interest income ratio from lending businesses maintained from the same period of the previous year while funding costs were lower from effective managing cost of borrowings, which the Company has diversified funding sources appropriately by borrowings from financial institutions and debt instruments as well as matching asset-liability durations to keep interest rate spread at a consistent level that the Company can generate profit. As a result, Net Interest Margin (NIM) rose from the previous year and aligned with the increase in Return on Asset.

The overall financial ratio was slightly better from the previous year as a result of portfolio expansions with effective managing liabilities leading to the debt to equity ratio hovered around 2.1 times as of March 31, 2022.

Non-Performing Loan to the total receivables as of March 31, 2022 was 1.3%, which slightly increased from 1.2% as of December 31, 2021 and aligned with portfolio expansion under risk management policy. NPL coverage ratio reduced to 317.4% as of March 31, 2022, which was still at high level reflecting prudent business operating.