



Analyst Meeting

Reviewed Financial Statements

As of 31 March 2020



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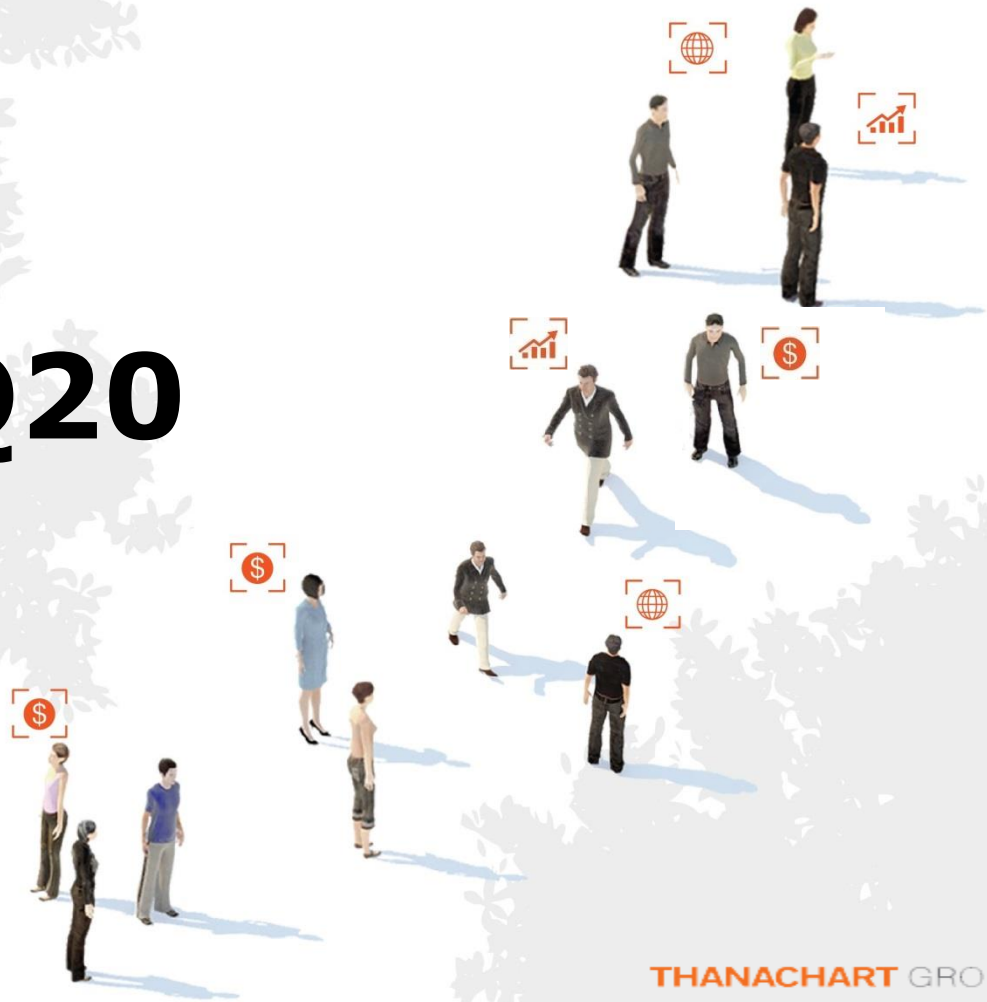
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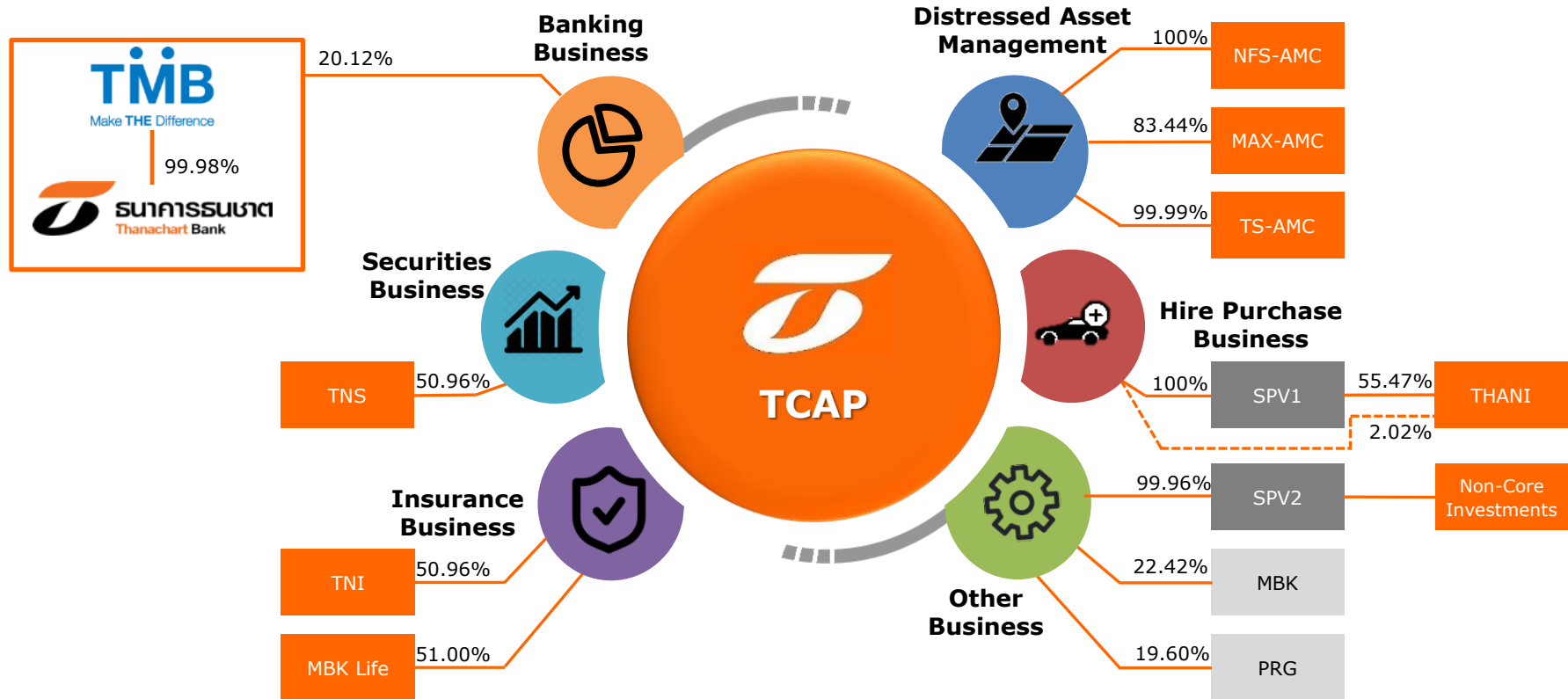
TGROUP 1Q20 Highlights





