

Executive Summary for the 1st Quarter 2023

The net profit for the first quarter of 2023 of Ngern Tid Lor Public Company Limited (“TIDLOR” or “the Company”) amounted to Baht 955.1 million, which increased 1.6% (YoY) from THB 940.4 million at the same period of the previous year.

“In 1Q23 the Company’s net profit continued to grow and rose by 1.6% (YoY)”

At the end of the first quarter of 2023, the loan portfolio grew by 26.4% (YoY). The outstanding loan portfolio amounted to Baht 83,039.9 million and TIDLOR card is still a key factor for business expansion as well as non-life insurance premiums which increased by 28.2% (YoY). Moreover, the Company was able to maintain the portfolio quality with non-performing loans (NPLs) at 1.5%.

“Total revenue, Lending and Insurance brokerage businesses continue to grow.”

The Company had total revenue for the first quarter of 2023 of Baht 4,345.3 million, which increased by 29.3%, derived from the interest income on loans and hire-purchase receivables, which increased by 29.0% (YoY), and from the fee and service income, which rose 28.6% (YoY)

The total expenses amounted to Baht 3,149.5 million came from credit loss increased by 354.1% (YoY), financial costs increased by 47.0% (YoY) and service and administrative expenses increased by 19.2% (YoY)

In the first quarter of 2023, the total lending portfolio continued to expand and non-life insurance brokerage business continued to grow decently, generated strong revenue from both interest income and fee and service income. The Company still managed asset quality effectively and had a sufficient provision. Operating expenses increased from the ongoing growth of lending and insurance brokerage businesses and funding costs increased in line with the financial market conditions and rising policy interest rate, resulting in an overall increase in expenses. However, the Company continued to expand the portfolio under risk management policy and aligned with the



revenue generation, including well-managing incomes and expenses at appropriate level. As a result, the Company was able to generate profits in the first quarter of the year.

Operating Result for 1st Quarter 2023

Unit: THB million	1Q22	1Q23	% YoY Increase/ (Decrease)
Interest income on loans and hire-purchase receivables	2,764.9	3,567.3	29.0%
Fee and service income	591.2	760.2	28.6%
Other income	4.3	17.8	314.0%
Total revenues	3,360.4	4,345.3	29.3%
Service and administrative expenses	(1,778.9)	(2,119.7)	19.2%
Finance costs	(268.7)	(395.0)	47.0%
Profit before credit loss	1,312.8	1,830.6	39.4%
Credit loss	(139.8)	(634.8)	354.1%
Loss arising from derecognition of financial assets measured at amortized cost	(144.3)	(466.7)	223.4%
(Impairment loss) reversal of impairment loss determined in accordance with TFRS 9	4.5	(168.1)	(3,835.6%)
Profit before income tax expense	1,173.0	1,195.8	1.9%
Income tax expenses	(232.6)	(240.7)	3.5%
Net profit for the period	940.4	955.1	1.6%
Earnings per Share (Baht)	0.41	0.38	(7.3%)

Total lending portfolio expanded and non-life insurance premium continued to grow

At the end of the first quarter of 2023, the total lending portfolio amounted to Baht 83,039.9 million, which increased by 26.4% (YoY), due to an increase in loan demand from the economic recovery after the COVID-19 outbreak has eased but still under the stringent credit approval policy. Moreover, the key factor is the success of “TIDLOR” card which increases



convenience for customers and 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. The Company has been serving around 532,000 TIDLOR cards by the end of March 2023 and the number of card users increased by 7.9% from the end of 2022. Moreover, non-life insurance premium for the first three months of 2023 amounted to Baht 2,070.1 million, an increase of 28.2% (YoY).

Maintaining interest rate spread at a consistent level

In the first quarter of 2023, the Company had an interest income ratio from lending businesses at 17.4%, which was at the same level as the first quarter of 2022, while funding costs rose to 1.9%, which increased from 1.7%, due to the rising of policy rate. However, the Company still has a diversification of funding sources by borrowing from both 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.

Well-managed portfolio quality

The NPL to total lending receivables (%NPL) as of March 31, 2023, was at 1.5%, a slight decrease from 1.6% as of December 31, 2022. The Company still managed asset quality effectively although facing with uncertainty from macroeconomic factors, inflation rate, and the end of debt relief program.

