



CORPORATION PUBLIC COMPANY LIMITED

2Q20 Analyst Meeting

20 Aug 2020

Key highlights Q2/2020

Strong Operating Performance

- **9.1% Revenue Growth YoY** from the increase in insurance premium
- **33.0% Net Profit Growth YoY** from THB 122.5 million to THB 162.9 million

Launched new innovative products and services Q2, Q3



Built ecosystem strategic partnership



- Worry-free health insurance for freelance
- FLU & Mosquito-borne diseases protection
- TQM 24 - Smart online service
- Pinpoint Project
- TQM for Lady

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COVID-19 insurance – Virus Found, Get Paid

เจอ จ่าย จบ
ปันปัน ไวรัลโคโรนา
299 /วัน
 • ตรวจเจอแล้ว จ่าย
50,000 บาท

จริงไว จ่ายจริง
 + จ่ายตำรับกพรพ.นางส
ประกันโควิด-19
999 /วัน
 • ตรวจเจอแล้ว จ่ายค่ารักษาพยาบาล
1,000,000 บาท
 • ค่าตรวจหาเชื้อไวรัสโควิด
100,000 บาท (รวมค่าตรวจ 1 ครั้ง)
ดีที่สุด!

ผ่อน
0%

ประกันบ้าน คำนวณภาษี พักผ่อน แม่บ้านกินไทย

★ **ตอนที่ 1** รับ ประกันโควิด -19 (คุ้มครอง 30 วัน)

The
IMPERIAL
HOTELS & RESORTS

CENTARA
HOTELS & RESORTS

TQM



ลุ้นทริป!! เขาใหญ่ @Le Monte Hotel Khao Yai
เมื่อชื่อประทับขนิດใดก็ได้ในแคมเปญ "TQM For Lady" วันที่ 15 กันยายน 2563

เมื่อชื่อประกันชนิดใดก็ได้ในแคมเปญ "TQM For Lady" วันที่ 15 กันยายน 2563



LOW

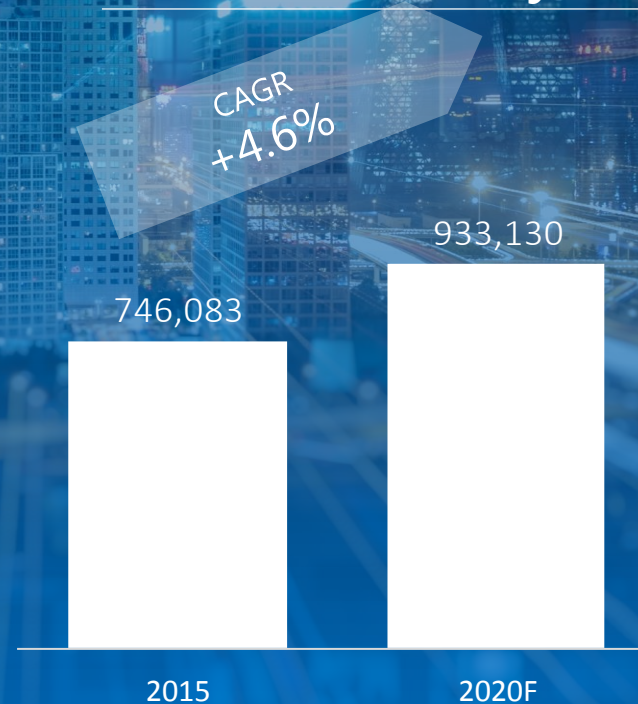
And more upcoming opportunities ...

