



TISCO Financial Group Public Co., Ltd.

Analyst Meeting 1Q2024

April 17, 2024

Profit softened amid cost of funds pressure, weak fee income and stepping up ECL



Consolidated Income Statements

| Unit : Million Baht | 1Q23 | 4Q23 | 1Q24 | % QoQ | % YoY |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|
| Interest Income | 4,070 | 4,776 | 4,774 | (0.0) | 17.3 |
| Interest Expenses | (847) | (1,273) | (1,378) | 8.2 | 62.6 |
| Net Interest Income | 3,223 | 3,502 | 3,395 | (3.0) | 5.4 |
| Fee & Service Income | 1,378 | 1,367 | 1,273 | (6.9) | (7.6) |
| Fee & Service Expenses | (112) | (116) | (105) | (9.2) | (6.1) |
| Other Operating Income | 117 | 8 | 139 | 1,550.1 | 18.8 |
| Total Non-Interest Income | 1,384 | 1,260 | 1,307 | 3.8 | (5.5) |
| Total Income | 4,606 | 4,762 | 4,703 | (1.2) | 2.1 |
| Operating Expenses | (2,282) | (2,353) | (2,263) | (3.8) | (0.8) |
| PPOP | 2,325 | 2,409 | 2,440 | 1.3 | 5.0 |
| ECL | (91) | (187) | (279) | 49.1 | 206.4 |
| Pre-tax Profit | 2,233 | 2,222 | 2,161 | (2.8) | (3.3) |
| Income Tax | (441) | (442) | (428) | (3.2) | (3.0) |
| Net Profit | 1,793 | 1,780 | 1,733 | (2.6) | (3.3) |
| EPS (Baht) | 2.24 | 2.22 | 2.16 | | |
| ROAE (%) | 16.4 | 17.2 | 16.0 | | |

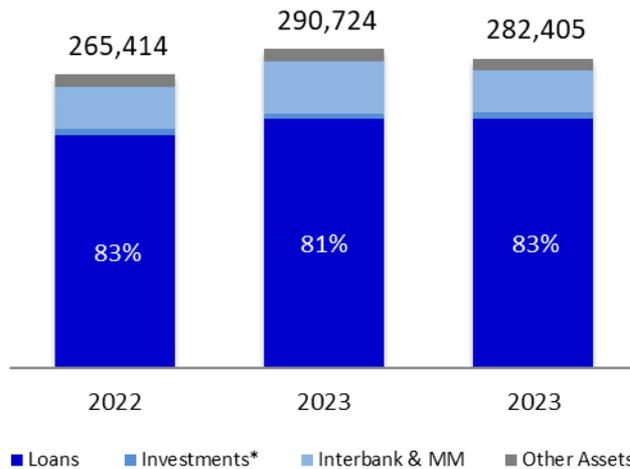
Well-managed balance sheet



Assets

Unit: Million Baht

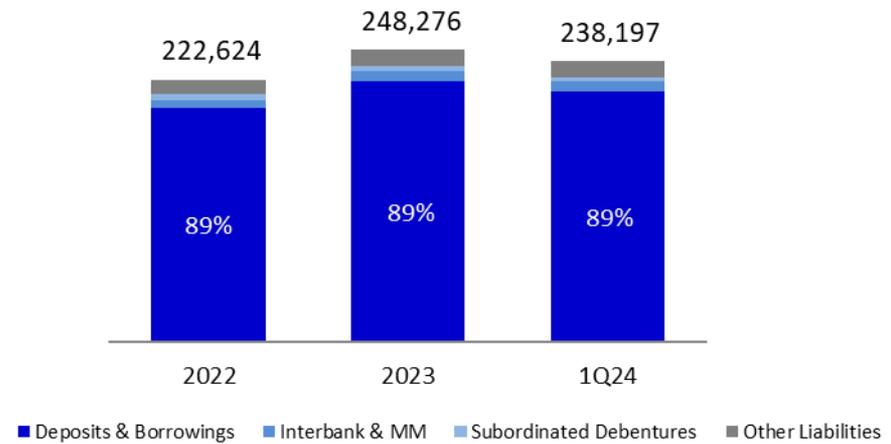
-2.9%
QoQ



Liabilities

Unit: Million Baht

-4.1%
QoQ



| Unit : Million Baht | 2022 | 2023 | 1Q24 | % QoQ |
|---------------------|----------------|----------------|----------------|--------------|
| Loans | 219,004 | 234,815 | 235,218 | 0.2 |
| Allowance | (11,845) | (9,916) | (9,498) | (4.2) |
| Investments* | 6,162 | 5,395 | 5,442 | 0.9 |
| Interbank & MM | 40,272 | 48,490 | 39,738 | (18.0) |
| Other Assets | 11,821 | 11,940 | 11,505 | (3.6) |
| Total Assets | 265,414 | 290,724 | 282,405 | (2.9) |

*Investments included Financial Assets measured at FV to PL

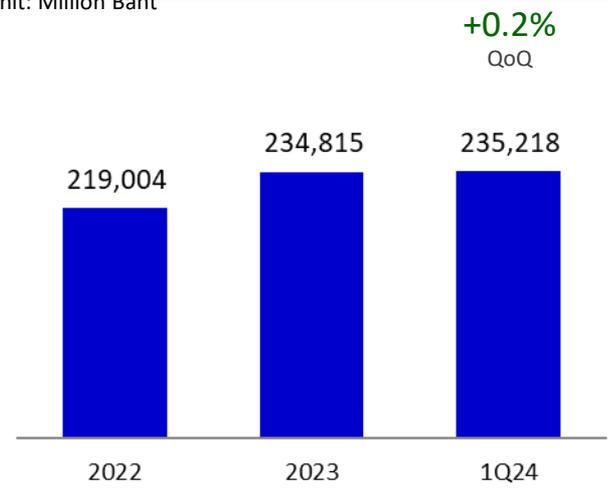
| Unit : Million Baht | 2022 | 2023 | 1Q24 | % QoQ |
|--------------------------|----------------|----------------|----------------|--------------|
| Deposits & Borrowings | 198,983 | 220,891 | 212,124 | (4.0) |
| Interbank & MM | 6,195 | 8,506 | 9,552 | 12.3 |
| Subordinated Debentures | 5,040 | 5,040 | 2,640 | (47.6) |
| Other Liabilities | 12,406 | 13,839 | 13,881 | 0.3 |
| Total Liabilities | 222,624 | 248,276 | 238,197 | (4.1) |
| Retained Earnings | 31,931 | 31,399 | 33,134 | 5.5 |
| Total Equities | 42,791 | 42,448 | 44,208 | 4.1 |

