

Analyst Meeting

Unaudited Financial Statements

As of 30 June 2019





Contents

1

TGroup 2Q19 Performance

2

TBANK 2Q19 Performance

3

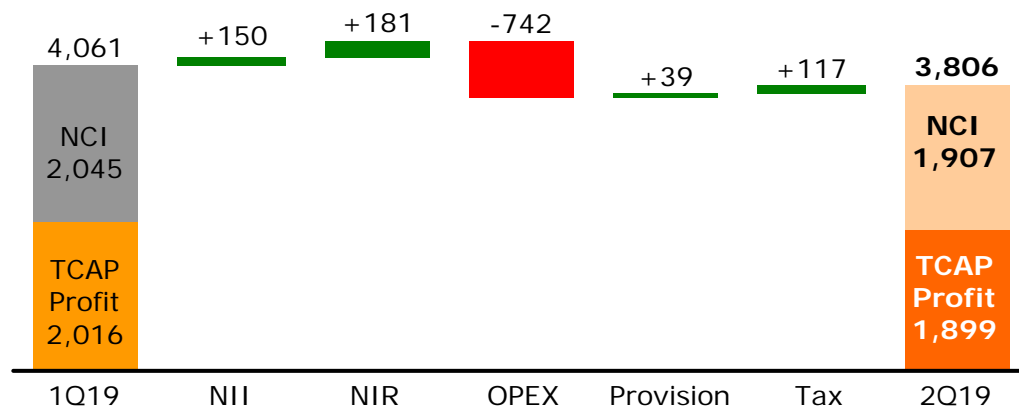
Appendix

TGroup 2Q19 Performance



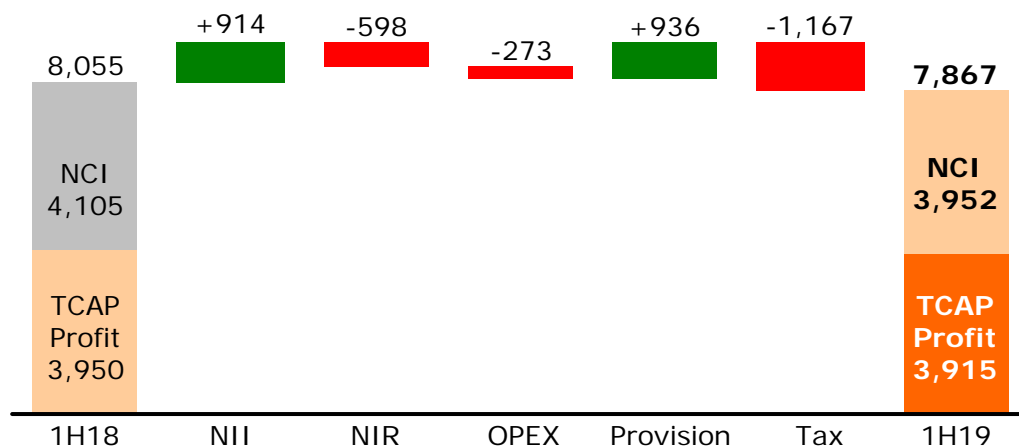
TGroup: Profit Movement

Movement of Total Profit 2Q19 VS 1Q19 (MTHB)



- Group profit decreased 255 MTHB or 6.28%
- TCAP profit decreased 117 MTHB or 5.80%
- NII increased 150 MTHB or 1.89% from higher loan volume and widened spread. Loans grew 0.78% q-q. Spread increased from 2.92% to 2.95%
- NIR increased 181 MTHB or 5.61% from:
 - Higher net fees & service income of 193 MTHB
 - Higher gain on properties foreclosed of 211 MTHB
 - Higher dividend income of 118 MTHB
- OPEX increased 742 MTHB or 14.69% from one-time expenses for retirement pension and severance payment of 755 MTHB
- Provision decreased 39 MTHB or 3.94%
- Tax decreased 117 MTHB

Movement of Total Profit 1H19 VS 1H18 (MTHB)

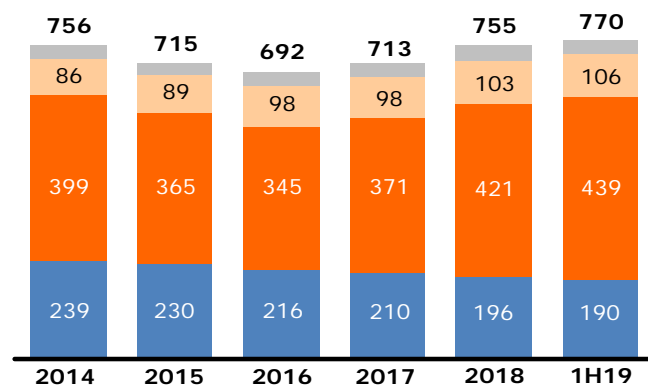


- Group profit decreased 188 MTHB or 2.33%
- TCAP profit decreased 35 MTHB or 0.89%
- NII increased 914 MTHB or 6.06% from higher loan volume and widened spread. Loans grew 6.16% y-y. Spread increased from 2.89% to 2.94%.
- NIR decreased 598 MTHB or 8.27% from:
 - Lower net fees & service income of 311 MTHB
 - Lower gains on investments of 423 MTHB
- OPEX increased 273 MTHB or 2.58% from one-time expenses of 755 MTHB
- Provision decreased 936 MTHB or 32.51%
- Tax increased 1,167 MTHB as TBANK's tax shield was fully utilized by 2Q18

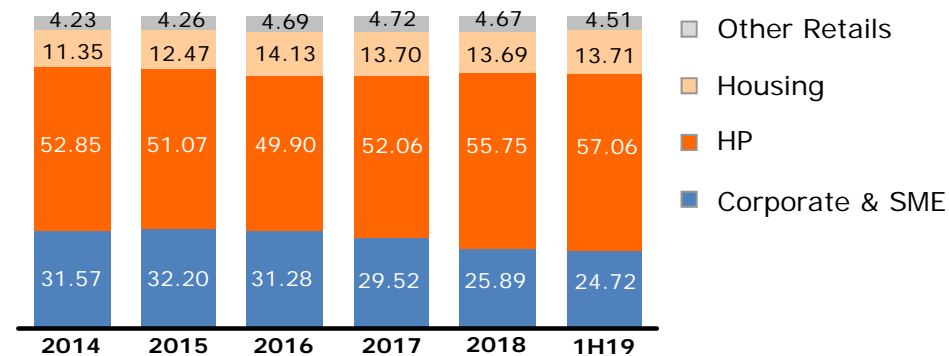


TGroup: Loans Portfolio

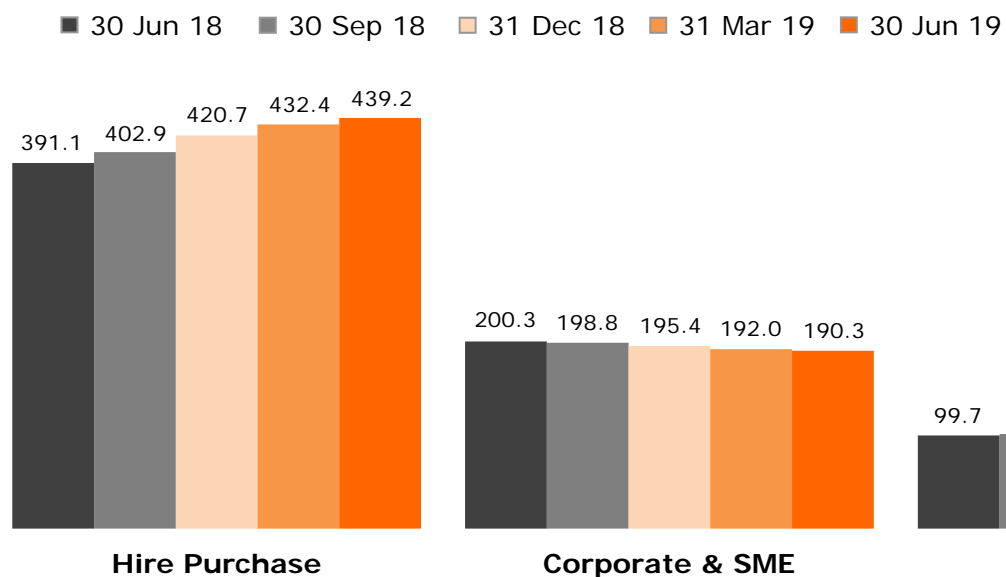
TGroup Loans Breakdown (BTHB)