TCAP's Shareholding Structure

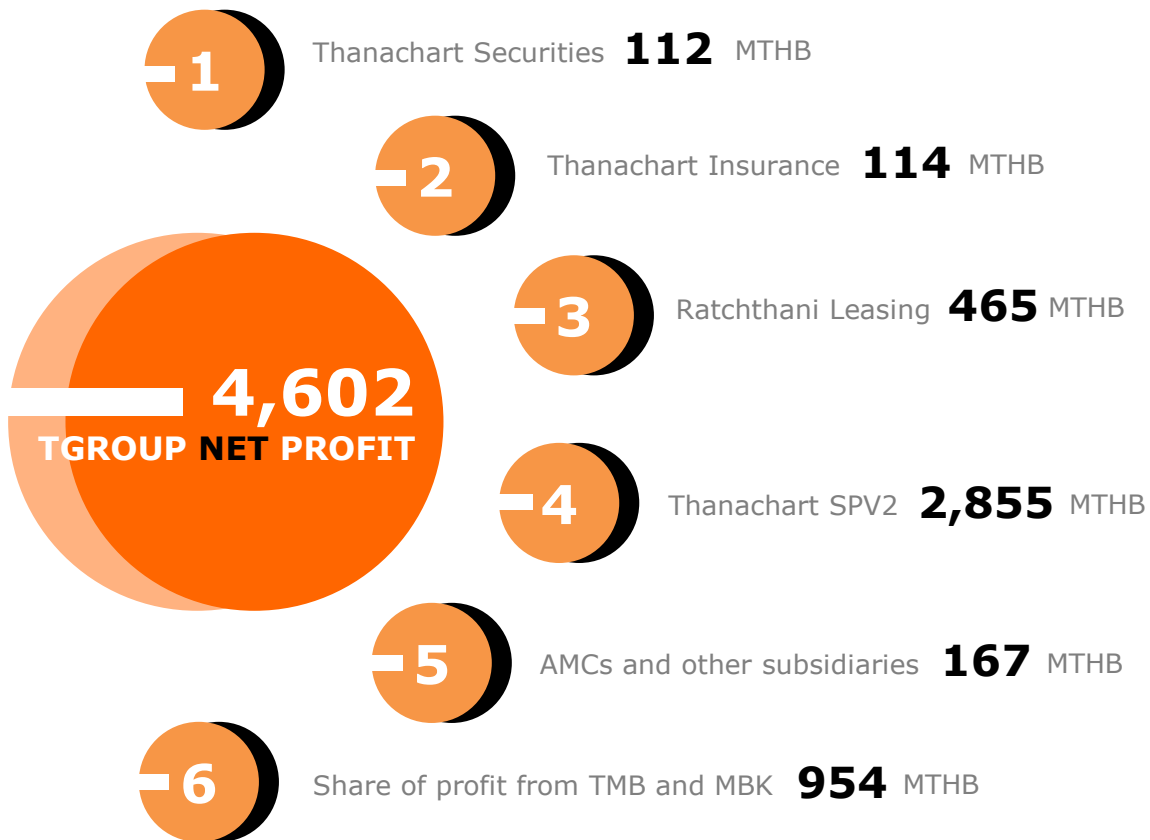
As of 31 March 2020



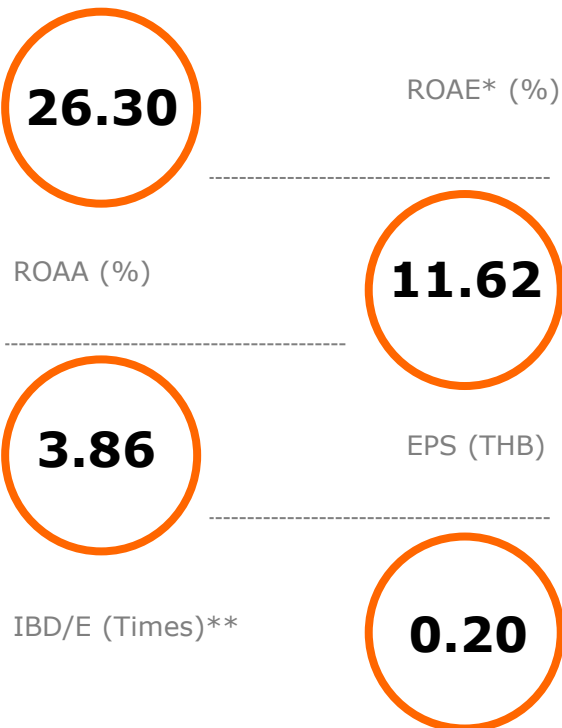
Note: Non-Core Investments include, Seacon Pcl, Thanachart Group Leasing, Thanachart Training & Development, Security Scib Services, and Thanachart Management & Service; Source: Company data



1Q20 Financial Highlights



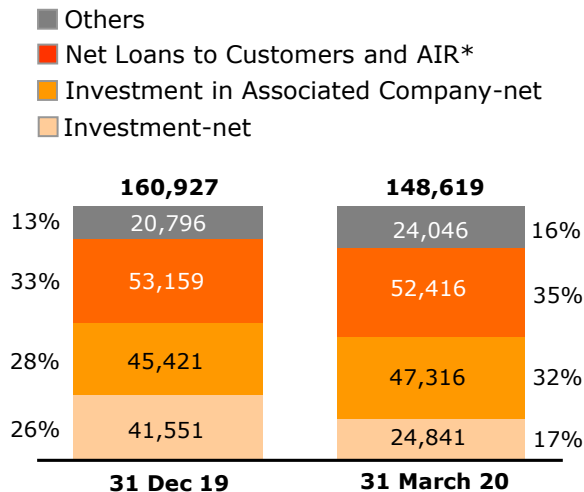
TCAP Net Profit **4,316** MTHB