A Snapshot of Insurance Market

Thailand is 2nd Largest Market in AEC



Insurance Premium growth is driven by macroeconomics



Government promotion of financial inclusive schemes



Higher demand for covid and health insurance



Higher awareness among Thai population

2020
is going to be
a ***tough year***
for everyone



**Coronavirus
Outbreak**



**Australia
Bushfire
Disaster**



**Air Pollution
PM 2.5**



**Bushfire in
Thailand**

Customer well-being has been shaped permanently



1 | Digital transformation



2 | Greater focus on Health



3 | Personalized risk prediction

A brokerage position



Insurer

Revenue

- Insurance premium

Cost

- **Incurred losses**
- Service expenses



Broker

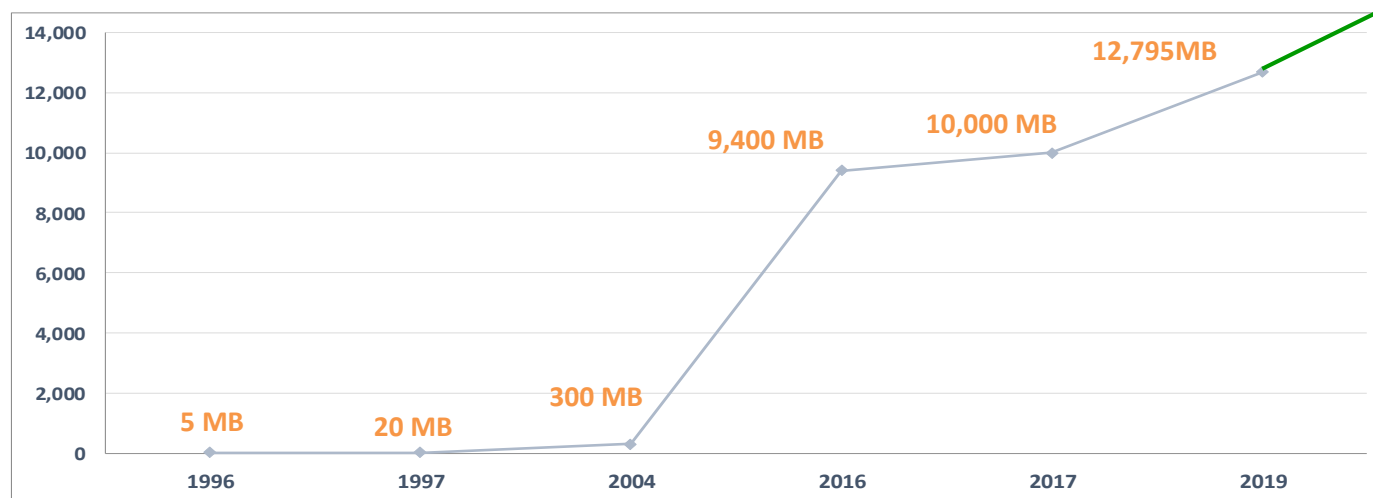
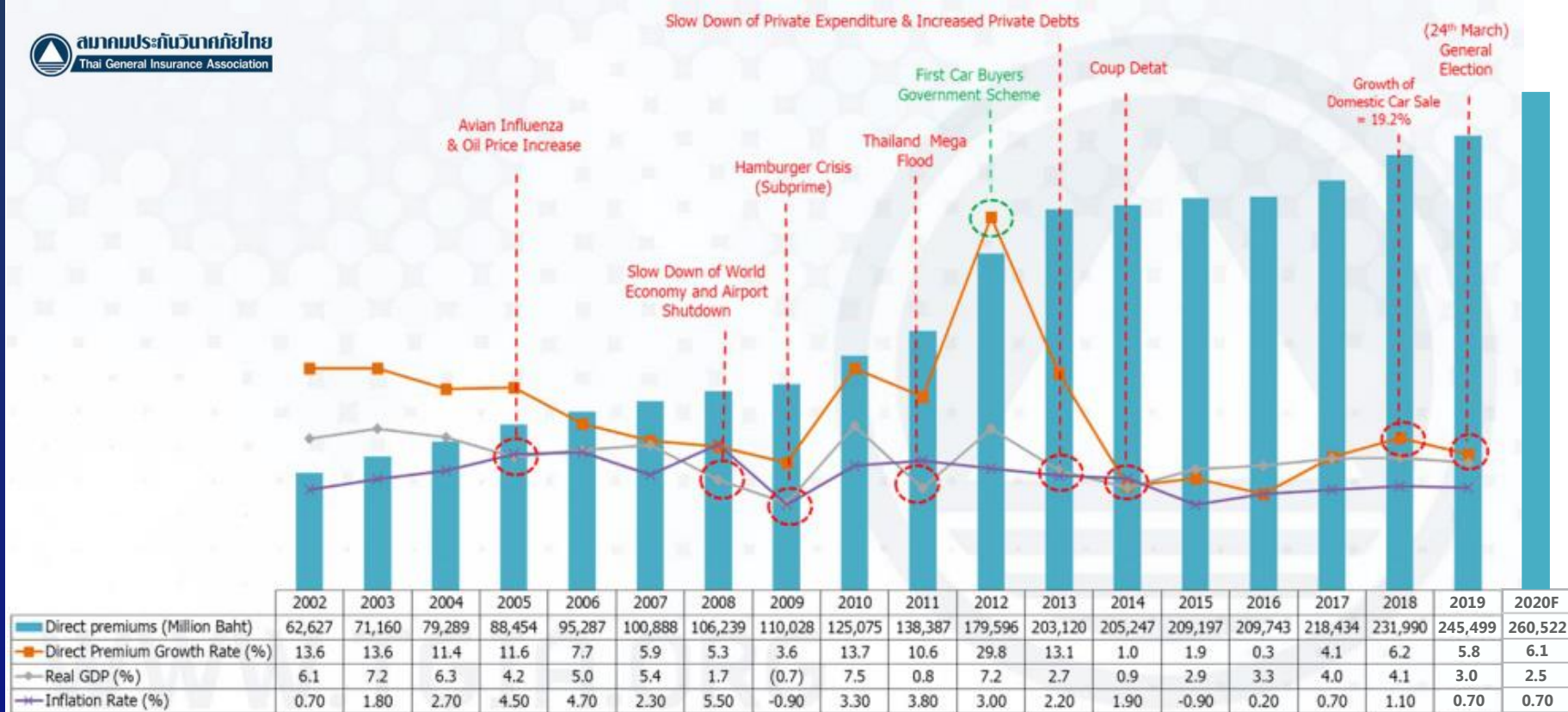
Revenue

