

**SMART  
MOVING  
FORWARD** »

# Analyst Meeting

**Reviewed Financial Statements**

**As of 30 September 2021**

# Contents

1

TGROUP 3Q21 & 9M21 Highlights

2

Important Subsidiaries Performances

3

TGROUP: Comparison to Targets

4

Appendix

# TGROUP

3Q21 & 9M21

Highlights



# TCAP's Shareholding Structure

As of 30 September 2021

## Thanachart Capital

1 

Banking Business

22.78%



ทีเอ็มบีธนชาต  
TMBThanachart

2 

Securities Business

50.96%

Thanachart Securities

3 

Insurance Business

50.96%

Thanachart Insurance

100%



4 

Distressed Asset

Management  
100%

NFS-AMC

83.44%

MAX-AMC

99.99%

TS-AMC

5 

HP Business

59.79%



THANI is held by:

- Thanachart SPV1 56.02%
- TCAP 3.77%

6 

Other Businesses

23.44%



100%

T-PLUS

99.98%

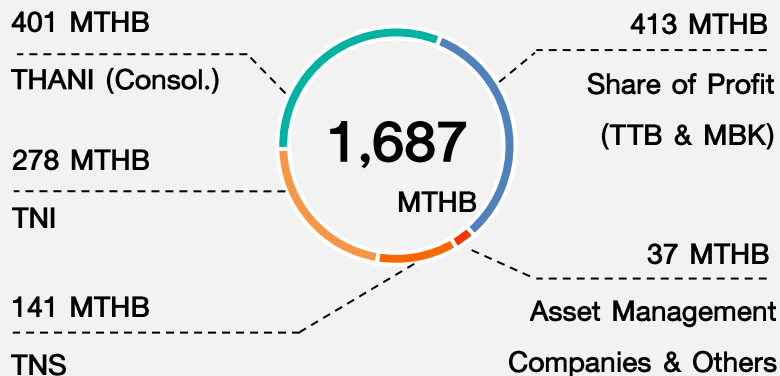
Thanachart  
SPV2\*

Note: \*Thanachart SPV2 holds non-core investments which include, Thanachart Group Leasing, Thanachart Training & Development, Security Scib Services, and Thanachart Management & Service

\*\* The Company increased its shareholding in MBK Life Assurance Pcl. From 51% to 100% on 4 August 2021; Source: Company data

# 3Q21 & 9M21 TGROUP Net Profit

## 3Q21 TGROUP Net Profit



### TCAP Net Profit\*

**1,333** MTHB

+ 20.42% Q-Q

### EPS

**1.27** THB

2Q21 = 1.06 THB

### ROAA

**4.77** %

2Q21 = 4.06%

### ROAE

**8.42** %

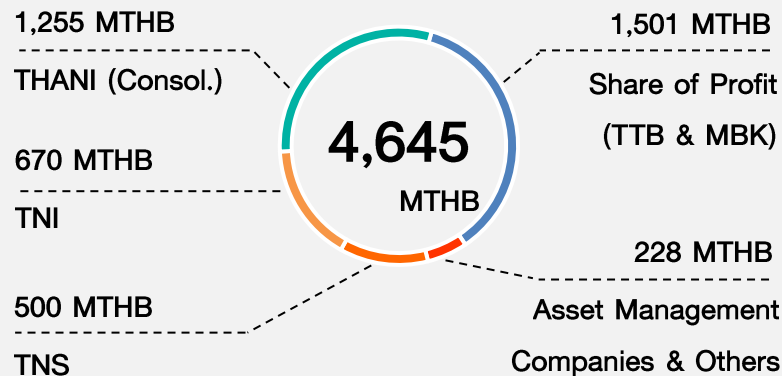
2Q21 = 6.99%

### IBDE\*\*

**0.17** Times

2Q21 = 0.17 Times

## 9M21 TGROUP Net Profit



### TCAP Net Profit\*

**3,518** MTHB

- 41.21% Y-Y

In 1Q20, TCAP recognized a special one-time gain from selling its investment in AJT's shares. If the special gain was excluded,