TGroup Loans Breakdown (Percent)



TGroup Loans Breakdown by Quarter (BTHB)



| Loan Growth (Percent) | Q-Q | Y-Y | YTD |
|-----------------------|-------------|-------------|-------------|
| Hire Purchase | 1.56 | 12.28 | 4.40 |
| Corporate & SME | (0.90) | (4.99) | (2.64) |
| Housing | 0.75 | 5.82 | 2.19 |
| Other Retails | 0.42 | 2.36 | (1.35) |
| Total Loans | 0.78 | 6.16 | 2.01 |

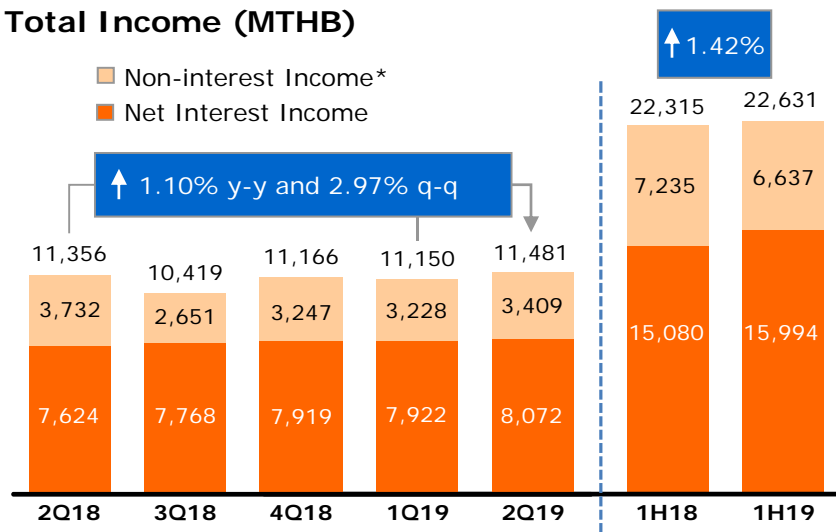
| Loans (MTHB) | 2Q18 | 4Q18 | 1Q19 | 2Q19 |
|--------------------|---------|---------|---------|---------|
| Total Loans | 725,080 | 754,613 | 763,776 | 769,747 |

Source: Company data

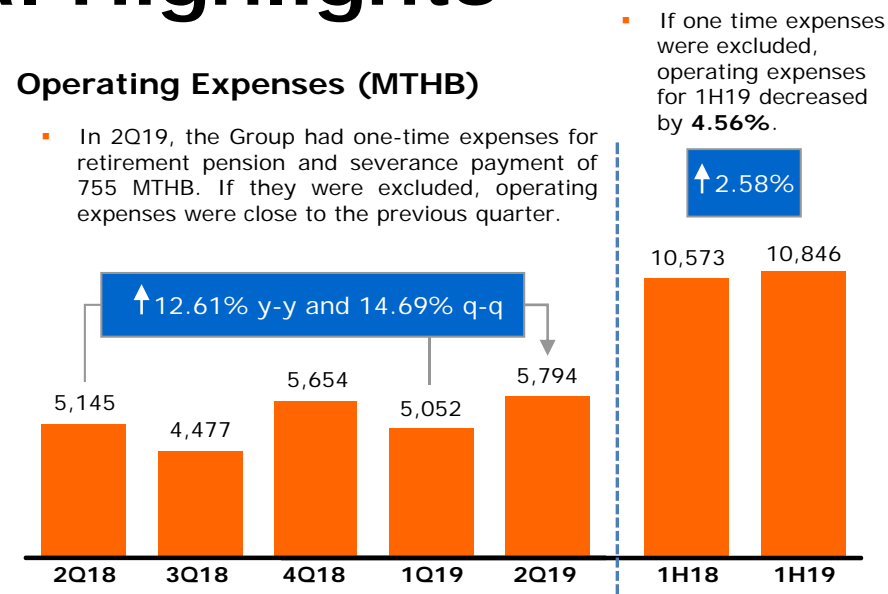


TGroup's Financial Highlights

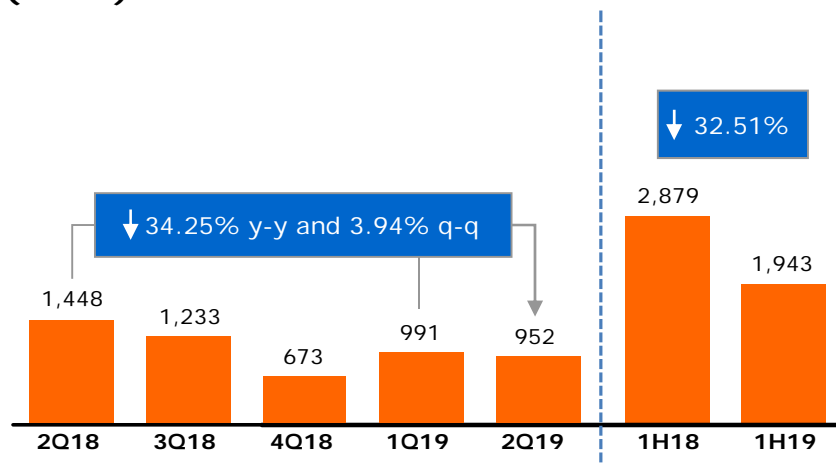
Total Income (MTHB)



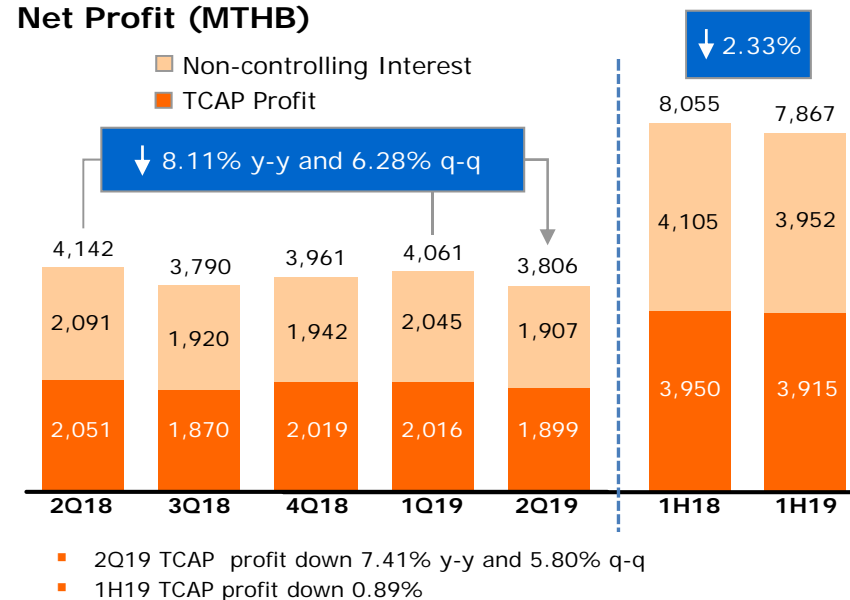
Operating Expenses (MTHB)



