

# Analyst Meeting

**Reviewed Financial Statements**

**As of 31 March 2022**

**MOVE ON  
TOGETHER**  
ก้าวต่อไป ด้วยกัน

**THANACHART GROUP**

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# TGROUP

## 1Q22 Highlights

# TCAP's Shareholding Structure

As of 31 March 2022

## Thanachart Capital

1 

Banking Business

23.32%



ทีเอ็มบีธนชาต  
TMBThanachart

ttb is held by:

- TCAP 22.76%
- Thanachart SPV1 0.56%

2 

Securities Business

50.96%

Thanachart Securities

3 

Insurance Business

50.96%

Thanachart Insurance

100%



100%



4 

Distressed Asset

Management

100%

NFS-AMC

83.44%

MAX-AMC

99.99%

TS-AMC

5 

HP Business

60.49%



THANI is held by:

- Thanachart SPV1 56.72%
- TCAP 3.77%

6 

Other Businesses

23.78%



- TCAP 22.00%
- Thanachart SPV1 1.78%

100%

T-PLUS

99.98%

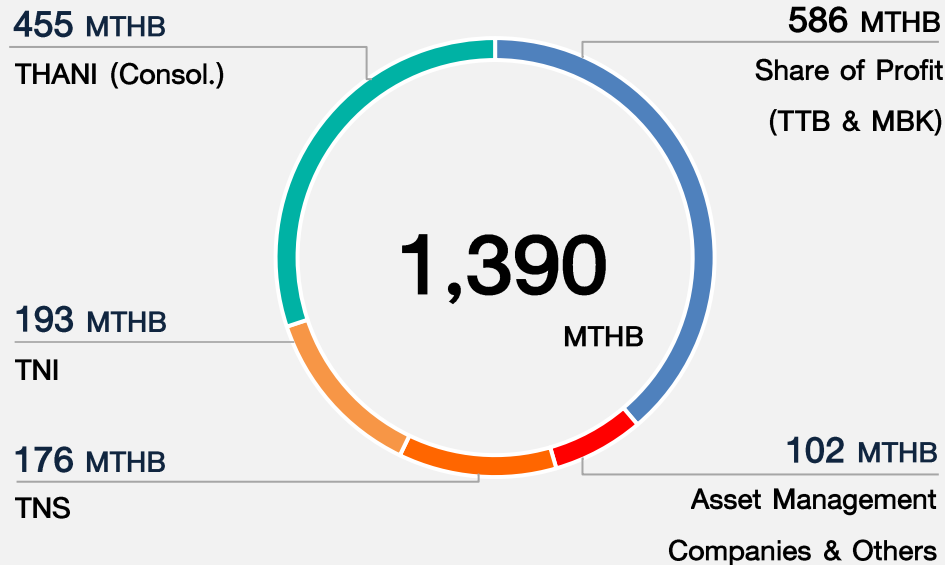
Thanachart  
SPV2\*

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

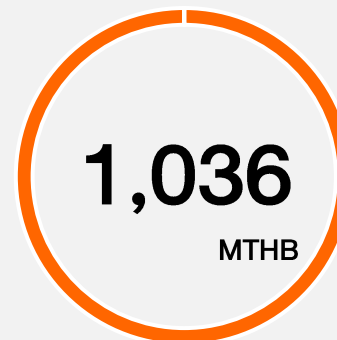
\*\* The Company increased its shareholding in MBK Life Assurance Pcl. and TM Broker Co., Ltd. from 51% to 100% on 4 August 2021; Source: Company data

# 1Q22 TGROUP Net Profit

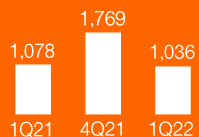
## 1Q22 TGROUP Net Profit



## 1Q22 TCAP Net Profit



### TCAP Net Profit (MTHB)\*



- 1Q22 net profit -41.44% Q-Q mainly from: lower gains on debt repayment and gains on property foreclosed.
- 1Q22 net profit -3.90% Y-Y mainly from: lower gains on FVTPL and higher ECL.