Note: *Excluding non-controlling interest; **Standalone Interest Bearing Debt to Equity Ratio; Source: Company data

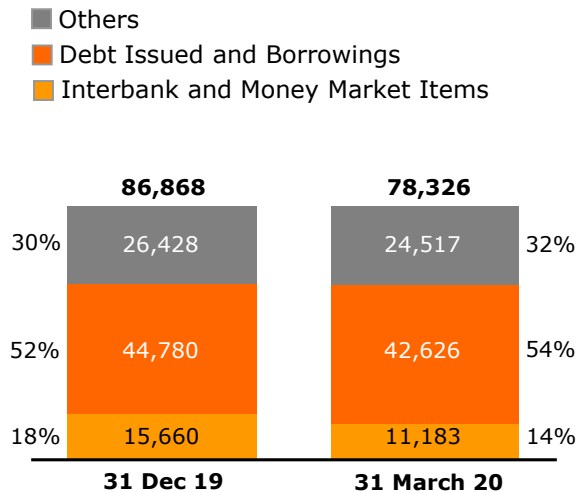
Balance Sheet Highlights

Assets (MTHB)



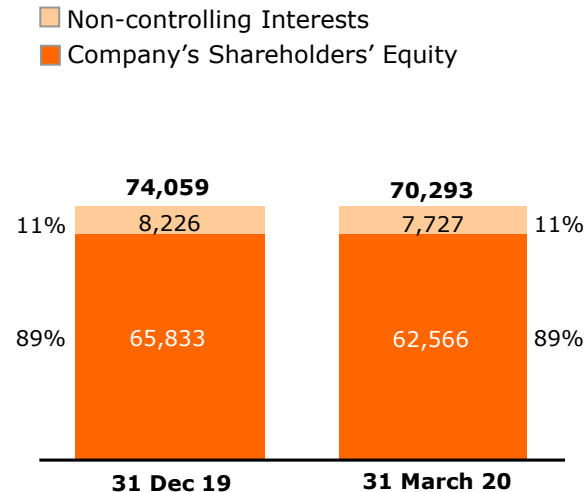
- Net investment **decreased 16,710 MTHB or 40.22%**. This was mainly due to the sale and maturity of government bonds and reclassification of net investment to follow TFRS 9.
- Net Investment in Associated Company **increased 1,895 MTHB or 4.17%**. This was mainly due to the increase in investment in MBK.