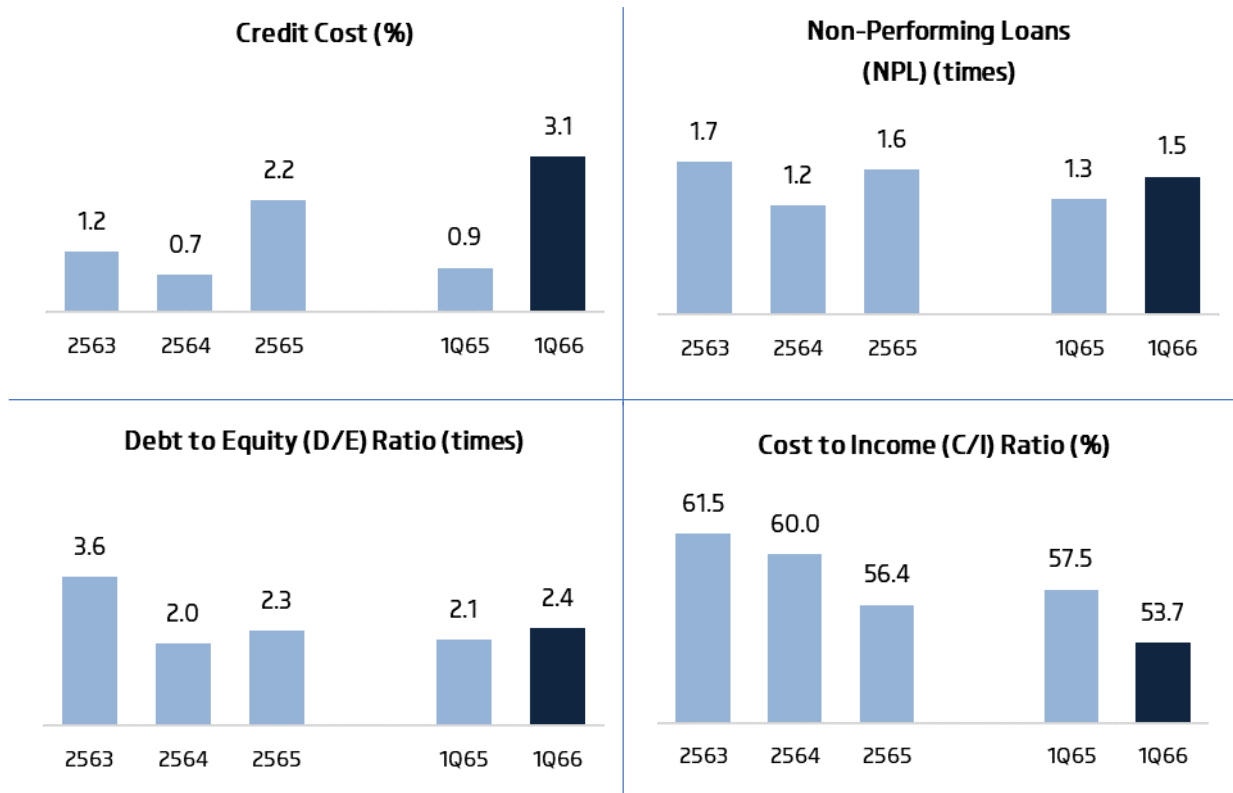
In addition, the Company still focuses on asset quality. From the end of last year, the Company has tightened the loan approval process, especially in the customer segments that are considered to have high risk and those that are directly

impacted by uncertainty from economic factors in order to maintain portfolio quality at an appropriate level and in accordance with the Company's risk management policy.

NPL Coverage Ratio at a high level of 269.7%

At the end of the first quarter of 2023, the NPL coverage ratio was at 269.7%, a decrease from the same period in 2022 which was at 317.4%. However, this ratio was still at a high level reflecting risk management policy and prudent business operating.

Key Financial Ratio





Low D/E Ratio at 2.4 times

At the end of the first quarter of 2023, the total borrowing of the Company amounted to Baht 59,016.1 million, an increase of 29.0% (YoY), while funding sources consisted of bank loans and debentures in a proportion of 48 : 52.

The Company still has a diversification of funding sources by borrowing from both financial institutions and debt instruments and the debt-to-equity ratio was still low at 2.4 times.

Revenue and Expense

Revenue :

Total revenue for the first quarter of 2023 amounted to Baht 4,345.3 million. This was divided into interest income on hire-purchase receivables of Baht 397.2 million, which increased by 20.2% (YoY), and interest income on loans of Baht 3,170.1 million, which increased by 30.2% (YoY). The increase in interest income was due to the expansion of the lending portfolio and the increase of loan demand from the economic recovery after the COVID-19 outbreak has eased as well as improving in tourism recovery.

For the first quarter of 2023, the fee and service income amounted to Baht 760.2 million, which increased by 28.6% (YoY), mainly due to continued strong growth from life and non-life insurance brokerage businesses, especially from the digital channel, online channel, and Areegator platform.