### EPS

0.99  
THB

### ROAA

3.79%

### ROAE

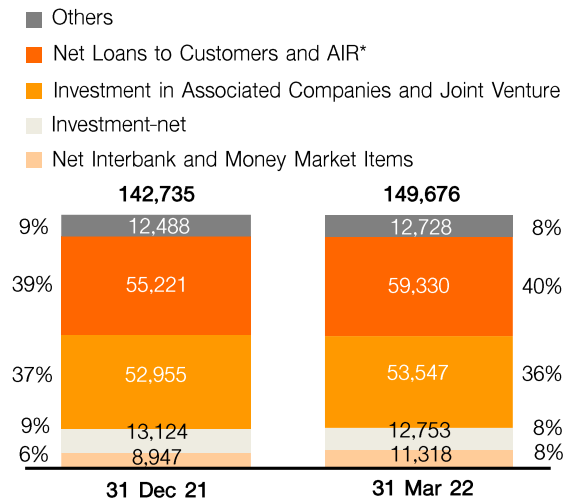
6.33%

### IBDE\*\*

0.21 Times

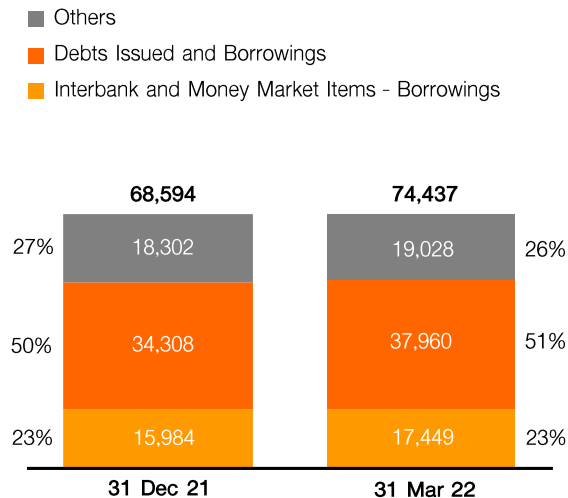
# Balance Sheet Highlights

## Assets (MTHB)



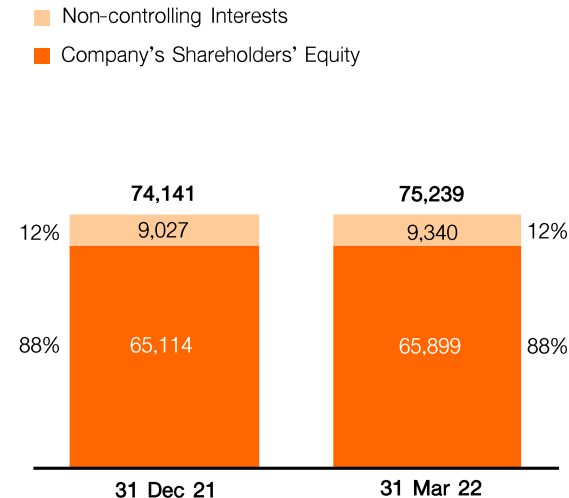
- Net investment decreased 371 MTHB or 2.83% from the sale and maturity of government bonds.
- Investment in associated companies and joint venture increased 592 MTHB or 1.12% due to additional investment in MBK.
- Net loans increased 4,109 MTHB or 7.44%, due to loan expansions of THANI, T-PLUS, and TNS.

## Liabilities (MTHB)



- Interbank and money market items – borrowings from financial institutions and debts issued and borrowings increased 5,117 MTHB or 10.17%, in line with loan expansion.

## Shareholder's Equity (MTHB)



- Company's shareholders' equity increased 785 MTHB or 1.21%. This was mainly due to the operating net profit of the Company and its subsidiaries in 1Q22 of 1,036 MTHB.
- Non-controlling interests increased 313 MTHB or 3.47% from operating results of subsidiary companies.