Impairment Loss of Loans & Debt Securities (MTHB)



Net Profit (MTHB)

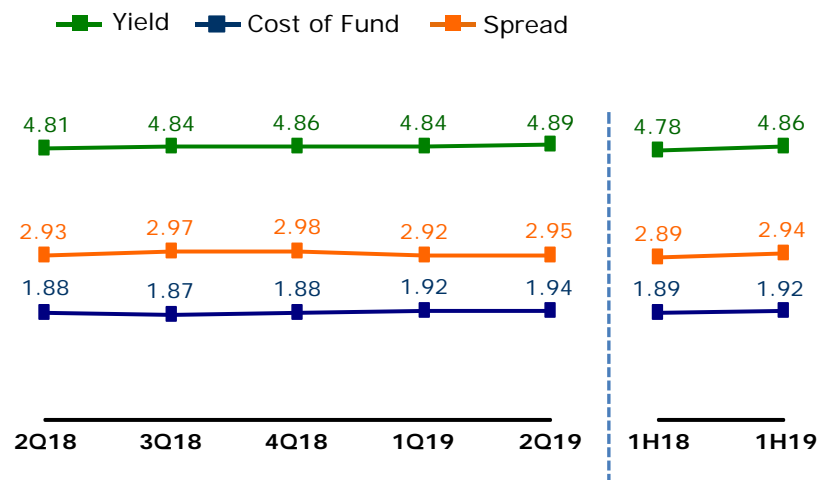


Note: *Net of insurance expenses; Source: Company data

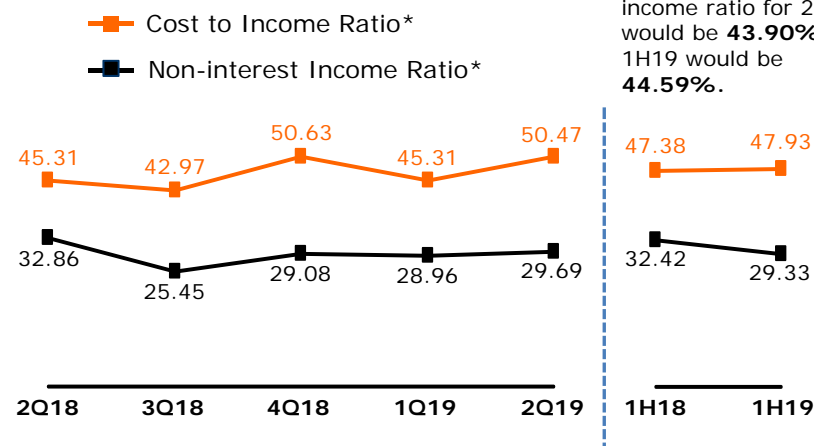


TGroup: Financial Ratios

Yield, COF, and Spread (Percent)

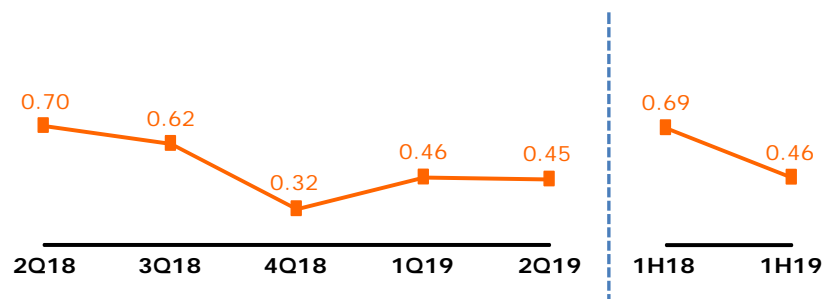


Non-interest Income Ratio (Percent) Cost to Income Ratio (Percent)



■ If one time expenses were excluded, cost to income ratio for 2Q19 would be **43.90%** and 1H19 would be **44.59%**.

Credit Cost (Percent)



Other Key Ratios (Percent)

| Ratios (%) | Quarterly | | | | | Half Yearly | |
|----------------------------|-----------|--------|--------|--------|--------|-------------|-------|
| | 2Q18 | 3Q18 | 4Q18 | 1Q19 | 2Q19 | 1H18 | 1H19 |
| ROAA | 1.63 | 1.48 | 1.53 | 1.53 | 1.42 | 1.58 | 1.48 |
| ROAE** | 12.92 | 11.61 | 12.39 | 12.08 | 11.08 | 12.51 | 11.58 |
| ROAE** – GW ⁽¹⁾ | 15.04 | 13.48 | 14.37 | 13.97 | 12.77 | 14.56 | 13.36 |
| Loan Spread | 3.87 | 3.89 | 3.89 | 3.83 | 3.84 | 3.86 | 3.84 |
| NPL | 2.35 | 2.52 | 2.40 | 2.28 | 2.40 | | |
| Coverage | 128.87 | 125.04 | 120.49 | 120.85 | 114.68 | | |
| LLR / Required Reserve | 163.64 | 159.08 | 153.56 | 151.59 | 144.33 | | |

⁽¹⁾ Goodwill at the end of 2Q19 = 17,867 MTHB

Note: *Net of insurance expenses **Excluding non-controlling interest; Source: Company data



TGroup: Comparison to Targets

| Performance Parameters | | 2017A | 2018A | 2019F | 1H19A |
|------------------------|----------------------------|--------|--------|--------------|--------|
| Profitability | ROAE (excl. NCI) | 11.80% | 12.25% | 12.00-13.00% | 11.58% |
| | ROAE (excl. GW) | 13.85% | 14.23% | | 13.36% |
| | ROAA | 1.45% | 1.54% | > 1.50% | 1.48% |
| | Spread | 2.90% | 2.94% | 2.90-3.00% | 2.94% |
| | Non-interest Income Ratio* | 31.48% | 30.35% | > 30.00% | 29.33% |
| | Cost to Income Ratio* | 48.94% | 47.49% | < 47.00% | 47.93% |
| Loans | Loan Growth | 2.99% | 5.87% | > 5.00% | 2.01% |
| Deposits | CASA Ratio** | 42.92% | 48.50% | 48.00-50.00% | 49.00% |
| Asset Quality | NPL Ratio | 2.40% | 2.40% | < 2.50% | 2.40% |
| | Credit Cost | 0.79% | 0.57% | 0.60-0.70% | 0.46% |
| Capital | TBANK BIS Ratio | 18.94% | 19.45% | > 18.00% | 18.01% |

Note: *Net of insurance expenses **CASA Ratio excludes debt issued and borrowings; Source: Company data

