

Analyst Meeting

Reviewed Financial Statements

As of 30 September 2022

**MOVE ON
TOGETHER**
ก้าวต่อไป ด้วยกัน

THANACHART GROUP

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TGROUP

3Q22 & 9M22

Highlights

TCAP's Shareholding Structure

As of 30 September 2022

Thanachart Capital

1 

Banking Business

24.87%



ทีเอ็มบีธนชาต
TMBThanachart

ttb is held by:

- TCAP 24.32%
- Thanachart SPV1 0.55%

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

60.61%



THANI is held by:

- Thanachart SPV1 56.84%
- TCAP 3.77%

6 

Other Businesses

24.07%



- TCAP 22.26%
- Thanachart SPV1 1.81%

100%

T-PLUS

99.98%

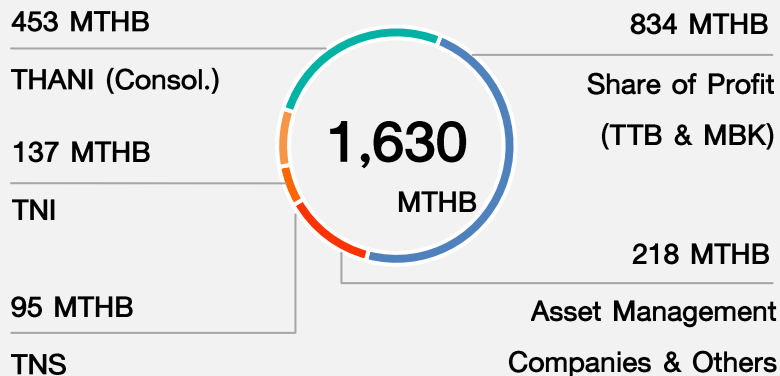
Thanachart
SPV2*

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

** The Company has increased its shareholding in Thanachart Securities and Thanachart Insurance from 50.96% to 89.96% since 27 October 2022; Source: Company data

3Q22 & 9M22 TGROUP Net Profit

3Q22 TGROUP Net Profit



TCAP Net Profit*

1,326 MTHB

- 25.17% Q-Q

EPS

1.26 THB

2Q22 = 1.69 THB

ROAA

4.12 %

2Q22 = 5.59%

ROAE

7.99 %

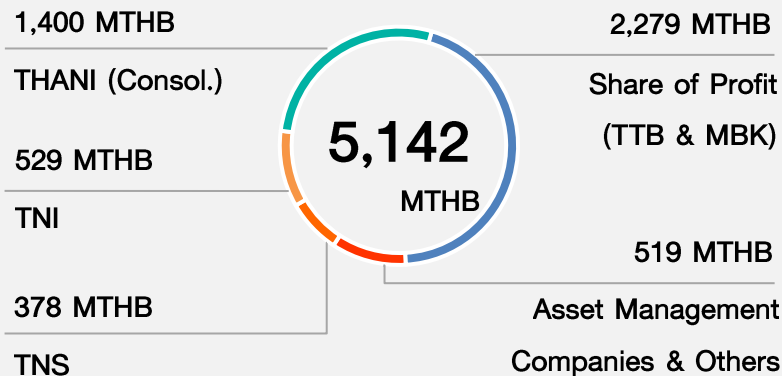
2Q22 = 10.86%

IBDE**

0.29 Times

2Q22 = 0.27 Times

9M22 TGROUP Net Profit



TCAP Net Profit*

4,134 MTHB

+ 17.51% Y-Y

EPS

3.94 THB

9M21 = 3.36 THB

ROAA

4.51 %

9M21 = 4.37%

ROAE

8.39 %

9M21 = 7.40%

IBDE**

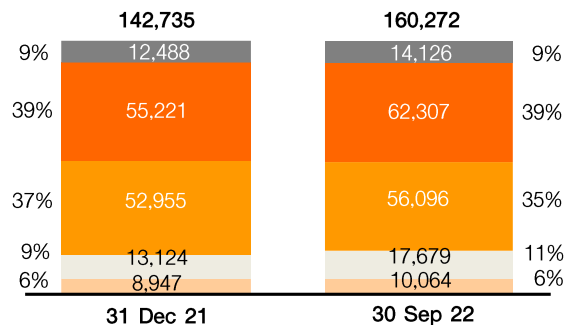
0.29 Times

9M21 = 0.17 Times

Balance Sheet Highlights

Assets (MTHB)

