



Opportunity Day Presentation

15 March 2017

- The information contained in our presentation is intended solely for your personal reference. In addition, such information contains projections and forward-looking statements that reflect the Company's current views with respect to future events and financial performance. These views are based on assumptions subject to various risks.
- No assurance is given that future events will occur, that projections will be achieved, or that the Company's assumptions are correct. Actual results may differ materially from those projected. Investors are, however, required to use their own discretion regarding the use of information contained in this presentation for any purpose.

- Business Overview
- Financial Highlights
- Outlook



Key Highlights FY2016

Financial (Million Baht) - Consolidated

YoY ^{1/}

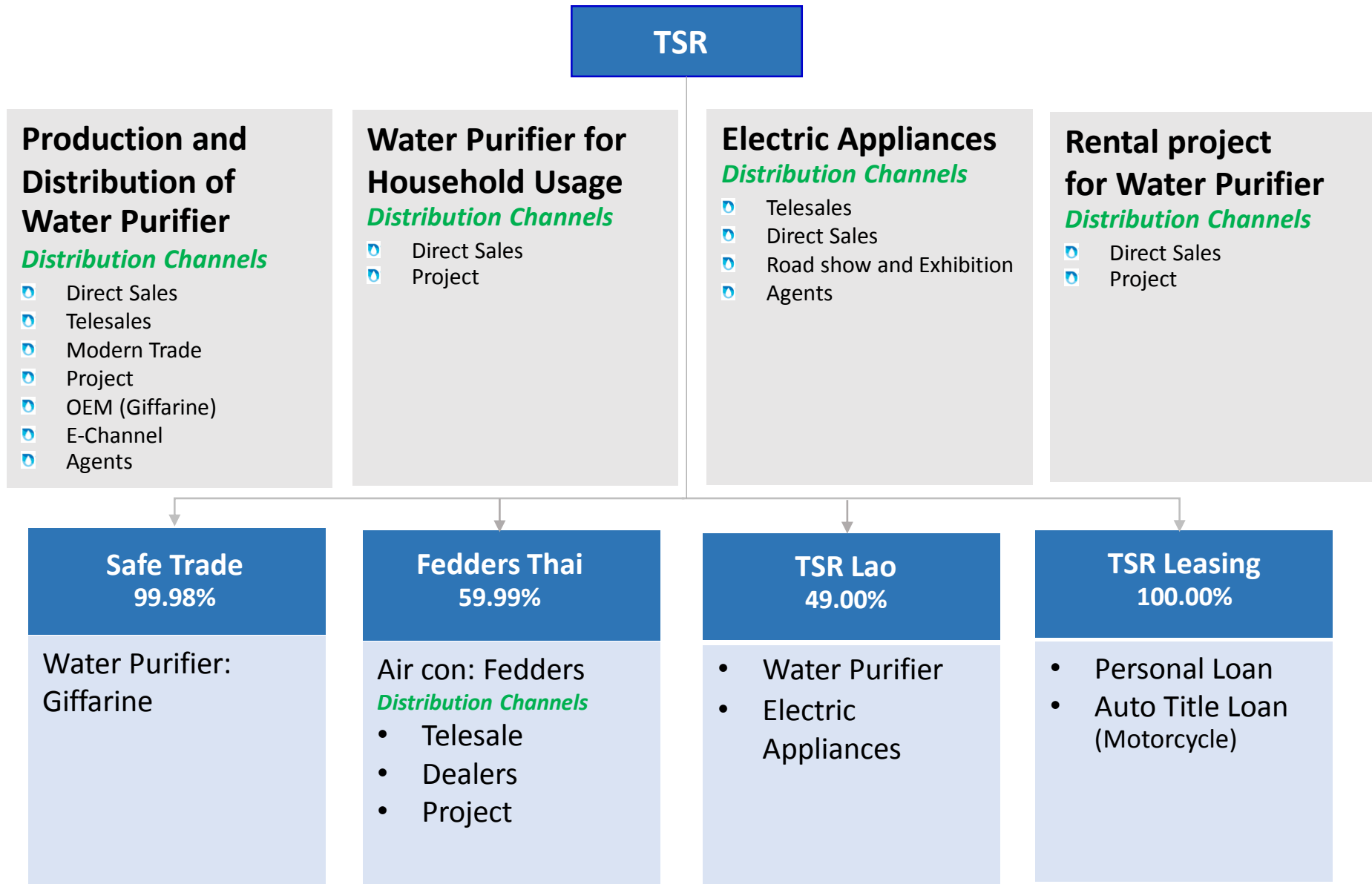
Revenues from Sales	1,608	▲ 10.70%
Total Revenues	1,836	▲ 13.53% ^{2/}
Gross Profit	1,426	▲ 12.06%
Net Profit of TSR Group	81	▼ -44.79%
Total Assets	1,862	▲ 17.65% ^{3/}
Total Liabilities	880	▲ 31.93% ^{3/}
Total Shareholders' Equity of TSR Group	972	▲ 7.51% ^{3/}

Note: 1. Compared to financial results of FY2015.

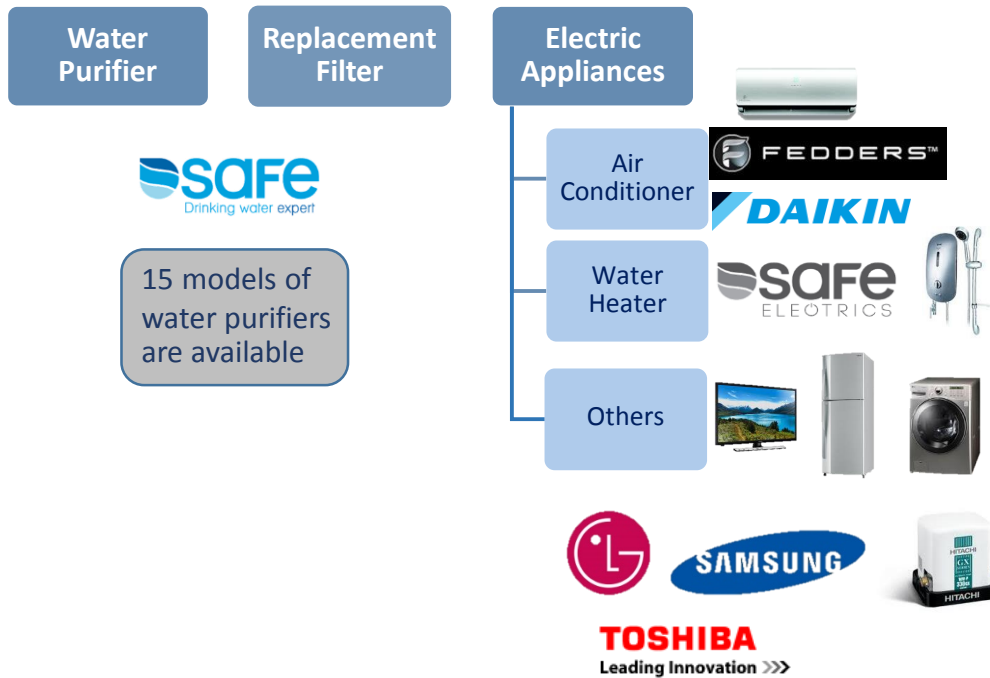
2. Total revenues included sales and hire purchase interest income.

