

Investor Presentation

Thien Long Group Corporation (HOSE: TLG)



1

A **big-picture look** at the global stationery market

2

How **Vietnam** presents a **compelling growth opportunity**

3

Thien Long Group's leadership and strategy in this evolving landscape

4

Our **financial highlights**

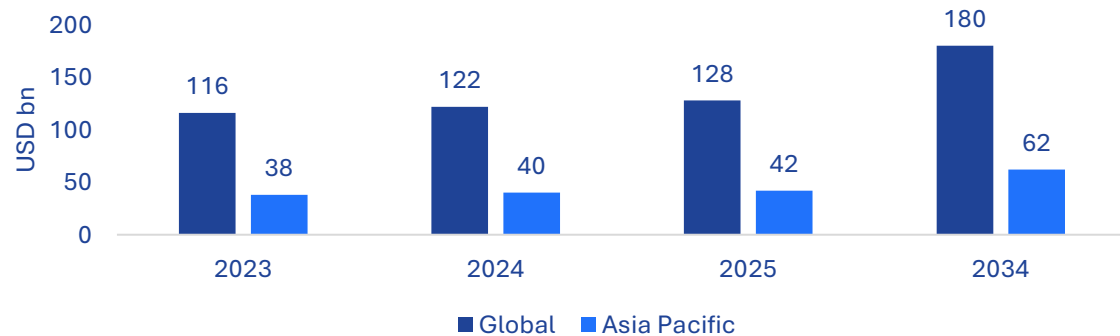
Overview of Stationery Industry



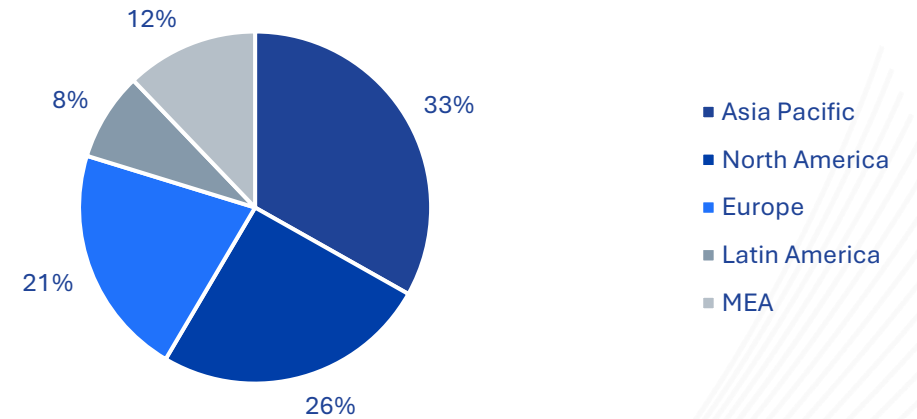
Global Stationery Market: A Resilient Industry with Long-Term Growth



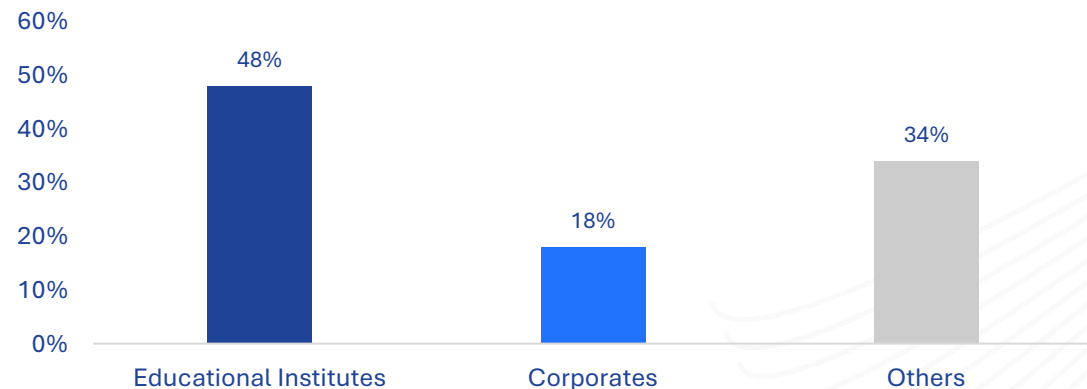
GLOBAL STATIONERY MARKET CONTINUES TO EXPAND AT A 4-5% CAGR OVER THE NEXT DECADE



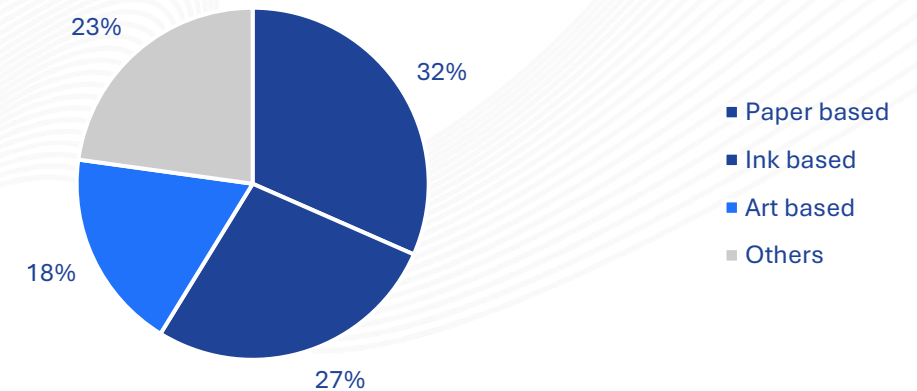
ASIA-PACIFIC (APAC) LEADS THE WAY, HOLDING 33% OF THE GLOBAL MARKET (~\$38 BILLION)