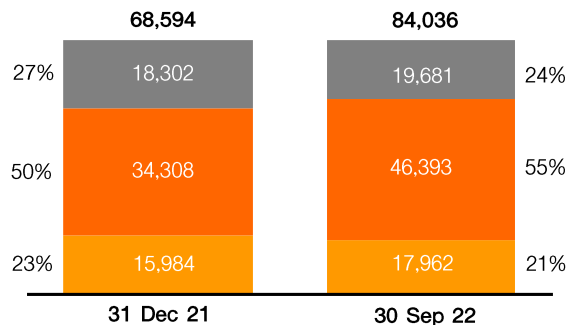
- Others
- Net Loans to Customers and AIR*
- Investment in Associated Companies and Joint Venture
- Investment-net
- Net Interbank and Money Market Items



- Net investment increased 4,555 MTHB or 34.71% from the additional investments in debt securities.
- Investment in associated companies and joint venture increased 3,141 MTHB or 5.93% due to additional investment in TTB.
- Net loans increased 7,086 MTHB or 12.83%, due to loan expansions of THANI, T-PLUS, and TNS.

Liabilities (MTHB)

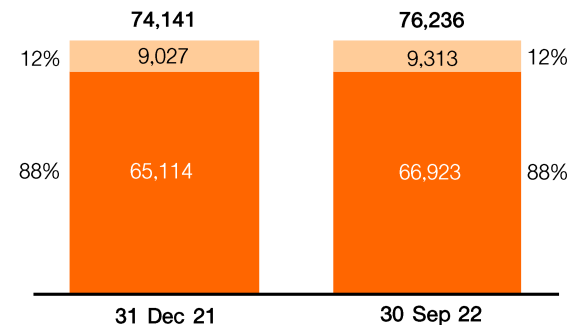
- Others
- Debts Issued and Borrowings
- Interbank and Money Market Items - Borrowings



- Interbank and money market items – borrowings from financial institutions and debts issued and borrowings increased 14,063 MTHB or 27.96%, due to the issuance and offering of debentures of the Company and its subsidiaries to support business growth.

Shareholder's Equity (MTHB)

- Non-controlling Interests
- Company's Shareholders' Equity



- Company's shareholders' equity increased 1,809 MTHB or 2.78%. This was mainly due to the operating net profit of the Company and its subsidiaries in 9M22 of 4,134 MTHB offsetting by dividend payment of 1,888 MTHB.
- Non-controlling interests increased 286 MTHB or 3.17% from operating results of subsidiary companies.

Operating Performance

Unit: Million Baht

	2Q22	3Q22		9M21	9M22	
Net Interest Income	752	778	Up 3.46% q-q, mainly due to higher interest income on secured loans, HP loans and investments.	2,022	2,236	Up 10.58% y-y, mainly due to higher interest income on secured loans, and margin loans. However, interest expenses increased in line with higher debt balance.
Non-interest Income	2,469	1,925	Down 22.03% q-q, mainly due to lower gains on financial instruments measured at FVTPL and net insurance/life insurance income.	5,960	6,208	Up 4.16% y-y, mainly due to higher share of profit from associated companies.
Net Fees and Service Income	267	289	Up 8.24% q-q, mainly due to higher underwriting fees received by TNS.	1,067	901	Down 15.56% y-y, mainly due to lower brokerage fees and mutual fund selling fees.
Share of Profit from Associated Companies	860	834	Down 3.02% q-q, due to lower share of profit from MBK.	1,501	2,279	Up 51.83% y-y, due to higher net profit of TTB in line with the economic recovery.
Other Non-interest Income	1,342	802	Down 40.24% q-q, mainly due to lower gains on financial instruments measured at FVTPL and net insurance/life insurance income.	3,392	3,028	Down 10.73% y-y, mainly due to lower gains on property foreclosed and other assets.
Operating Expenses	814	827	Up 1.60% q-q.	2,323	2,431	Up 4.65% y-y, mainly due to higher legal expenses of a subsidiary company.
Expected Credit Loss	43	90	Up 109.30% q-q from loan expansion of subsidiaries.	400	271	Down 32.25% y-y, from effective asset quality control.