- Commission on insurance premium

Cost

- Service cost
- Marketing and administrative cost

TQM is a broker
which the
industry does
not *involve in*
RISK



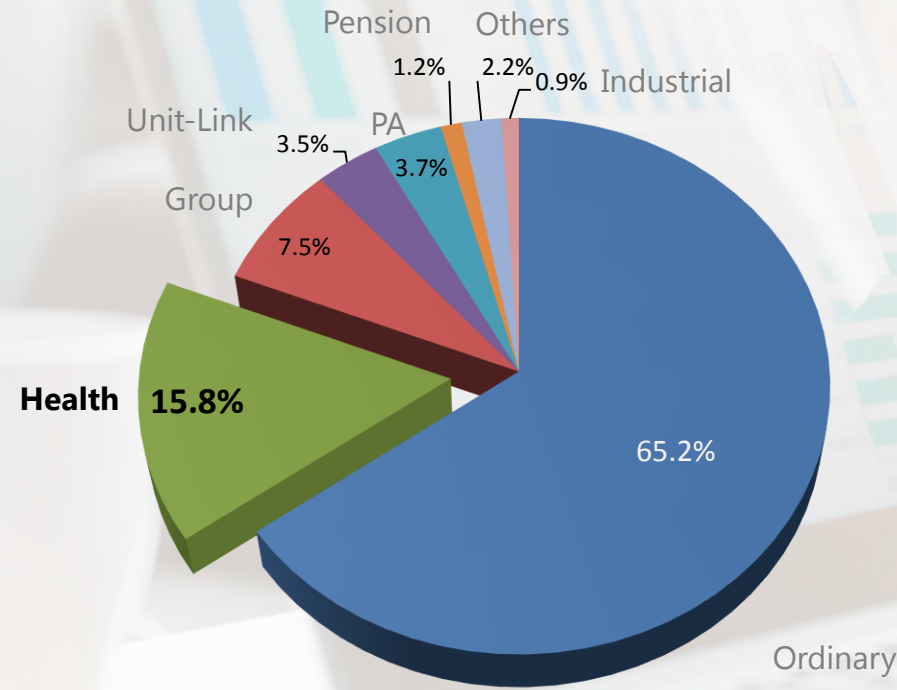
Y2020
15,000 MB



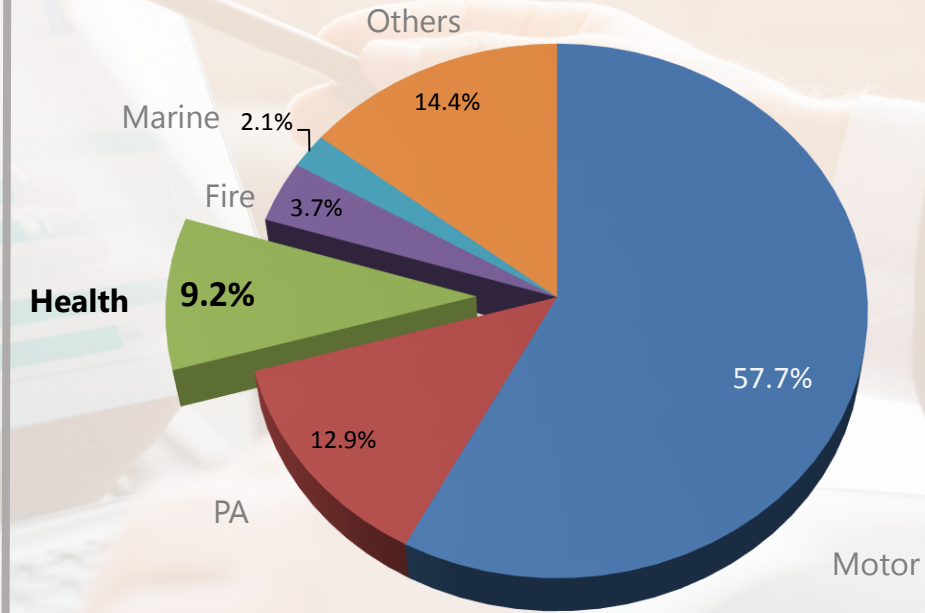
Health Insurance

**Market
Potential**

Life Insurance



Non-Life Insurance



Total Health premium 13.8% of total premium 212,912 million and growth 23.4% YoY

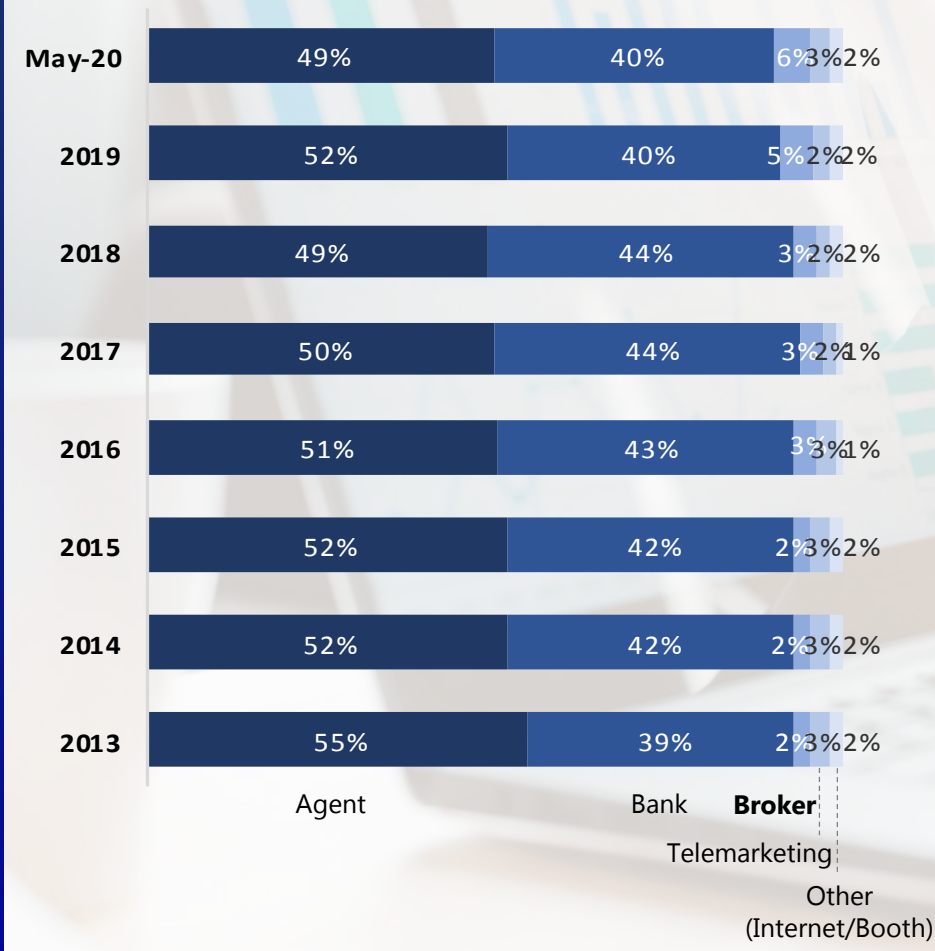
Life Insurance premium: **149,320 million** (2020Q1)

Non-Life Insurance premium: **63,592 million** (2020Q1)

Market Channel

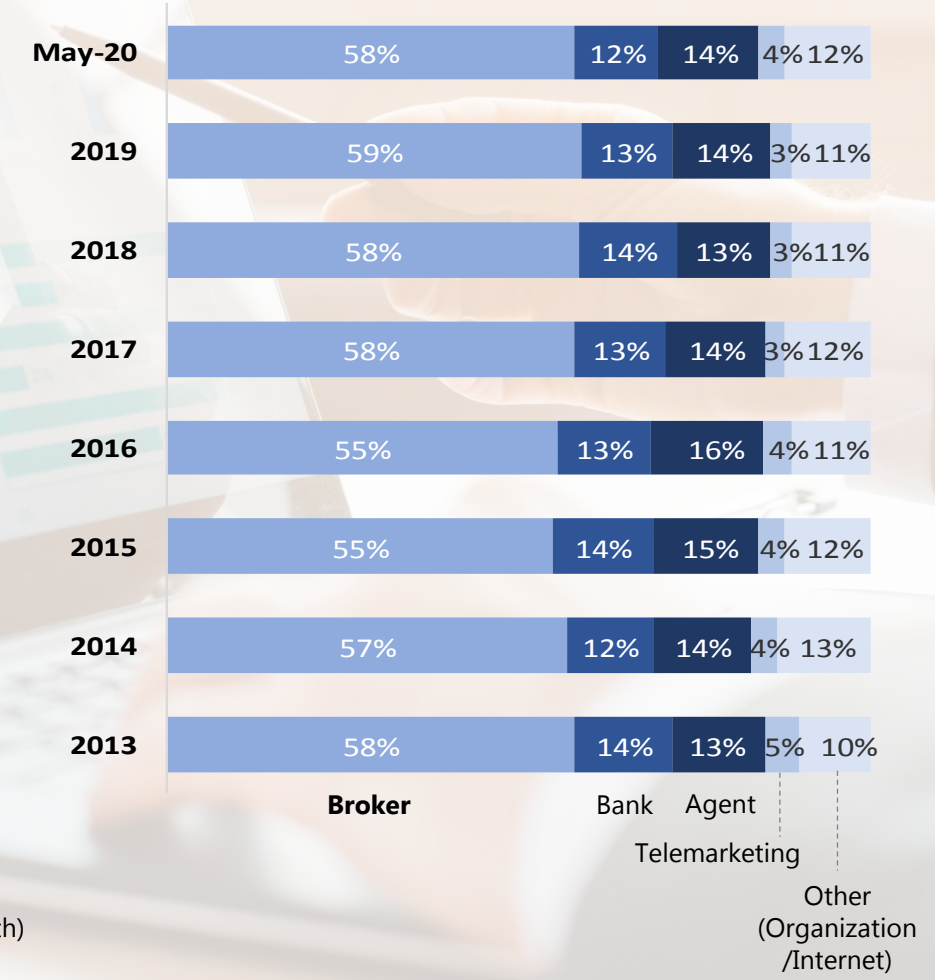
Life Insurance

Broker grows perpetually from 2% to 6%.