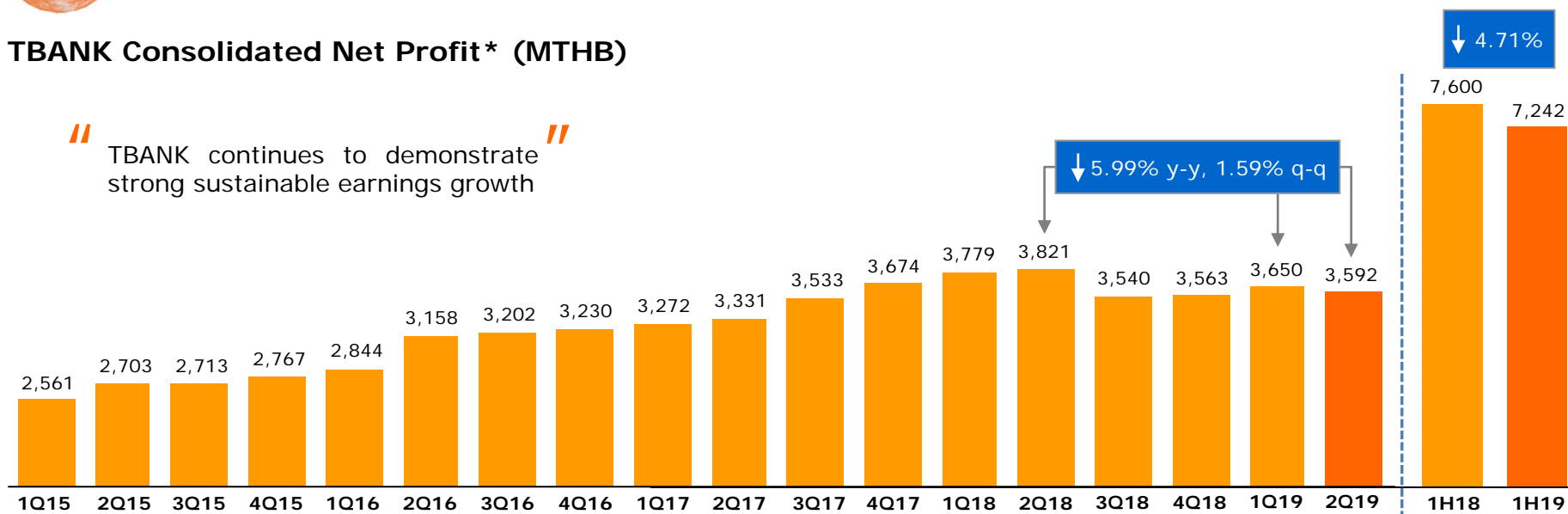
TBANK 2Q19 Performance



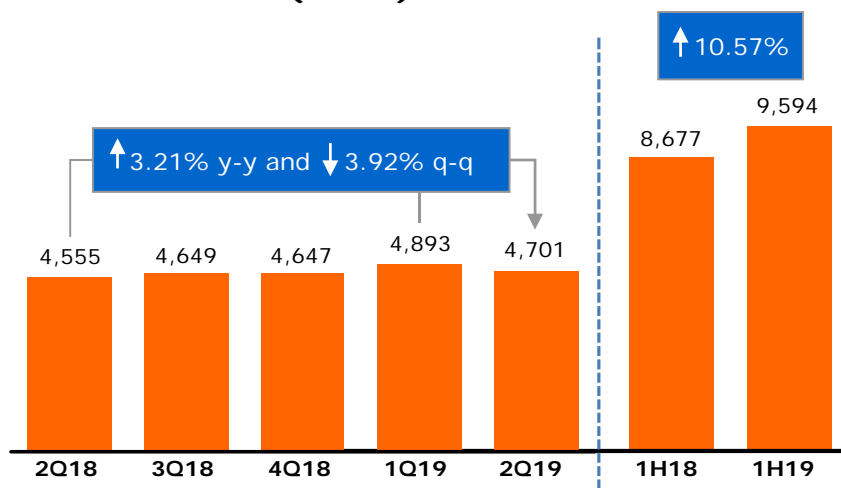
TBANK's Performance

TBANK Consolidated Net Profit* (MTHB)

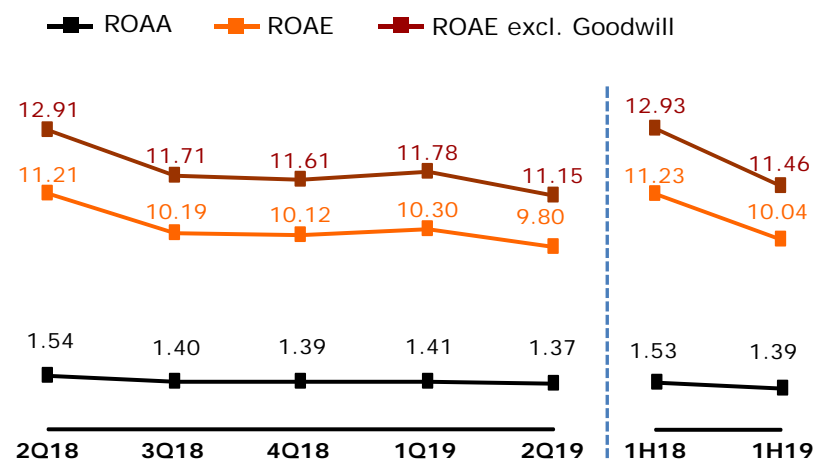
// TBANK continues to demonstrate strong sustainable earnings growth //



Profit before Tax (MTHB)



ROAA & ROAE* (Percent)

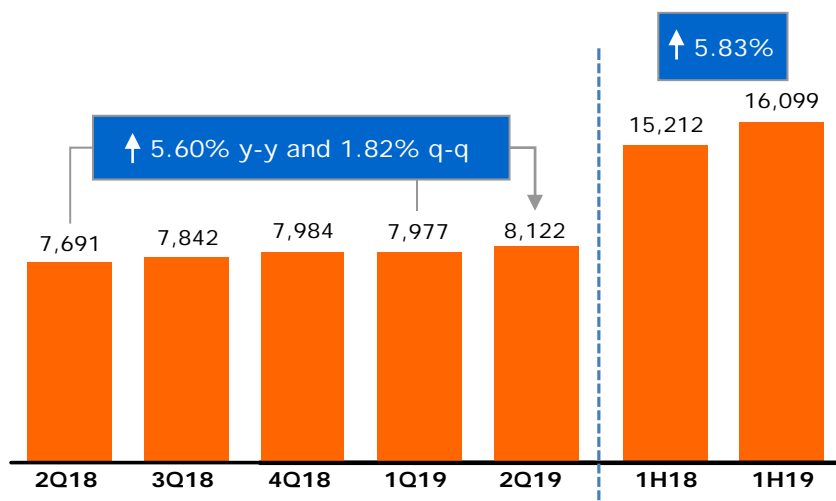


Note: *Excluding non-controlling interest; Source: Company data

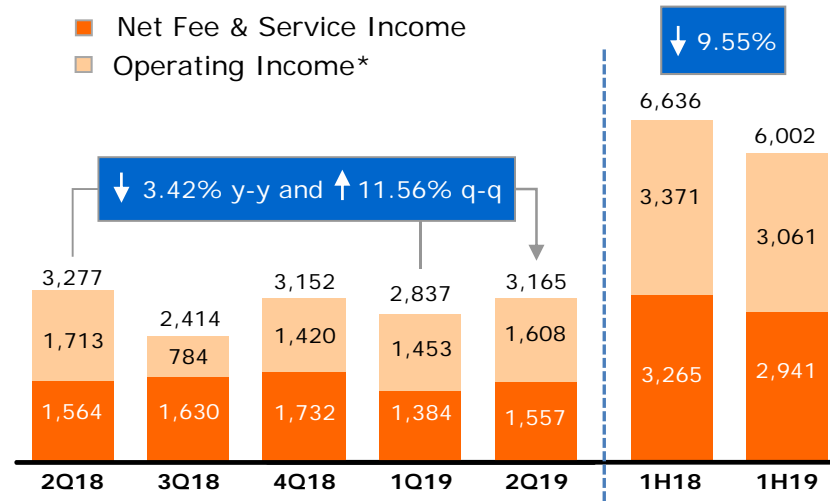


TBANK: Total Income

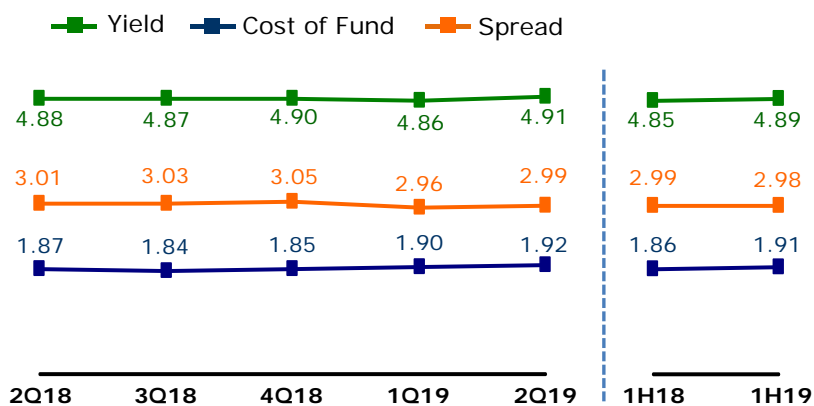
Net Interest Income (MTHB)