Important Subsidiaries Performances



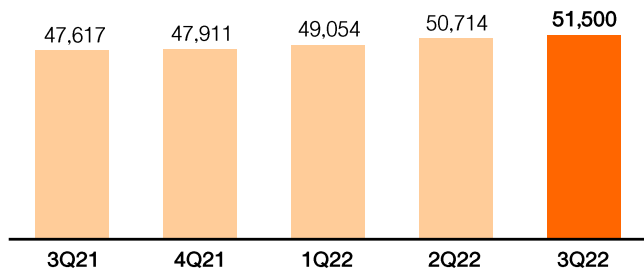
Subsidiaries Performances

Subsidiaries	% held as of 30 Sep 2022	Net Profit (MTHB)				
		3Q21	2Q22	3Q22	9M21	9M22
Ratchthani Leasing Pcl. (Consol.)	60.61%	401	492	453	1,255	1,400
Thanachart Insurance Pcl.	50.96%	278	199	137	670	529
Thanachart Securities Pcl.	50.96%	141	107	95	500	378
TS AMC	99.99%	(5)	(6)	74	30	62
MAX AMC	83.44%	49	(1)	76	34	68
NFS AMC	100.00%	4	(2)	(6)	90	(8)
T Life Assurance Pcl.*	100.00%	12	173	21	85	297
Thanachart Plus	100.00%	2	27	33	2	80

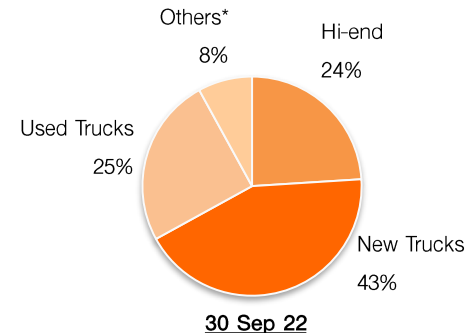
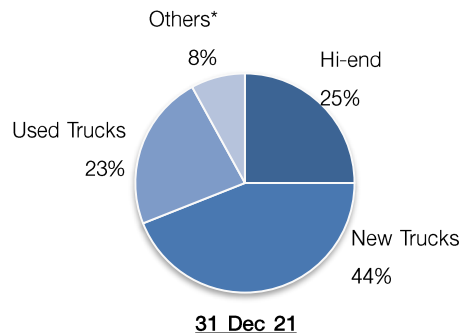
Ratchthani Leasing (Consolidated)

THANI HP Loan Portfolio (MTHB)

HP portfolio grew by 7.49% ytd, with the average new drawdown of almost 2,400 MTHB per month.

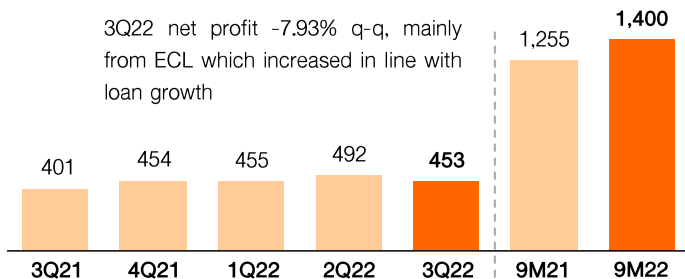


THANI HP Breakdown (Percent)



THANI Net Profit (MTHB)

9M22 net profit +11.55% y-y, due to effective cost control from both cost of fund and credit cost.

