

# TQR Public Company Limited

## Opportunity Day

12 March 2024





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OVERVIEW**

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**FINANCIAL  
PERFORMANCE  
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The background of the slide is a nighttime cityscape with a blue color scheme. It features a dense cluster of skyscrapers in the center, with light trails from traffic and possibly a train on the right side, creating a sense of motion and urban activity.

# Business Overview



# ABOUT US



## MISSION

To be the Thailand's leading innovative, trusted, and valuable reinsurance advisor to our partners.



## VISION

To provide reinsurance solutions and value-added services to create exceptional customer experience that aims for sustainable growth through talent and professionalism.



## COMPANY OVERVIEW

With a powerful blend of reinsurance broking expertise, local market intelligence, strong and extensive network of support and cooperation, we successfully help our clients achieve profitable business and sustainable growth. As a strategic partner, your success is our success



## FIGURES

Founded in 2012. Nowadays, we currently have 46 talented staff members to serve reinsurance needs of all insurance companies in Thailand. In 2023, we supported our clients in managing their insurance needs head to total revenue about 240.6 millions baht.



## ACHIEVEMENTS

Three (2016-2018) and four consecutive years (2020-2023) of award winning of the Prime Minister's Insurance Award for the Best Corporate Nonlife Insurance Broker (6 in total). Better yet, TQR was honored to be one of the top 3 finalists for the Lloyd's Asia Best Financial Lines Broker in 2020.

# COMPANY MILESTONE

2012-13

2012 Founded with registered capital of THB 5 million

2013 Raised registered capital to THB 7.5 million



2016-18

Awarded with the Best Nonlife Insurance Broker Award for **3 consecutive years**

2020

- Chosen as one of the top 3 best companies in Financial Lines Broker from **Lloyd's Asia**.
- Awarded with the **Best Nonlife Insurance Broker Award**.

LLOYD'S

2021

- Transformed to a **public company limited**
- Raised registered capital to THB 115 million by issuance of 60 million shares at per value of THB 0.5 per share
- Awarded with the **Best Nonlife Insurance Broker Award**.
- Founded **RSQ** a JV company (TQR Pcl. & Course Square Co., Ltd.)



2022

- TQM Pcl. became a principal shareholder with a share holding of 44.43% of the total voting rights.
- Awarded with the **Best Nonlife Insurance Broker Award**.

2023

- Awarded with the **Best Nonlife Insurance Broker Award** for 4<sup>th</sup> time in a roll.
- Awarded with the **Excellent Corporate Governance Report (CGR)**
- TQR's shareholding in ALPHASEC is 30% of all ALPHASEC's ordinary shares.



# BUSINESS VALUE CHAIN



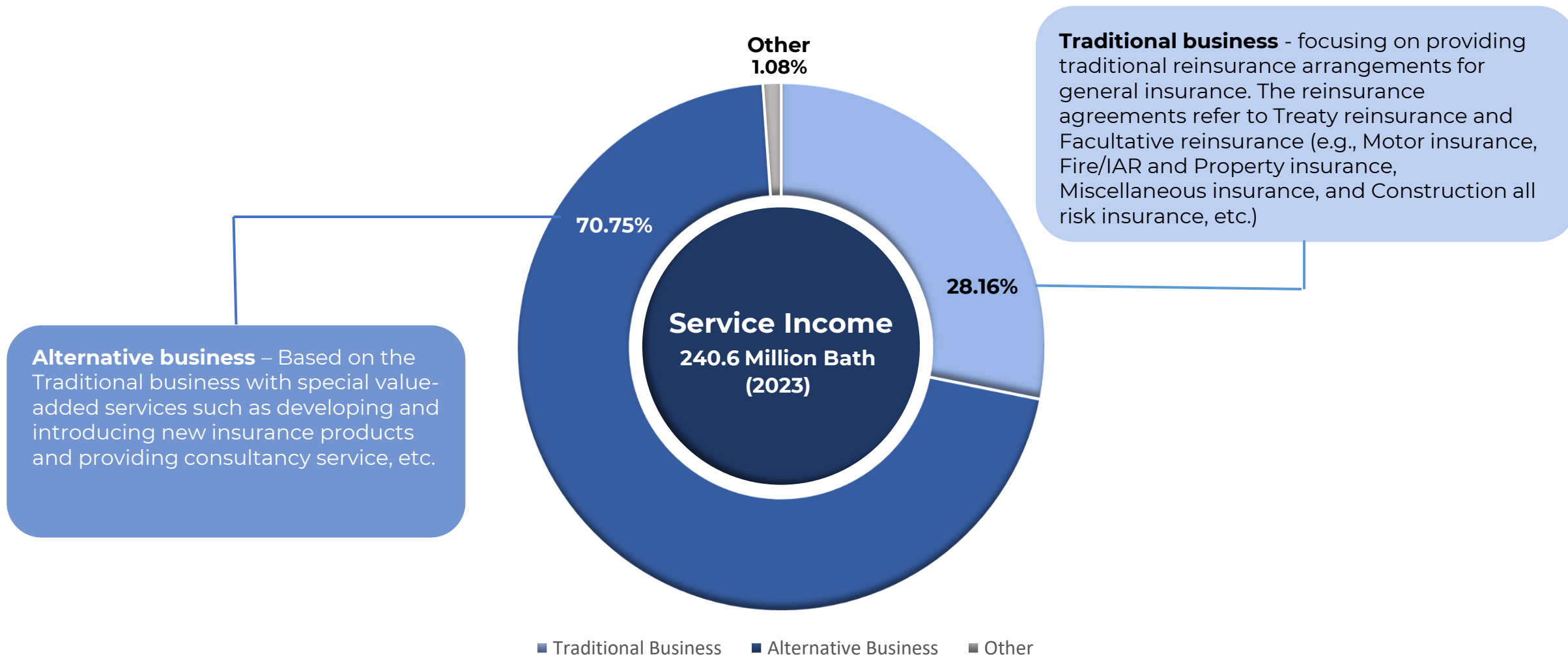
TQR is a leading reinsurance broker specialized in the provision of fully-integrated reinsurance solutions to customers.