TCAP's net profit **+17.50%** Y-Y

### ROAA

**4.37** %

9M20 = 6.04%

### ROAE

**7.40** %

9M20 = 12.48%

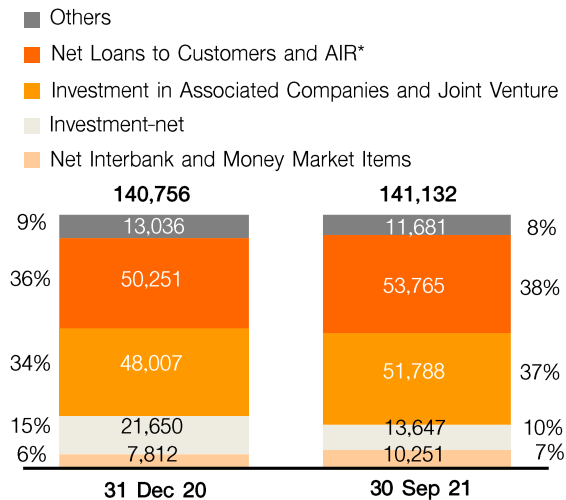
### EPS

**3.36** Times

9M20 = 5.59 THB

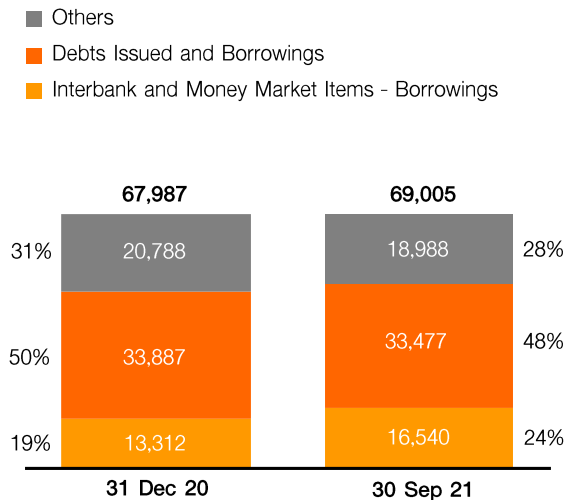
# Balance Sheet Highlights

## Assets (MTHB)



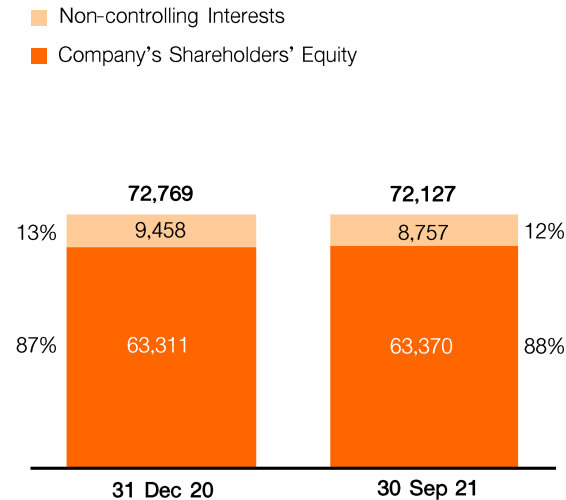
- » Net investment decreased 8,003 MTHB or 36.97% from the maturity of government bonds.
- » Investment in associated companies and joint venture increased 3,781 MTHB or 7.88% due to additional investment in TTB and MBK.
- » Net loans increased 3,514 MTHB or 6.99%, due to loan expansions of THANI, T-PLUS and TNS.

## Liabilities (MTHB)



- » Interbank and money market items – borrowings from financial institutions and debts issued and borrowings increased 2,818 MTHB or 5.97%, mainly from liquidity management.