Liabilities (MTHB)



- Interbank and money market items **decreased of 4,477 MTHB or 28.59%**. This was mainly from liquidity management.
- Debt issued and borrowings **decreased 2,154 MTHB or 4.81%**. This was mainly from the redemption of short-term bills of exchange of the Company in the amount of 4,000 MTHB.

Shareholder's Equity (MTHB)



- Equity attributable to the owners of the Company **decreased 3,267 MTHB or 4.96%**. This was mainly due to the share repurchased, the interim dividend payment and the operating net profit of the Company in 1Q20.
- Equity attributable to NCI **decreased 499 MTHB or 6.07%**.



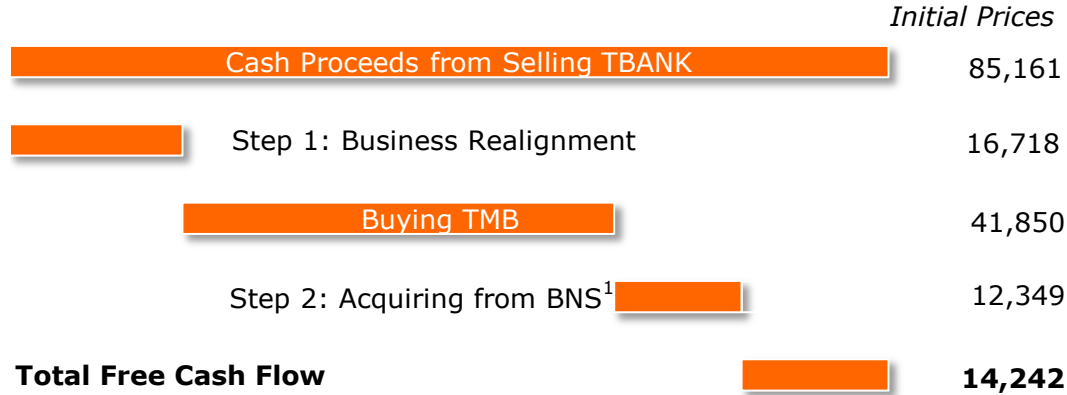
Operating Performance (MTHB)

	1Q19 (Restated)	1Q20	
Net Interest Income	690	731	▪ NII up 5.94% Y-Y. This was due to the Y-Y growth of HP portfolio of THANI especially in the truck segment.
Non-interest Income	1,321	5,645	▪ Non-interest income up 327.33% Y-Y. The increase was mainly due to, higher net fees and service income, higher gains on investments, and higher share of profit from associated companies.
Net Fees and Service Income	270	352	▪ Net fees and service income up 30.37% Y-Y, mainly due to higher brokerage fees, which was in line with the SET's trading volume.
Gains on Investments	217	3,744	▪ Gains on investments significantly up Y-Y, mostly from gains on the sale of AJT's shares held by Thanachart SPV 2.
Share of Profit from Associated companies	59	954	▪ After being one of TMB's major shareholders, TCAP recognizes TMB's net profit as share of profit in proportion to its shareholding which is 20.12%. 1Q20 TMB's net profit was 4,163 MTHB and TCAP recorded 838 MTHB as share of profit from TMB.
Operating Expenses	770	734	▪ OPEX down 4.68% Y-Y, mainly due to effective management of operating expenses.
ECL/Impairment Loss of Loans	(455) Impairment Loss	157 ECL	▪ In 1Q20, TCAP and it's subsidiaries had expected credit loss in the amount of 157 MTHB, which was mainly from THANI.



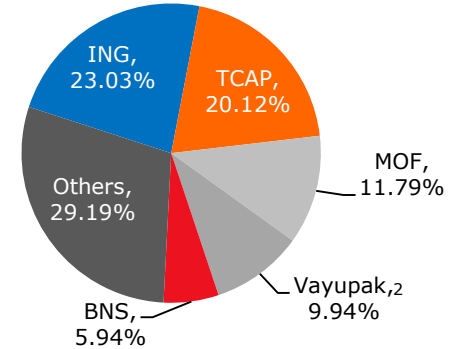
TCAP's Cash Management

Cash Flow from Business Restructuring (MTHB)