- Provision of consultancy services to insurers and reinsurers for Treaty Reinsurance and Facultative Reinsurance arrangements.
- Engagement in analysis and development of new insurance products together with its business partners.



# BUSINESS OVERVIEW

TQR is a reinsurance broker whose business is categorized into 3 types:





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# Financial Performance

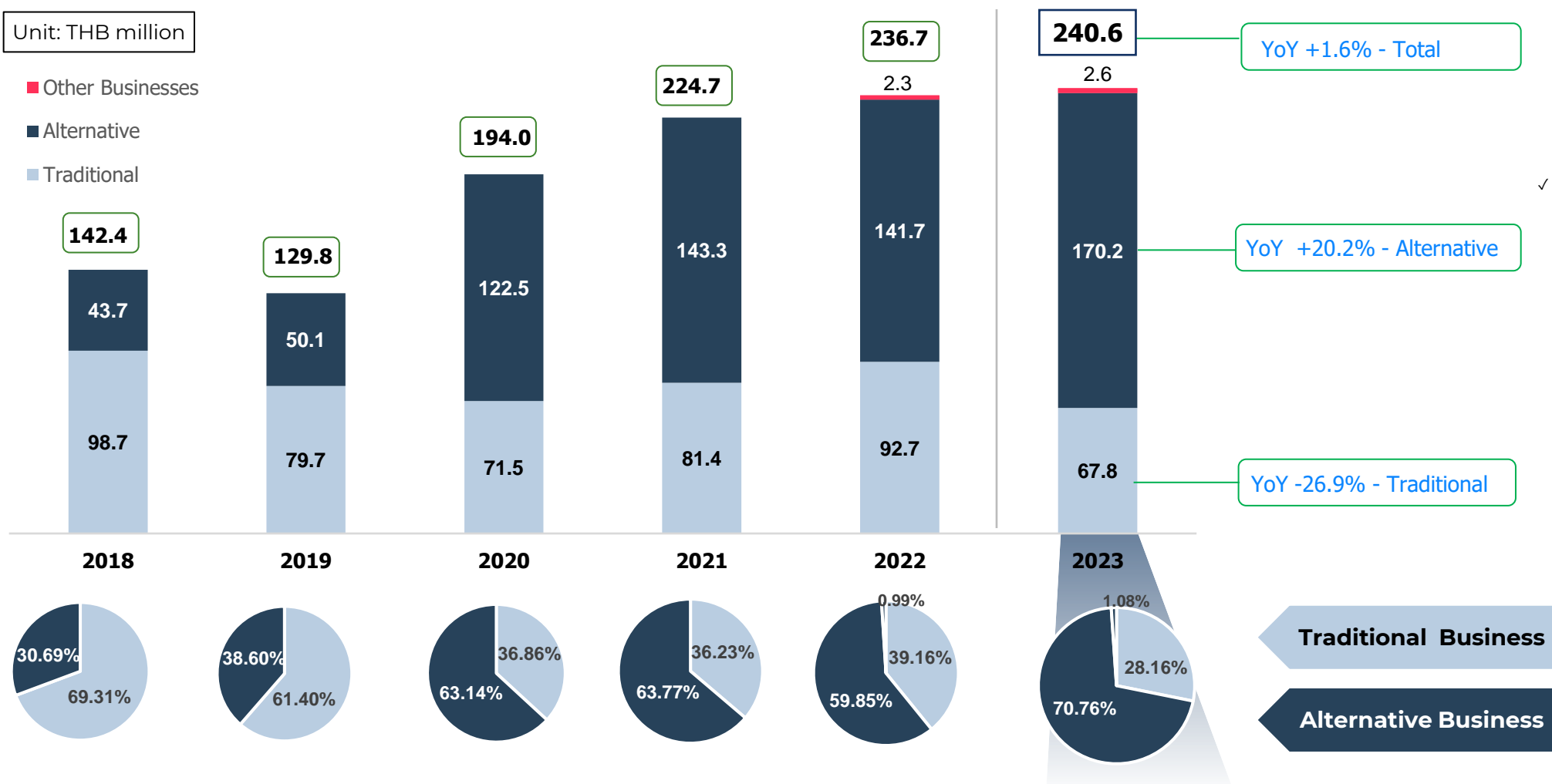


# FINANCIAL PERFORMANCE – YE2023

## Service Income

Unit: THB million

■ Other Businesses  
■ Alternative  
■ Traditional



✓ Focus on alternative business by designing new products with business partners and strengthening specialty capability.