3. Compared to financial position as of 31 December 2015.

Business and Shareholding Structure



Products



Channels

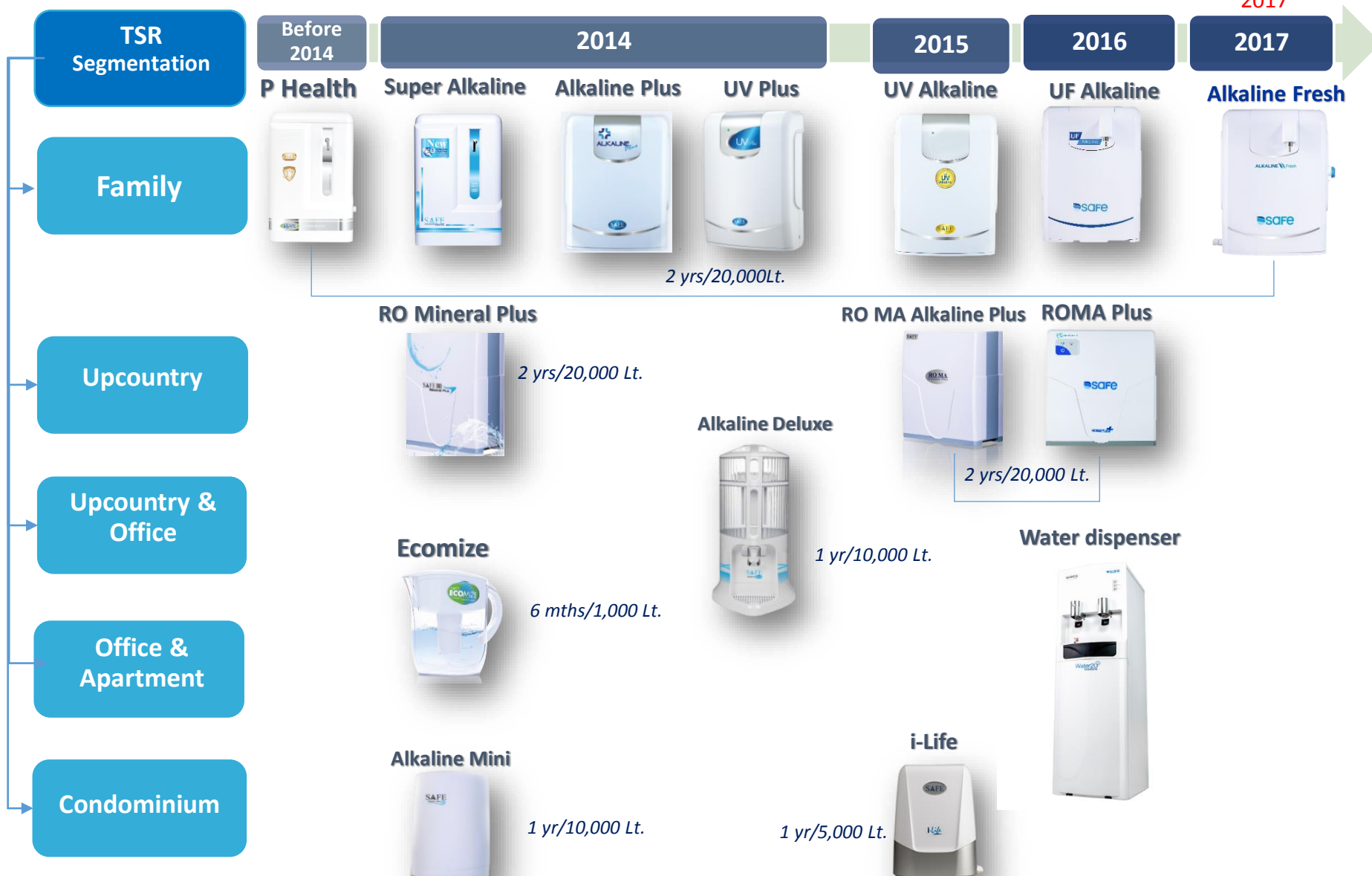


Online:
www.safealkaline.com
www.facebook.com/safewaterfilter

Our Water Purifier Products

15 models are available.

Launch in March
2017

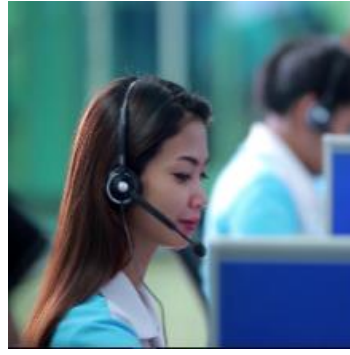


Branch Expansion



	Branch		Customer Service Center	
	2015	2016	2015	2016
Northern	2	5	1	-
Northeast	5	7	-	-
Eastern	3	2	-	-
Central	1	2	4	3
Southern	3	4	1	-
Total	14	20	6	3

Our Growth



Our Growth	2015	2016	Added	Target 2017
Branch and customer service center	14+6	20+3	3	25+3
Sales team (Direct)	152	160	8	170
Salesperson (Direct)	1,000	1,100	100	1,200
Telesales	100	125	25	150