EDUCATION, OFFICE WORK, AND CREATIVE NEEDS REMAIN CONSTANT
STATIONERY PRODUCTS SHARE, BY APPLICATION, 2023



PAPER-BASED STATIONERY DOMINATES (32%)

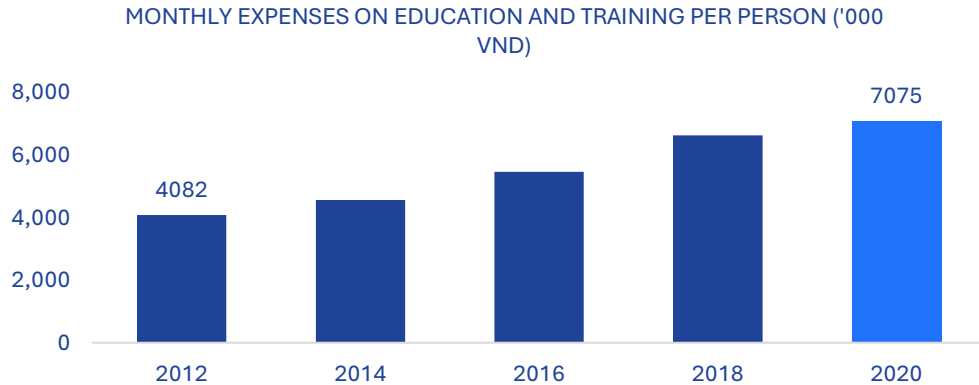


Source: Precedence, Grandresearch, Statista, TLG compiled

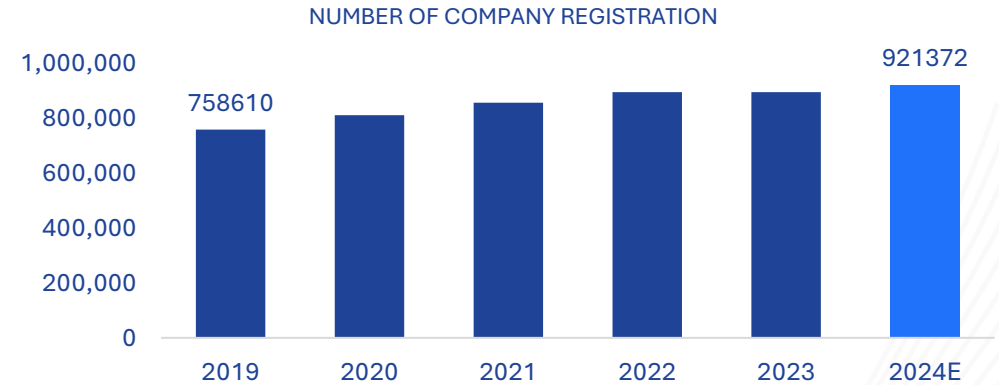
Vietnam's Stationery Market: A Landscape of Untapped Potential



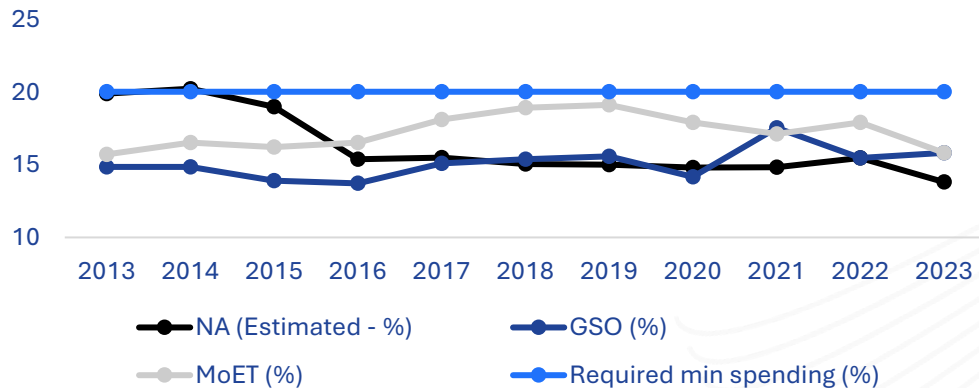
VIETNAM'S GDP IS GROWING AT 6-7% CAGR—DRIVES HIGHER SPENDING ON EDUCATION AND WORKPLACE TOOLS.