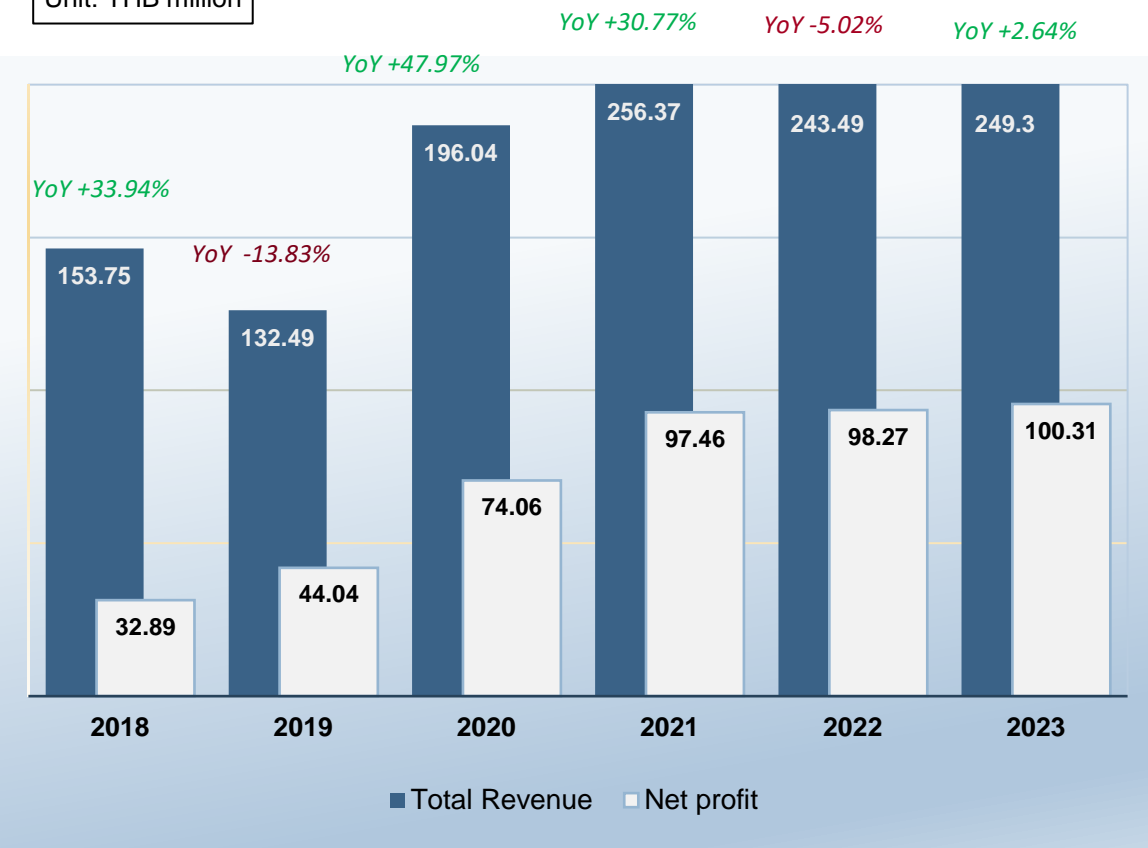
Traditional Business

Alternative Business

# FINANCIAL PERFORMANCE – YE2023

## Revenue and Net Profit

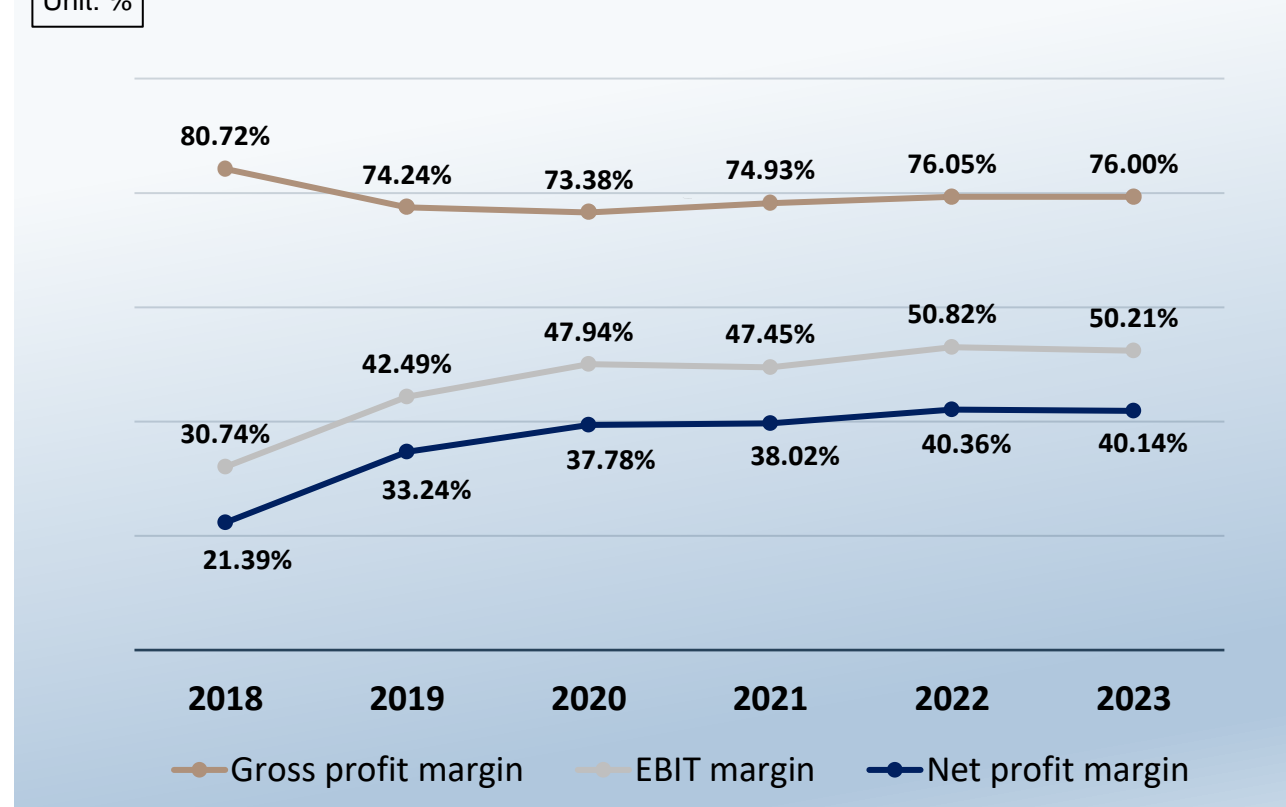
Unit: THB million