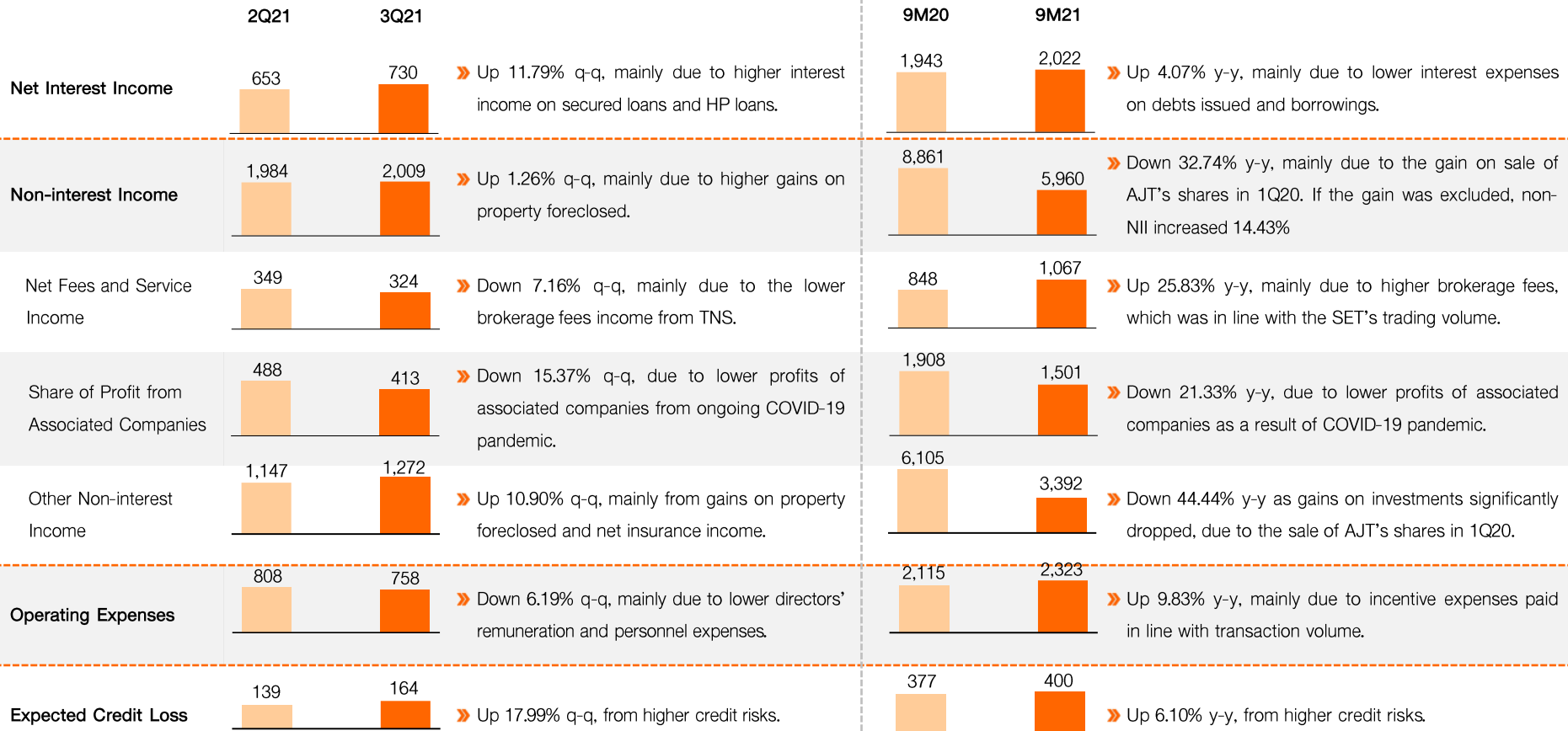
## Shareholder's Equity (MTHB)



- » Company's shareholders' equity increased 59 MTHB or 0.09%. This was mainly due to the operating net profit of the Company and its subsidiaries in 9M21 of 3,518 MTHB and the interim dividend payments of 3,146 MTHB.
- » Non-controlling interests decreased 701 MTHB or 7.41% from increasing shareholding in subsidiaries – MBK Life, TM Broker, and MT Service.