Approx. figures

TSR Lao

- Signed joint venture agreement with “JB Group” on 27 July 2016
- Registered “TSR Lao Co., Ltd.”, on 16 December 2016
- Registered capital Laos Kip 8,000 million (or approx. Baht 34.80 million)
- TSR owns 49%
- Commencing Business in Q1 2017

TSR Leasing

- Registered a new subsidiary, “TSR Leasing Co., Ltd.”, on 11 July 2016
- Registered capital Baht 50 million
- TSR owns 100%
- Obtained the Supervised Personal Loan Business License from Ministry of Finance in November 2016
- Commencing Business in Q2 2017

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Profit/Loss

Consolidated

(Million Baht)	FY2014		FY2015		FY2016		%YoY
	Amount	%	Amount	%	Amount	%	FY2016 vs. FY2015
Sales	997	88.6%	1,452	89.8%	1,608	87.6%	10.7%
Hire purchase interest income	128	11.4%	165	10.2%	229	12.4%	38.4%
Total revenues	1,125	100.0%	1,617	100.0%	1,836	100.0%	13.5%
Cost of sales	201	17.9%	345	21.3%	410	22.3%	19.0%
Gross profit	924	82.1%	1,273	78.7%	1,426	77.7%	12.1%
Other income	35	3.1%	28	1.8%	28	1.5%	-0.2%
Selling expenses	564	50.2%	67.2% 712	44.0%	61.2% 755	41.1%	59.5% 6.1%
Administrative expenses	191	17.0%	278	17.2%	339	18.4%	21.8%
Bad debts and doubtful accounts	82	7.2%	118	7.3%	235	12.8%	98.6%
Financial cost	7	0.6%	10	0.6%	26	1.4%	144.3%
Income tax expenses	22	2.0%	37	2.3%	20	1.1%	-45.3%
Net profit	94	8.3%	145	9.0%	79	4.3%	-45.5%
Non-controlling interests	0.001		-0.90		-1.51		
Net profit attributable to TSR Group	94	8.3%	146	9.0%	81	4.4%	-44.8%
Total Assets	1,083		1,583		1,862		
Total Liabilities	275		667		880		
Total Shareholders' equity of TSR Group	808		904		972		

Profit/Loss

Consolidated

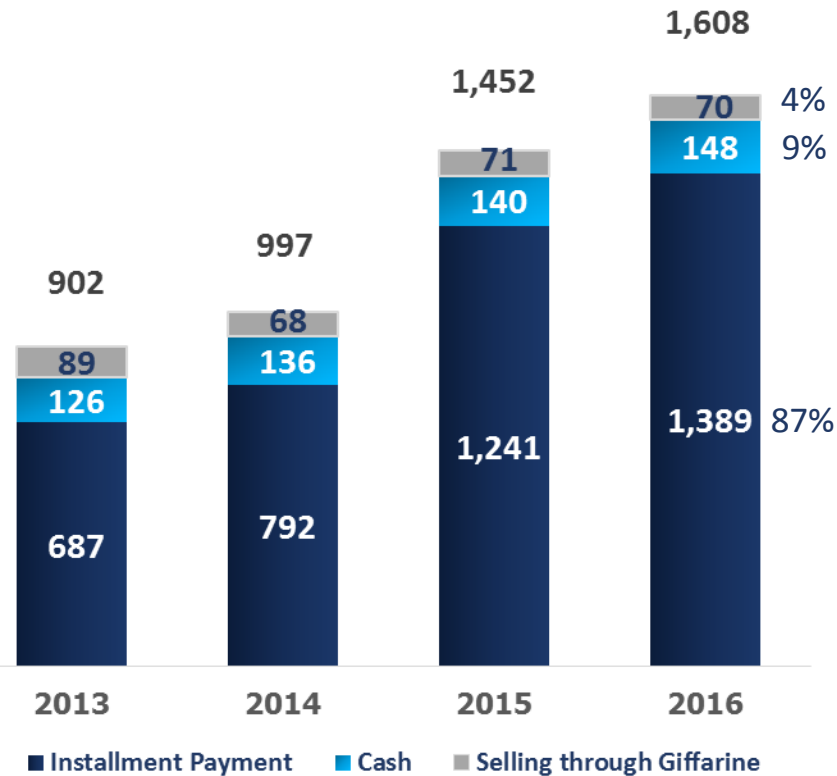
(Million Baht)	4Q2015		3Q2016		4Q2016		%QoQ	%YoY
	Amount	%	Amount	%	Amount	%	4Q2016 vs. 3Q2016	4Q2016 vs. 4Q2015
Sales	412	90.5%	415	87.0%	385	85.7%	-7.3%	-6.7%
Hire purchase interest income	43	9.5%	62	13.0%	64	14.3%	3.6%	48.0%
Total revenues	456	100.0%	477	100.0%	449	100.0%	-5.9%	-1.5%
Cost of sales	96	21.1%	106	22.2%	94	21.0%	-10.9%	-1.5%
Gross profit	360	78.9%	371	77.8%	354	79.0%	-4.4%	-1.4%
Other income	10	2.1%	10	2.0%	6	1.2%	-41.7%	-41.8%
Selling expenses	183	40.1%	200	42.0%	184	41.0%	-8.1%	0.8%
Administrative expenses	78	17.1%	90	18.8%	85	18.8%	-5.7%	8.3%
Bad debts and doubtful accounts	46	10.1%	54	11.3%	69	15.4%	28.5%	50.3%
Financial cost	5	1.1%	7	1.5%	7	1.5%	-4.4%	29.3%
Income tax expenses	12	2.6%	6	1.3%	3	0.7%	-45.9%	-72.3%
Net profit	46	10.0%	24	5.0%	12	2.8%	-48.0%	-72.9%
Non-controlling interests	-0.47		0.004		-1.09			
Net profit attributable to TSR Group	46	10.1%	24	5.0%	13	3.0%	-43.4%	-70.8%
Total Assets	1,583		1,910		1,862			
Total Liabilities	667		889		880			
Total Shareholders' equity of TSR Group	904		1,010		972			