- ✓ Increase in total revenue performance with 2.64 % came from service income and other income.

## Profitability Margin

Unit: %



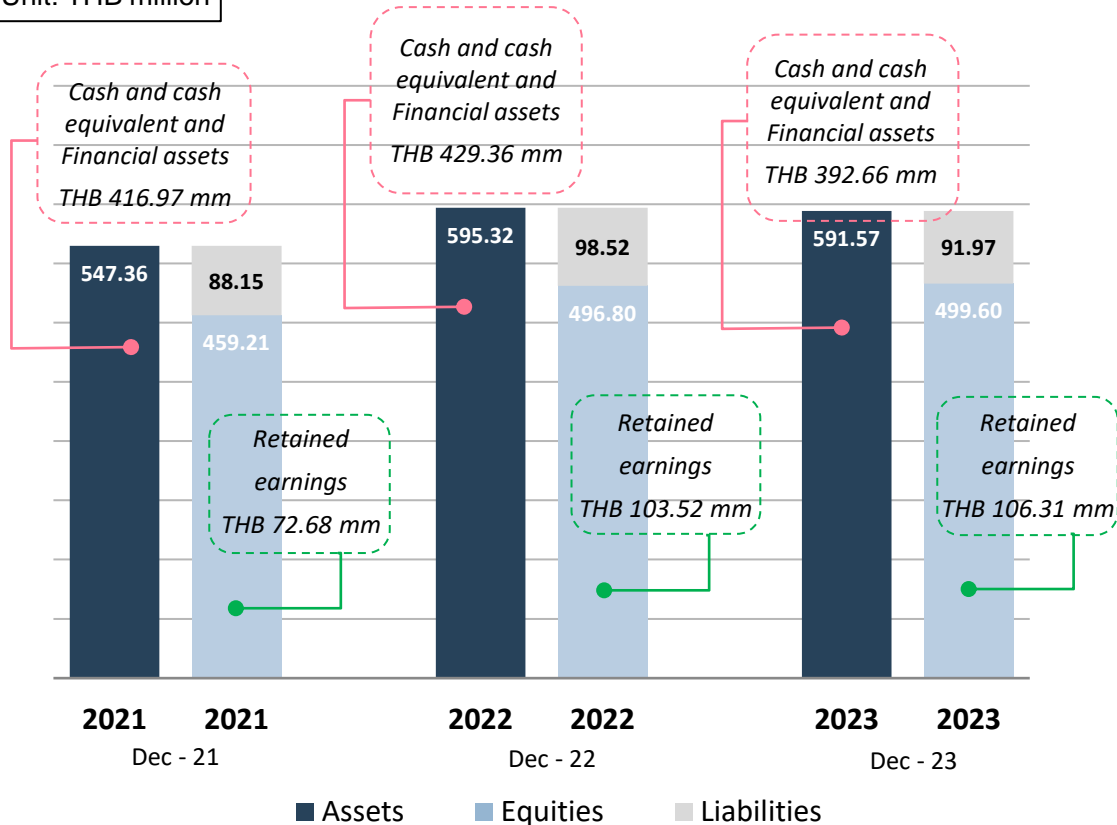
- ✓ Ability to generate high profit margin with 40.14 % net profit margin for 2023.