# Operating Performance

Unit: Million Baht



# Important Subsidiaries Performances





# Subsidiaries Performances

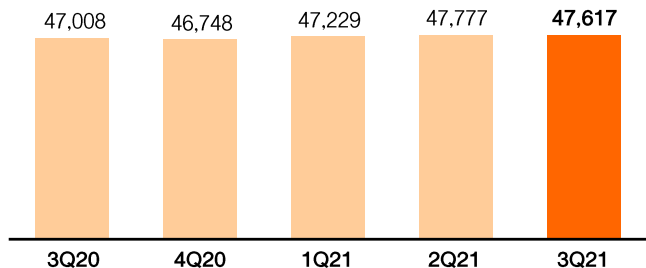
Subsidiaries	% held	Net Profit (MTHB)						
		3Q20	4Q20	1Q21	2Q21	3Q21	9M20	9M21
Ratchthani Leasing Pcl. (Consol.)	59.79%	472	480	427	427	401	1,380	1,255
Thanachart Insurance Pcl.	50.96%	169	95	178	214	278	650	670
Thanachart Securities Pcl.	50.96%	65	173	200	159	141	306	500
TS AMC	99.99%	1	(5)	(3)	38	(5)	29	30
MAX AMC	83.44%	(5)	2	(12)	(3)	49	5	34
NFS AMC	100.00%	(4)	(4)	(6)	92	4	(21)	90
MBK Life Assurance Pcl.*	100.00%	(38)	(60)	128	(55)	12	(323)	85

Note: \*The Company increased its shareholding in MBK Life Assurance Pcl. From 51% to 100% on 4 August 2021; Source: Company data

# Ratchthani Leasing (Consolidated)

## THANI HP Loan Portfolio (MTHB)

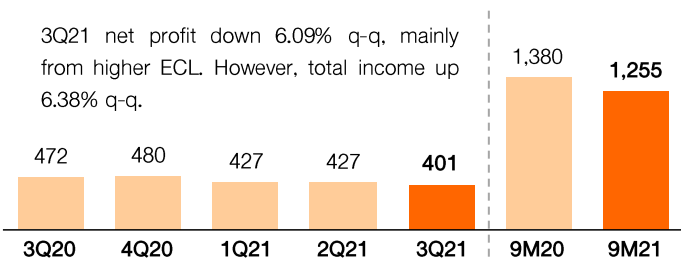
HP portfolio gained by 1.86% YTD, with the average new drawdown of 1,900 MTHB per month.



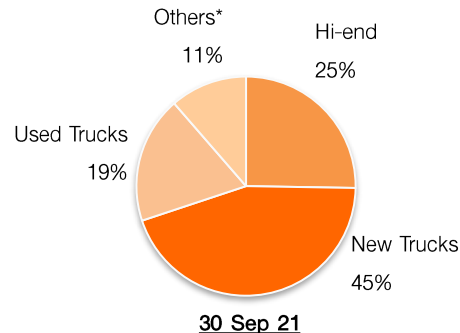
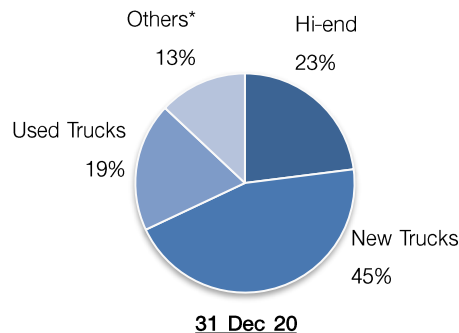
## THANI Net Profit (MTHB)

9M21 net profit down 9.06% y-y, mainly from higher provisions due to the impact of the new wave of COVID-19 outbreak and the government's lockdown measures.

3Q21 net profit down 6.09% q-q, mainly from higher ECL. However, total income up 6.38% q-q.



## THANI HP Breakdown (Percent)



## THANI's Ratios

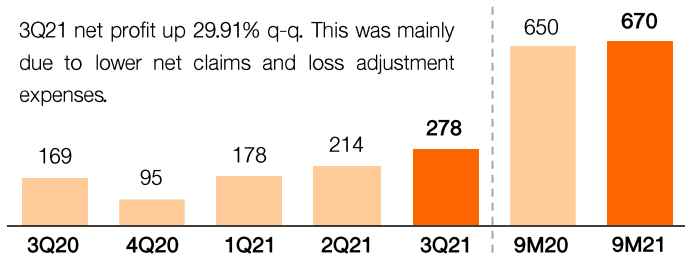
Performance Parameters (Percent)		2019A	2020A	9M21A
Profitability	ROAE	26.42%	20.12%	15.31%
	ROAA	3.99%	3.74%	3.43%
	Net Profit Margin	46.33%	43.64%	39.66%
	Spread	4.56%	4.34%	4.70%
	Cost to Income	17.67%	16.80%	17.31%
Loans	Loan Growth	7.10%	(5.96%)	1.86%
Asset Quality	NPL Ratio	3.95%	3.13%	4.30%
	Credit Cost	0.39%	0.68%	1.32%
Capital	D/E Ratio (Times)	5.63	3.48	3.45

# Thanachart Insurance

## TNI Net Profit (MTHB)

9M21 net profit up 3.08% y-y, mainly due to the decrease of unearned premium reserves.