Continuing loan growth amid cautious loan underwriting



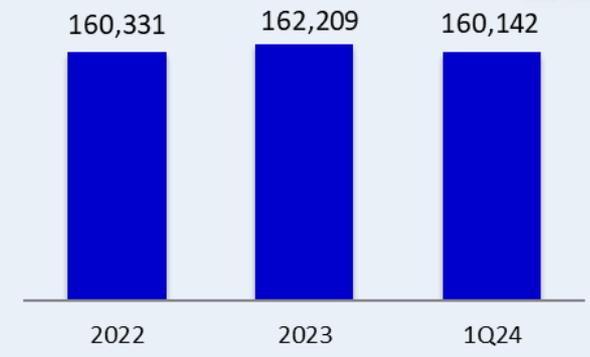
Loan Portfolios

Unit: Million Baht



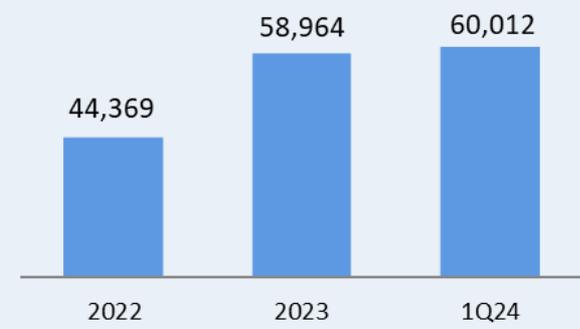
Retail Loans

-1.3% QoQ



Corporate Loans

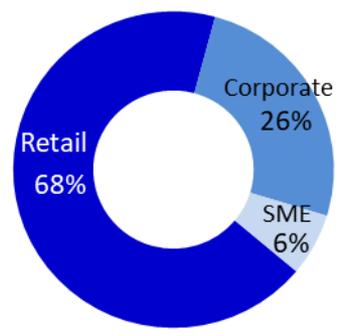
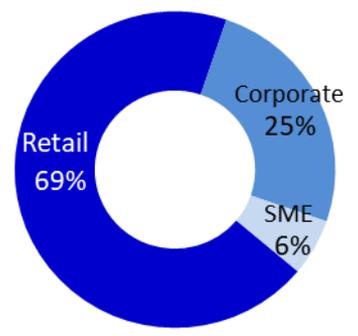
+1.8% QoQ