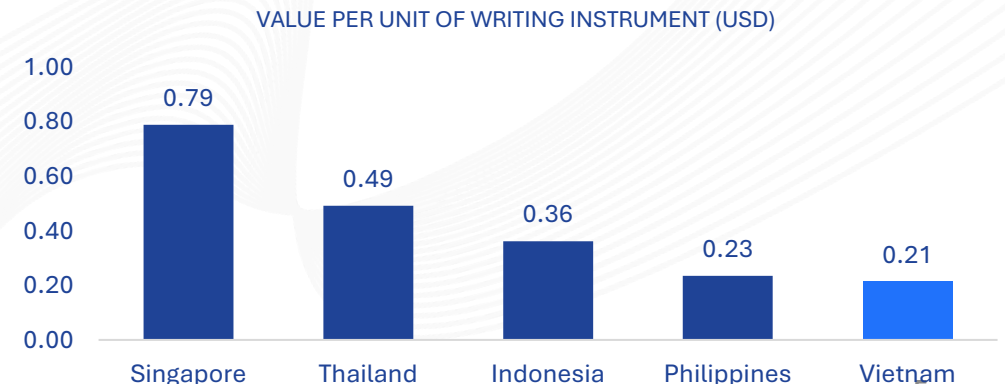
MORE COMPANIES ARE REGISTERING IN VIETNAM THANKS TO TAX INCENTIVES AND GOVERNMENT SUPPORT FOR LOCALIZATION AND MANUFACTURING.



PUBLIC EDUCATION INVESTMENT HAS LAGGED BEHIND GOVERNMENT TARGETS - THERE'S PENT-UP DEMAND FOR QUALITY LEARNING MATERIALS.




STATIONERY PRICES REMAIN LOW COMPARED TO REGIONAL MARKETS, INDICATING UPWARD PRICING POTENTIAL.



Vietnam's Stationery Market: Competitive Landscape Is Highly Fragmented



		Revenue (VND bn)				
Notable players		N/A	< 500	500 – 1000	1000 - 2000	> 2000
Product segment	Premium	Pentel Uni Bitex (Casio)	Campus		Plus	
	Mass	M&G Hai Ha		Hong Ha Hai Tien Thuan Tien		
	Lower Mass			Deli		

International players
Local players

Overview of Thien Long Group



Thien Long Group: A Market Leader for 45 Years



Company name	Thien Long Group Corporation
Establishment	1981
Industry	Manufacturing, Trading Stationery
Ticker	TLG
Exchange	Ho Chi Minh Stock Exchange
Share outstanding	86,453,570 shares
Foreign ownership limit	100%
Market capitalization*	VND5.7tn (USD224mn)
EPS*	VND4,806
Payout ratio	~50% NPAT
Number of employees*	2,977 (including factory workers)

Major Shareholders*

Mr. Co Gia Tho (Chairman)	6.3%
Thien Long An Think Corp.	47.5%
Kim Vietnam Fund Mgmt. Co.,Ltd.	5.1% (From January 2025)
Newell Cayman	5.0% (Exited in August 2024)

*Data as of January 2025

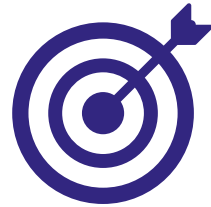


Vision, Mission and Core Values



Core Values

Dedication
Honesty
Diversity and Inclusion
Challenges and Innovation



Mission

Inspires and provides complete and efficient solutions for a happy learning life.



Vision

To become and recognized as No. 1 manufacturing and distributing writing instruments and markers in Southeast Asia

Thien Long at a Glance: Why We Stand Out



ONE OF THE LARGEST, FASTEST GROWING AND MOST PROFITABLE STATIONERY PRODUCTION HOUSES IN VIETNAM

#1

Largest producer and distributor of stationery

2

Factories with a total of 44,200 sqm production area

74

Countries where we are exporting to

12%

2014-2024 PAT CAGR

21%

ROAE*

18

Ranking of the profitability in the world industry**

OFFERING A WIDE RANGE OF PRODUCTS AND SOLUTIONS TO CUSTOMERS OF ALL AGES FOR A LEARNING HAPPY LIFE

Writing Instruments

Ball-point pens, gel pens ranging from mass to premium.

Office Supplies

Markers, file folders and other office tools and solutions for corporates and individual customers.

Art Supplies

Colour markers, crayons, and other art tools and solutions for hobbyist and professional users.

School Supplies

Pencils, pens, scientific calculators, backpacks and all solutions for school students.

MOST LOVED STATIONERY BRAND AMONG VIETNAMESE CONSUMERS***

Brand Awareness

99%

Top Of Mind

60%

vs. 6% for our closest competitor Deli

Brand Used Most Often

61%

Conversion Rate

72%

vs. 30% for our closest competitor Deli

(*) FY2024; (**) Plimsoll data on 133 stationery companies worldwide; (***) Ipsos's survey on 1200 parents, secondary and high school students in Vietnam

Source: TLG, Plimsoll, Ipsos.

GLOCALIZATION – Bridging Local Strengths with Global Opportunities



A LEADING GLOBAL BRAND WITH DOUBLE-DIGIT GROWTH*

GLOCALIZATION

(1) Market leadership in Vietnam as the foundation.

Strengthen GT networks while expanding MT and e-commerce.

(2) Strengthen R&D and Product Innovation

Develop localized product lines while incorporating global design, IP, new technology, and materials.

(3) New Businesses & Strategic Partnerships for Growth

New businesses and strategic partnerships act as a bridge between global and local markets, ensuring a seamless exchange of innovation, expertise, and market opportunities.

(4) Expanding into Global Markets, focusing on Stronghold Regions.

Customizing products for each market to maximize market share (think like the local).
Strategic entry via OEM, ODM, direct sales, and partnerships.