3Q21 net profit up 29.91% q-q. This was mainly due to lower net claims and loss adjustment expenses.



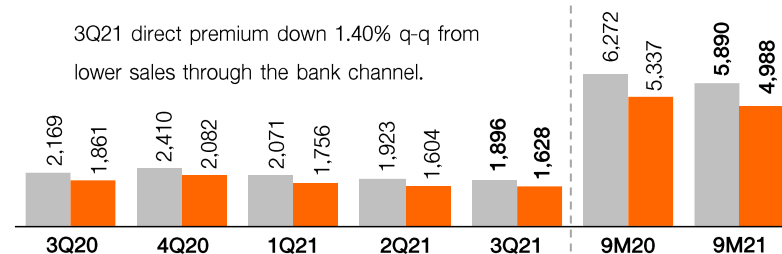
## TNI Direct VS Motor Insurance (MTHB)

■ Direct Premium

■ Motor Premium

9M21 direct premium down 6.09% y-y from lower sales through the bank channel while sales through non-bank channels increased

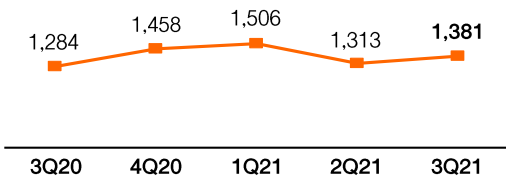
3Q21 direct premium down 1.40% q-q from lower sales through the bank channel.



Non-bank : Bank increased from 57 : 43 at 2020 to 53 : 47 at 9M21

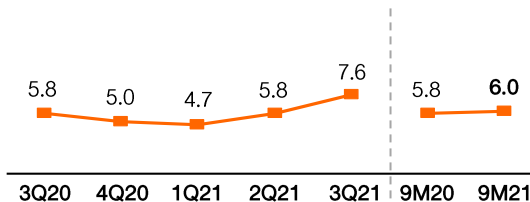
## TNI Financial Ratios (Percent)

### Capital Adequacy Ratio



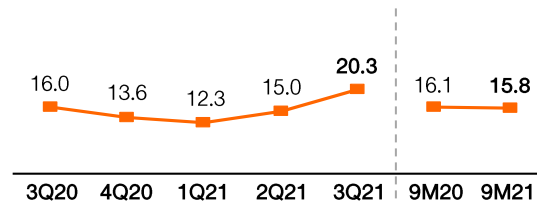
Capital Adequacy Ratio is very strong and much higher than 140% minimum requirement of the OIC.

### ROA\*



3Q21 and 9M21 ROA and ROE increased y-y as its net profit increased.

### ROE\*

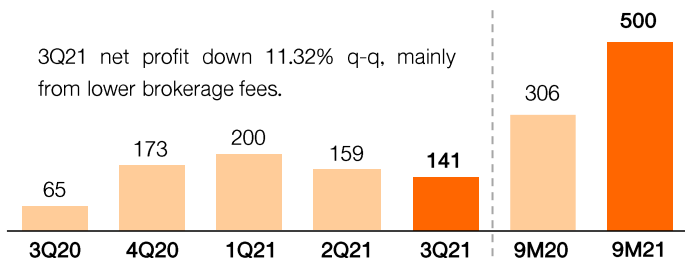


# Thanachart Securities

## TNS Net Profit (MTHB)

9M21 net profit up 63.40% y-y, mainly from higher brokerage and non-brokerage fees with effective cost management.

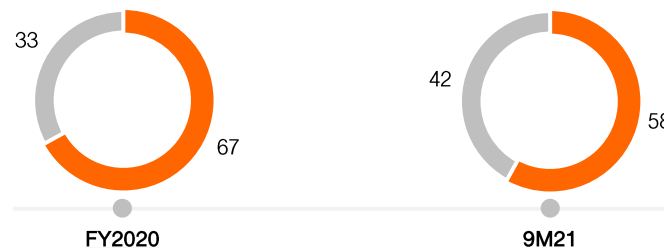
3Q21 net profit down 11.32% q-q, mainly from lower brokerage fees.