Revenues

Consolidated

Revenues from Sales

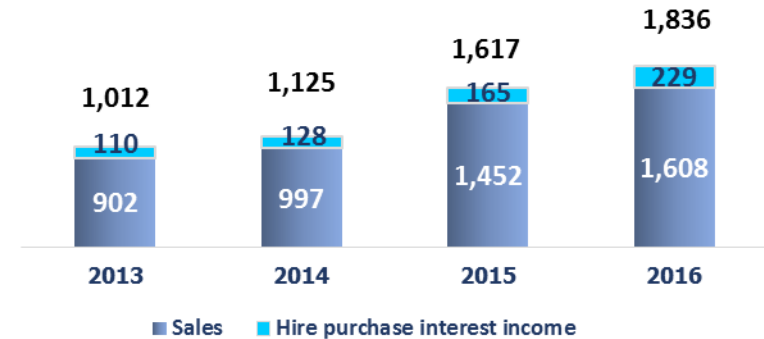
Million Baht



Total Revenues

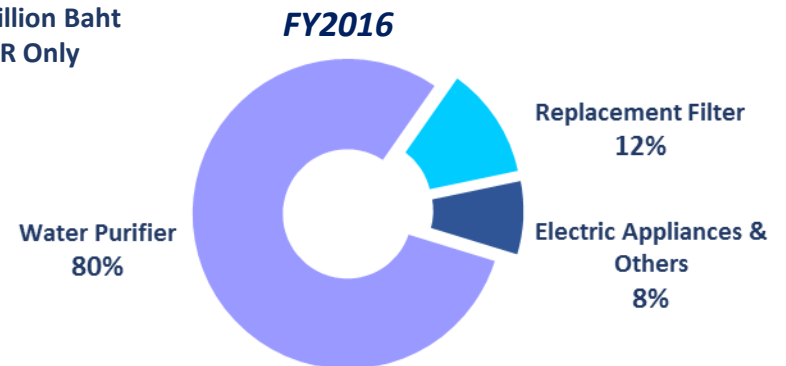
Million Baht

▲ +13.5%



%Revenues from Sales (by products)

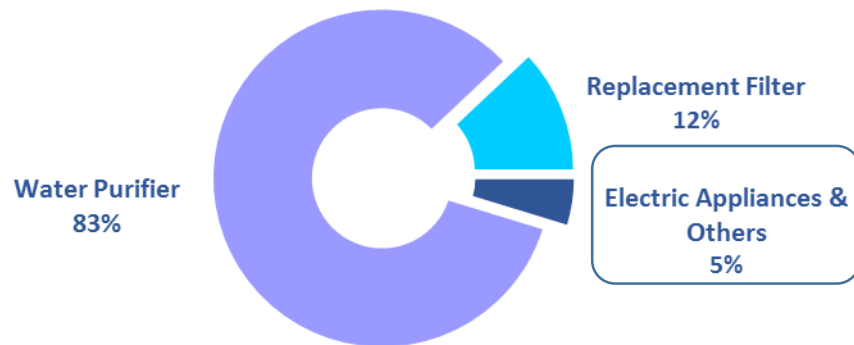
Million Baht
TSR Only



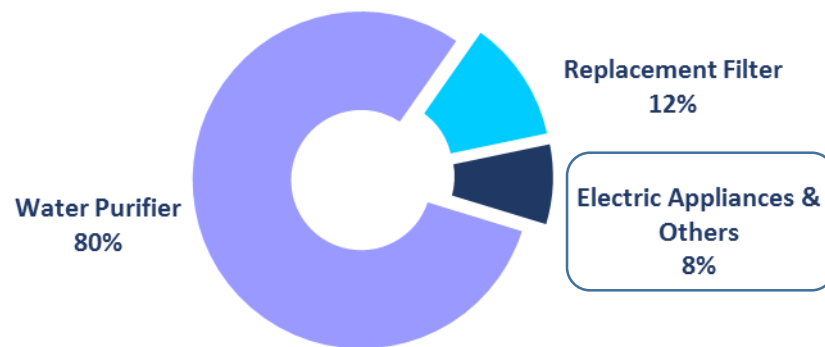
	1Q2016	2Q2016	3Q2016	4Q2016
Water Purifier	82%	78%	79%	81%
Replacement Filter	11%	11%	12%	11%
Electric Appliances & Others	7%	11%	9%	8%
Total	100%	100%	100%	100%

Revenues Breakdown

FY2015 %Revenues from Sales (by Product)



FY2016 %Revenues from Sales (by Product)

