



# TISCO Financial Group Public Co., Ltd.

## Analyst Meeting 3Q2024

October 15, 2024

# Profit decreased due to stepping up ECL expense while fee-based businesses started to recover



## Consolidated Income Statements

Unit : Million Baht	3Q23	2Q24	3Q24	% QoQ	% YoY	9M23	9M24	% YoY
Interest Income	4,602	4,744	4,749	0.1	3.2	13,006	14,267	9.7
Interest Expenses	(1,110)	(1,357)	(1,364)	0.5	22.9	(2,935)	(4,099)	39.7
<b>Net Interest Income</b>	<b>3,492</b>	<b>3,387</b>	<b>3,385</b>	<b>(0.1)</b>	<b>(3.0)</b>	<b>10,070</b>	<b>10,168</b>	<b>1.0</b>
Fee & Service Income	1,305	1,345	1,365	1.4	4.6	3,944	3,983	1.0
Fee & Service Expenses	(107)	(114)	(103)	(9.0)	(3.5)	(328)	(322)	(1.6)
Other Operating Income	52	318	141	(55.7)	170.2	341	598	75.3
<b>Total Non-Interest Income</b>	<b>1,250</b>	<b>1,550</b>	<b>1,402</b>	<b>(9.5)</b>	<b>12.2</b>	<b>3,957</b>	<b>4,259</b>	<b>7.6</b>
<b>Total Income</b>	<b>4,742</b>	<b>4,937</b>	<b>4,788</b>	<b>(3.0)</b>	<b>1.0</b>	<b>14,028</b>	<b>14,428</b>	<b>2.9</b>
Operating Expenses	(2,329)	(2,356)	(2,292)	(2.7)	(1.6)	(6,988)	(6,911)	(1.1)
<b>PPOP</b>	<b>2,413</b>	<b>2,582</b>	<b>2,495</b>	<b>(3.4)</b>	<b>3.4</b>	<b>7,040</b>	<b>7,517</b>	<b>6.8</b>
ECL	(82)	(401)	(359)	(10.5)	338.4	(172)	(1,038)	502.6
<b>Pre-tax Profit</b>	<b>2,332</b>	<b>2,181</b>	<b>2,137</b>	<b>(2.0)</b>	<b>(8.4)</b>	<b>6,868</b>	<b>6,479</b>	<b>(5.7)</b>
Income Tax	(457)	(428)	(423)	(1.2)	(7.4)	(1,346)	(1,279)	(5.0)
<b>Net Profit</b>	<b>1,874</b>	<b>1,753</b>	<b>1,713</b>	<b>(2.3)</b>	<b>(8.6)</b>	<b>5,521</b>	<b>5,199</b>	<b>(5.8)</b>
<b>EPS (Baht)</b>	<b>2.34</b>	<b>2.19</b>	<b>2.14</b>			<b>6.90</b>	<b>6.49</b>	
<b>ROAE (%)</b>	<b>18.6</b>	<b>16.4</b>	<b>16.6</b>			<b>17.7</b>	<b>16.5</b>	

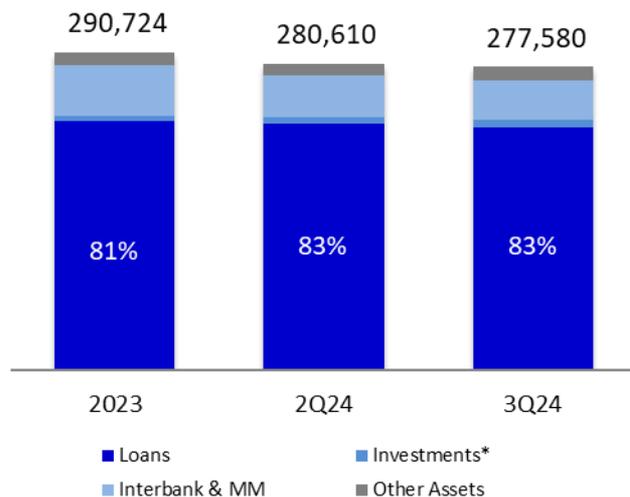
# Well-managed balance sheet amid high-risk environment