EXPERIENCED LEADERSHIP & HIGH-CALIBER TALENT

ROBUST SUPPLY CHAIN & MANUFACTURING EXCELLENCE

CUTTING-EDGE PRODUCTIVITY & AI-POWERED OPTIMIZATION

SOLID FINANCIAL POSITION WITH 15% ROAA AND 21% ROAE; CASH RESERVE AT 30% OF TOTAL ASSETS

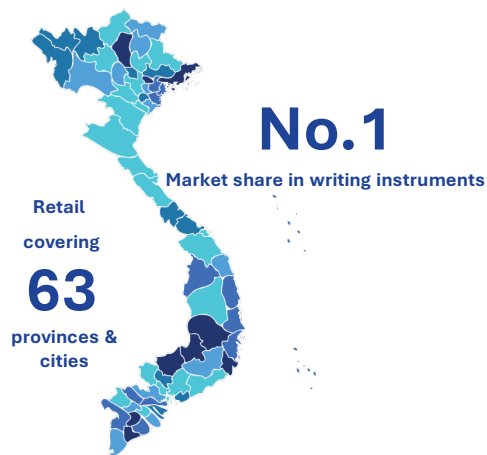
GLOCALIZATION with four key pillars





PILLAR 1: Market leadership in Vietnam as the foundation

DOMESTIC MARKET



GT



MT



B2B



E-COM

GENERAL TRADE

- General Trade (GT) channel included:
 - + 126 Distributors
 - + 600 Salesforce
 - + 55,000 Active Outlets
- Products are distributed in 63/63 provinces, such as stationery stores, bookstores, retail stores, kiosks, etc.,

MODERN TRADE

- Modern Trade (MT) channel included:
 - + Nearly 100 Salesforce
 - + Nearly 3,800 Active Outlets
- Nationwide on supermarkets, bookstore chains, convenience stores, etc.,

B2B

- B2B distribution is provided to banks, companies, factories, hospitals, etc.
- + Nearly 150 Salesforce

ECOMMERCE

- E-commerce channel website: **THIENLONG. VN**
- From 2019, TLG cooperates with major e-commerce platforms in Vietnam, such as Shopee, Lazada, and Tiki, to promote products and online business activities.

Supply Chain process



1. MANUFACTURING



2. DISTRIBUTORS



3. WHOLESALE

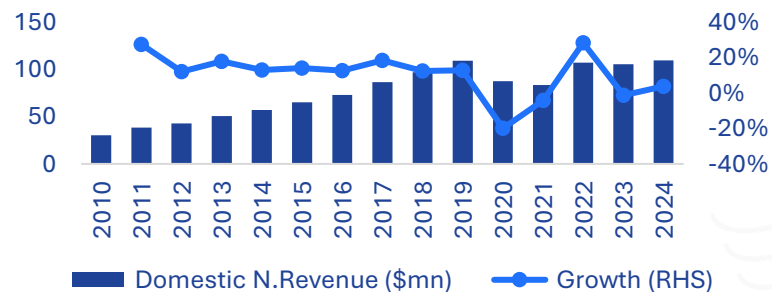


4. RETAILERS

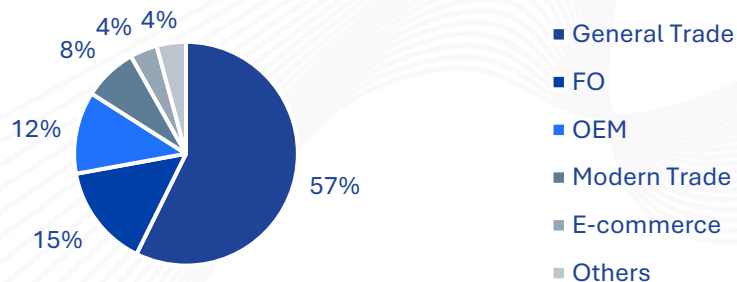


5. CONSUMERS

STEADY REVENUE GROWTH AT 10% CAGR IN 2010 - 24



REVENUE BREAKDOWN BY CHANNELS



Source: TLG, data as of 31 December 2024; FO and OEM are export businesses

PILLAR 2: Strengthen R&D and Product Innovation



45

Years in the industry

61%

Customers often buy our products

1000+

Product types

Writing Instruments

Is the market leader category

1. Writing Instruments



2. Office Supplies



3. School Supplies



4. Art Supplies



PILLAR 2: Strengthen R&D and Product Innovation (Con't)



162

New innovative products in 2024

Develop localized product lines while incorporating global design, IP, new technology, and materials.



Upgraded version



New functions



New packaging



New technology



Eco friendly

PILLAR 2: Strengthen R&D and Product Innovation (Con't)



Taking Local Strengths Global

Leveraging strong domestic R&D and Product team to develop products for going global

Customizing products for each market to **maximize market share**.



Domestic top seller products



Customized color and volume



Customized technology



Customized designs

Taking Local Strengths Global - Technical Excellence

Harnessing strong R&D and engineering capabilities to drive cost-efficient innovation and maintain a **competitive pricing edge**.

Tailoring products to meet specific market and client needs, **enhancing OEM and ODM appeal while optimizing costs for greater scalability and market penetration**.