Unit: THB million	1Q22	% Total Revenue	1Q23	% Total Revenue	% YoY Increase/ (Decrease)
Interest income on hire-purchase receivables	330.4	9.8%	397.2	9.1%	20.2%
Interest income on loans	2,434.5	72.4%	3,170.1	73.0%	30.2%
Fee and service income	591.2	17.6%	760.2	17.5%	28.6%
Other income	4.3	0.2%	17.8	0.4%	314.0%



Expense :

For the first quarter of 2023, the Company had total expenses of Baht 3,149.5 million, derived from service and administrative expenses of Baht 2,119.7 million, an increase of 19.2% (YoY), which aligned with the ongoing growth of lending and insurance brokerage businesses. The Cost-to-Income ratio was 53.7%.

Financial costs amounted to Baht 395.0 million, an increase of 47.0% (YoY), which was mainly due to the increase from issuing debentures to support the overall expanding lending portfolio.

The credit loss amounted to Baht 634.8 million, an increase of 354.1% (YoY), which aligned with portfolio expansion and prudent reserve increasing in accordance with uncertain macroeconomic factors and inflation, as well as reflecting the asset quality after the end of the debt relief program.

Unit: THB million	1Q22	% Total Revenue	1Q23	% Total Revenue	% YoY Increase/ (Decrease)
Service and administrative expenses	1,778.9	52.9%	2,119.7	48.8%	19.2%
Finance costs	268.7	8.0%	395.0	9.1%	47.0%
Credit loss	139.8	4.2%	634.8	14.6%	354.1%
Loss arising from derecognition of financial assets measured at amortized cost	144.3	4.3%	466.7	10.7%	223.4%
(Impairment loss) reversal of impairment loss determined in accordance with TFRS 9	(4.5)	-0.1%	168.1	3.9%	(3,835.6%)

Financial Position

As of March 31, 2023, the Company's total assets were Baht 88,840.4 million, increased by 4.9% from Baht 84,727.0 million as of December 31, 2022, mainly due to the increase in total lending receivables, and cash and cash equivalents due to the issuance of long-term debenture.

Total liabilities were Baht 62,477.4 million, increased by 5.3% from Baht 59,305.1 million as of December 31, 2022, mainly due to the increase in borrowings from debentures to support portfolio growth and working capital. Total shareholders' equity was Baht 26,363.0 million, increased by 3.7% from Baht 25,421.9 million as of December 31, 2022, due to the increase in net profit for the three-month ended March this year.



Unit: THB million	31-Dec-22	31-Mar-23	Increase/ (Decrease)	%Increase/ (Decrease)
Cash and cash equivalents	2,191.2	4,197.1	2,005.9	91.5%
Loans and hire purchase receivables	81,265.4	83,039.9	1,774.5	2.2%
Allowance for expected credit loss	(3,198.9)	(3,364.0)	(165.1)	5.2%
Other current assets	1,263.1	1,528.1	265.0	21.0%
Other non-current assets	3,206.2	3,439.3	233.1	7.3%
Total assets	84,727.0	88,840.4	4,113.4	4.9%
Current liabilities	22,601.2	22,723.8	122.6	0.5%
Non-current liabilities	36,703.9	39,753.6	3,049.7	8.3%
Total liabilities	59,305.1	62,477.4	3,172.3	5.3%
Total shareholders' equity	25,421.9	26,363.0	941.1	3.7%
Total liabilities and shareholders' equity	84,727.0	88,840.4	4,113.4	4.9%

Total lending portfolio expanded by 26.4% YoY

At the end of the first quarter of 2023, the total lending portfolio expanded by 26.4% (YoY), in the amount of Baht 83,039.9 million divided into loans to customers and accrued interest receivables totaling Baht 72,497.8 million and hire-purchase receivables totaling Baht 10,542.1 million. Moreover, the total allowance for expected credit loss of the Company was Baht 3,364.0 million. The details are shown in the table below.

Unit: THB million	Loans to customers and accrued interest receivables	Hire-purchase receivables*	Total
Stage 1 (Performing)	60,278.7	6,720.5	66,999.2
Stage 2 (Under-performing)	11,254.5	3,539.0	14,793.5
Stage 3 (Non-performing)	964.6	282.6	1,247.2
Total loans to customers and accrued interest receivables	72,497.8	10,542.1	83,039.9
Less Allowance for expected credit loss	(2,935.5)	(428.5)	(3,364.0)
Net total loans to customers and accrued interest receivables	69,562.3	10,113.6	79,675.9

*after deduction of unearned interest income