# FINANCIAL PERFORMANCE – YE 2023

## Financial Position

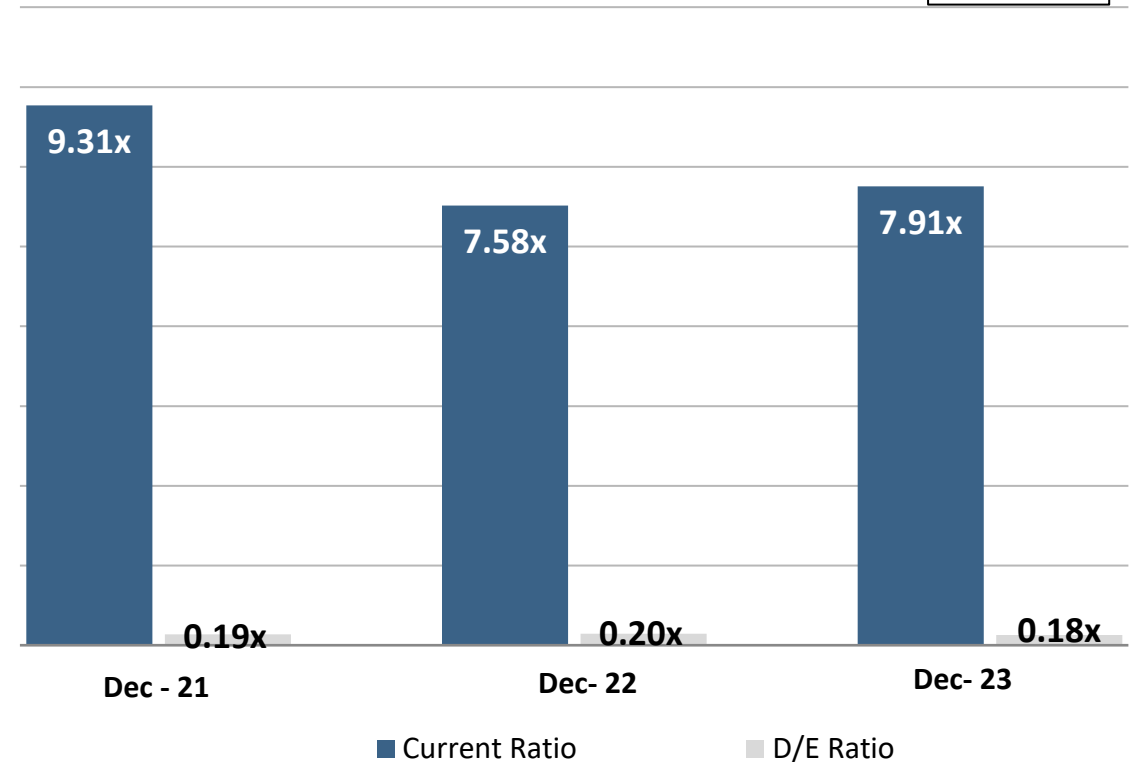
Unit: THB million



- ✓ Strong financial position with debt-free capital structure
- ✓ THB 392+ million cash available for investment
- ✓ Strong growth in retained earnings

## Liquidity and Financial Risk

Unit: times



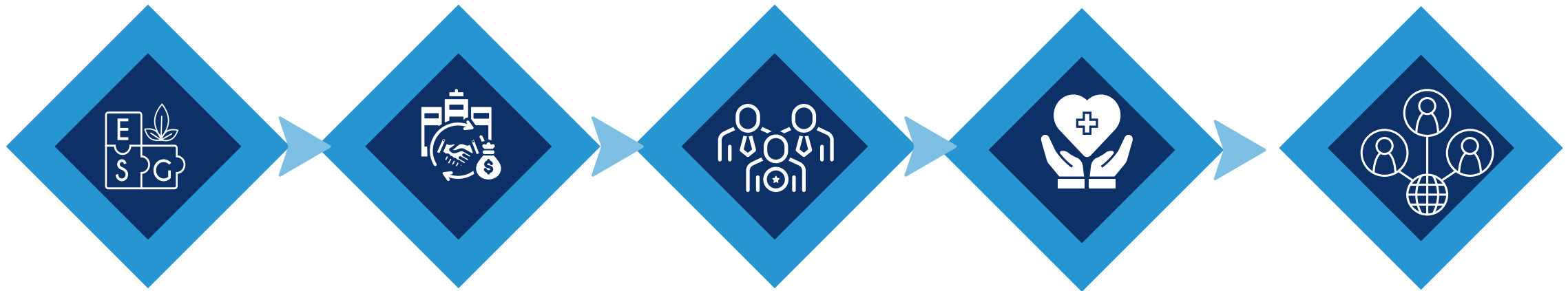
- ✓ Liquidity with current ratio of 7.91x mainly from the fund raised from IPO
- ✓ Low financial risk with D/E ratio of 0.18 x

# Business Update



# BUSINESS DIRECTION DEVELOPMENT IN 2024-2026

- Product Development
- Reinsurance Capacity Finding Technology and Services as Added Value



## ESG

- EV
- Renewable Energy
- Carbon Credit

## TQM Alpha Synergy

- Insurance
- Financial
- Technology
- Platform

## Specialty

- Cyber
- Medical malpractice
- D&O
- PV

## Accident & Health/Life

- Aging Society

## Non-brokerage

- R Square
- Consulting Service
- ALPHASEC

# D&O (DIRECTORS AND OFFICERS INSURANCE)

## Global Insurance Market Update

- The challenge for Directors and Officers for 2024 is to be prepared for the headwinds.
- Ongoing inflation, refinancing and insolvency pressures, geopolitical issues are just some of the headwinds D&Os need to be prepared.