INK TECHNOLOGY



PLASTIC MOLDING



PEN TIPS



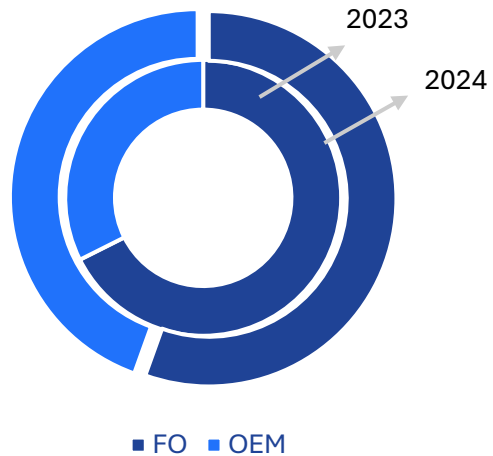
PILLAR 3: New Businesses & Strategic Partnerships for Growth



PILLAR 4: Expanding into Global Markets, focusing on Stronghold Regions



EXPORT REVENUE BREAKDOWN



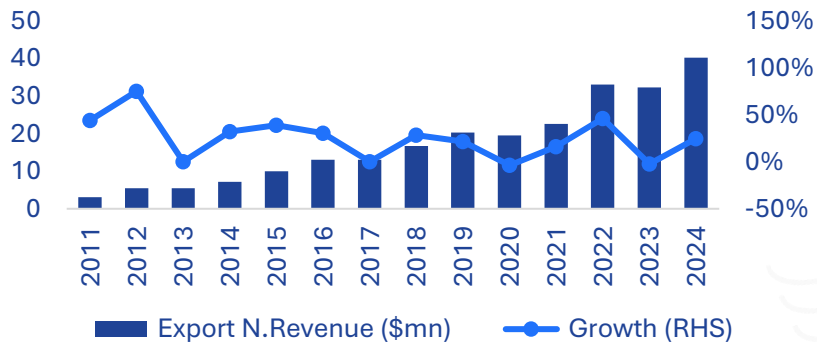
BE PRESENT IN **74** COUNTRIES AND TERRITORIES AROUND THE WORLD



TOP **20%** MOST BUY STATIONERY BRANDS* ON



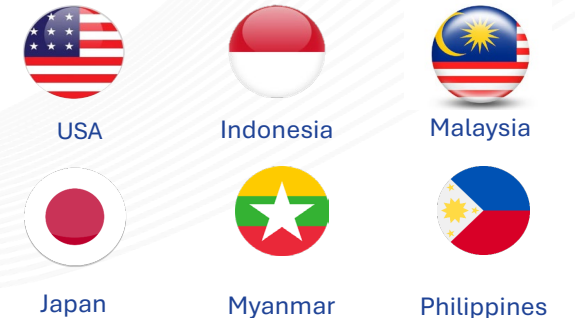
RAPID REVENUE GROWTH AT 23% CAGR IN 2010 - 24



TOP CONTRIBUTION BY REGION IN 2024

ASIA **52%** EU **7%** US **37%**

KEY MARKETS



Source: TLG, data as of 31 December 2024; (*) Most purchase stationery brands in the Back-to-school season on Amazon US

Thien Long Group's Excellent Capabilities And Resources



NAM THIEN LONG FACTORY



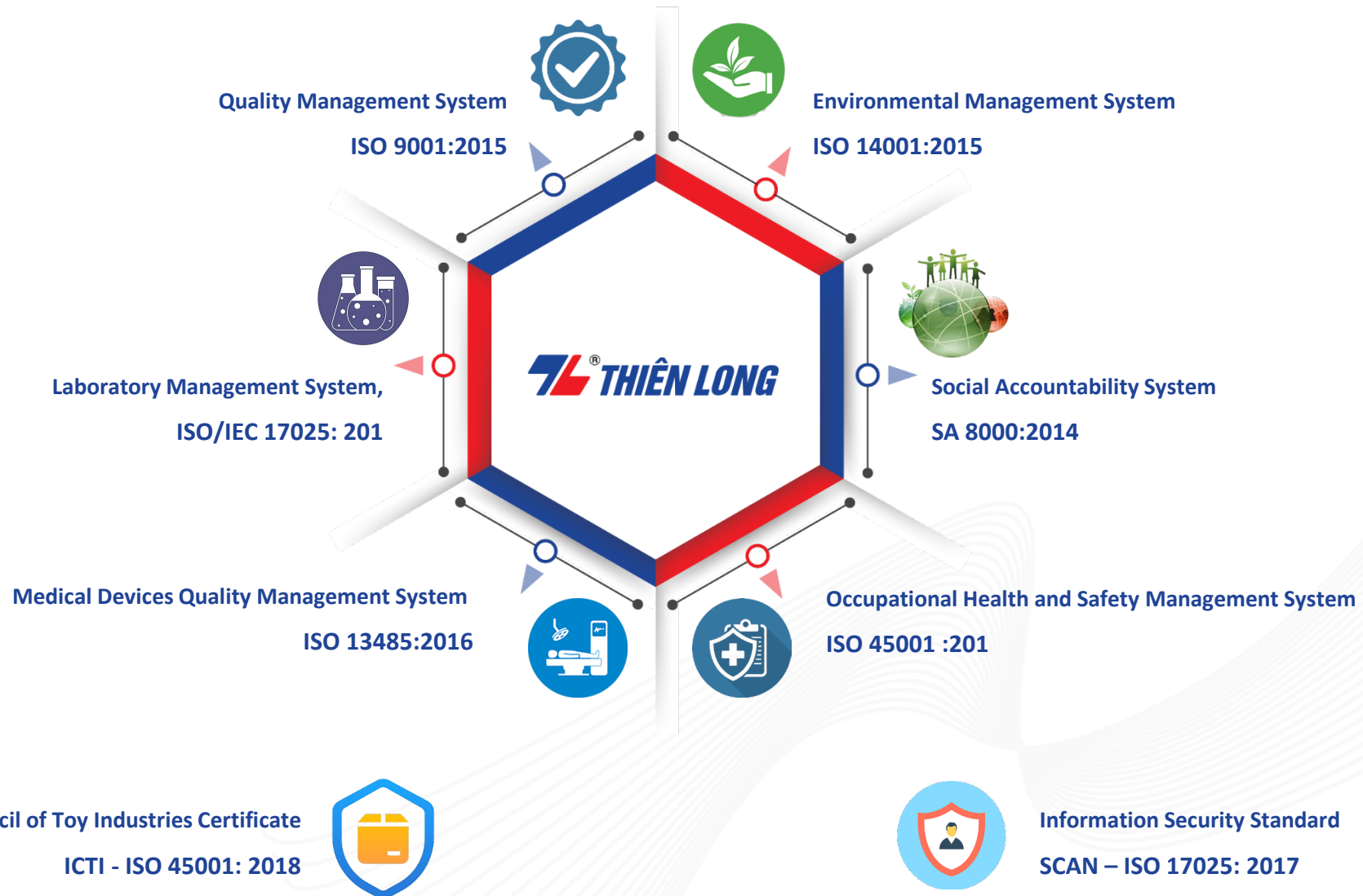
- **LOCATED:** Ho Chi Minh City
- **TOTAL AREA:** 15,750 m²
- **MAIN PRODUCTS:** Writing instruments and School supplies.