Non-interest Income (MTHB)

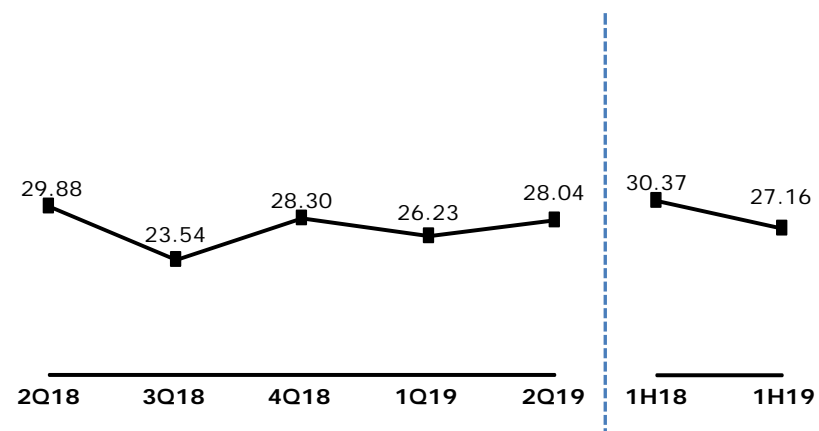


Yield, Cost of Fund, and Spread (Percent)



| NIM (%) | 2Q18 | 3Q18 | 4Q18 | 1Q19 | 2Q19 | 1H18 | 1H19 |
|----------|------|------|------|------|------|------|------|
| TBANK | 3.31 | 3.29 | 3.31 | 3.26 | 3.27 | 3.26 | 3.26 |
| Industry | 3.12 | 3.14 | 3.17 | 3.25 | 3.12 | 3.12 | 3.18 |

Non-interest Income Ratio* (Percent)



Note: *Net of insurance expenses, Source: Company data

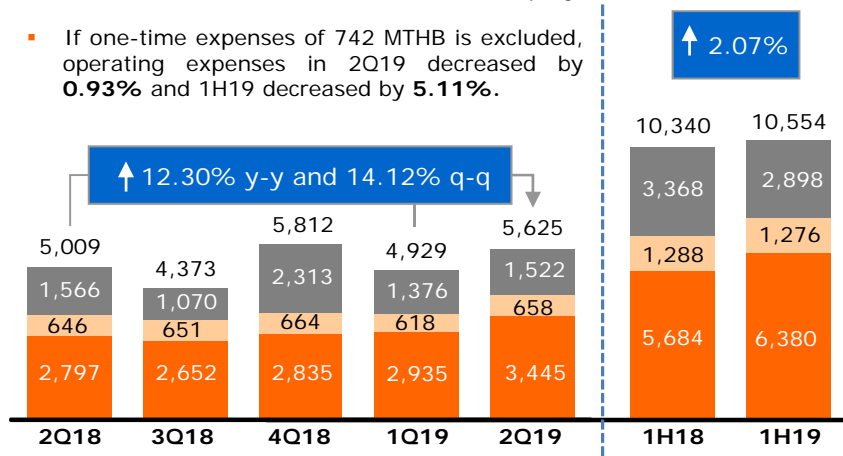


TBANK: OPEX & Provision

Operating Expenses (MTHB)

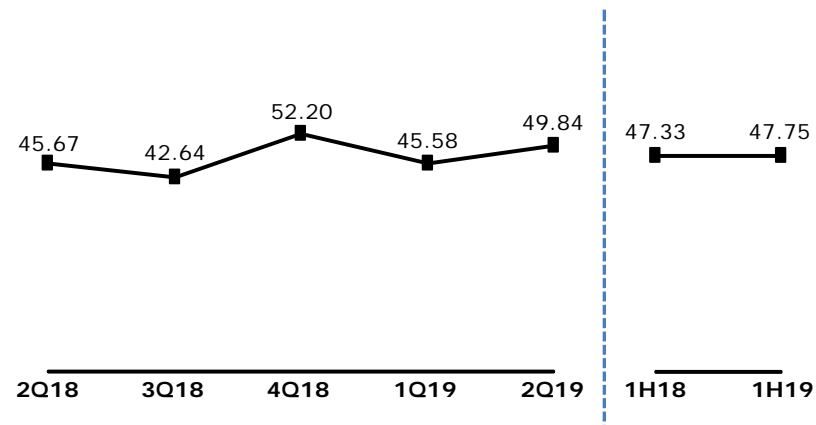
■ Others ■ Premises & Equipment ■ Employee's

- If one-time expenses of 742 MTHB is excluded, operating expenses in 2Q19 decreased by **0.93%** and 1H19 decreased by **5.11%**.

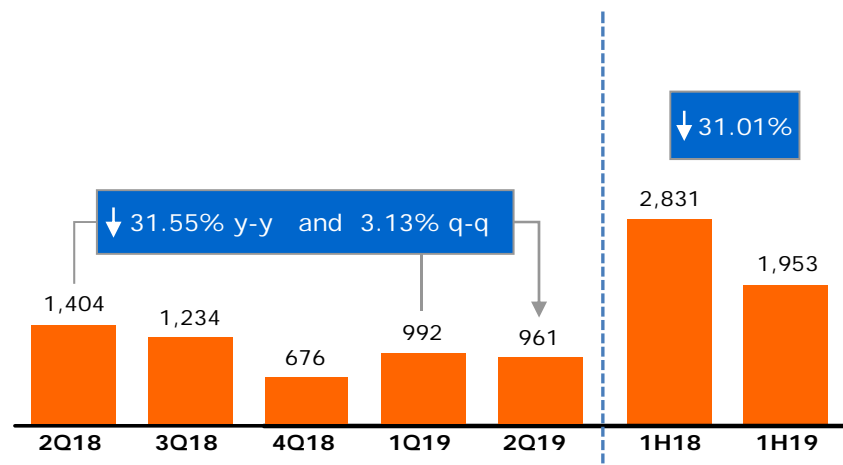


Cost to Income Ratio* (Percent)

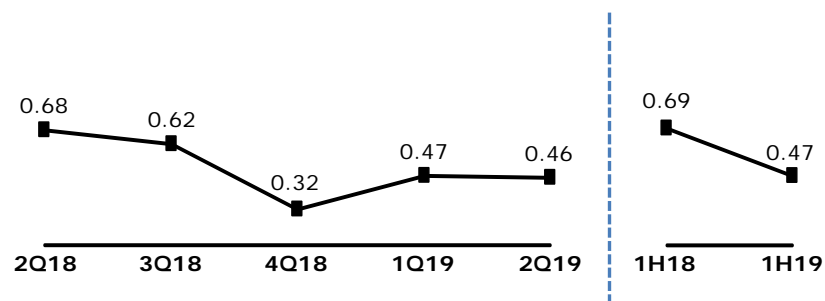
- If one time expenses were excluded, cost to income ratio for 2Q19 would be **43.26%** and 1H19 would be **44.40%**.