# Operating Performance

Unit: Million Baht

	4Q21	1Q22		1Q21	1Q22	
<b>Net Interest Income</b>	649	706	Up 8.78% q-q, mainly due to higher interest income on secured loans and HP loans.	639	706	Up 10.49% y-y, mainly due to higher interest income on loans to customers.
<b>Non-interest Income</b>	2,553	1,814	Down 28.95% q-q, mainly due to lower gains on debt repayment and gains on property foreclosed.	1,967	1,814	Down 7.78% y-y, mainly due to lower gains on financial instruments measured at FVTPL.
Net Fees and Service Income	387	345	Down 10.85% q-q, mainly due to lower investment advisory fees. Meanwhile, brokerage fees increased.	394	345	Down 12.44% y-y, mainly due to lower brokerage fees.
Share of Profit from Associated Companies	485	586	Up 20.82% q-q, due to higher net profit of TTB.	600	586	Down 2.33% y-y, due to lower net profit of MBK.
Other Non-interest Income	1,681	883	Down 47.47% q-q.	973	883	Down 9.25% y-y.
<b>Operating Expenses</b>	820	790	Down 3.66% q-q, mainly due to lower taxes and duties expenses and lower other expenses.	757	790	Up 4.36% y-y, mainly due to higher legal expenses.
<b>Expected Credit Loss</b>	83	138	Up 66.27% q-q, from additional management overlay setting aside by THANL.	97	138	Up 42.27% y-y, from additional management overlay setting aside by THANL.

# Important Subsidiaries Performances





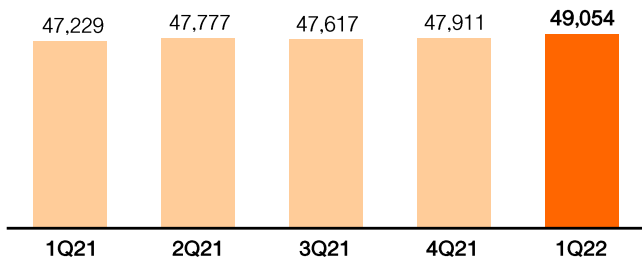
# Subsidiaries Performances

Subsidiaries	% held as of 31 Mar 2022	Net Profit (MTHB)				
		1Q21	2Q21	3Q21	4Q21	1Q22
Ratchthani Leasing Pcl. (Consol.)	60.49%	427	427	401	454	455
Thanachart Insurance Pcl.	50.96%	178	214	278	98	193
Thanachart Securities Pcl.	50.96%	200	159	141	161	176
TS AMC	99.99%	(3)	38	(5)	13	(6)
MAX AMC	83.44%	(12)	(3)	49	-	(7)
NFS AMC	100.00%	(6)	92	4	(2)	-
MBK Life Assurance Pcl.*	100.00%	128	(55)	12	26	103
Thanachart Plus	100.00%	-	-	2	5	19

# Ratchthani Leasing (Consolidated)

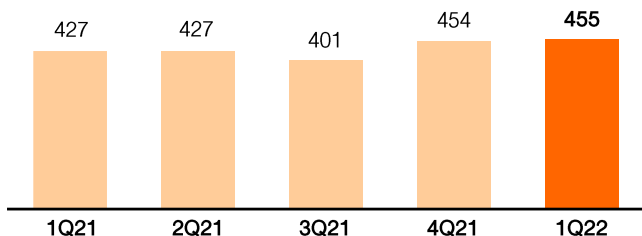
## THANI HP Loan Portfolio (MTHB)

HP portfolio grew by 2.39% ytd, with the average new drawdown of 2,309 MTHB per month.