Non-Life Insurance

Broker continually shares 58%.



A man is seen from the back, holding a baby, looking out a large window. The window is divided into several panes, showing a lush green landscape and a brick wall with a wooden fence. The scene is dimly lit, with the light coming from the window, creating a silhouette effect on the man and baby.

TQM's Ultimate Vision

***We aspire to help
Thai people
access to Insurance***



**Digital is disrupting
*Insurance industry***

**The future is not the
same.**

2020 Vision



Number 1
Digital Insurance
Broker in Region

Goal



50,000 MB

**On Insurance Premium
Y2026**

TQM Strategy Y2020 - 2026



Target:
50,000 MB on
Insurance Premium
Y2026



01 | Strengthen
existing channels



02 | Grow sales
through
cross-selling



03 | Enhance
insurance
ecosystem
through strategic
partnership



04 | Grow
inorganic through
M&A

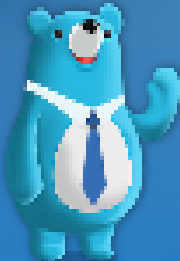


05 | Expand
Regional

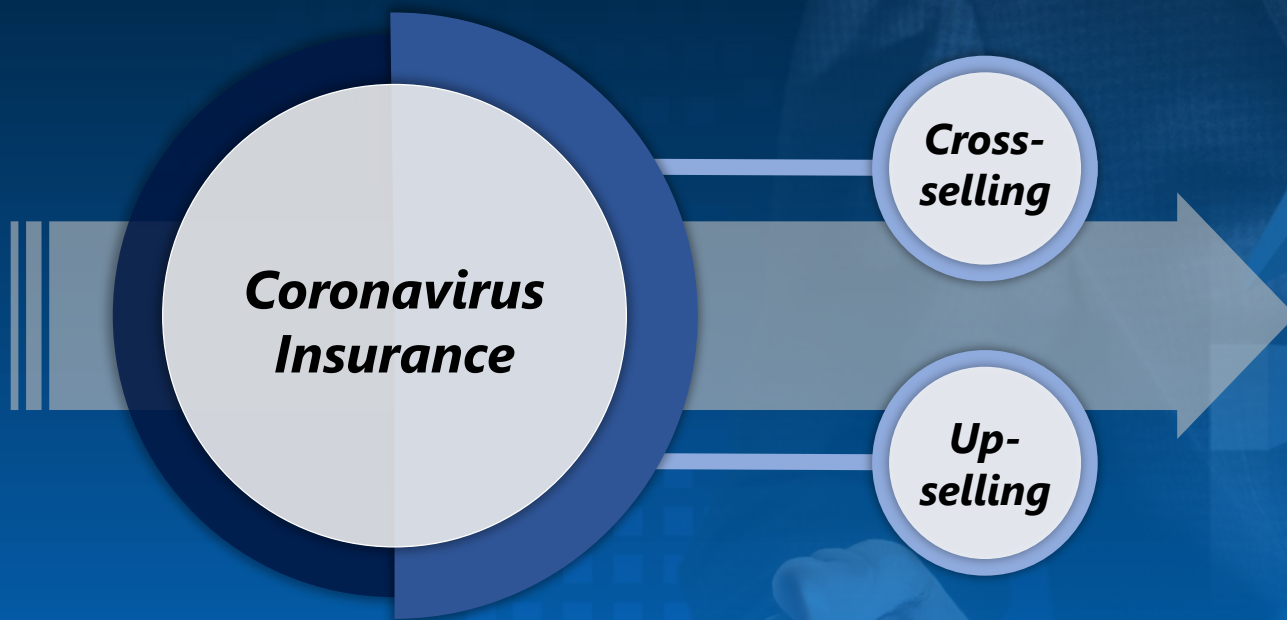
Digital Strategy
Number 1 Digital Insurance Broker in Regional