## Profit Contribution (Percent)

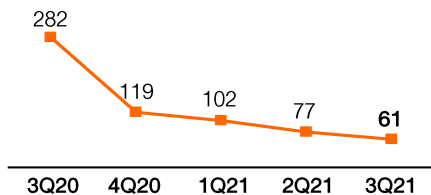
Cash Equity Non-cash Equity

TNS has relied less on cash equity business. In 3Q21, non-cash equity businesses accounted almost 50% of its net profit.



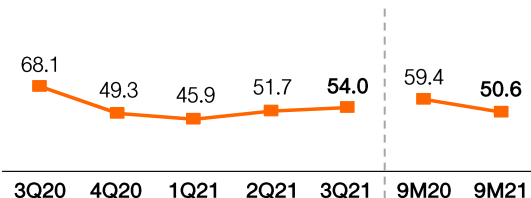
## TNS Financial Ratios (Percent)

### Net Liquid Capital Rules (NCR)



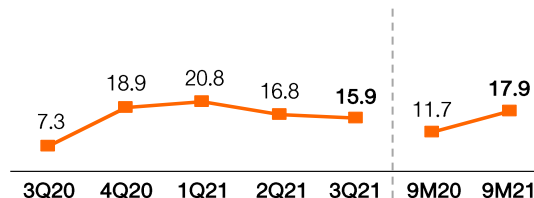
Capital adequacy ratio is still very strong and much higher than 7% minimum requirement of the SEC.

### Cost to Income Ratio



TNS' cost-to-income ratio is among the lowest which benefits from effective cost management especially low fixed cost base.

### ROE\*



ROEs remained at a high level, due to higher revenue from strong growth of most business lines and effective cost management.

# TGROUP: Comparison to Targets



# TGROUP Core Businesses: 2021 Targets

## TTB

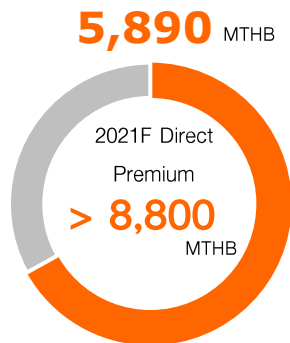
	Loan Growth	NIM	NIR/ Assets	CI Ratio	Credit Cost
2021F	≤ Flat	Stable (3.0% in 2020)	0.80- 0.90%	47-49%	160 - 180 bps
9M21A	(2.4%)	2.98% (3.06%, excluded PPA impact)	0.77%	46.5% (45.2%, excluded PPA impact)	161 bps

## THANI

	2021F	9M21A
HP Outstanding (MTHB)	~ 50,000	47,617
Credit Cost (%)*	< 1.00	1.32
Debt to Equity (Times)	< 4.00	3.45
NPL (%)	< 4.00	4.30

- » Keep strong relationship with dealers
- » Expand into new market
- » Find products with high yield
- » Quick approval process
- » Target in logistic and construction segments

9M21A



## TNI

- » Expanding sale volume on TMB customers
- » Maintain penetration rate on auto loan business and improve renewal ratio
- » Increase sale vol. with profitable products
- » Build up expertise on truck, super car, TNI's sale team and TNI's customer engagement
- » Alliance with strategic brokers

## TNS

- » Most of business lines grew strongly.
- » Cash equity enjoyed large jump in market volume while derivatives turned a nicer profit from last year. Margin loan, mutual fund selling agent and ZEAL all grew strongly.