## Market update – Pricing and Terms

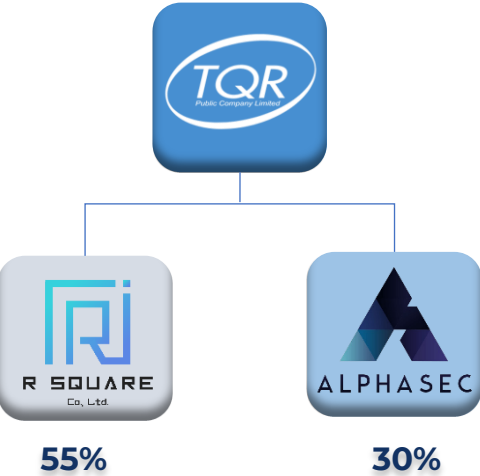
- Soft market – Rate continued to decline, with increased insurer capacity available and rates were generally stable.
- A large part of what gets paid in D&O is in defence costs, with inflation, lawyers' fees and settlement values continue to increase, while the allegations underlying D&O litigation continue to diversify.





# BUSINESS UPDATES

## Ordinary shares invested by TQR



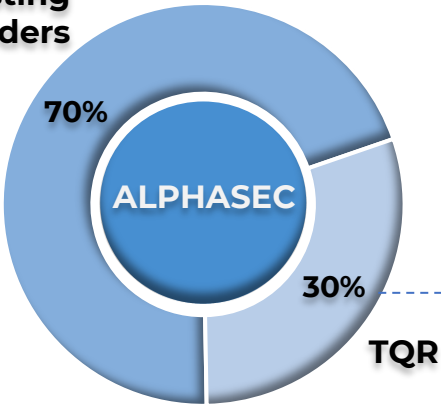
### ALPHASEC

TQR bought 88,235 shares from ALPHASEC's existing shareholders (total value 15 Million Baht) and bought more shares to increase capital as 88,236 shares (total value 15 Million Baht). Total shares is 176,471 shares.

In summary, TQR's shareholding in ALPHASEC is 30% of all ALPHASEC's ordinary shares.

## Proportion of ordinary shareholders in ALPHASEC

Existing Shareholders



TQR holds shares in ALPHASEC as 176,471 shares, representing 30% of total issued and Paid-up ALHA's share after capital increase.

## Benefits received by TQR

1. Increasing company's financial potential.

2. Promoting the TQR's core business.

3. Expanding the company's business to other businesses.

## Benefits received by ALPHASEC

-  1. Increasing company's financial potential.
-  2. Having an investment to create New services and products.
-  3. The penetration of new market segments and gain more customer.

# SMART TRAINING PLATFORM-UPDATES



**R Square** is a learning-on-demand platform specializing on face detection and face recognition technology.

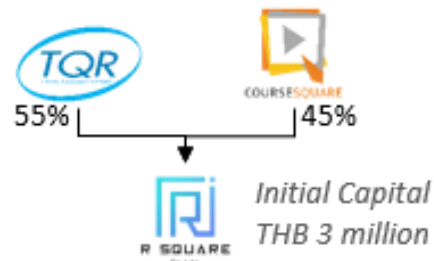
## Growth Opportunities

- Future trends of learning solution
  - Rising demands for online learning
- Large Market Opportunities
  - +500k insurance agent/broker license holders

- Customizable for any industries

- Industry Pioneer
  - Local pioneer in integrating face detection technology with online learning platform