01 | Strengthen existing channels

The best omnichannel experience for digital customers



02 Sales growth through cross-selling and up-selling



COVID-19 insurance – Virus Found, Get Paid

FLU & Mosquito-borne



Home Insurance



Travel Insurance



03 Strategic partnership enhancement

Insurance Companies



Customer Supporting Businesses



Selling Channel Affiliates



*Insurance vending machines
Upcoming in Aug - Sep 2020*

More than 120,000 touchpoint nationwide

*Digital wallet network
Upcoming in Sep - Oct 2020*

04 Domestic M&A

TJN
INSURANCE
BROKER

Post-acquisition
updates

2 more deals to come



*The completion of TQM & TJN
system integration*

05 | Regional Expansion

Upcoming Inorganic growth



What we have done for new customer well-being



TQM 24 Mobile Application

1 | Digital transformation



InsurTech for Health Insurance Claim service

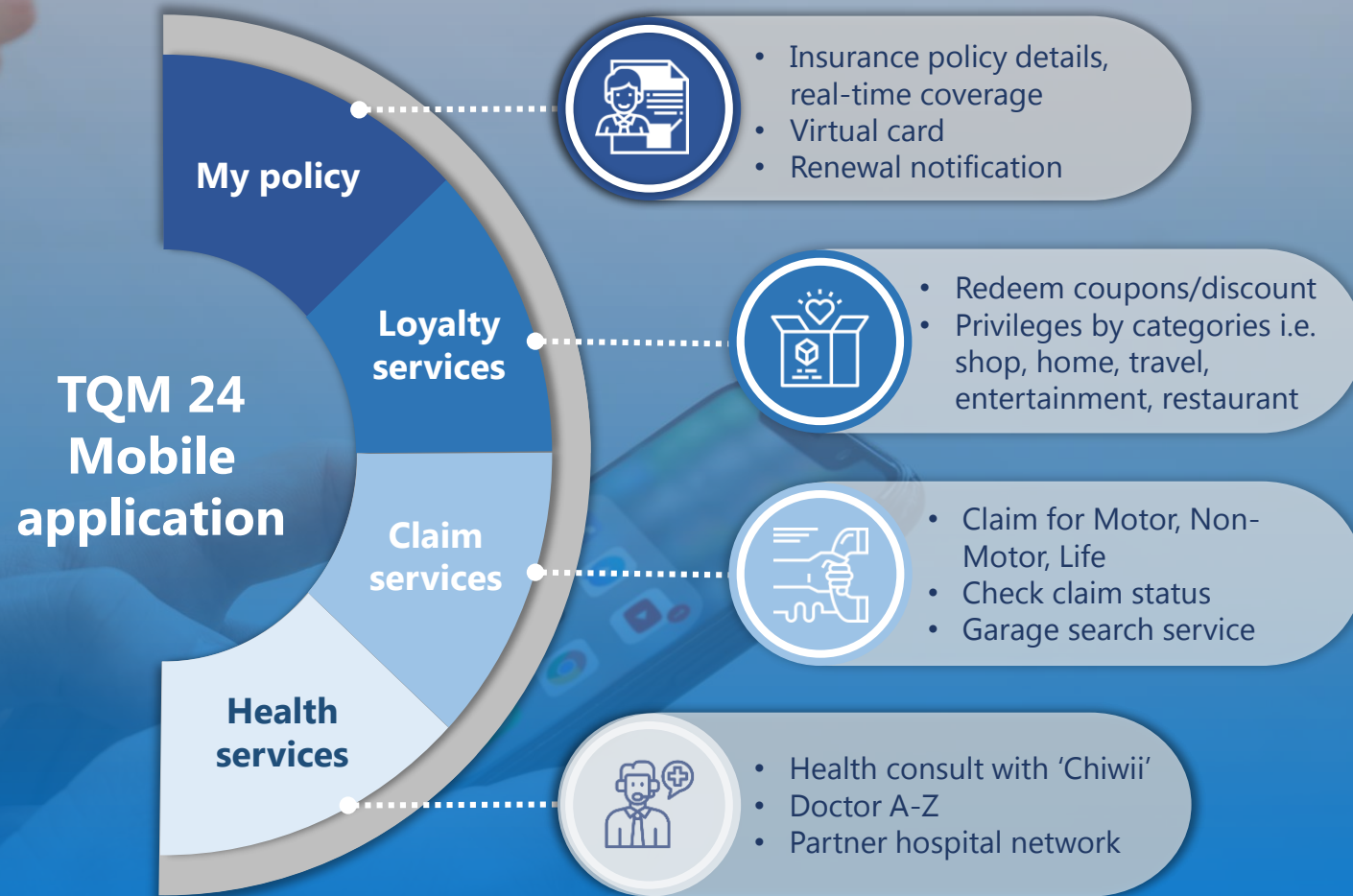
2 | Greater focus on Health



Big Data Analytics for Product Innovation

3 | Personalized risk prediction

01 Digital transformation - Customer experience enhancement



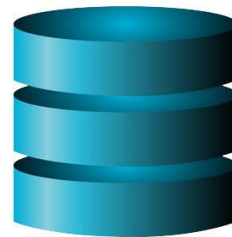
01 Digital transformation - Process digitization



1st Started Policy
Renewal Journey

*Data management
platform*

Baânia



DMP: Data Analytic
created data modeling
for cross-selling e.g. fire



Process Digitization: RPA
3 projects enhance efficient
performance

*Robotic process
automation*

02 | Health insurance focus

Health insurance ecosystem

Health insurance product recommendation

1



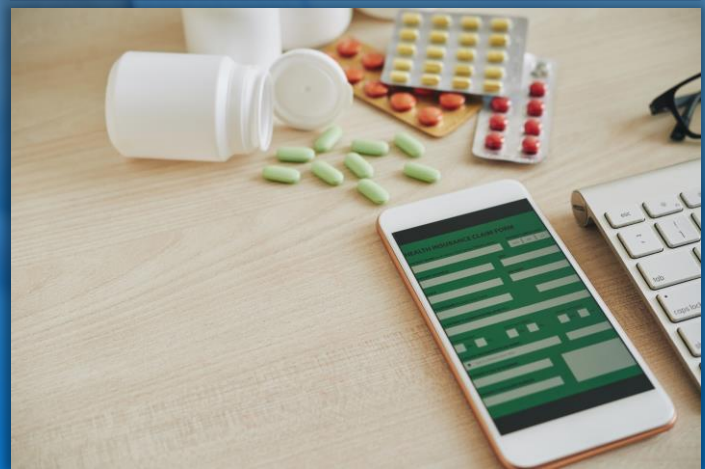
Integrate with **leading hospitals partners system** to enhance health claim service



TQM member can check-out **without an advance payment**

2

Health insurance claim services



Connect personal devices with TQM 24 Mobile Application to collect personal health data



Consult with **doctors from leading hospital partners** to recommend **personalized and preventive** health insurance products



03 | Personalized product innovation



*To innovate personalized product
tailored to personalized risk*

Baânia
A HOME YOU LOVE

hannover re



"Home insurance for flood-prone area residents"



"Home insurance for fire risk area residents"



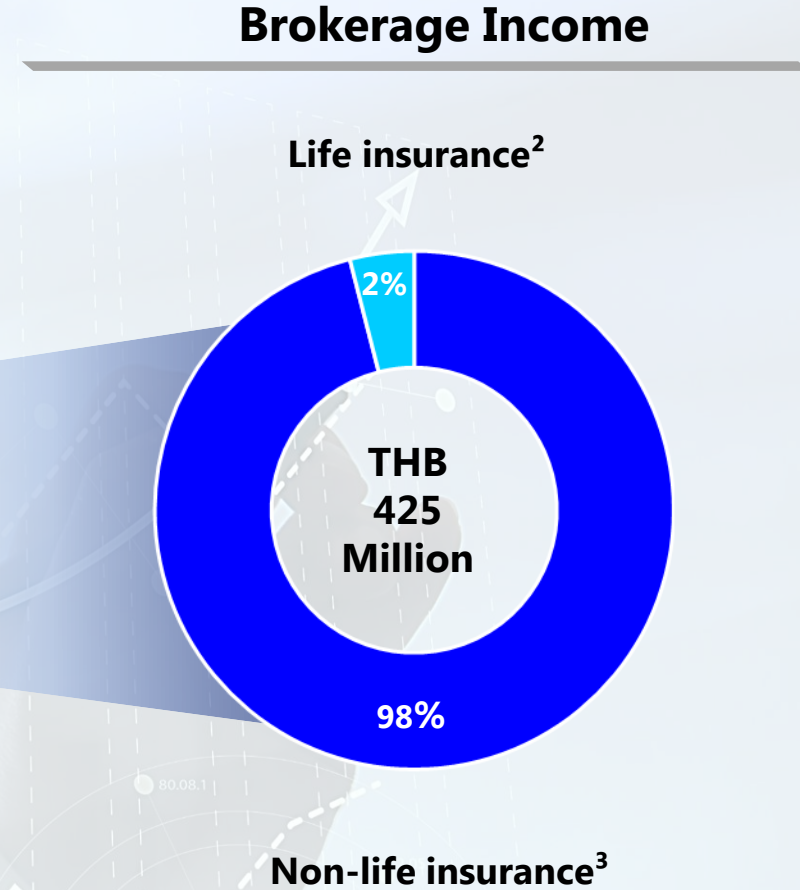
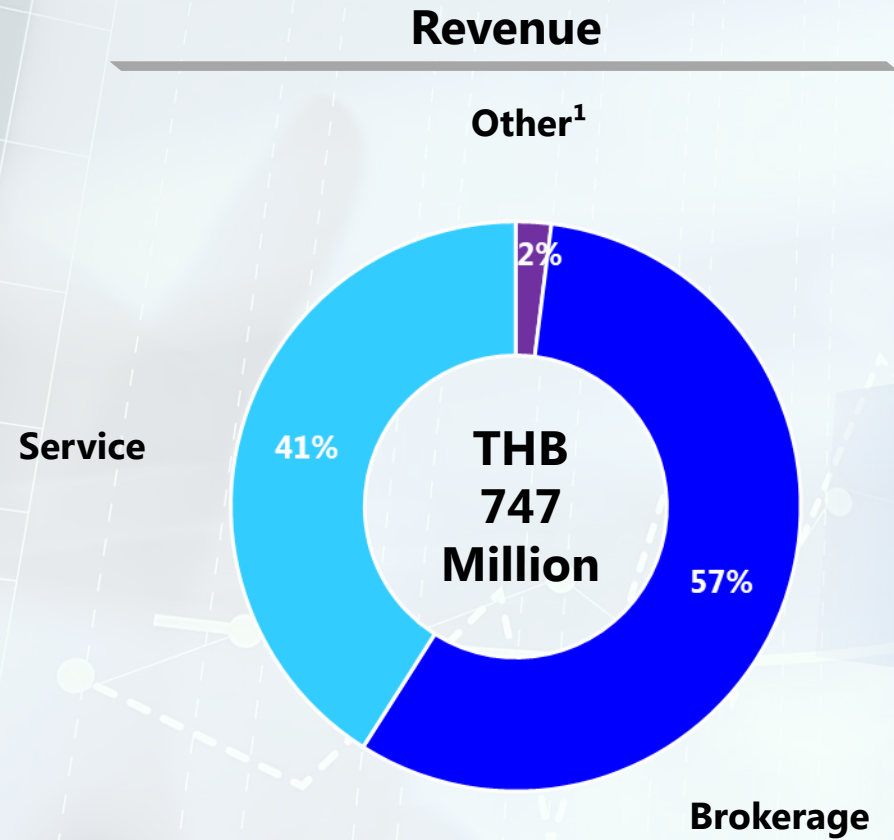
"Home insurance for Ring of Fire residents"