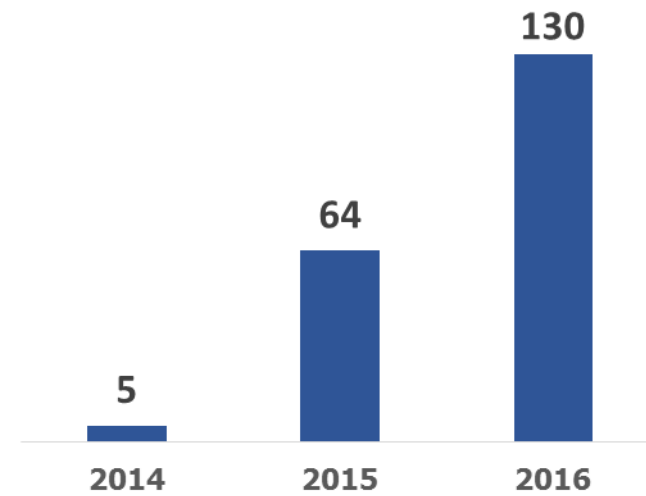


Revenues : Electric Appliances

Million Baht



▲ +103.1%

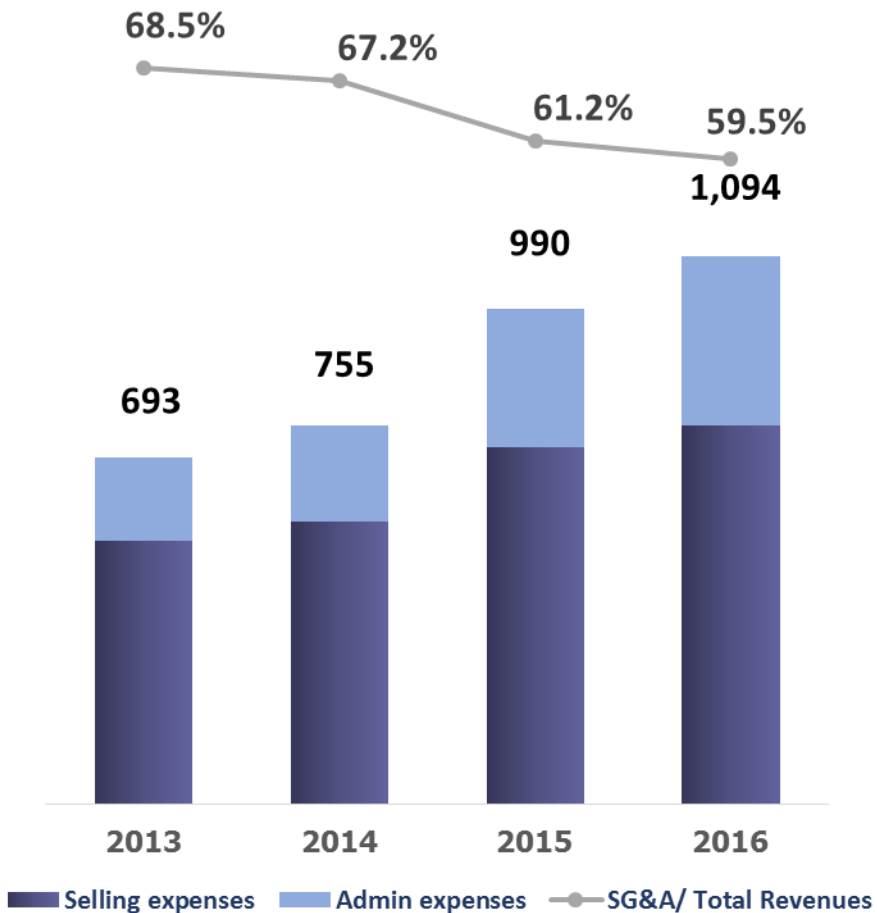


Expenses

Consolidated

Selling and Admin Expenses

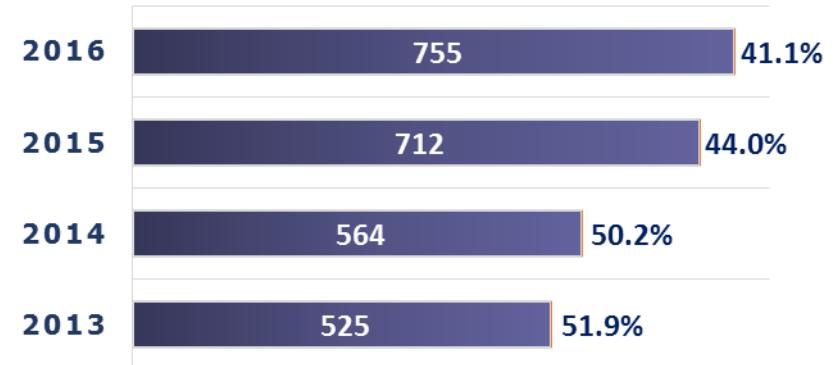
Million Baht



Selling Expenses

Million Baht

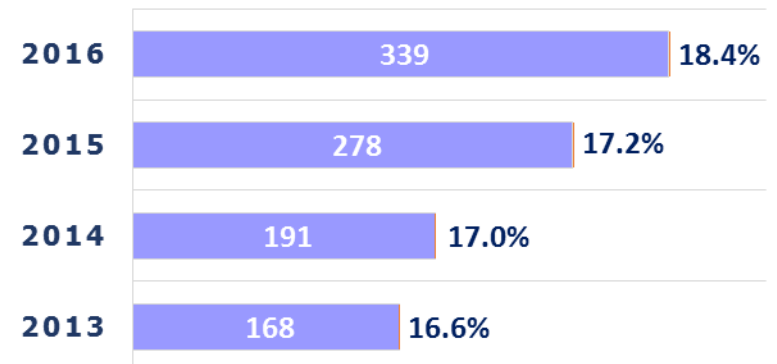
Selling Exp./ Total Revenues (%)



Administrative Expenses

Million Baht

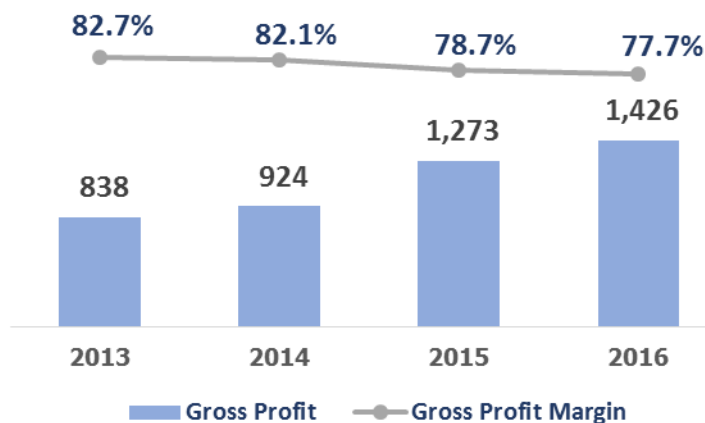
Admin Exp./ Total Revenues (%)