Loans by sectors

2023

1Q24



SME Loans

+10.4% QoQ

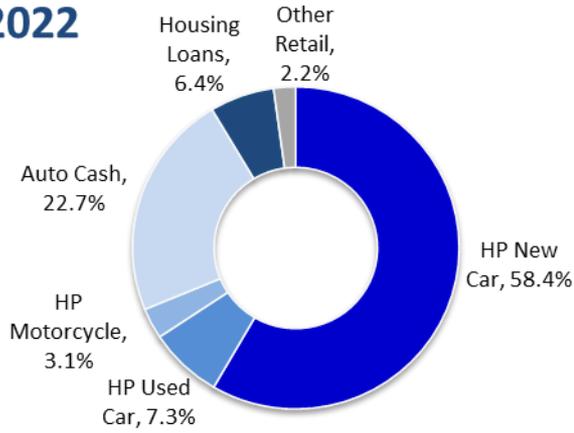


Shifting focus to high-yield businesses

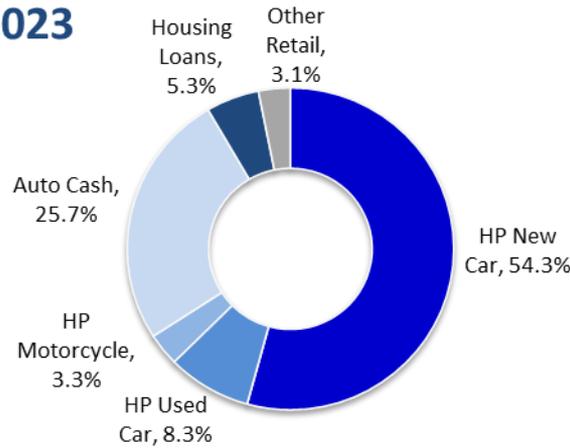


Composition of Retail Loans

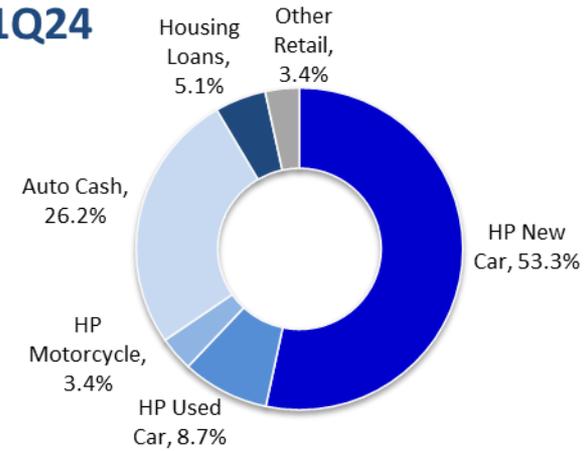
2022



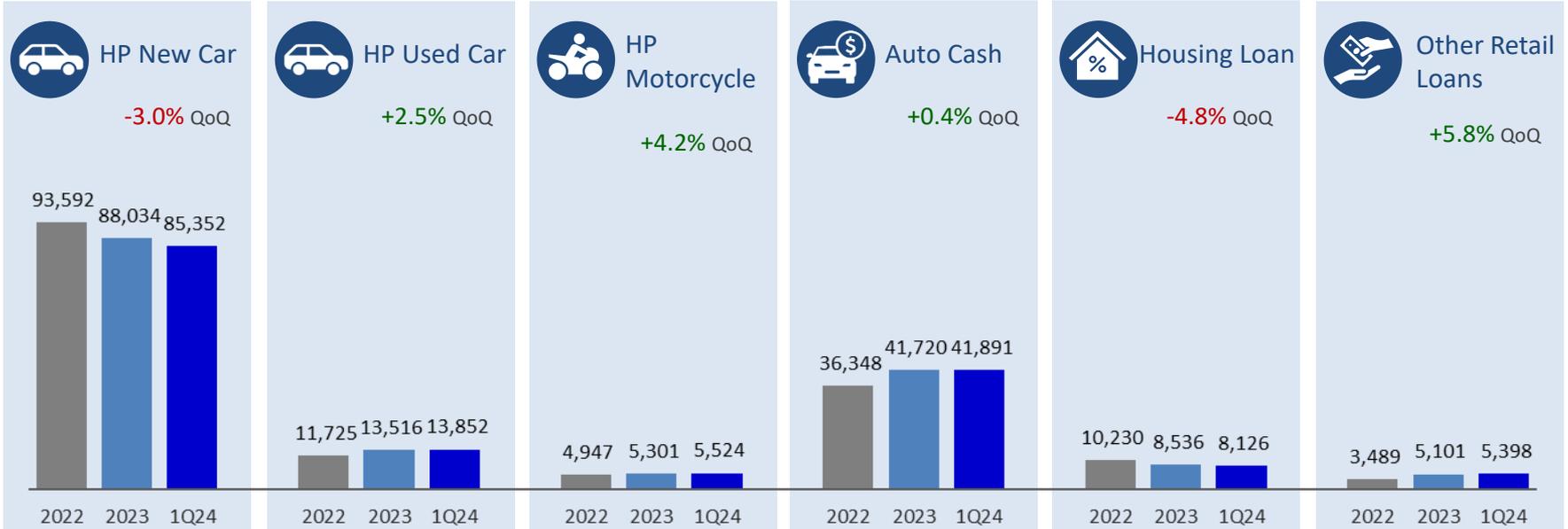
2023



1Q24



Unit: Million Baht

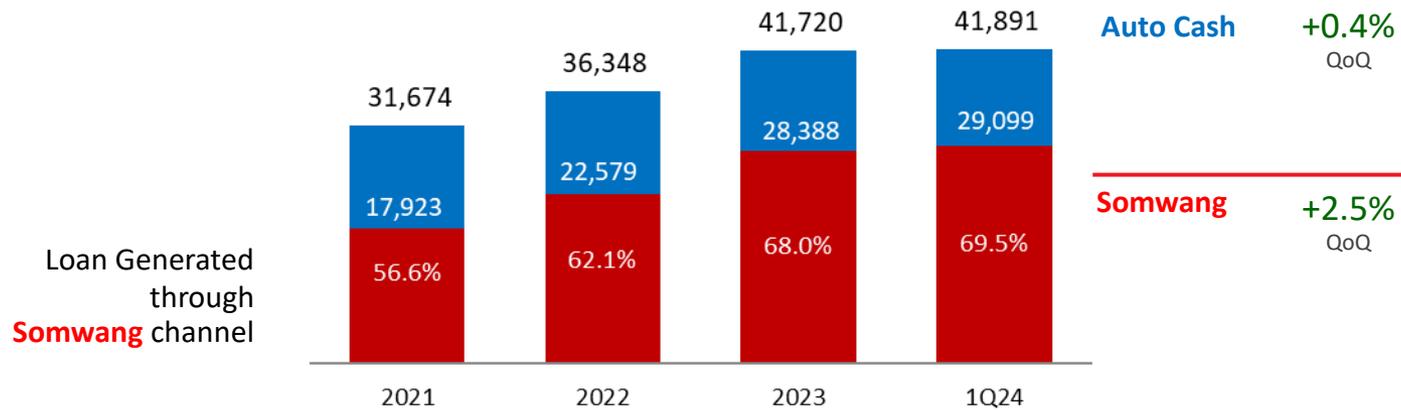


Increasing consumer loan accessibility through **Somwang** channel



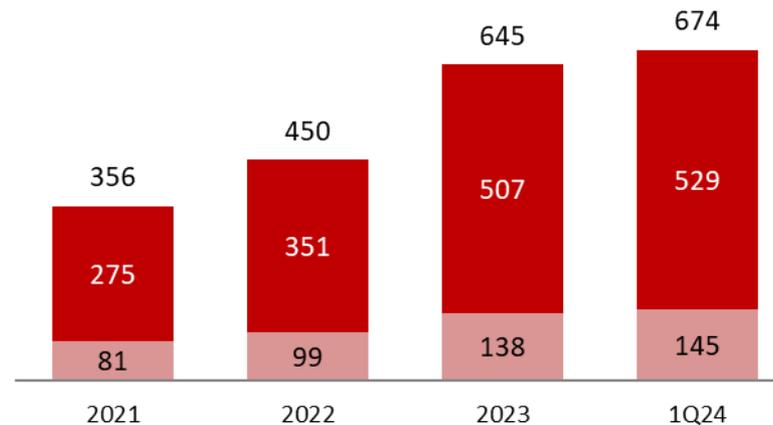
Auto Cash Loans

Unit: Million Baht



Somwang Branches

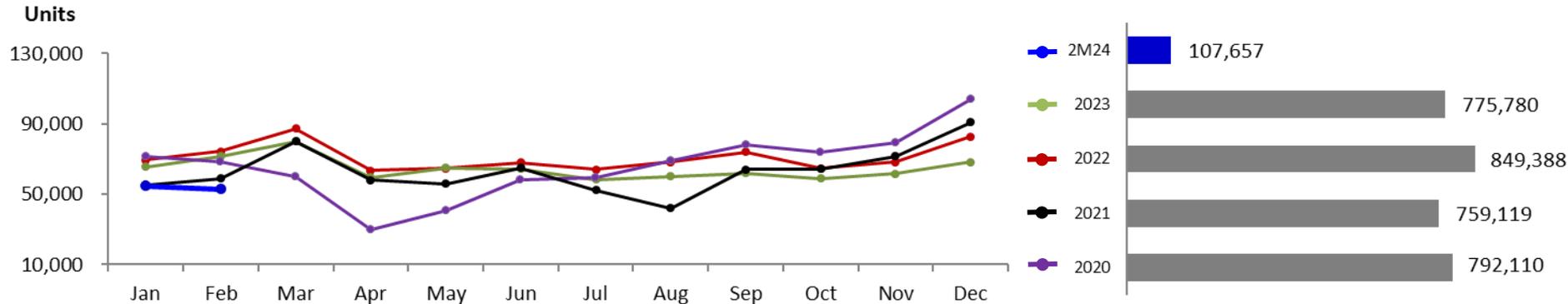
■ BKK and vicinity ■ Provincial area



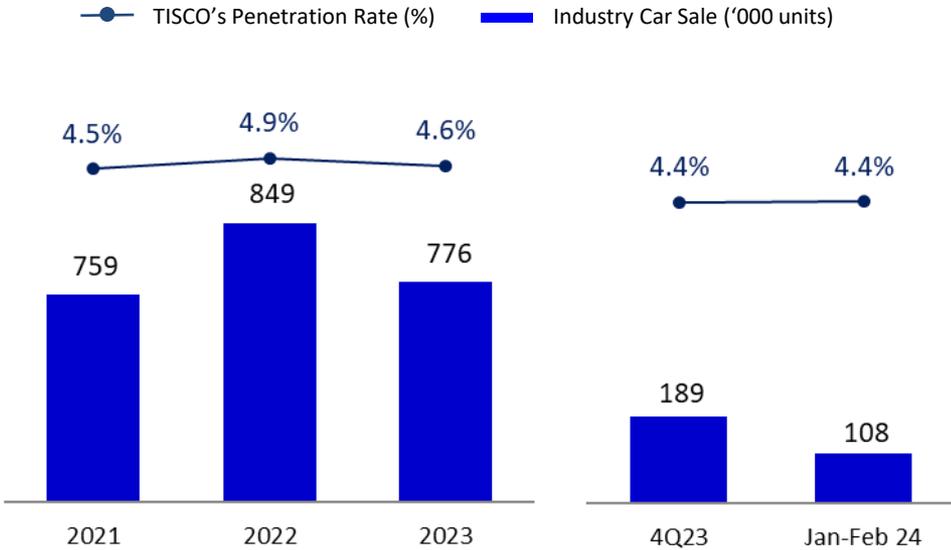
Weak domestic car sale due to tightened underwriting



Industry New Car Sale



TISCO's Auto HP Penetration Rate



Industry Car Sale
-21.5%
 YoY



Pressure from rising cost of funds compressed loan spread & NIM going forward

Yield on Loans



Change YoY

+39 bps



Change QoQ

+2 bps

Loan Spread

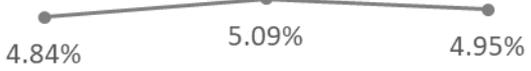


-42 bps



-14 bps

NIM



-14 bps



-19 bps

Cost of Funds



+81 bps



+15 bps

2021 2022 2023

4Q23 1Q24

Unit: Million Baht

Loan Outstanding
Net Interest Income

| | 2021 | 2022 | 2023 |
|---------------------|---------|---------|---------|
| Loan Outstanding | 202,950 | 219,004 | 234,815 |
| Net Interest Income | 12,460 | 12,734 | 13,573 |

+7.2%
+6.6%

| | 4Q23 | 1Q24 |
|---------------------|---------|---------|
| Loan Outstanding | 234,815 | 235,218 |
| Net Interest Income | 3,502 | 3,395 |