THIEN LONG LONG THANH FACTORY

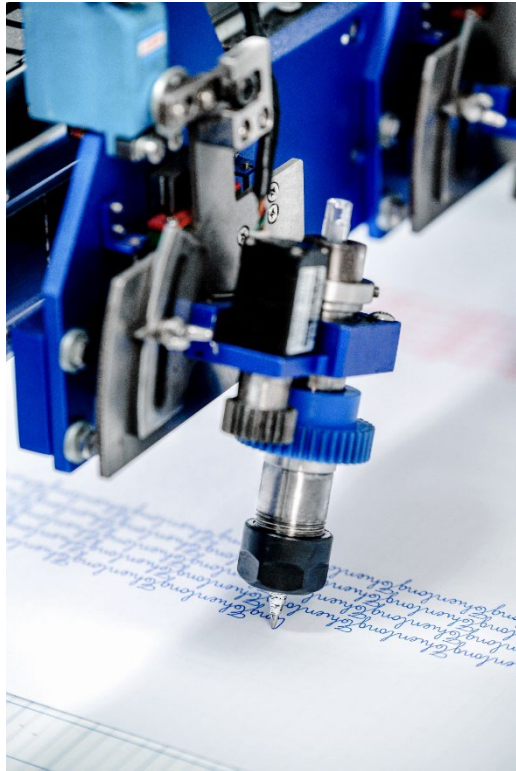


- **LOCATED:** Dong Nai province
- **TOTAL AREA:** 28,450 m²
- **MAIN PRODUCTS:** Office supplies, School supplies, Art supplies and STEAM - DIY products

Robust Supply Chain & Manufacturing Excellence (Con't)



Cutting-edge Productivity & AI-powered Optimization



Seamless End-to-End Data Integration – Utilizing SAP HANA, KingBee, and DMS systems to connect and control data across the entire supply chain, from production to point-of-sale inventory.

AI-Enhanced Decision Making – Leveraging advanced analytics and machine learning to optimize operations, forecast demand, and drive strategic, data-backed decisions for greater efficiency and agility.