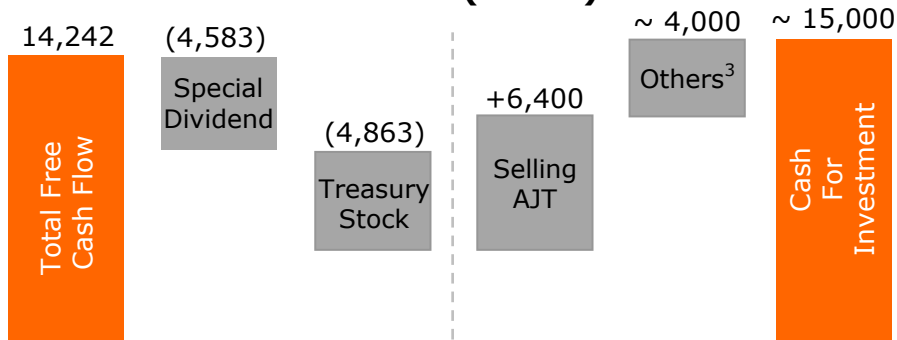


TMB Shareholding Structure

As of 12 March 20



Cash Utilization for 2020 (MTHB)



~ 15,000 MTHB

“ TCAP currently has high liquidity, strong future cash flow for supporting business expansion, dividend payment, and debt repayment ”

Note: ¹Subsidiaries and investments acquired from BNS included SPV1, SPV2, MBK, and PRG. ²Current unit holders of Vayupak Fund are Ministry of Finance and may also consist of other government units. ³Others include cash from subsidiaries; Source: Company data

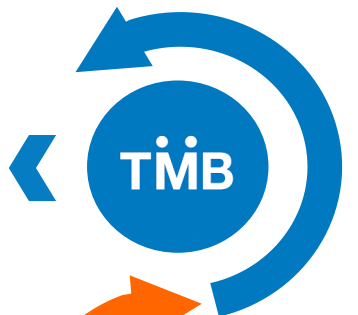


TCAP's Investment Plans

"To invest in deals that will generate suitable returns for the shareholders"

Invest in Additional Shares of TMB

TCAP has a policy to invest in additional shares of TMB through the SET. TCAP will hold shares of TMB in proportion not exceeding 22.9% as permitted by the BOT.



Invest in Financial Businesses

TCAP has a policy to invest more in financial businesses that management has expertizes in and familiar with. These businesses include financial institutions, subsidiaries, or associated companies.



Invest in NPA/NPL Management Businesses

TCAP has a policy to expand the business into non-performing asset management businesses that purchase retail unsecured NPLs. TCAP will gradually purchase as management deem appropriate. Also, it will need to invest in the system to manage retail NPLs clients because the system that it is currently using is suitable only for handling corporate and SME clients.

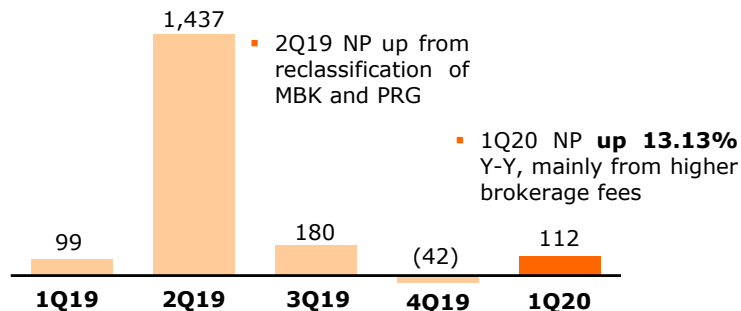
Important Subsidiaries Performances





Thanachart Securities

TNS Net Profit (MTHB)



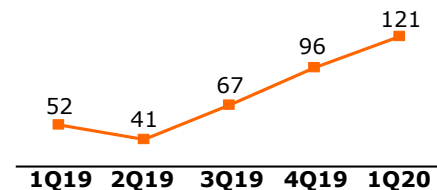
Trading Volume

TNS	1Q19	2Q19	3Q19	4Q19	1Q20
Mkt. Share (%)	2.94	2.65	2.94	3.07	2.73
Avg. Daily Trading (MTHB)	2,352	2,486	3,152	2,648	3,240

Market share has been declining, due to commission rate cut by competitors. However, TNS commission rate is still higher than the industry from high quality of stock analysis reports

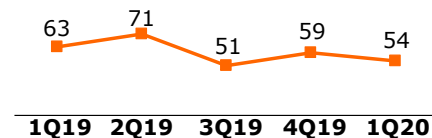
TNS Financial Ratios (Percent)

Net Liquid Capital Rules (NCR)



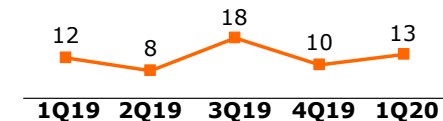
Capital adequacy ratio is very strong and much higher than 7% minimum requirement of the SEC