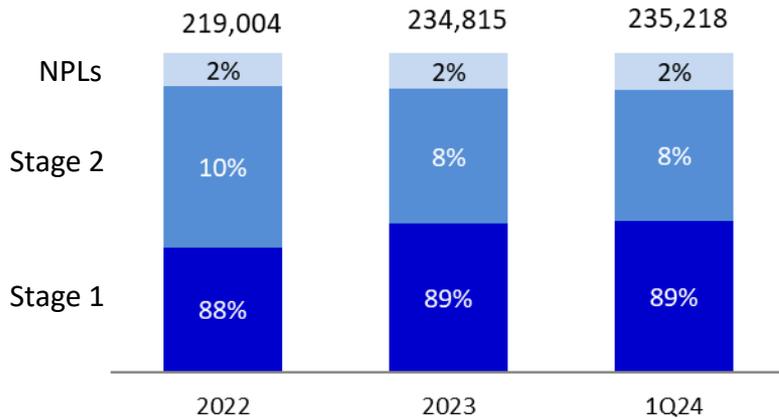
+0.2%
-3.0%

Increasing NPLs amid a growth in high-yield loans



Loan Classification

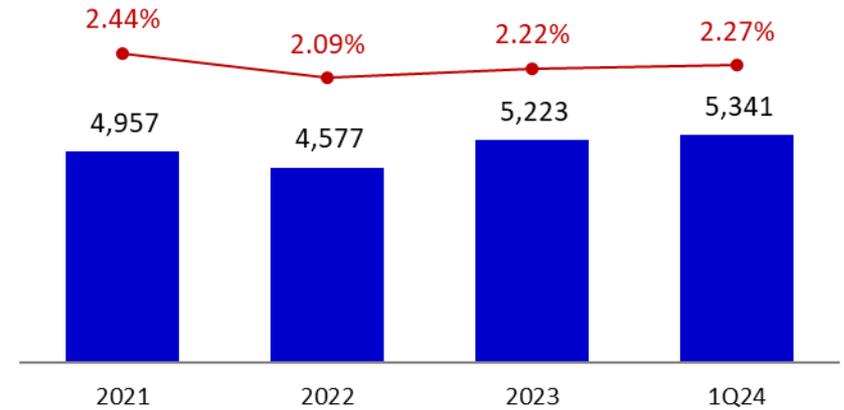
Unit: Million Baht



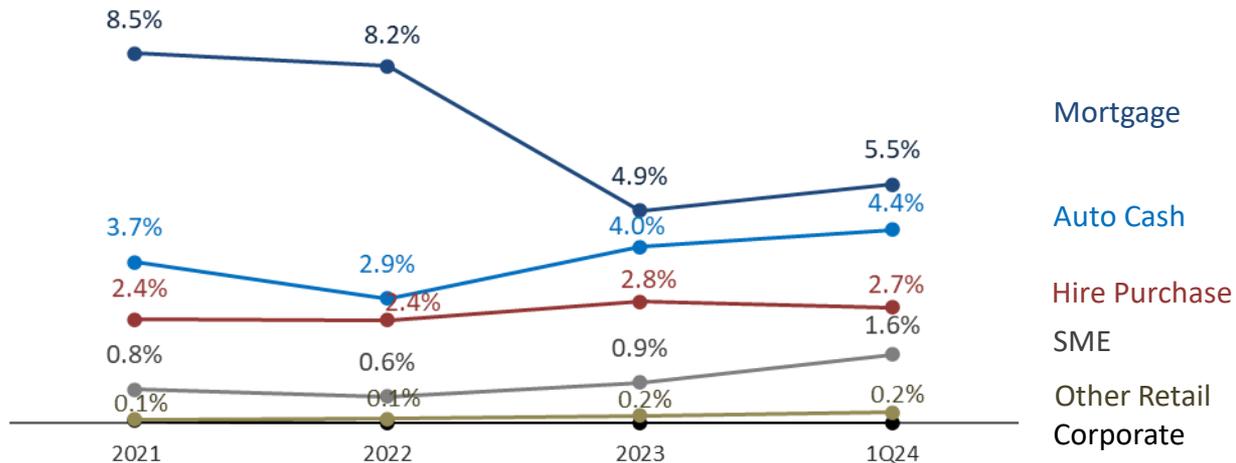
Non-Performing Loans

Unit: Million Baht

■ Total NPLs ● NPL Ratio (%)



NPLs by Loan Types



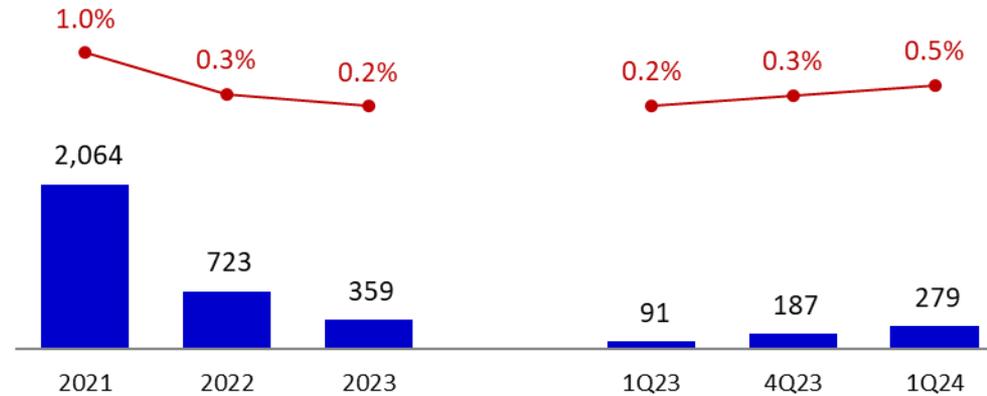
Stepping up ECL expense to absorb higher risks amid fragile economy



Expected Credit Loss

Unit: Million Baht

■ Provisions/ECL ● Credit Cost (%)



Allowance for ECL

Unit: Million Baht



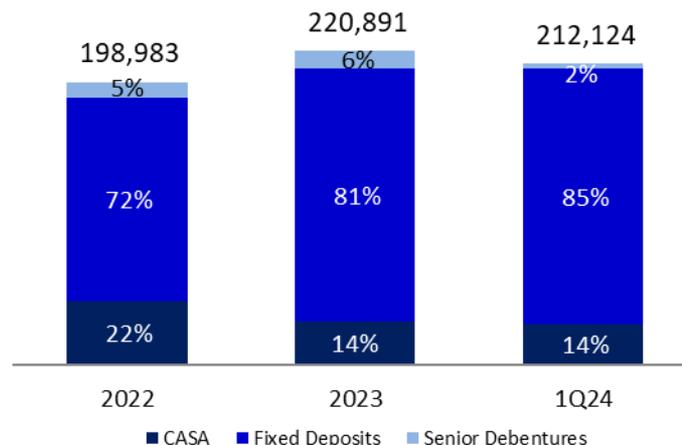
Maintained sufficient funding base to support growth