The automation rate of South Thien Long was **78.7%** and

Thien Long Long Thanh was **66.1%** at the end of 2024

Financial Highlights



Solid Financial Position: 2024 Results



NET REVENUE

3,759

BILLION DONG
UP **9% YOY**
MET **99% TARGET***

NPAT

460

BILLION DONG
UP **29% YOY**
MET **121% TARGET***

GROSS MARGIN

44.6%

+ 1.2 PPTS YOY

NET MARGIN

12.2%

+90 BPS YOY

ROAE

21%

ROAA

15%

EPS

4,806

DONG
+**16% YOY**

CASH AND EQUIVALENT

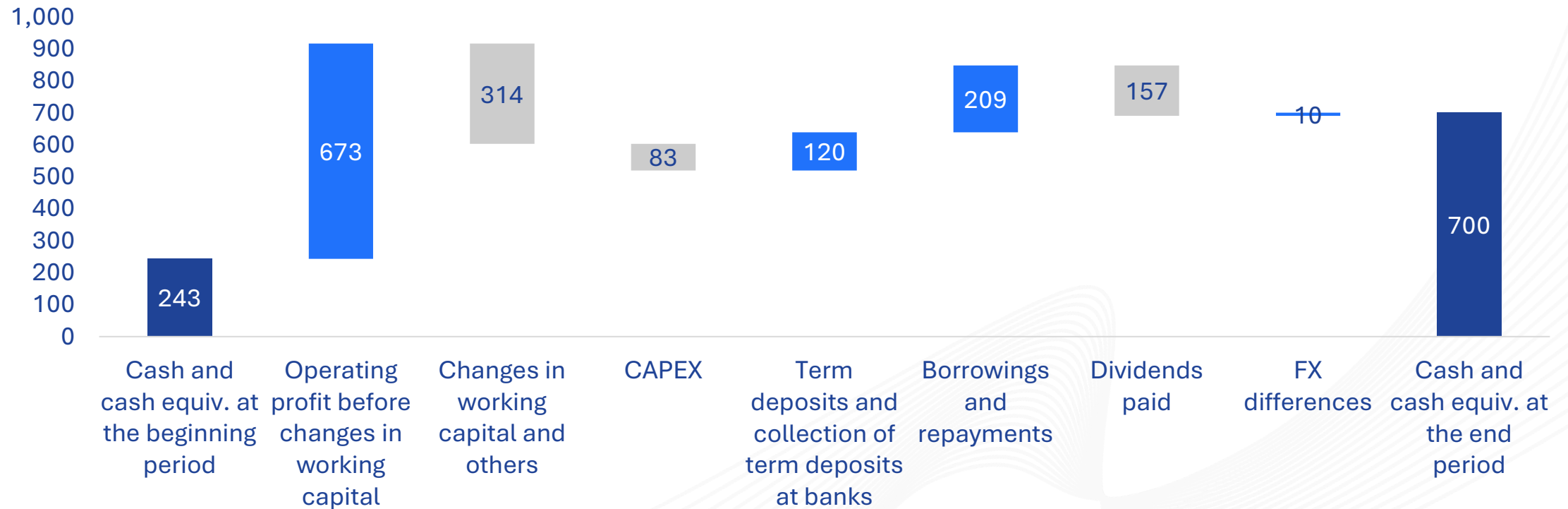
30%

TOTAL ASSETS

Solid Financial Position: 2024 Results (Con't)



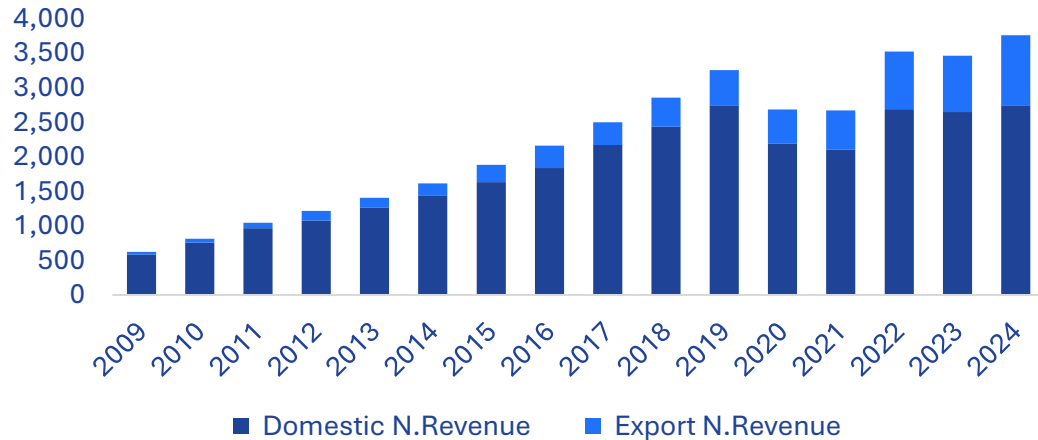
Net cash position (VND bn)



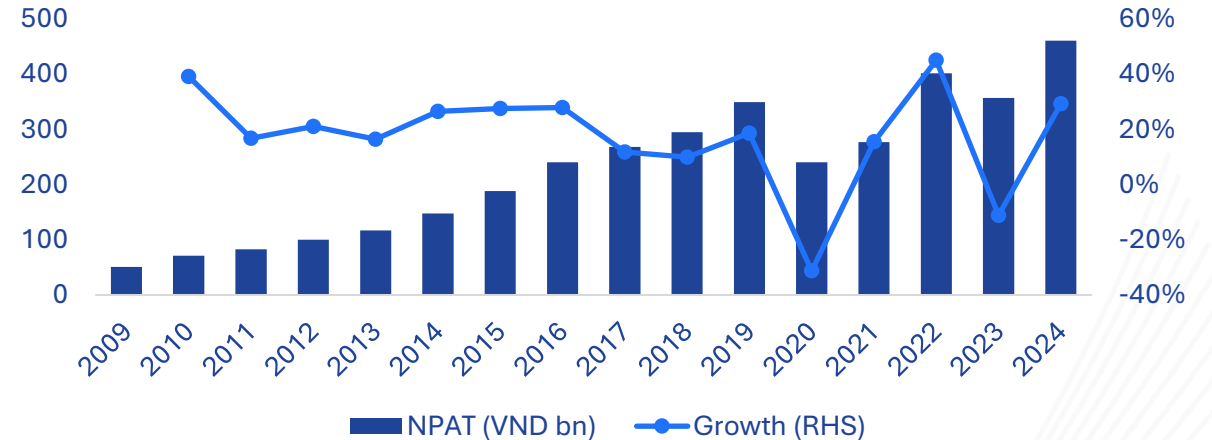
Solid Financial Position (Con't)