Impairment Loss of Loans & Debt Securities (MTHB)



Credit Cost* (Percent)

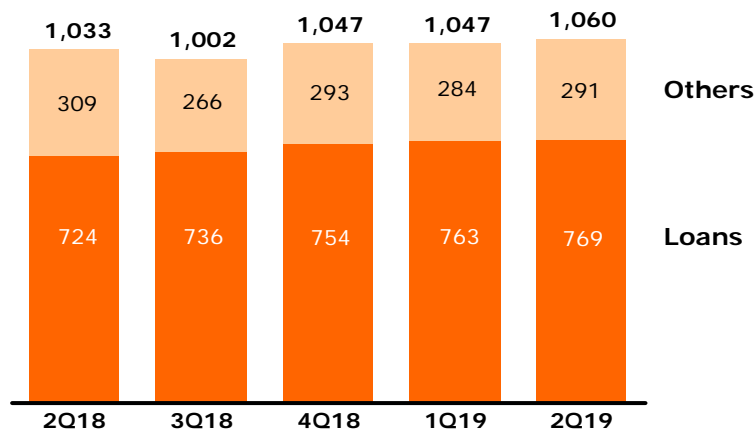


Note: *Net of insurance expenses; Source: Company data

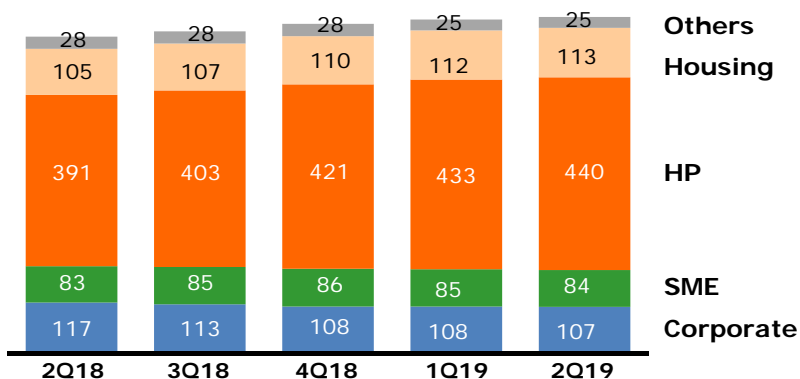


TBANK: Assets

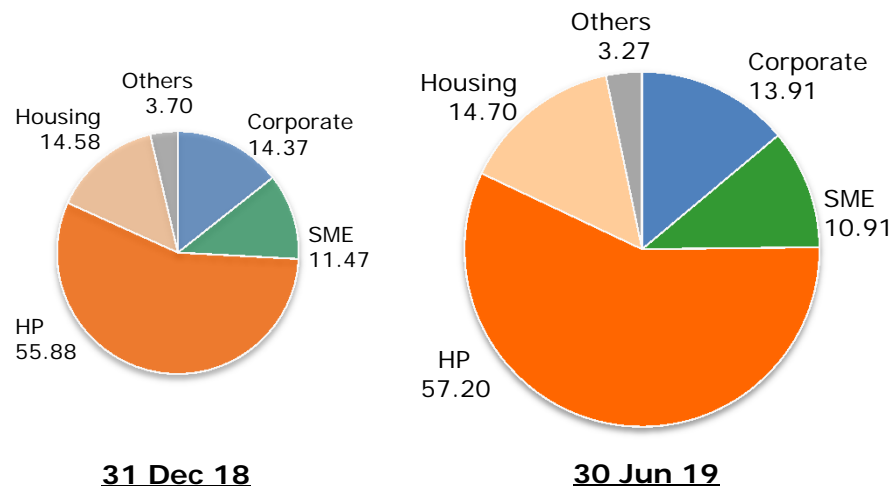
Assets (BTHB)



Loans Breakdown (BTHB)



Loans Breakdown (Percent)



Highlights

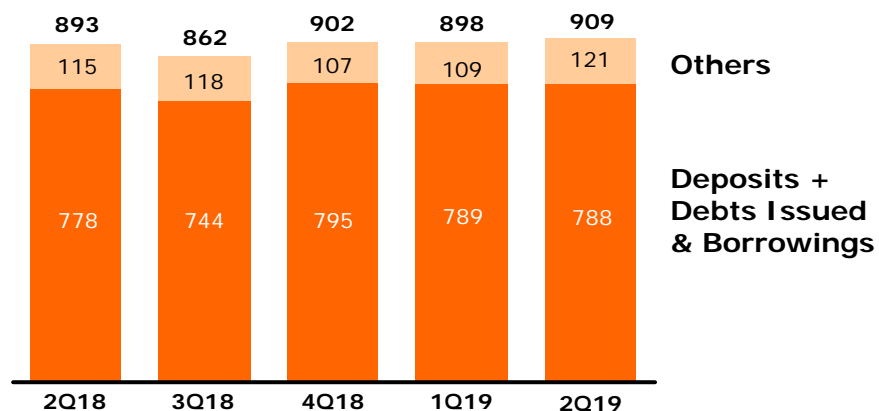
| Percent Growth | Q-Q | YTD | Y-Y |
|----------------|-------------|-------------|-------------|
| Loans | 0.80 | 2.03 | 6.20 |
| HP | 1.60 | 4.45 | 12.38 |
| Housing | 1.06 | 2.82 | 7.37 |
| SME | (1.13) | (2.97) | 1.40 |
| Corporate | (0.76) | (1.23) | (8.14) |

- **HP** at the end of 2Q19 accounted for 57.20% of total loans
- **Retails** at the end of 2Q19 accounted for 75.13% of total loans, up from 73.88% at the end of 2018

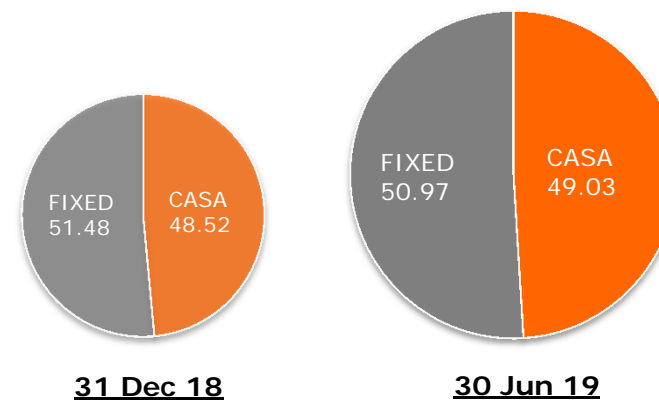


TBANK: Liabilities

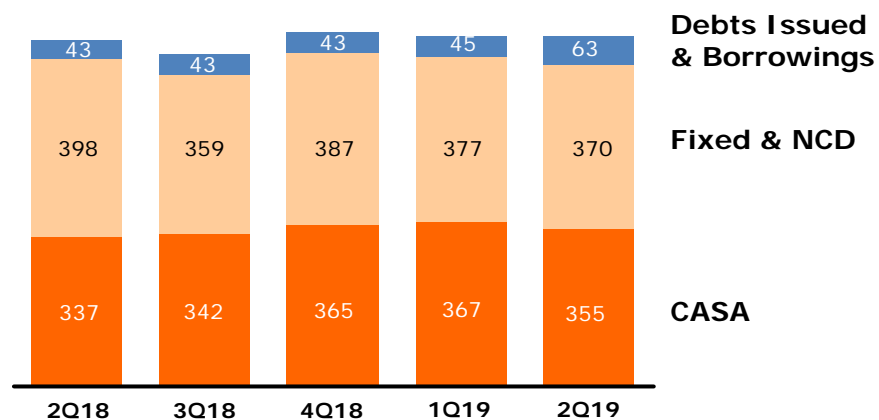
Liabilities (BTHB)