Total Funding

Unit: Million Baht

-4.0%
QoQ



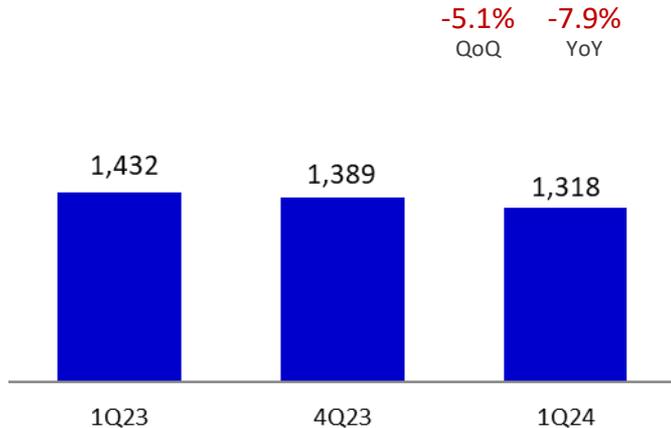
| Unit : Million Baht | 2022 | 2023 | 1Q24 | % QoQ |
|--|----------------|----------------|----------------|--------------|
| Current | 1,821 | 1,529 | 1,736 | 13.5 |
| Savings | 42,930 | 28,988 | 27,017 | (6.8) |
| Fixed Deposits | 143,515 | 178,128 | 179,834 | 1.0 |
| Short-Term Bill of Exchanges | 37 | 36 | 36 | - |
| Senior Debentures | 10,680 | 12,210 | 3,500 | (71.3) |
| Total Deposits & Borrowings | 198,983 | 220,891 | 212,124 | (4.0) |
| Subordinated Debentures | 5,040 | 5,040 | 2,640 | |
| % LDR to Total Deposits & Borrowings | 110.1 | 106.3 | 110.9 | |

Slow recovery in fee-based businesses caused by fragile economy and weak sentiment



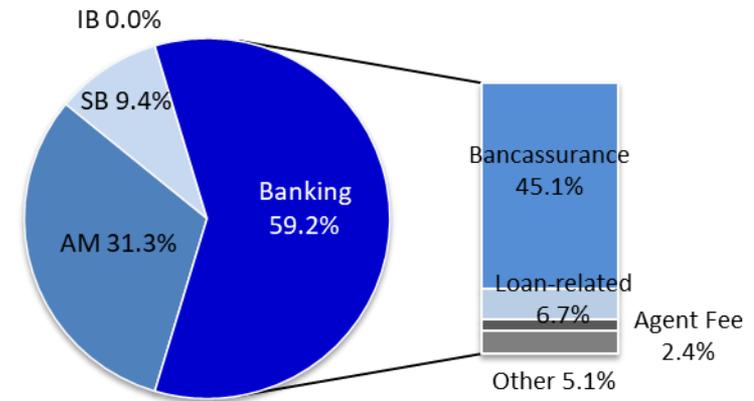
Non-Interest Income from Core Businesses

Unit: Million Baht



Non-Interest Income from Core Businesses Breakdown

Data as of 3M2024



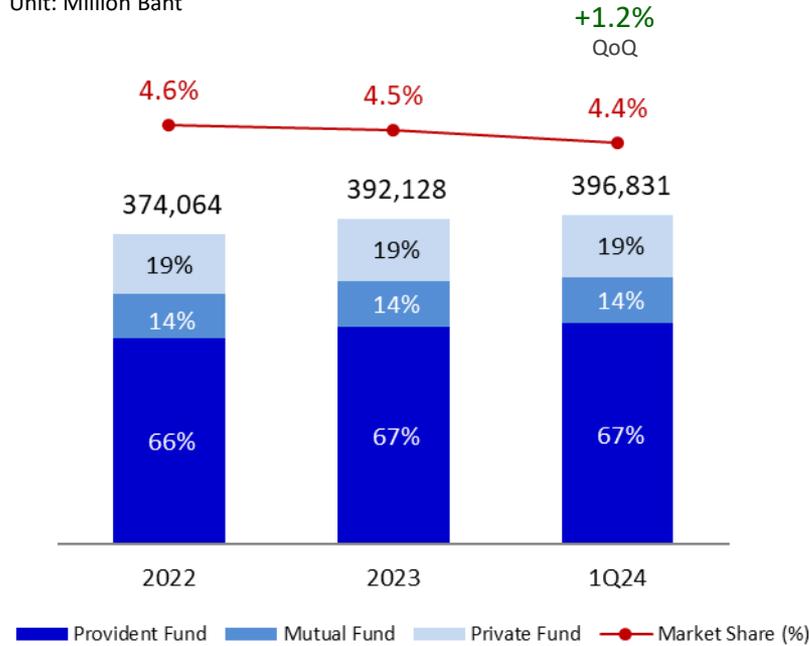
| Unit : Million Baht | 1Q23 | 4Q23 | 1Q24 | % QoQ | % YoY |
|---|--------------|--------------|--------------|--------------|--------------|
| Banking Fee | 801 | 888 | 781 | (12.1) | (2.5) |
| <i>Bancassurance Fee</i> | 615 | 699 | 595 | (15.0) | (3.4) |
| <i>Other Banking Fee</i> | 186 | 188 | 186 | (1.3) | 0.2 |
| Asset Management Basic Fee | 416 | 391 | 413 | 5.7 | (0.8) |
| Brokerage Fee | 187 | 109 | 124 | 13.7 | (33.5) |
| Investment Banking Fee | 28 | 2 | 0 | (93.2) | (99.6) |
| Non-Interest Income from Core Businesses | 1,432 | 1,389 | 1,318 | (5.1) | (7.9) |
| Gain (Loss) on Financial Instruments | 20 | (68) | 46 | n.a. | 133.8 |
| Share of Profit from Subsidiaries | 10 | (3) | 10 | n.a. | (5.8) |
| Dividend Income | 33 | 5 | 37 | 607.3 | 11.8 |
| AM Performance Fee | 1 | 51 | 2 | (96.2) | 100.5 |
| Total Non-Interest Income | 1,495 | 1,376 | 1,412 | 2.7 | (5.6) |