Performance

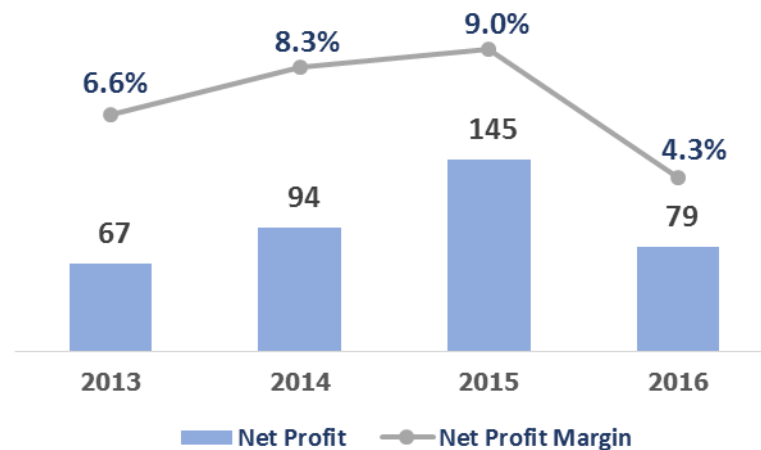
Gross profit

Million Baht



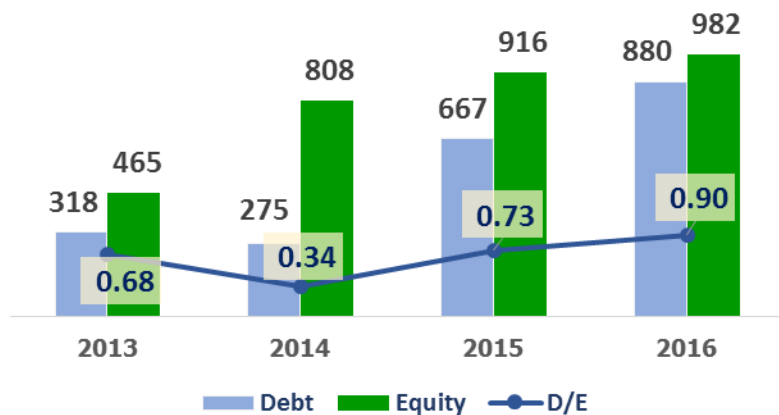
Net profit

Million Baht

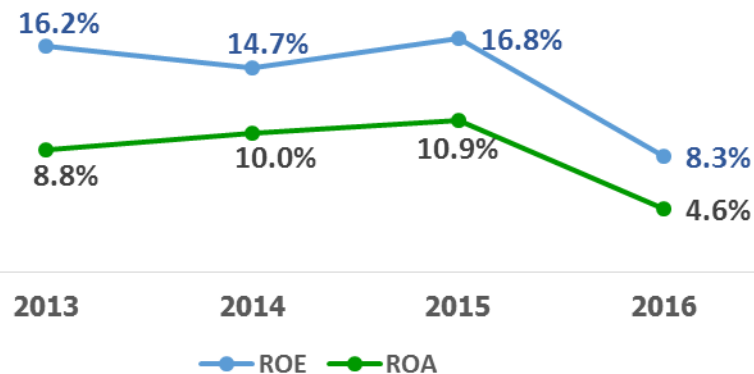


Debt and Equity

Million Baht



ROA & ROE



Hire Purchase Receivables

Aging (Million Baht)	Hire purchase receivables				% of Allowance for doubtful accounts			
	31-Dec-15		31-Dec-16		31-Dec-15		31-Dec-16	
	Amount	%	Amount	%	Amount	%	Amount	%
Current	674	82.8%	776	76.1%	17	2.5%	19	2.5%
1 period past due	70	8.6%	113	11.1%	4	6.0%	7	6.0%
2 periods past due	29	3.5%	49	4.8%	9	30.0%	15	30.0%
3 periods past due	18	2.2%	33	3.2%	9	50.0%	17	50.0%
More than 3 periods past due	24	2.9%	48	4.7%	24	100.0%	48	100.0%
Total	814	100.0%	1,021	100.0%	62		106	

Note: 1. Hire purchase receivables = receivables less deferred hire-purchase interest and deferred output tax.

2. Since 1Q2015, TSR has increased percentage of allowance for doubtful accounts in accordance with conservative basis under the GAAP.

Bad Debts occurred in FY2016

By Selling Periods

Period	2014	2015	2016
Quarter 1	0%	3%	18%
Quarter 2	0%	12%	11%
Quarter 3	0%	23%	5%
Quarter 4	1%	26%	1%



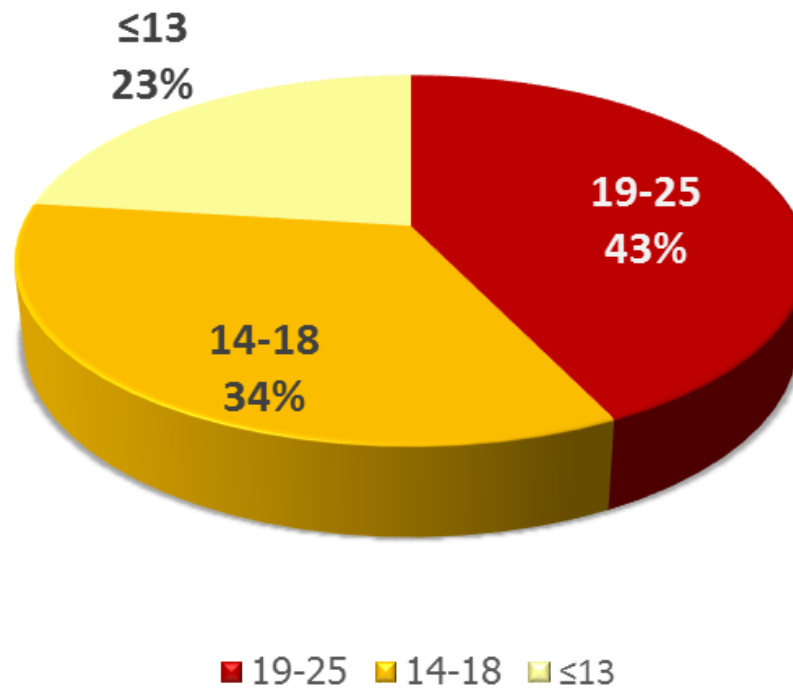
90%

Quarter 2/2015: Started to sell new model of water purifier with maximum 25 installments.