Variety of products within Q4/2020



- Revenue 747.4 MB **+62.5 MB (9.1% YoY)**
- Net Profit 162.9 MB **+40.4 MB (33.0% YoY)**

Operating Results: 2Q2020

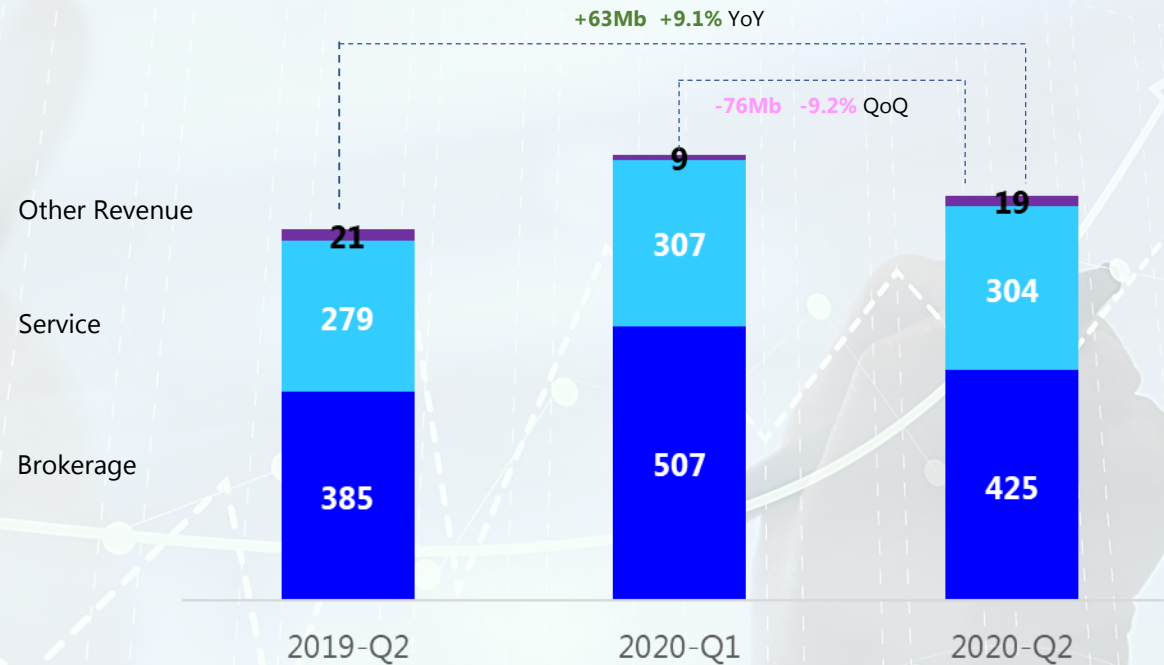


Note

- (1) Other revenues include interest income and others
- (2) The maximum commission rate of life insurance determined by regulation is 40%
- (3) The maximum commission rate of non-life insurance determined by regulation is 18%