AUMs grew along with increased contributions



Assets Under Management

Unit: Million Baht



Rank #9

Rank #1

Provident Fund

+1.2%
QoQ



Rank #14

Mutual Fund

+2.4%
QoQ



Rank #6

Private Fund

+0.2%
QoQ

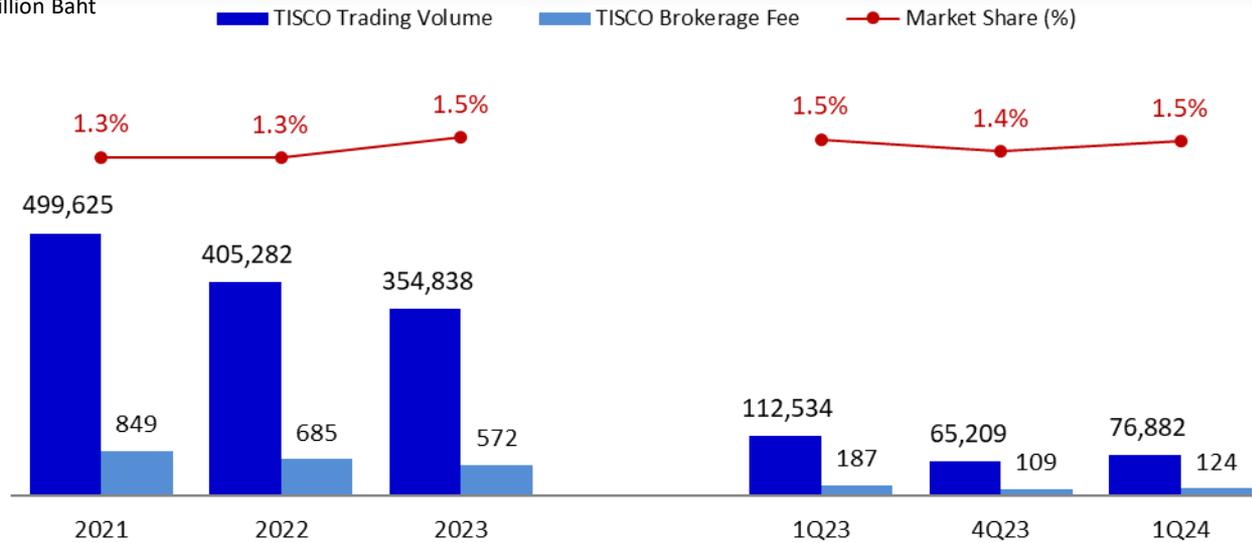


Trading volume remained subdued while TISCO's market share improved



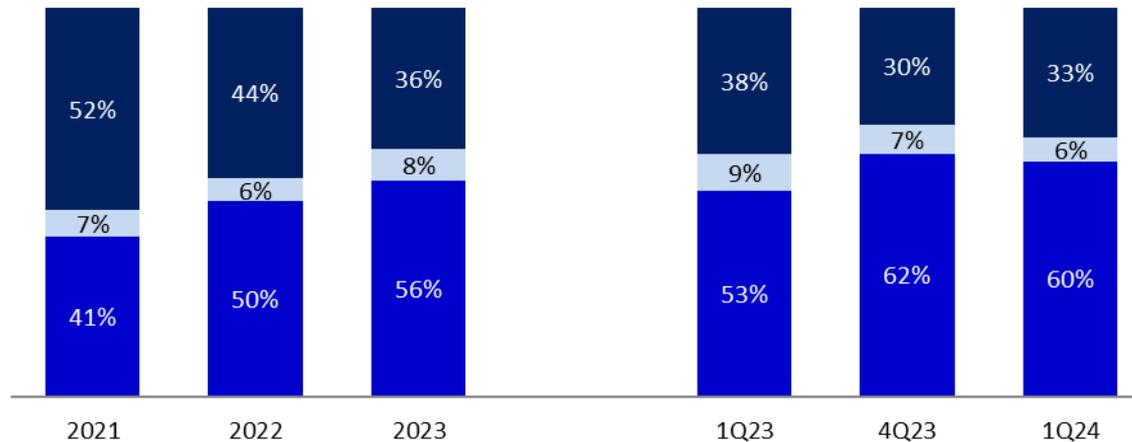
TISCO Trading Volume & Market Share

Unit: Million Baht



Trading Volume by Customers

■ Local Institution ■ Foreign Institution ■ Retail investors



OPEX decreased after seasonal effect in last quarter

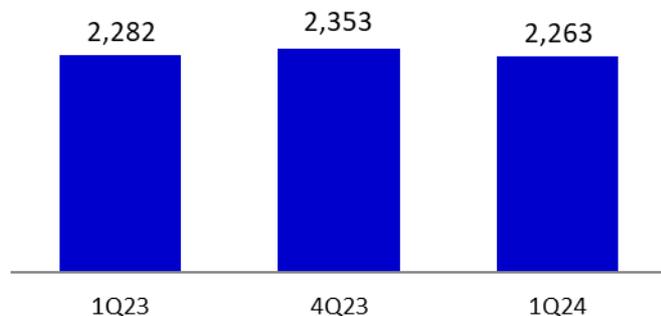


Operating Expenses

Unit: Million Baht

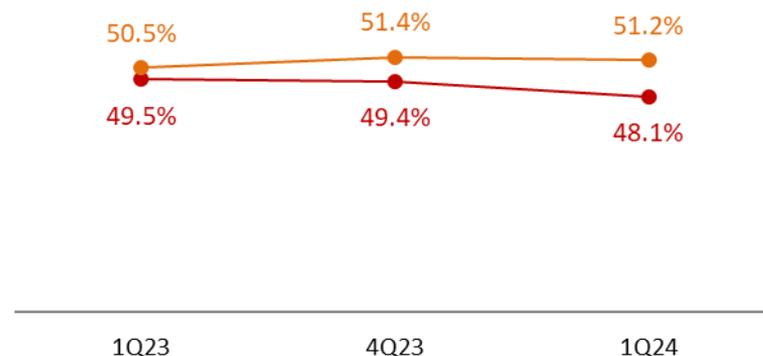
-3.8%
QoQ

-0.8%
YoY



Cost to Income Ratio

● Cost to Income (%) ● Cost to Income after Provision (%)