# Business Operations Plans & Updates

## Plans



Supporting the business operations of all subsidiaries ensuring their strong financial positions



Actively searching for new investments



Considering operating businesses in which the Company has expertise, in a more aggressive manner



Broaden business networks of the Group's member companies

## Updates

1

Investing in Additional Shares of TTB



% of shareholding in TTB



2

Investing in Additional Shares of THANI



% of shareholding in THANI

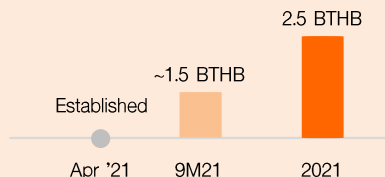


3

Asset-based Financing Business

Thanachart Plus

Loan Outstanding of Thanachart Plus



4

Investing in Additional Shares of MBK-LIFE



% of shareholding in MBK-LIFE



# Appendix

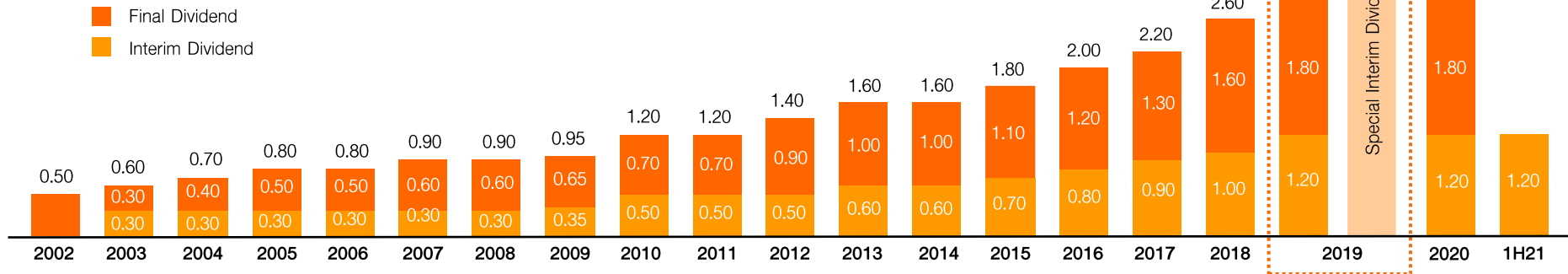




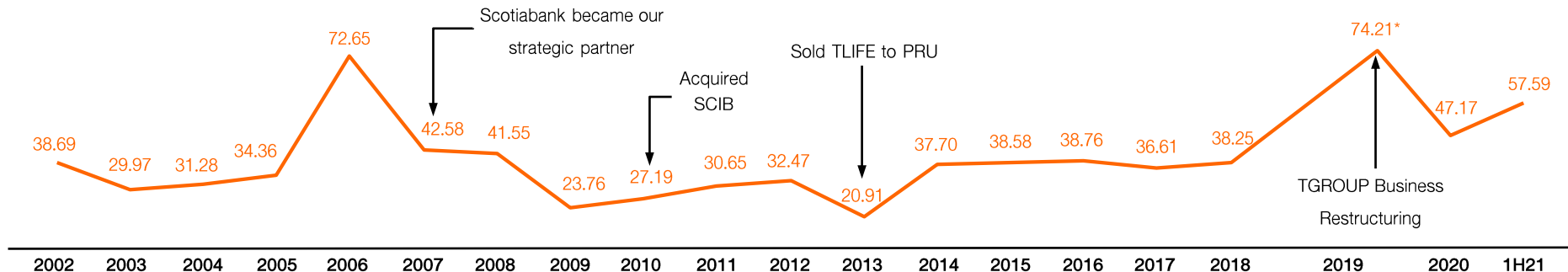
# TCAP: Dividend Payment

## 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 18 years



## TCAP Total Dividend Payout Ratio (Percent)



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

# Disclaimer Statements

Thanachart Capital Public Company Limited (“the Company”) provides this presentation for the purpose of publishing the Company and its subsidiaries’ performance and material financial information. In preparation of this presentation, the Company made assumptions and relied on the information made available from many sources including the public sources. The Company, therefore, makes no representation or warranty as to the accuracy, completeness or appropriateness of the information contained in this presentation. This presentation does not constitute any advice, offer or solicitation for any investment or otherwise. The readers or recipients should consider the information carefully and please use your discretion to review the information relating to the Company and Thanachart Group from the presentation and the other sources before making a decision in any transaction. Any unauthorized use, reproduction or distribution in whole or in part of the information contained in this report without the Company’s permission is strictly prohibited. However, the Company reserves the right with its own discretion to amend or modify the information contained in this presentation without any prior notice. The Company shall have no responsibility for any inaccuracy, inappropriateness or incompleteness of any information contained in this presentation.