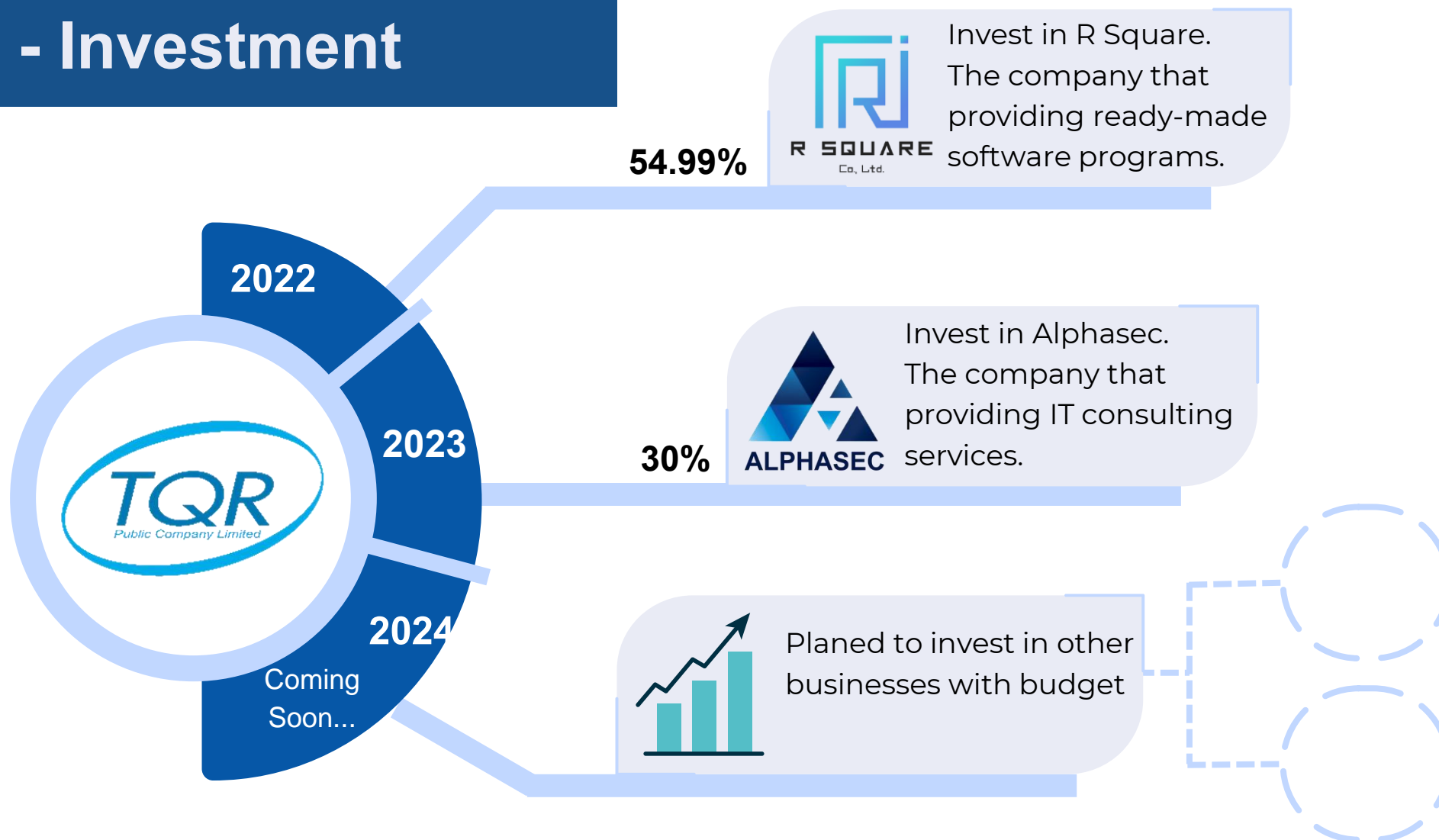
## Investment Structure



## Client / Potential Client



# Growth - Investment



\*\*\* 1-2 Businesses  
will invest in Q4/2024



# 2024 NONLIFE MARKET

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GROWTH IN THE VULNERABLE STAGE

# GLOBAL NONLIFE MARKET

- The world economy will remain vulnerable in 2024.
- The elevated geopolitical risk threatens global growth and dampen the outlook for the insurance industry.
- According to Swiss Re's latest report, global real nonlife premiums to grow at 1.6% annually on average for 2024.
- Claims development is the key concern. Claims frequency and severity are on the rise.
- The pace of growth of liability claims and rising natural catastrophe insured losses strongly suggest further hard market conditions for commercial and personal lines in 2024.
- Motor insurance claims have rising rapidly in many key markets in 2023, especially claims frequency and severity in motor liability business.
- The same applies to property insurance due to inflation and rising natural catastrophe losses.