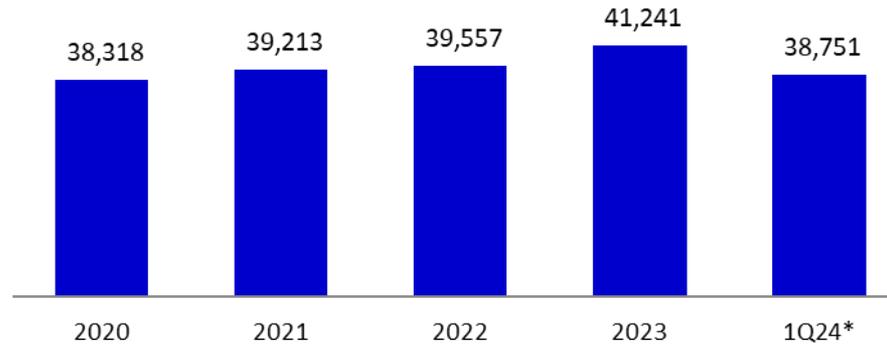
| Unit : Million Baht | 1Q23 | 4Q23 | 1Q24 | % QoQ | % YoY |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|
| Employee Expenses | 1,570 | 1,600 | 1,537 | (4.0) | (2.1) |
| Premises & Equipment Expenses | 188 | 202 | 207 | 2.4 | 10.2 |
| IT Expenses | 187 | 202 | 196 | (2.7) | 5.2 |
| Marketing & Sale Admin Expenses | 84 | 97 | 66 | (31.9) | (21.3) |
| Admin & Other Expenses | 253 | 251 | 256 | 2.0 | 1.5 |
| Total Operating Expenses | 2,282 | 2,353 | 2,263 | (3.8) | (0.8) |

Maintained solid capital level and exceeded BOT's requirement

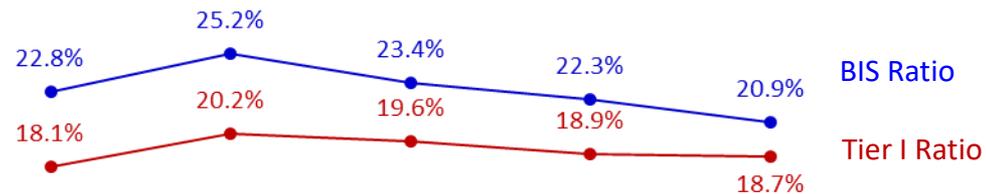


Capital Base of TISCO Bank

Unit: Million Baht



Capital Adequacy Ratio



BIS Ratio

Tier I Ratio

Min. Required by BOT

11.0% BIS Ratio

8.5% Tier I Ratio

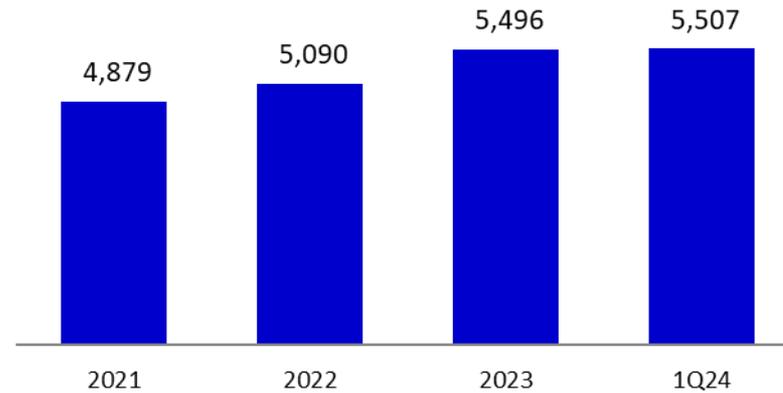
2020 2021 2022 2023 1Q24*

*Projected figures

Continued to expand Somwang staff and network as part of TISCO's long-term plan

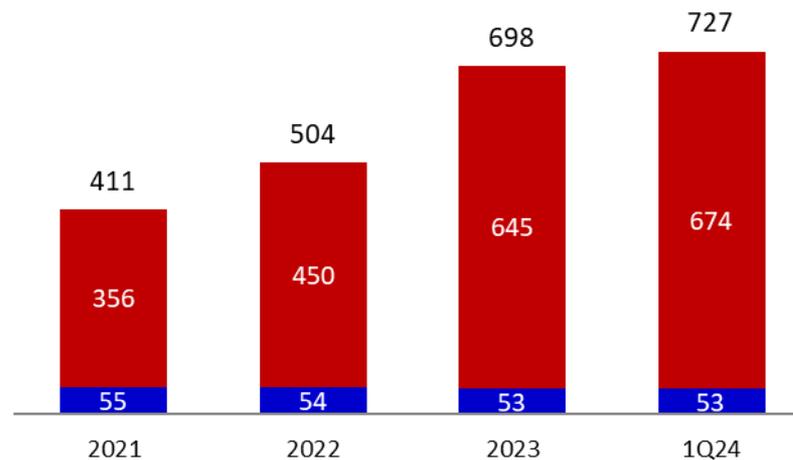


Total Employees



Number of Employees

Total Branch Network



Somwang Loan Offices



Bank Branches



-  **TISCO Financial Group Public Company Limited**
48/49 TISCO Tower, North Satorn Road, Silom, Bangrak, Bangkok, 10500, Thailand
-  +(66) 2633 6868
-  +(66) 2633 6855
-  ir@tisco.co.th
-  www.tisco.co.th

Disclaimer

This presentation material may contain forward-looking statements. These forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in the forward looking statements as a result of various factors. TISCO accepts no liability whatsoever with respect to the use of this document of its content.



TISCO