Deposits Breakdown (Percent)



Deposits + Debts Issued & Borrowings (BTHB)



Highlights

Deposits + Debt Issued & Borrowings growth:

| Percent Growth | Q-Q | YTD | Y-Y |
|------------------------------------|--------|--------|--------|
| Deposits +Debt Issued & Borrowings | (0.05) | (0.87) | 1.37 |
| CASA | (3.09) | (2.61) | 5.58 |
| Fixed & NCD | (2.00) | (4.58) | (7.15) |
| Debt Issued & Borrowings | 41.27 | 47.16 | 47.09 |

- CASA at the end of 2Q19** accounted for 49.03%, up from 48.52% at the end of 2018

Moreover, the Bank continued to maintain strong Liquidity Coverage Ratio (LCR) of more than 100% which was much higher than the requirement of the Bank of Thailand

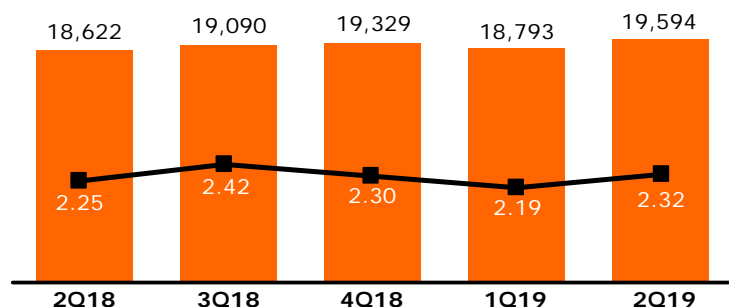


TBANK: NPLs and Reserve

TBANK's NPL vs. NPL to Total Loans

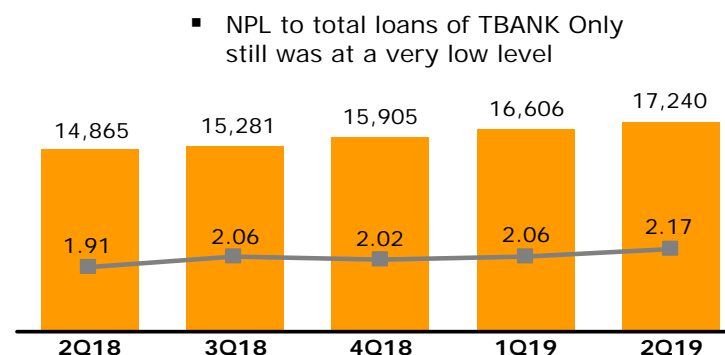
TBANK Consolidated

■ NPL (MTHB) ■ NPL to Total Loans (%)



TBANK Only

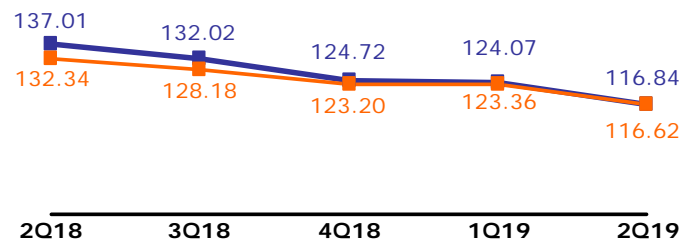
■ NPL (MTHB) ■ NPL to Total Loans (%)



■ NPL to total loans of TBANK Only still was at a very low level

Coverage Ratio (Percent)

■ TBANK Consol. ■ TBANK Only



Reserve (MTHB)

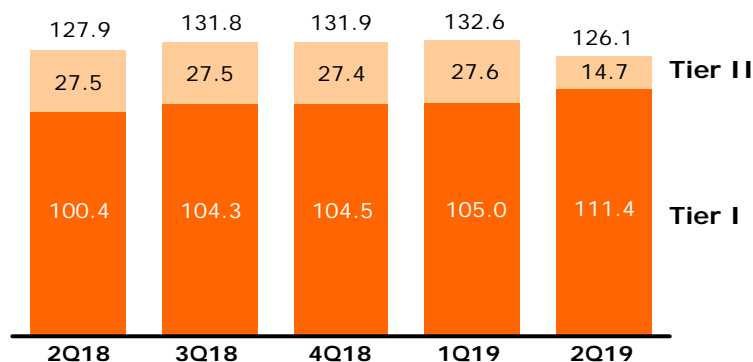
| TBANK (Consol.) | 2Q18 | 3Q18 | 4Q18 | 1Q19 | 2Q19 |
|--|--------|--------|--------|--------|--------|
| Reserve | 24,645 | 24,469 | 23,812 | 23,183 | 22,851 |
| Excess Reserve | 9,769 | 9,234 | 8,439 | 8,021 | 7,113 |
| Reserve to Required Reserve by BOT (%) | 165.67 | 160.61 | 154.90 | 152.90 | 145.20 |

| TBANK Only | 2Q18 | 3Q18 | 4Q18 | 1Q19 | 2Q19 |
|--|--------|--------|--------|--------|--------|
| Reserve | 20,367 | 20,174 | 19,837 | 20,603 | 20,144 |
| Excess Reserve | 9,172 | 8,591 | 7,820 | 7,932 | 7,027 |
| Reserve to Required Reserve by BOT (%) | 181.93 | 174.16 | 165.07 | 162.60 | 153.58 |

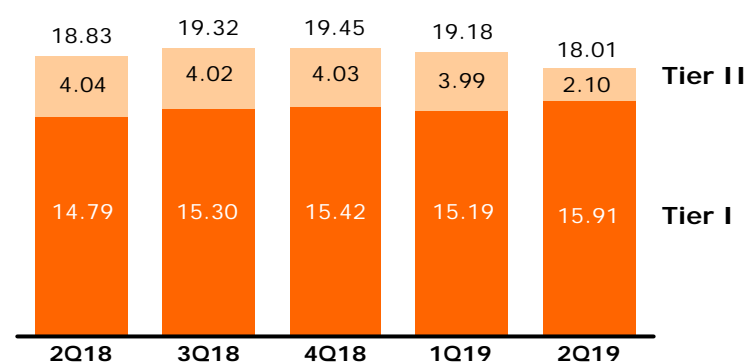


Capital Adequacy

TBANK's Capital (Solo Basis) (BTHB)

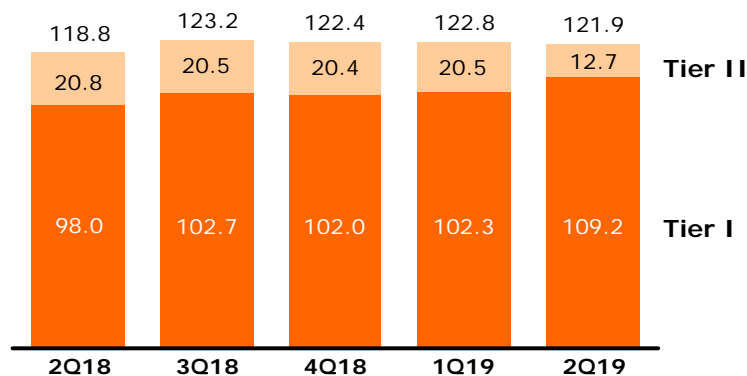


TBANK's BIS Ratio (Solo Basis) (Percent)

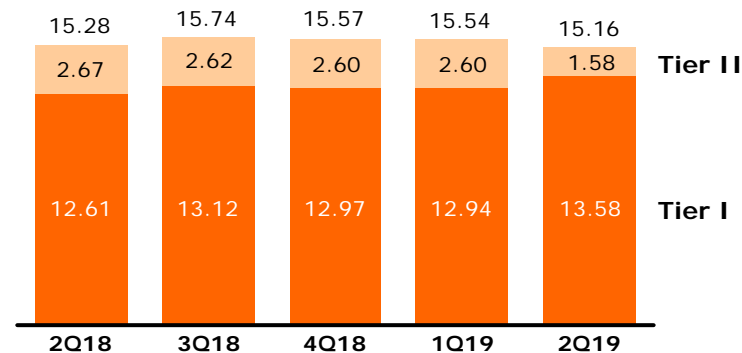


In 2Q19, TBANK's Tier I increased from changing its accounting policy for recording the value of premises from cost method to revaluation method and TBANK's Tier II decreased from early redemption of 13,000 MTHB subordinated instruments.