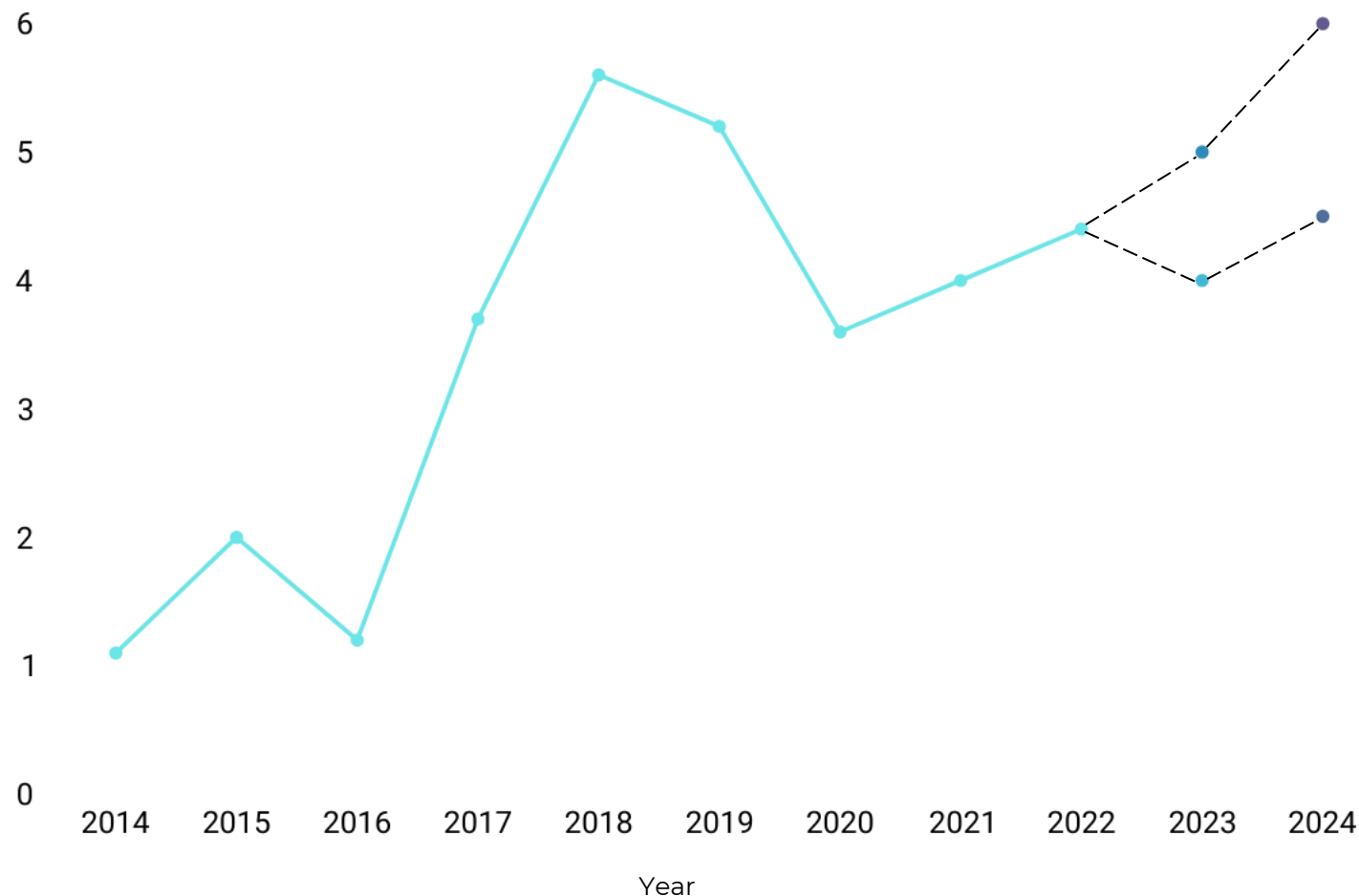
# NONLIFE MARKET IN ASIA

- Asia's economy is widely considered to be one of the world's key growth engines. However, the Property & Casualty (P&C) sector in the region represents just 20% of the global premium share.
- The Asia's P&C insurance penetration has remained at 1% - 2% over the many years due to low awareness of insurance necessity and sticky perceptions of unaffordability. Moreover, many in Asia are used to self-insurance funded with personal savings.
- The sector's challenges ranging from catastrophic claims and operational expenses, as well as an emerge of newer and more complex risks such as cyber attacks, EV adoption, climate change, and A.I. prevalence, etc.
- Referring to the recent Capco's survey, Thai policyholders consider sharing their personal data with insurers in return for more personalized services and and an enhanced claims processes.
- Claims reimbursement is no longer a sole purpose of having insurance. Thai customers want their insurers to reduce and prevent the risks for them as well.



# NONLIFE MARKET IN THAILAND

Growth Rate (%)



- Overall nonlife insurance market is expected to grow at 4% - 5% in 2023.
- Key growth engines are likely to be motor and miscellaneous lines of business due to growing popularity of the EV and increasing health insurance awareness.
- A demand for cyber security insurance is continuing on the rise across critical business sectors.
- In 2024, we forecast the nonlife insurance business to continue expanding at a range of 4.5% - 6% as a result of rising EV penetration, higher fiscal spending and larger budget deficit to spur economic growth, booming tourism industry, increasing healthcare cost, rising data security awareness, and growing concern of climate vulnerability.
- Industry challenges and opportunities include AI prevalence, aging population, changing financial reporting standard and regulatory compliance, volatile economic condition, weather climate change, and geopolitical uncertainty.

# CARBON CREDIT INSURANCE UPDATE

บริษัทได้แนะนำผลิตภัณฑ์ประกันภัยคาร์บอนเครดิตในตลาดประเทศไทยร่วมกับบริษัทที่ปรึกษา โดยเริ่มจากการให้ความรู้และความเข้าใจถึงลักษณะของผลิตภัณฑ์ประกันภัยคาร์บอนเครดิต ประโยชน์และความจำเป็นของผลิตภัณฑ์ประกันภัยนี้ที่ควรจะเป็นส่วนหนึ่งของแนวทางการบริหารความเสี่ยงของโครงการต่าง ๆ ที่ถูกพัฒนาขึ้นมาเพื่อประโยชน์คาร์บอนเครดิตที่กำลังเติบโตมากยิ่งขึ้นในประเทศไทย ตั้งแต่เดือนมกราคมที่ผ่านมา บริษัทได้มีการหารือร่วมกับภาคการเงินการธนาคารที่ได้มีการปล่อยสินเชื่อให้กับโครงการต่าง ๆ ภายใต้ Green loan campaign โครงการปลูกป่าไม้เพื่อประโยชน์ทางสังคม สิ่งแวดล้อม และคาร์บอนเครดิต ตลอดจนหน่วยงานภาครัฐที่เกี่ยวข้อง บริษัทเชื่อว่าความต้องการผลิตภัณฑ์ประกันภัยคาร์บอนเครดิตจะเพิ่มมากยิ่งขึ้นในอัตราที่รวดเร็ว แปรผันไปกับกระแสความตื่นตัวและความมุ่งมั่นของทั้งภาคเอกชน ภาครัฐ และประชาชนที่ต้องการดำเนินธุรกิจและใช้ชีวิตอย่างมีความรับผิดชอบต่อสิ่งแวดล้อม เพื่อให้โลกมีความน่าอยู่สำหรับคนไทยรุ่นต่อ ๆ ไป





Q&A



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