Quarter 2/2016: Changed maximum installment from 25 to 13 periods

Bad Debts occurred in FY2016

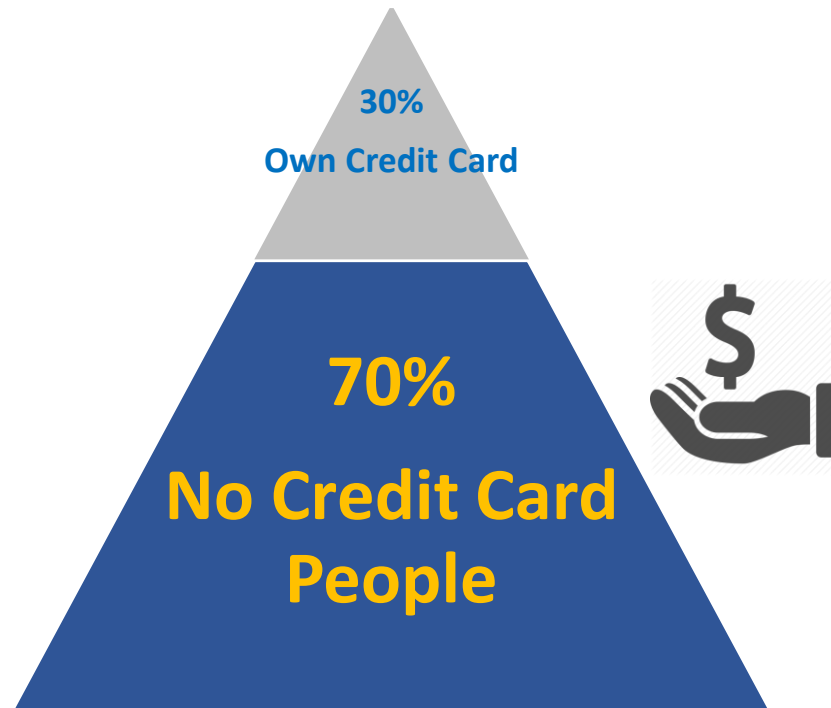
By Installment Periods



- Business Overview
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- Outlook**



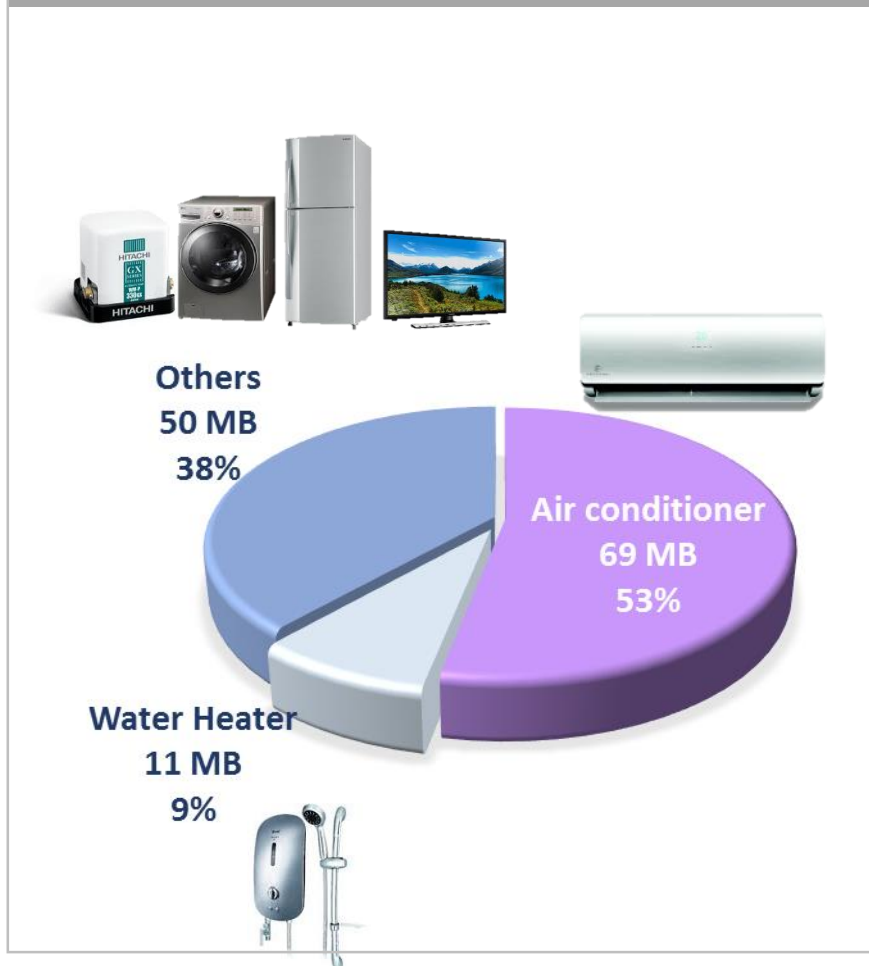
Our Focus



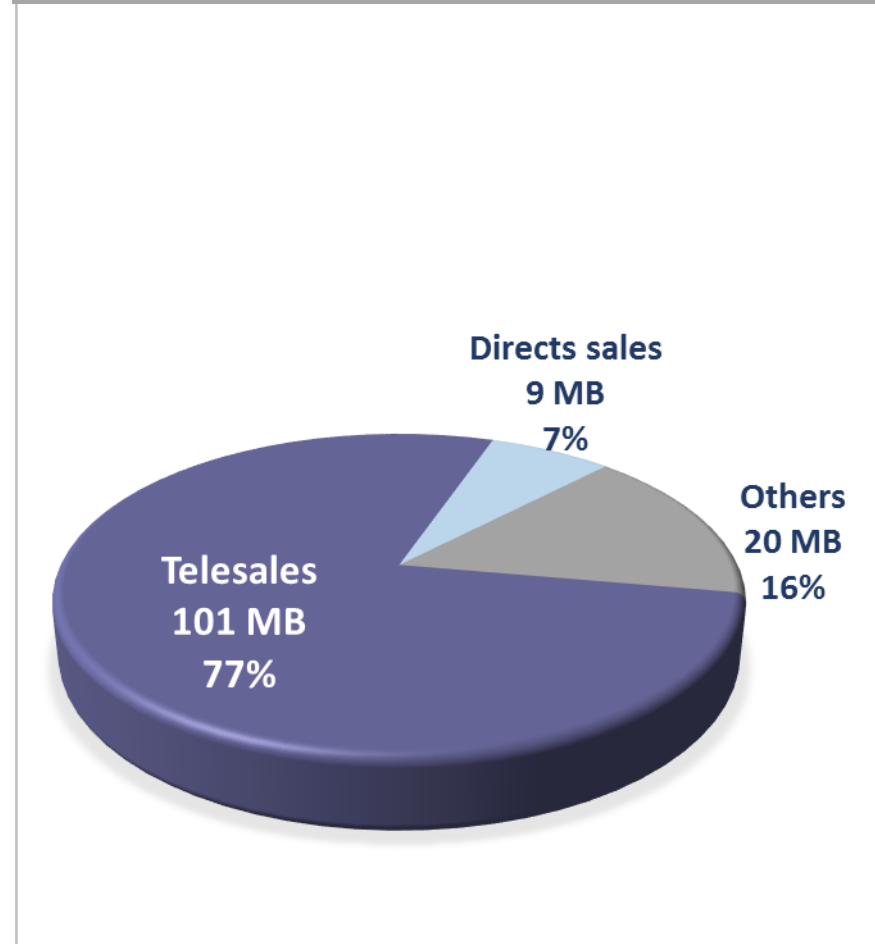
Note: 1) Estimated by Company, assume two credit cards per cardholder.
2) Source of information: Number of Population from registration record by Department of Local Administration and Number of Credit cardholders from registration record by Bank of Thailand as of December 31, 2015.
3) 30% own credit card included the persons who have maximum credit limit.