Cost to Income Ratio*



Cost to income ratio has been much lower than the industry average

ROE*

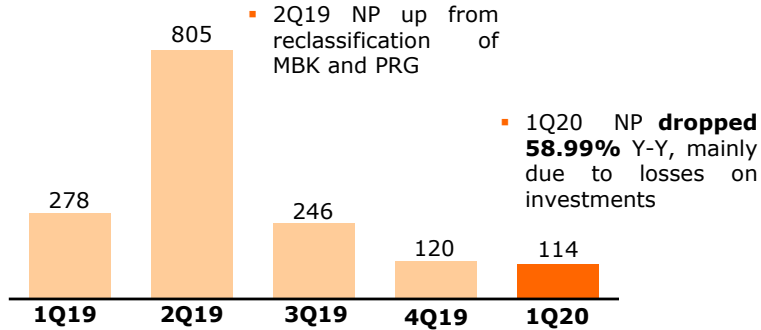


ROE improved Y-Y despite high NCR due to strong cash equity business in 1Q20.

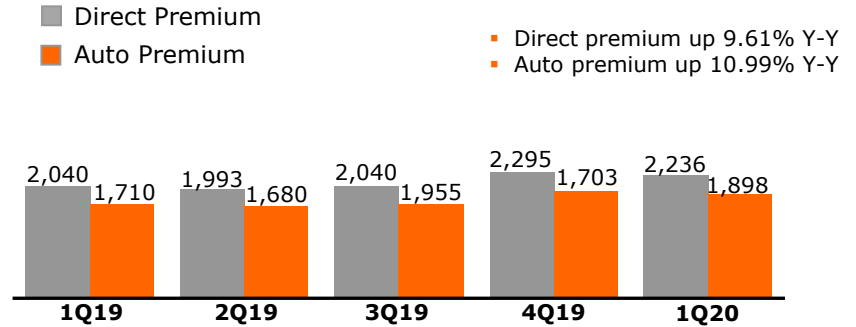


Thanachart Insurance

TNI Net Profit (MTHB)



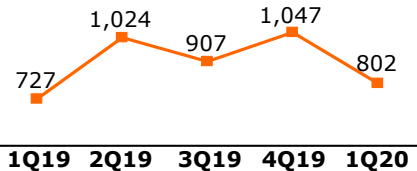
TNI Direct VS Auto Insurance (MTHB)



Auto insurance premium accounts around **85%** of total premium

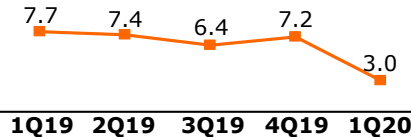
TNI Financial Ratios (Percent)

Capital Adequacy Ratio



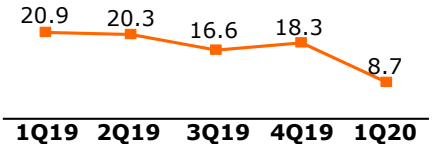
Capital Adequacy Ratio is very strong and much higher than 140% minimum requirement of the OIC

ROA*



ROA decreased to 3.0% in 1Q20. This was mainly due to losses on investments as a result of fair value measurement.

ROE*

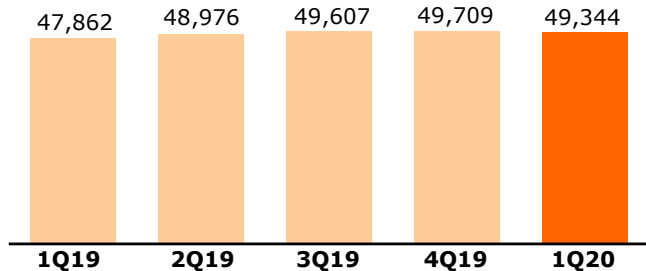


ROE decreased to 8.7% in 1Q20. This was mainly due to losses on investments as a result of fair value measurement.

Ratchthani Leasing

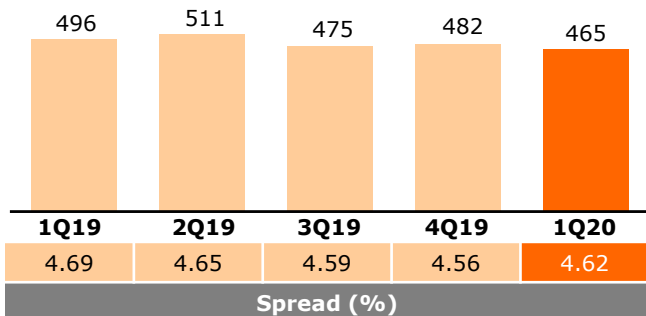
THANI HP Loan Portfolio (MTHB)

- HP Portfolio slightly dropped by 0.73% in 1Q20, due to the economic slowdown from COVID-19

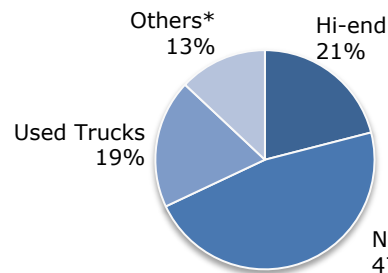


THANI Net Profit (MTHB)