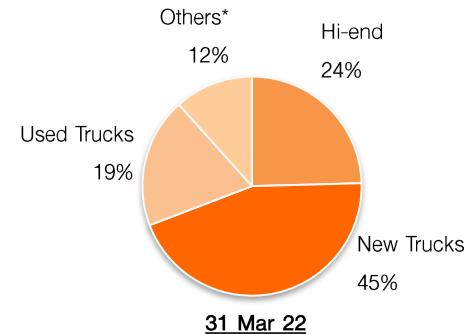
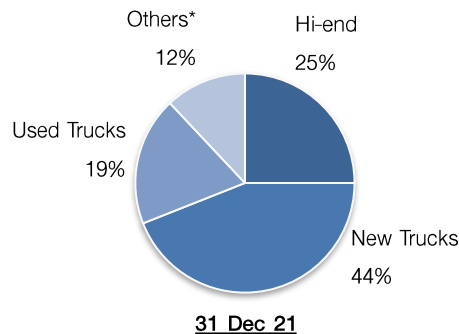


## THANI Net Profit (MTHB)

Due to its success in generating income and managing cost, THANI's 1Q22 net profit +0.22% q-q and +6.56% y-y even though the ECL increased from setting aside management overlay



## THANI HP Breakdown (Percent)

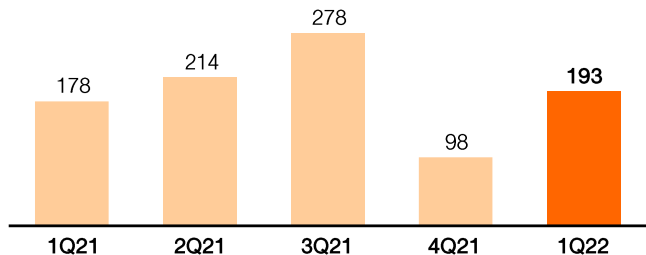


## THANI's Ratios

Performance Parameters (Percent)		2020	2021	1Q22
Profitability	ROAE	20.12%	15.27%	15.65%
	ROAA	3.74%	3.50%	3.70%
	Net Profit Margin	43.64%	40.44%	42.04%
	Spread	4.34%	4.55%	4.43%
	Cost to Income	16.80%	17.64%	19.56%
Loans	Loan Growth	(5.96%)	2.49%	2.39%
Asset Quality	NPL Ratio	3.13%	3.77%	2.99%
	Credit Cost	0.68%	1.20%	1.02%
Capital	D/E Ratio (Times)	3.48	3.26	3.21

## TNI Net Profit (MTHB)

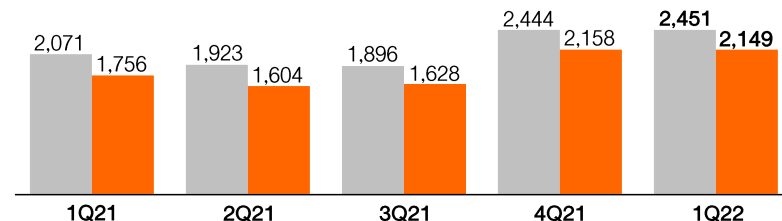
1Q22 net profit +96.94% q-q and 8.43% y-y, mainly from higher premium received and lower claims



## TNI Direct VS Motor Insurance (MTHB)

■ Direct Premium  
■ Motor Premium

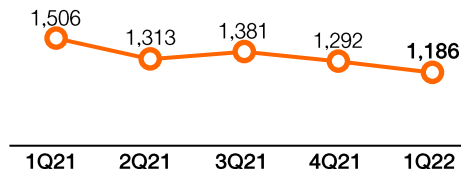
1Q22 direct premium +0.29% q-q and +18.29% y-y from higher sales volume through the broker channel



Non-bank : Bank increased from 49 : 51 at 2021 to 54 : 46 at 1Q22

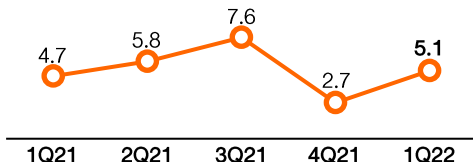
## TNI Financial Ratios (Percent)

### Capital Adequacy Ratio



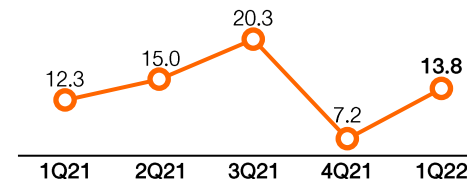
Capital Adequacy Ratio is very strong and much higher than 140% minimum requirement of the OIC.