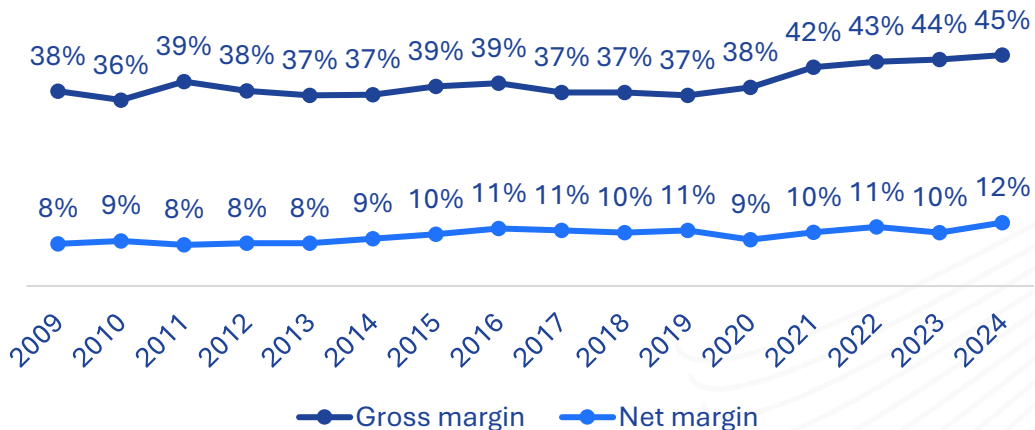
Resilient revenue amid macro challenges (VND bn)



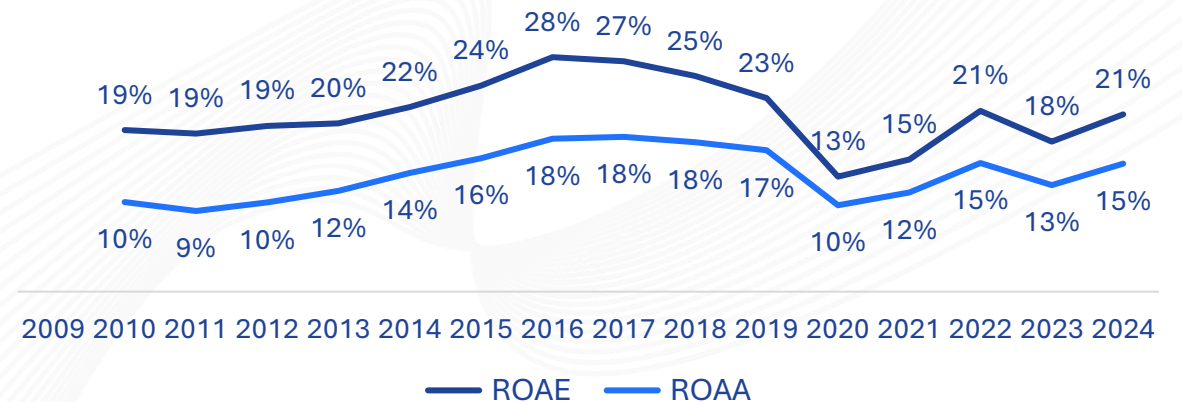
Proven profitability since listed 14% CAGR 2010-24



Gross margin has consistently increased while net margin has remained solid above peers' level



Delivers great results for investors



Source: TLG, data as of 31 December 2009- 2024

Sustainability



Sustainability: A Core Commitment



ACTIVELY REDUCE CO2 EMISSIONS FROM PRODUCTION TO OPERATION



- The two plants have put the solar power system into use, which is expected to generate a total of about 1,548,000 kWh / year. **Reduce about 1,326 tons of CO2 / year** emitted into the environment.
- Replacing and investing in advanced plastic injection machines can **save 40% - 60% of power consumption**.
- Investment in manufacturing and putting into use hot runner injection molds since 2018 has helped **reduce ~20% of scrap plastic in 2023**.
- Promote digital transformation, build internal information systems, browsers, online signing to save signing time, limit the use of paper/ink.

REUSE OF PLASTIC PRODUCTS AND SCRAP PLASTIC



- Reusing recycled plastic in the process of pressing semi-finished products contributes to environmental protection. The amount of scrap plastic reused accounted for nearly **22.2%** of plastic use in 2023.
- Products use plastic materials from PET scrap sources in the environment.
- Reusing ballpoint pens to create unique display models with the theme of Vietnamese landscapes such as One Pillar Pagoda, etc.,

REDUCE PLASTIC USE IN PRODUCTS



Focus on reduce consumption of plastic in production, develop environmentally friendly products, besides ensuring the highest quality and safety:

- Erasable pens
- Erasers made from environmentally friendly plastic.
- The highlight pen with handle and lid of the product uses 60% organic materials according to American standards.
- The product uses rice husk plastic and limestone resin.
- The dough is made from wheat flour and uses environmentally friendly food colors that are safe for consumers.

COMMUNICATION ABOUT ENVIRONMENTAL RESPONSIBILITY



- **"For a green school"** - This is a program that encourages children to collect used pens and school supplies to raise scholarship funds and create meaningful models from plastic waste. After 2 seasons of organization, For a Green School attracted 20,000 students to collect old pens at 30 school sites nationwide.
- Thien Long believes that the duty of educating future generations is the responsibility of all businesses and society.

Q&As





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THANK YOU!

THANK YOU!



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