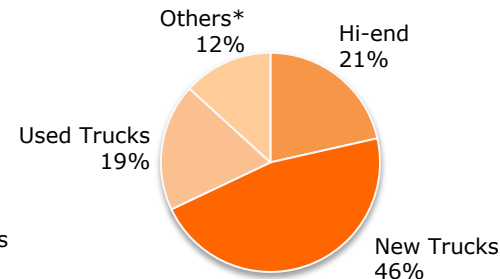
- 1Q20 NP dropped 31 MTHB or 6.25% Y-Y, mainly from higher provision provided for ECL according to TFRS 9



THANI HP Breakdown (Percent)



31 Dec 19

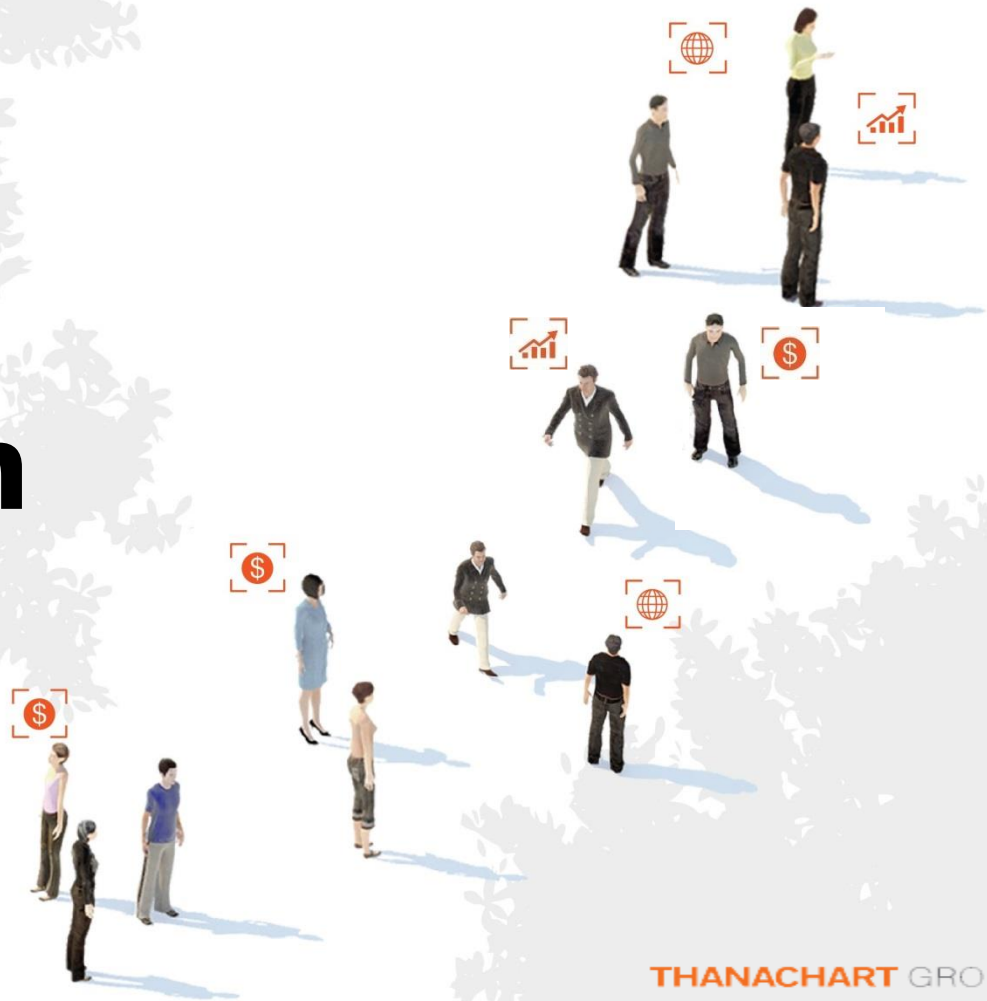


31 Mar 20

THANI's Ratios

Performance Parameters		2018A	2019A	1Q20A
Profitability	ROAE	25.59%	26.42%	23.57%
	ROAA	3.77%	3.99%	4.59%
	Net Profit Margin	42.87%	46.33%	42.78%
	Spread	4.80%	4.56%	4.62
	Cost to Income	17.03%	17.67%	17.01%
Loans	Loan Growth	20.24%	7.10%	(0.73%)
Asset Quality	NPL Ratio	3.69%	3.95%	4.71%
	Credit Cost (excl. Gen)	0.52%	0.56%	0.74%
Capital	D/E Ratio	5.61	5.63	5.21%