### ROA



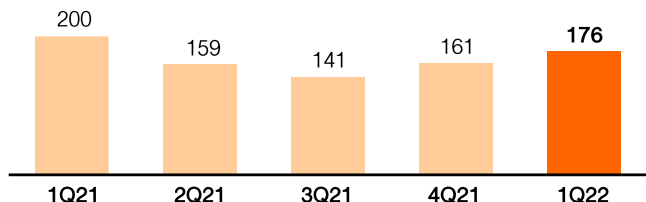
1Q22 ROA and ROE increased q-q and y-y as its net profit increased.

### ROE



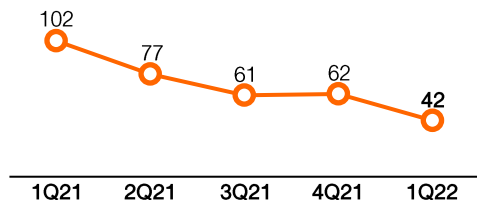
## TNS Net Profit (MTHB)

- 1Q22 net profit +9.32% q-q, mainly from higher trading volume and margin loan outstanding
- 1Q22 net profit -12.00% y-y, mainly from lower trading volume



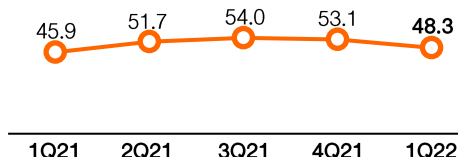
## TNS Financial Ratios (Percent)

### Net Liquid Capital Rules (NCR)



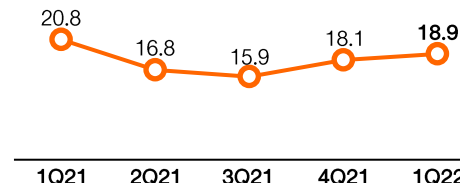
Capital adequacy ratio is still strong and much higher than 7% minimum requirement of the SEC.

### 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

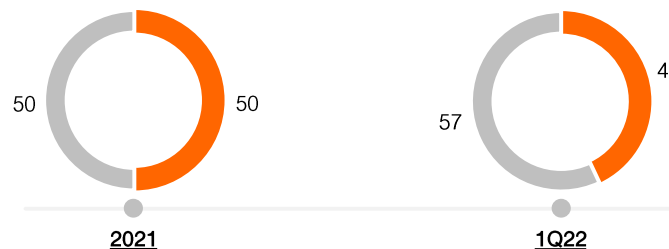


ROEs remained at a high level, due to higher revenue from strong growth of most business lines and effective cost management.

## Profit Contribution (Percent)

Cash Equity Non-cash Equity

TNS has relied less on cash equity business. In 1Q22, non-cash equity accounted for 57% of its net profit.



# TGROUP: Comparison to Targets

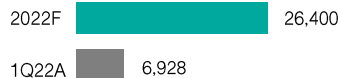
# TGROUP Core Businesses: 2022 Targets



	2022F	1Q22A
Loan Growth	+2%	-0.4%
Deposit Growth	+3%	+1.6%
NIM	Stable (2.97%)	2.91%
NIR/Assets	0.8-0.9%	0.77%
CI Ratio	45-47%	44.1%
% Stage 3	≤ 3.2%	2.73%
Credit Cost	140-160 bps	142 bps



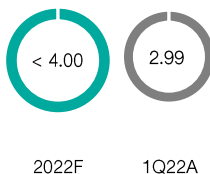
## New Drawdown (MB)



## Total Port Size (MB)



## NPL Ratio (%)



Keep strong relationship with dealers

Expand new market in local area



Target in logistic and construction

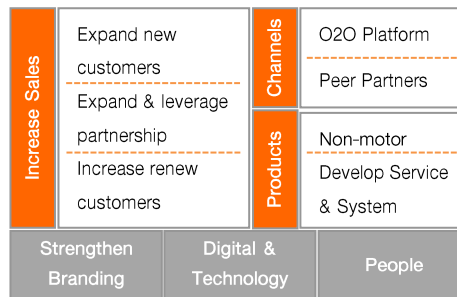
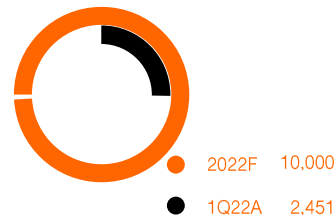
Find more products with high yield