Operating Results: 2Q2020

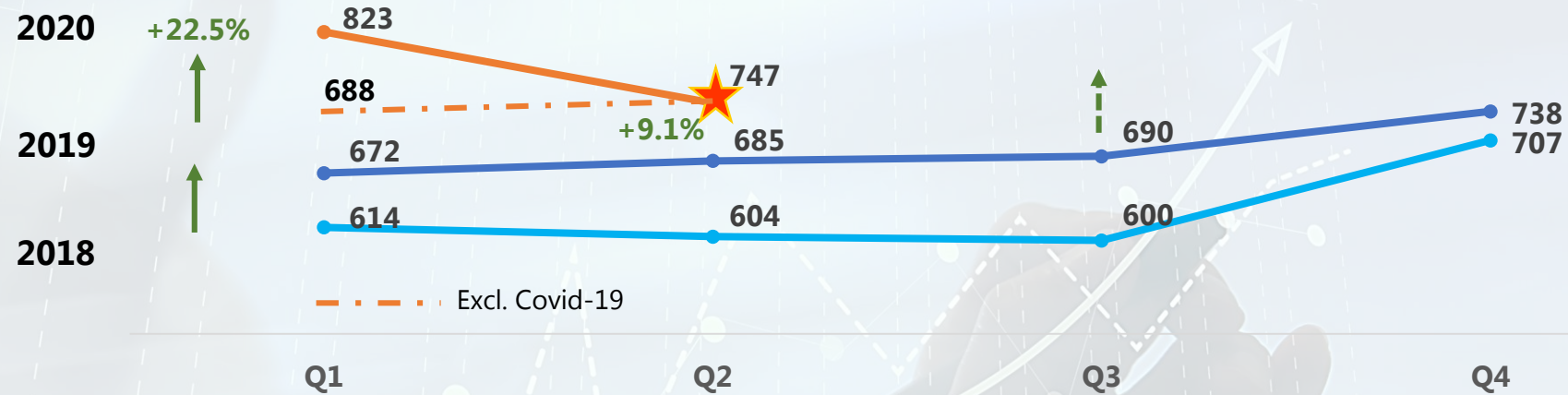
Revenue by type



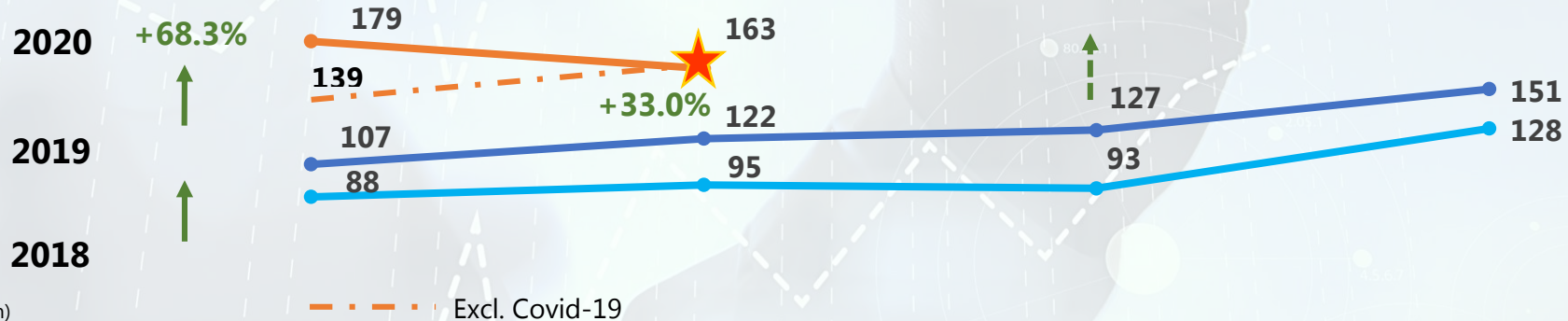
- **Q1/20 VS Q2/20 (QoQ) and Q2/19 VS Q2/20 (YoY):** Total incomes decreased by 76 MB or 9.2% QoQ and increased by THB 63 MB or 9.1% YoY from the premium growth of life & non-life.

Operating Results: 2Q2020

TQM | Quarterly Total Revenue



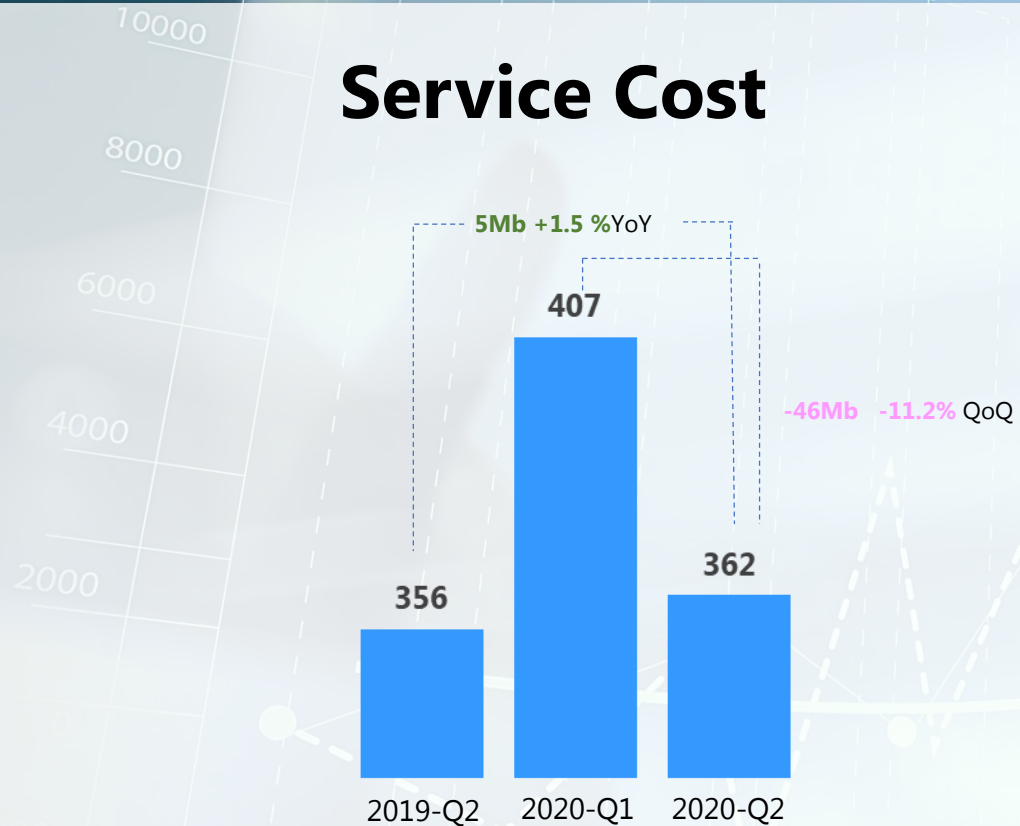
TQM | Quarterly Net Profit



(THB million)

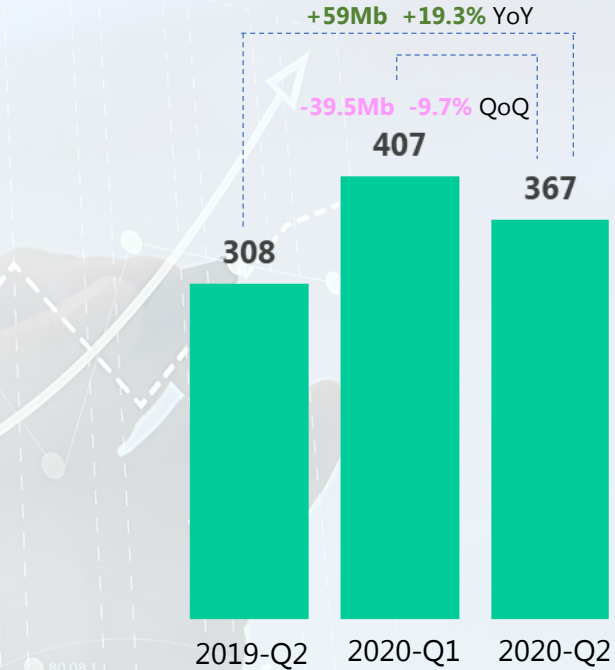
Operating Results: 2Q2020

Service Cost



- **Q1/20 VS Q2/20 (QoQ) and Q2/19 VS Q2/20 (YoY):** Service cost decreased by 46 MB or 11.2% QoQ and increased by 5 MB or 1.5% YoY.