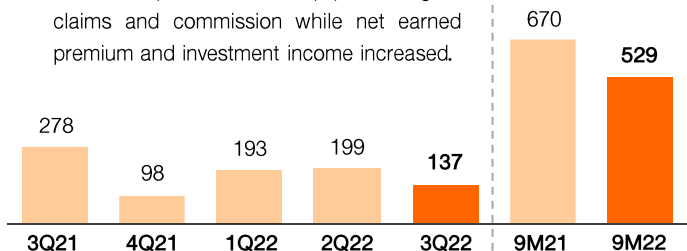


THANI's Ratios

Performance Parameters (Percent)		2020	2021	9M22
Profitability	ROAE	20.12%	15.27%	15.88%
	ROAA	3.74%	3.50%	3.63%
	Net Profit Margin	43.64%	40.44%	42.27%
	Spread	4.34%	4.55%	4.48%
	Cost to Income	16.80%	17.64%	21.72%
Loans	Loan Growth	(5.96%)	2.49%	7.49%
Asset Quality	NPL Ratio	3.13%	3.77%	2.33%
	Credit Cost	0.68%	1.20%	0.83%
Capital	D/E Ratio (Times)	3.48	3.26	3.48

TNI Net Profit (MTHB)

3Q22 net profit -31.16% q-q from higher claims and commission while net earned premium and investment income increased.

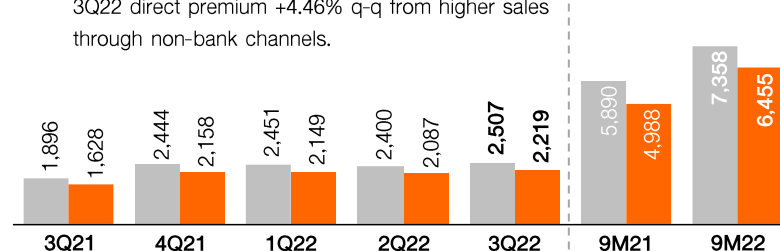


9M22 net profit -21.06% y-y from higher commission which was in line with higher premium.

TNI Direct VS Motor Insurance (MTHB)

Direct Premium Motor Premium

3Q22 direct premium +4.46% q-q from higher sales through non-bank channels.

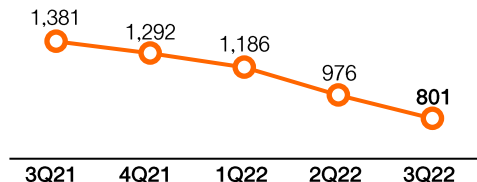


9M22 direct premium +24.92% y-y from higher sales through non-bank channels.

Non-bank : Bank increased from 47 : 53 at 2021 to 54 : 46 at 3Q22

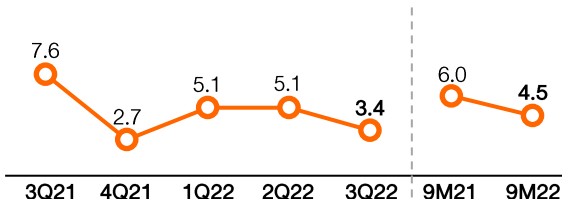
TNI Financial Ratios (Percent)

Capital Adequacy Ratio

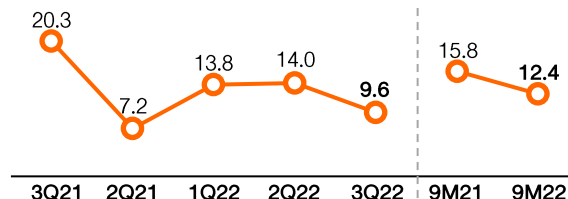


Capital Adequacy Ratio has been declining from higher market risk but is still very strong and much higher than 140% minimum requirement of the OIC.

ROA



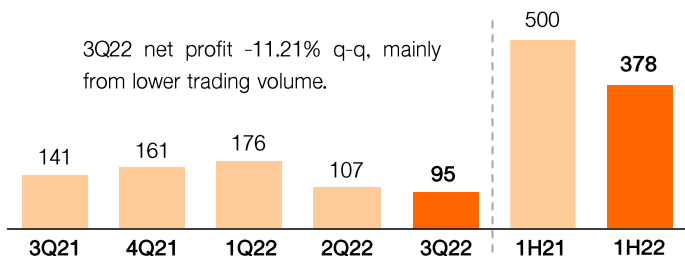
ROE



TNS Net Profit (MTHB)

9M22 net profit -24.40% y-y, mainly from lower trading volume. However, ZEAL and margin loan businesses were doing well.