Maintain quick approval process



## Total Premium (MB)

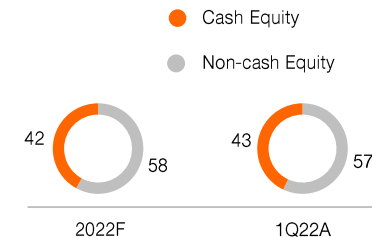


## Product Highlights



## Margin Loans

## Profit Contribution (%)



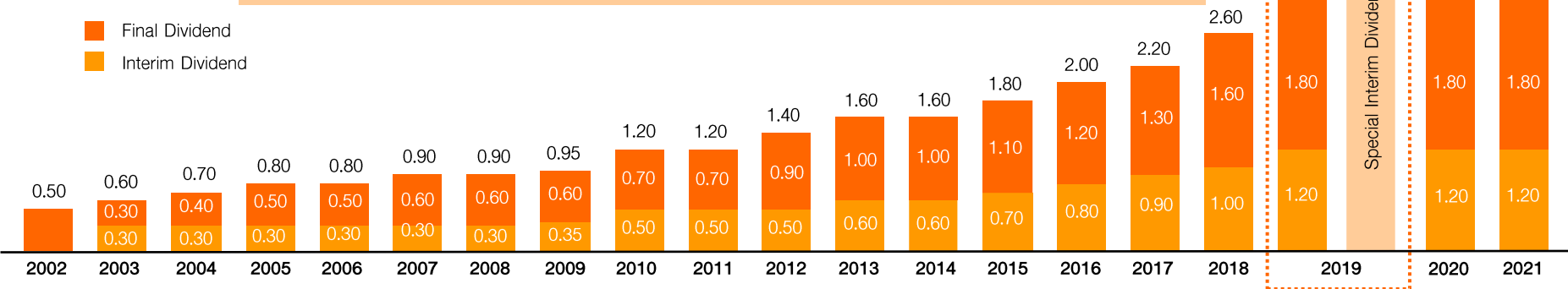
# Appendix

# TCAP: Dividend Payment

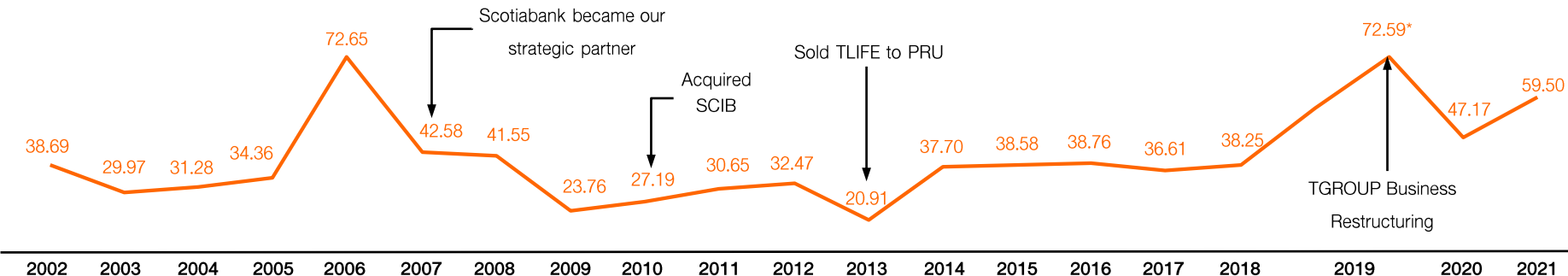
## TCAP Dividend per Share (BAHT)

TCAP's dividend per share has consistently grown with an average rate of higher than 10% per year over the past 18 years

Final Dividend  
 Interim Dividend



## TCAP Total Dividend Payout Ratio (Percent)





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