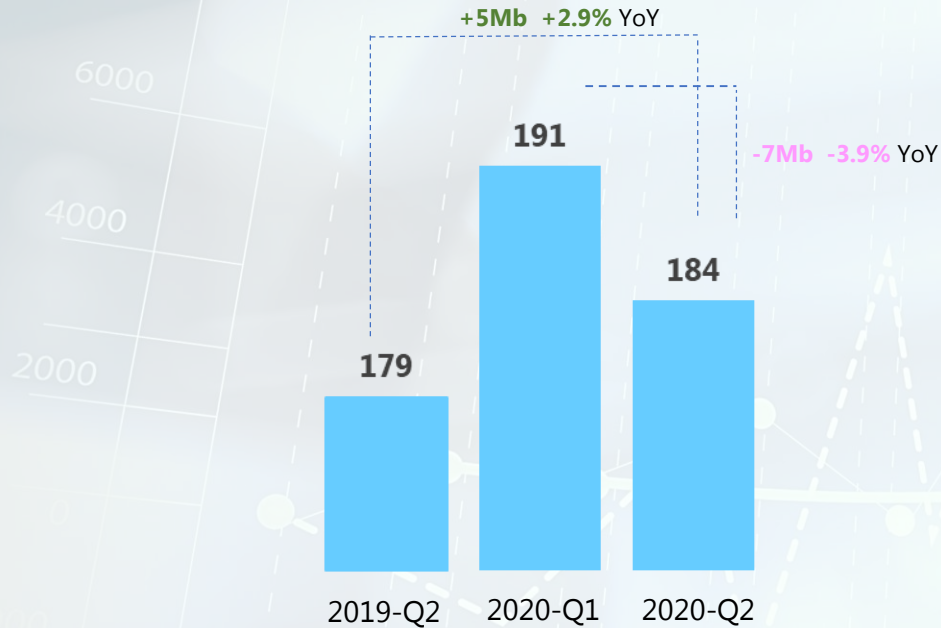
Gross Profit



- **Q1/20 VS Q2/20 (QoQ) and Q2/19 VS Q2/20 (YoY):** Gross profit decreased by 39.5 MB or 9.7% QoQ and increased by 59 MB or 19.3% YoY due to the expansion in sales channels i.e. Online Channel, Insurance Gift.

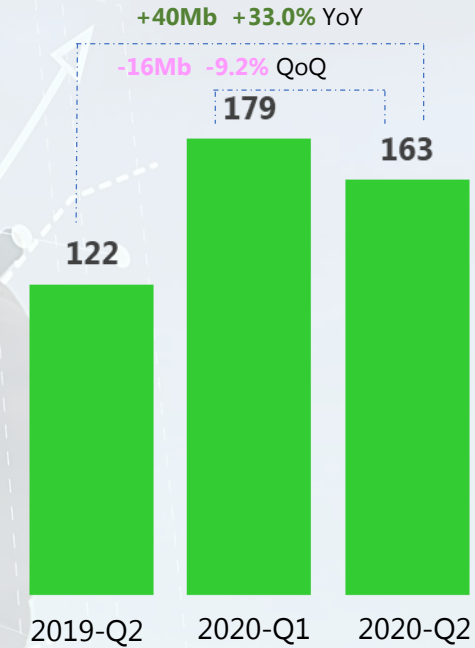
Operating Results: 2Q2020

Administrative Expenses



- **Q1/20 VS Q2/20 (QoQ) and Q2/19 VS Q2/20 (YoY):** Admin expenses decreased by 7 MB or 3.9% QoQ and increased by 5 MB or 2.9% YoY due to new International Financial Reporting Standards No.9 and 16 which were implied in 2020.

Net Profit

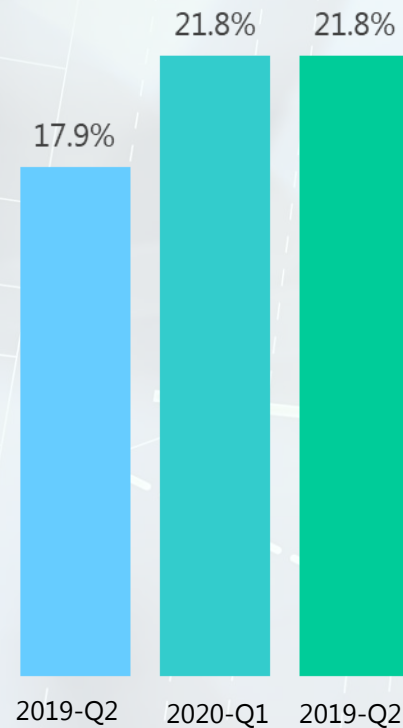


- **Q1/20 VS Q2/20 (QoQ) and Q2/19 VS Q2/20 (YoY):** Net profit decreased by 16 MB or 9.2% QoQ and increased by 40 MB or 33.0% YoY as result of the increase of sales from every channel and the best cost control.

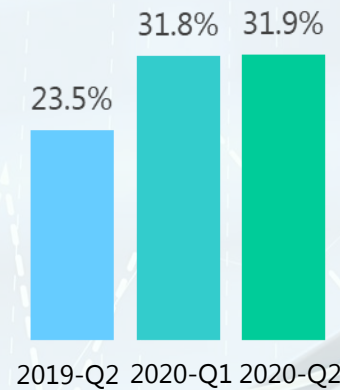
Operating Results: 2Q2020

Key Financial Ratios

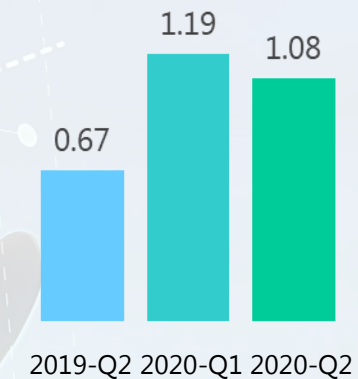
Net Profit Margin



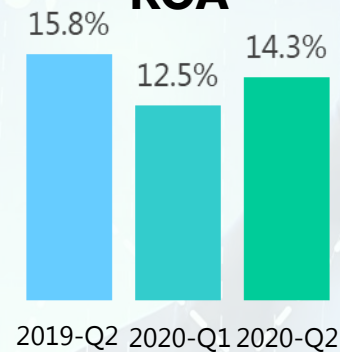
EBIDA Margin



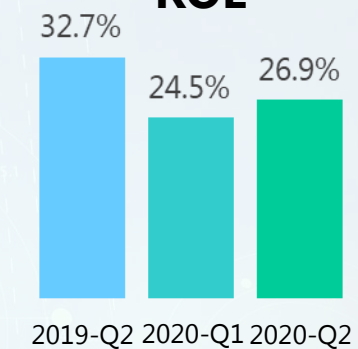
D/E



ROA



ROE



Q & A

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