TCAP's Capital (Full Consol.) (BTHB)



TCAP's BIS Ratio (Full Consol.) (Percent)



On consolidated level, TCAP's BIS Ratio is considered strong and sufficient to expand its business in long run.



THANACHART GROUP

Appendix



Detailed TGroup's Financial Info.

| Consolidated statements of comprehensive income | 2Q18 | 3Q18 | 4Q18 | 1Q19 | 2Q19 | 1H18 | 1H19 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Interest income | 11,542 | 11,742 | 11,945 | 12,064 | 12,321 | 22,872 | 24,385 |
| Interest expenses | 3,918 | 3,974 | 4,026 | 4,142 | 4,249 | 7,792 | 8,391 |
| Net interest income | 7,624 | 7,768 | 7,919 | 7,922 | 8,072 | 15,080 | 15,994 |
| Fees and service income | 2,439 | 2,526 | 2,671 | 2,368 | 2,448 | 5,047 | 4,816 |
| Fees and service expenses | 867 | 883 | 934 | 981 | 868 | 1,769 | 1,849 |
| Net fees and service income | 1,572 | 1,643 | 1,737 | 1,387 | 1,580 | 3,278 | 2,967 |
| Gain on tradings and foreign exchange transactions | 15 | 31 | 112 | 162 | 208 | 167 | 370 |
| Gain on Investment | 393 | (500) | 99 | 325 | 112 | 860 | 437 |
| Share of income from investment in associated | 101 | 175 | 189 | 59 | 81 | 179 | 140 |
| Dividend income | 250 | 95 | 63 | 119 | 237 | 344 | 356 |
| Insurance premium income | 1,894 | 1,921 | 2,054 | 1,974 | 1,904 | 3,826 | 3,878 |
| Other operating income | 636 | 485 | 394 | 553 | 595 | 974 | 1,138 |
| Total operating income | 12,485 | 11,618 | 12,567 | 12,491 | 12,789 | 24,708 | 25,280 |
| Insurance expenses | 1,129 | 1,199 | 1,401 | 1,341 | 1,308 | 2,393 | 2,649 |
| Net operating income | 11,356 | 10,419 | 11,166 | 11,150 | 11,481 | 22,315 | 22,631 |
| Personnel expenses | 2,856 | 2,716 | 2,897 | 2,997 | 3,519 | 5,800 | 6,516 |
| Premises and equipment expenses | 653 | 657 | 670 | 626 | 663 | 1,302 | 1,289 |
| Taxes and duties | 187 | 183 | 183 | 182 | 177 | 367 | 359 |
| Directors' remuneration | 65 | 12 | 13 | 16 | 68 | 77 | 84 |
| Other expenses | 1,384 | 909 | 1,891 | 1,231 | 1,367 | 3,027 | 2,598 |
| Total operating expenses | 5,145 | 4,477 | 5,654 | 5,052 | 5,794 | 10,573 | 10,846 |
| Impairment loss of loans and debt securities | (1,448) | (1,233) | (673) | (991) | (952) | (2,879) | (1,943) |
| Profit before corporate income tax | 4,763 | 4,709 | 4,839 | 5,107 | 4,735 | 8,863 | 9,842 |
| Income Tax | (621) | (919) | (878) | (1,046) | (929) | (808) | (1,975) |
| Profit for the period | 4,142 | 3,790 | 3,961 | 4,061 | 3,806 | 8,055 | 7,867 |
| Net profit of the Company | 2,051 | 1,870 | 2,019 | 2,016 | 1,899 | 3,950 | 3,915 |

| Consolidated statements of financial position | 31-Dec-18 | 30-Jun-19 |
|---|------------------|------------------|
| Cash | 11,022 | 8,760 |
| Interbank and money market items-interest | 91,305 | 81,928 |
| Interbank and money market items-no interest | 7,812 | 7,607 |
| Net Interbank and MM | 99,117 | 89,535 |
| Net investments | 170,437 | 175,886 |
| Net Investment in associated companies | 3,027 | 3,256 |
| Loans and receivables | 820,771 | 839,553 |
| Accrued interest receivables | 657 | 636 |
| Deferred revenue | (66,158) | (69,806) |
| Allowance for doubtful accounts | (24,145) | (23,121) |
| Net loans and accrued interest receivables | 731,125 | 747,262 |
| Properties foreclosed - net | 4,822 | 5,756 |
| Intangible assets - net | 1,850 | 1,660 |
| Goodwill | 17,799 | 17,867 |
| Other assets | 21,730 | 28,543 |
| Total assets | 1,060,929 | 1,078,525 |
| Deposits | 751,917 | 724,523 |
| Interbank and money market items-interest | 70,619 | 79,414 |
| Interbank and money market items-no interest | 1,304 | 1,183 |
| Net interbank and money market items | 71,923 | 80,597 |
| Debt issued and borrowings | 55,013 | 79,128 |
| Insurance contract liabilities | 14,062 | 13,866 |
| Other liabilities | 30,096 | 34,978 |
| Total liabilities | 923,011 | 933,092 |
| Company shareholders' equity | 65,735 | 69,592 |
| Non-controlling interest | 72,183 | 75,841 |
| Shareholders' equity | 137,918 | 145,433 |
| Total liabilities & shareholders' equity | 1,060,929 | 1,078,525 |

Source: Company data



Subsidiaries Performance

| Subsidiaries | % held | Net Profit (MTHB) | | | | | | |
|--|---------|-------------------|-------|-------|-------|-------|-------|-------|
| | | 2Q18 | 3Q18 | 4Q18 | 1Q19 | 2Q19 | 1H18 | 1H19 |
| Thanachart Bank Pcl. (Consolidated) | | 3,821 | 3,540 | 3,563 | 3,650 | 3,592 | 7,600 | 7,242 |
| Thanachart Securities Pcl. | 50.96% | 116 | 133 | 95 | 99 | 1,437 | 365 | 1,536 |
| Thanachart Fund Management | 38.22% | 170 | 166 | 147 | 147 | 138 | 342 | 285 |
| Thanachart Insurance Pcl. | 50.96% | 276 | 257 | 235 | 278 | 805 | 550 | 1,083 |
| TS AMC | 50.96% | 121 | 49 | 71 | 251 | 1 | 117 | 252 |
| Ratchthani Leasing Pcl. | 33.22% | 391 | 431 | 455 | 477 | 480 | 755 | 957 |
| NFS AMC | 100.00% | 30 | (5) | (5) | 111 | 19 | 24 | 130 |
| MAX AMC | 83.44% | 125 | (2) | 32 | 139 | (4) | 171 | 135 |
| MBK Life Assurance Pcl. * | 51.00% | 40 | (12) | (67) | (30) | (31) | 16 | (61) |



Investor Relations

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Website: <http://www.thanachart.co.th/ir.html>



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