Electric Appliances : Revenues from Sales

FY2016 : Portfolio



FY2016 : by Channel



- Easy installment payment (Pay Less, Get More)
- Excellent after-sales services
- Product diversity (Air con, TV, Refrigerator, washing machine, water heater, etc.)
- Good customer responses



✓ บัตรประชาชน **✓ ทะเบียนบ้าน**

✓ ไม่เช็คเครดิตบูโร **✓ 1,350.- ติดแอร์ได้เลย**

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ผ่อนสบาย...ถ้าซื้อ
ผ่อนนานสูงสุด **13** เดือน

TOSHIBA Leading Innovation >>> **1,350.-**

SAMSUNG **2,000.-**

TOSHIBA Leading Innovation >>> **1,600.-**

SAMSUNG **2,300.-**

SMART TV

ผ่อนสบาย
PONSaBUY

DAIKIN AIR CONDITIONERS

FEDDERS

ผ่อนวันละ 45.-
ไม่เก็บ

📱 ponsabuy Ins.1210

บริการหลังการขาย

ติดตั้งฟรี

เก็บเงินถึงบ้าน

รับประกันนาน 2 ปี

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เริ่มต้น 650.-
ใช้แค่...
บัตรประชาชน

ผ่อนนานสูงสุด 19 เดือน

SAMSUNG **SCFEE** **DAIKIN** **FEDDERS** **TOSHIBA** **LG**

ผ่อนสบาย
PONSaBUY

Ins.1210

1. แค่มิบัตรประชาชน

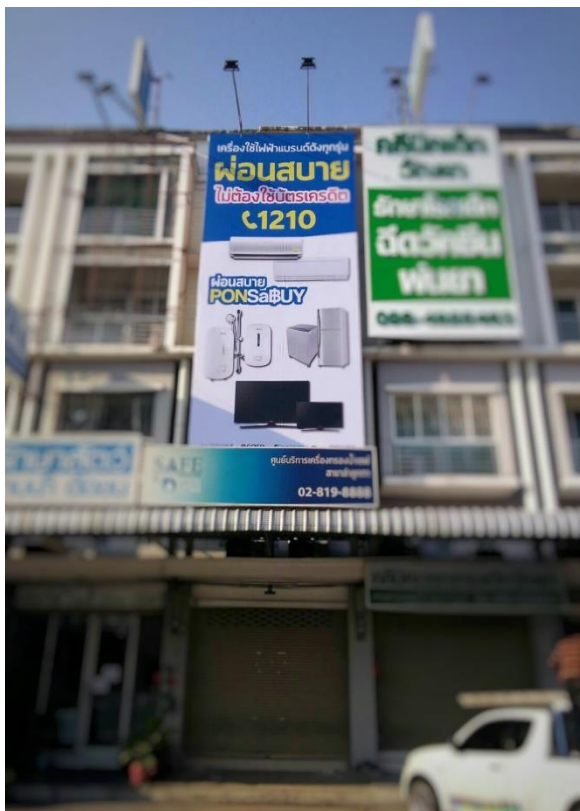
2. ไม่เช็คเครดิตบูโร

3. อนุมัติไว ภายใน 1 วัน

ผ่อนวันละ 45.-
ไม่เก็บ



Customer Service Centers



Lam Luk Ka



Samut Prakan

PONSaBUY activity : Night market



Rental Program

*Confiscated
water purifier*

Super Alkaline



UV Alkaline



Alkaline Plus



*New water
dispenser*

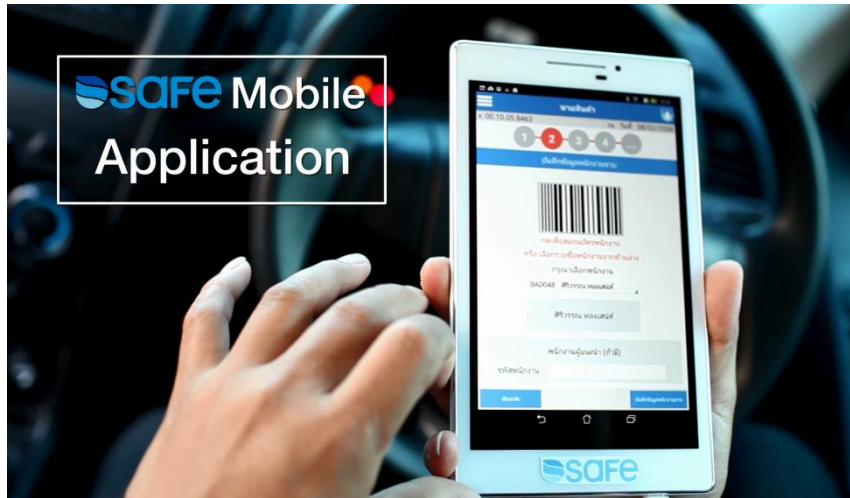


Water2U
Solutions
Your drinking water is our mission



Mobile Application

- ▶ Use for Sales and Collection
- ▶ Provide more convenience to find customer database
- ▶ Optimize the route planning efficiently
- ▶ Promptly get the sales contract, invoice and receipt
- ▶ Monitor and report the progress in real time



Target

- ❏ Decrease of bad debts
- ❏ Total revenues 2,000 MB
- ❏ Sales of electric appliances, not less than 15% of total sales

Our Key

- ❏ More prudence credit approval policy
- ❏ Tele collection
- ❏ TSR Mobile Application: Sales and Collection
- ❏ Improving operation efficiency
- ❏ PONSaBuy
- ❏ Water2U
- ❏ Branch expansion

Q&A

Official website:

www.thiensurat.co.th

www.safealkaline.com

www.facebook.com/safewaterfilter

Contact us:

ir@thiensurat.co.th