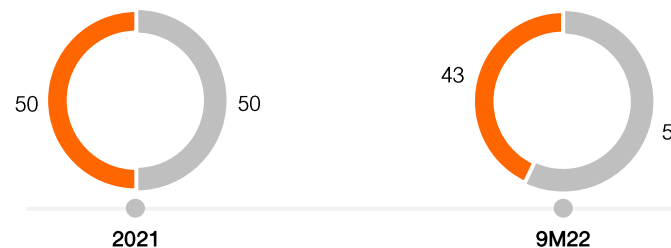
3Q22 net profit -11.21% q-q, mainly from lower trading volume.



Profit Contribution (Percent)

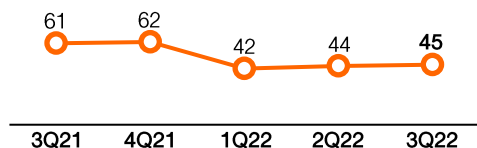
■ Cash Equity ■ Non-cash Equity

TNS has relied less on cash equity business. In 9M22, non-cash equity accounted for 57% of its net profit.



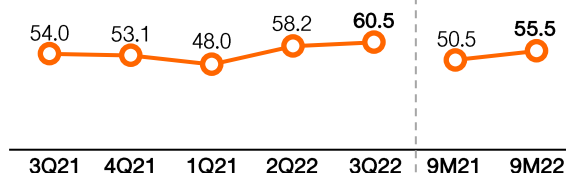
TNS Financial Ratios (Percent)

Net Liquid Capital Rules (NCR)



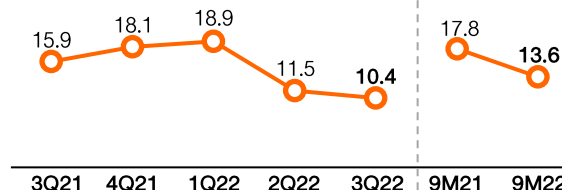
Capital adequacy ratio is still strong and much higher than 7% minimum requirement of the SEC.

Cost to Income Ratio



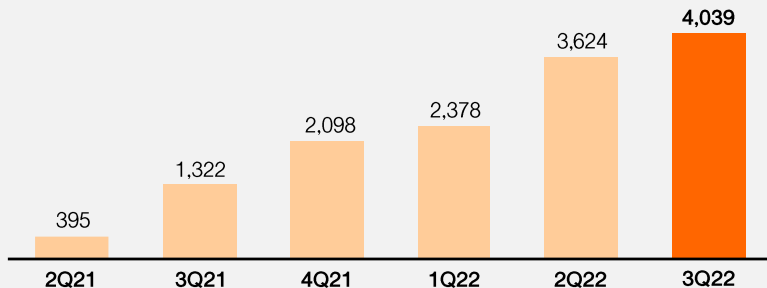
3Q22 and 9M21 cost-to-income ratio picked up from lower income

ROE



ROEs remained decent, although income has declined.

T-PLUS Loan Portfolio (MTHB)



Property Type



NPL

0 THB

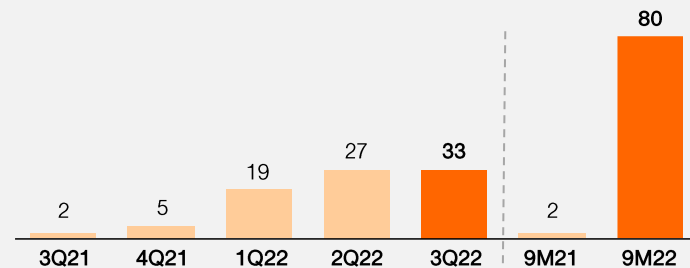
Interest Rate

11.0%

LTV

49.0%

T-PLUS Net Profit (MTHB)



TGROUP: Comparison to Targets & Updates

TGROUP Core Businesses: 2022 Targets



	2022F	9M22A
Loan Growth	+2%	+1.7%
Deposit Growth	+3%	+2.6%
NIM	Stable (2.97%)	2.89%
NIR/Assets	0.8-0.9%	0.76%
CI Ratio	45-47%	45%
% Stage 3	≤ 3.2%	2.72%
Credit Cost	140-160 bps	131 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