TGROUP: Comparison to Targets

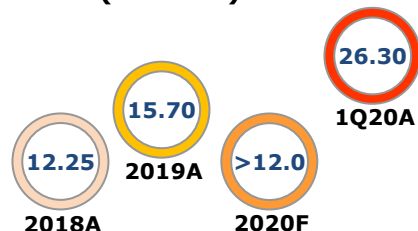




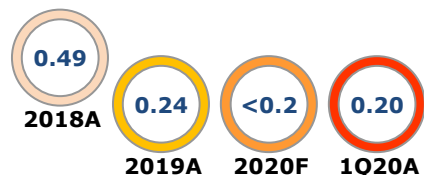
TGROUP: Comparison to Targets

TGROUP Targets

ROAE (Percent)



IBD/E (Times)*



Core Businesses Targets

TMB

	Loan Growth	NIM	NIR/ Assets	CI Ratio	Credit Cost
2020F	≤ Flat	~ 3.0%	0.95-1.10%	48-50%	125-130 bps
1Q20A	0.8% YTD	3.12%	0.9%	46%	137 bps**

THANI

	2020F	1Q20A
Loan Growth (%)	10	(0.73)
Drawdown (MTHB)	~ 26,000	4,855
HP Outstanding (MTHB)	55,000 – 56,000	49,344
NPL (%)	< 4	4.71

- Strong Relationship with Dealers
- Expand New Markets
- More Products
- Customer Satisfactory
- Approval Process Efficiency

TNI



- Advantage Move for Customers (Sell & Service)
- Data Analytic Driven
- Active and Strategic Partners
- Migration to Digital Service Platform

TNS

- Ranked fifth by profit in 2019 with strong core cash equity business.
- Two new business lines in 2019-2020 are Portfolio Advisory (ZEAL) and Derivative Warrant (DW16).
- DW business is not performing as expected due to fierce market competition.



DW16
Thanachart Securities

Appendix



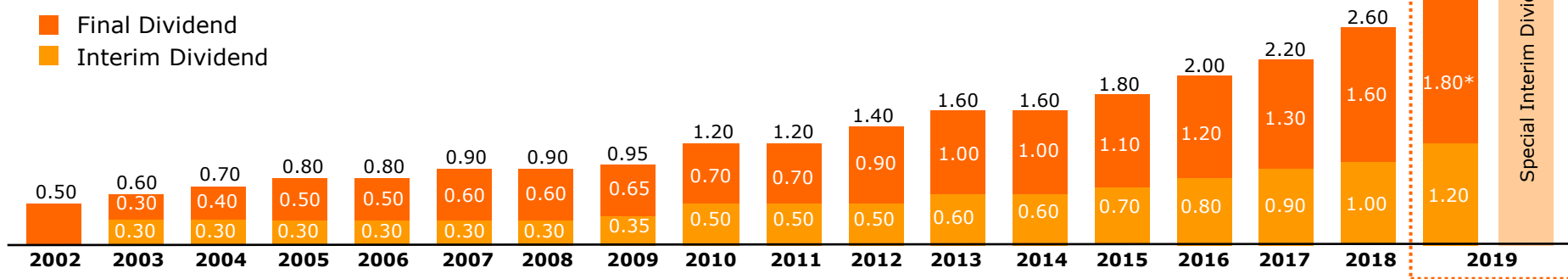


TCAP: Dividend Payment

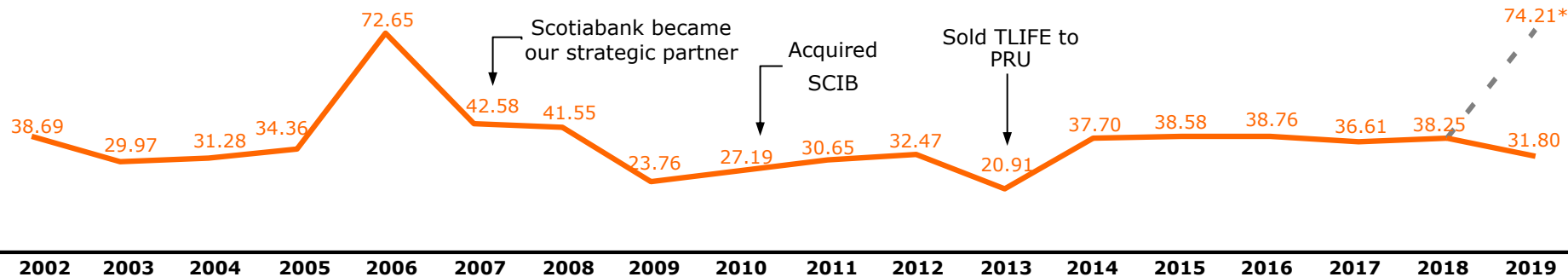
TCAP Dividend per Share (BAHT)

TCAP's dividend per share has consistently grown with an average rate of higher than 10% per year over the past 17 years

- Final Dividend
- Interim Dividend



TCAP Total Dividend Payout Ratio (Percent)



Note: * Including Special Interim Dividend of 4.00 baht per share; Source: Company data



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