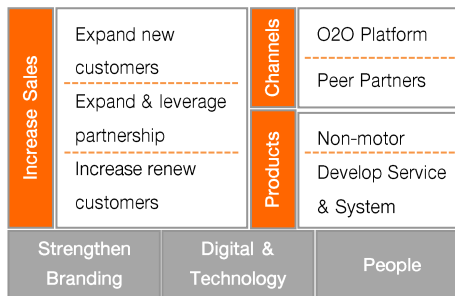
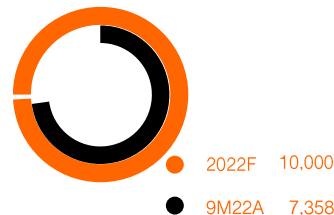
Find more products with high yield



Maintain quick approval process



Total Premium (MB)

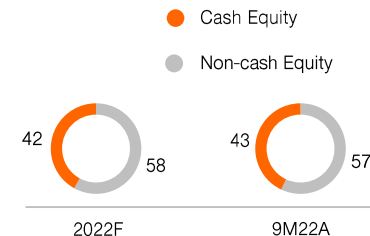


Product Highlights



Margin Loans

Profit Contribution (%)

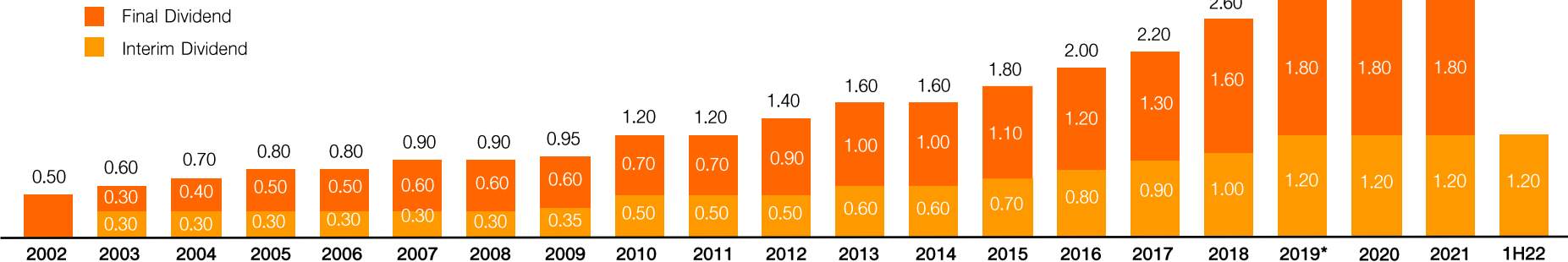


Appendix

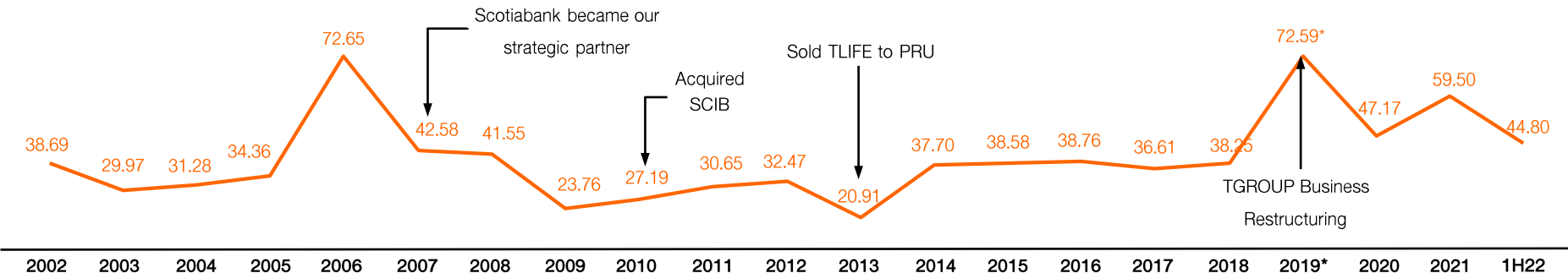
TCAP: Dividend Payment

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



TCAP Total Dividend Payout Ratio (Percent)



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