## Assets

Unit: Million Baht

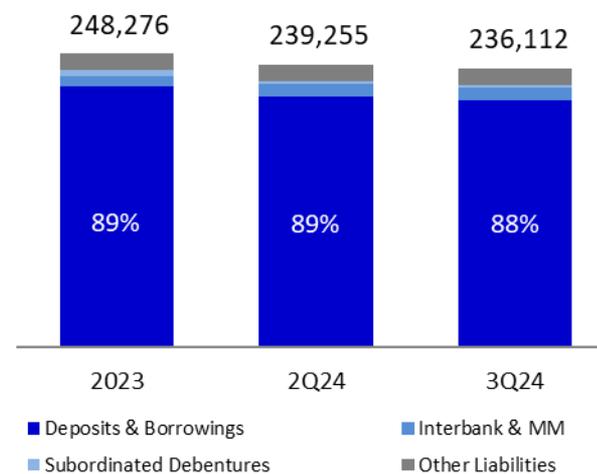
**-1.1%** **-4.5%**  
QoQ YTD



## Liabilities

Unit: Million Baht

**-1.3%** **-4.9%**  
QoQ YTD



Unit : Million Baht

	2023	2Q24	3Q24	% QoQ	% YoY
Loans	234,815	233,448	229,948	(1.5)	(2.1)
Allowance	(9,916)	(9,261)	(8,938)	(3.5)	(9.9)
Investments*	5,395	5,884	6,166	4.8	14.3
Interbank & MM	48,490	38,808	38,263	(1.4)	(21.1)
Other Assets	11,940	11,732	12,141	3.5	1.7
<b>Total Assets</b>	<b>290,724</b>	<b>280,610</b>	<b>277,580</b>	<b>(1.1)</b>	<b>(4.5)</b>

\*Investments included Financial Assets measured at FV to PL

Unit : Million Baht

	2023	2Q24	3Q24	% QoQ	% YoY
Deposits & Borrowings	220,891	212,060	208,945	(1.5)	(5.4)
Interbank & MM	8,506	10,261	10,203	(0.6)	19.9
Subordinated Debentures	5,040	2,640	2,640	-	(47.6)
Other Liabilities	13,839	14,294	14,324	0.2	3.5
<b>Total Liabilities</b>	<b>248,276</b>	<b>239,255</b>	<b>236,112</b>	<b>(1.3)</b>	<b>(4.9)</b>
Retained Earnings	31,399	30,284	30,399	0.4	(3.2)
<b>Total Equities</b>	<b>42,448</b>	<b>41,355</b>	<b>41,468</b>	<b>0.3</b>	<b>(2.3)</b>

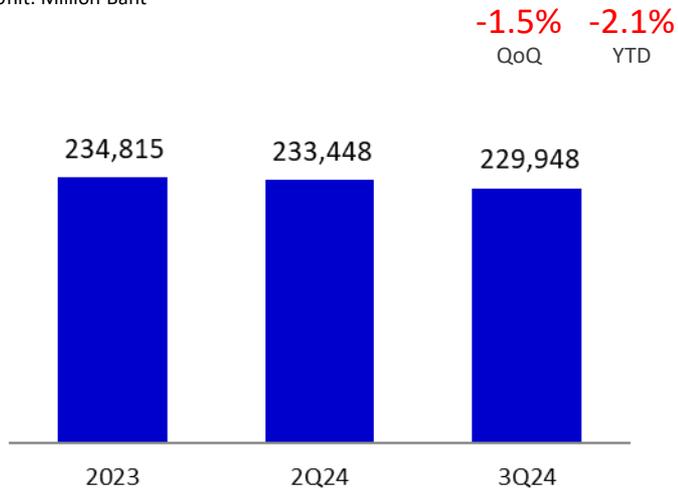
# Loan contraction from a slowdown in HP business, as well as loan repayment in corporate and SME segments



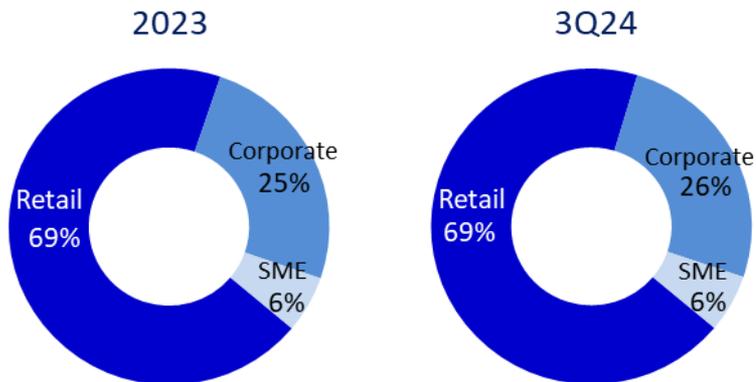
TISCO

## Loan Portfolios

Unit: Million Baht



## Loans by sectors



## Retail Loans

-0.8% QoQ  
-2.9% YTD



## Corporate Loans

-1.8% QoQ  
-0.3% YTD



## SME Loans

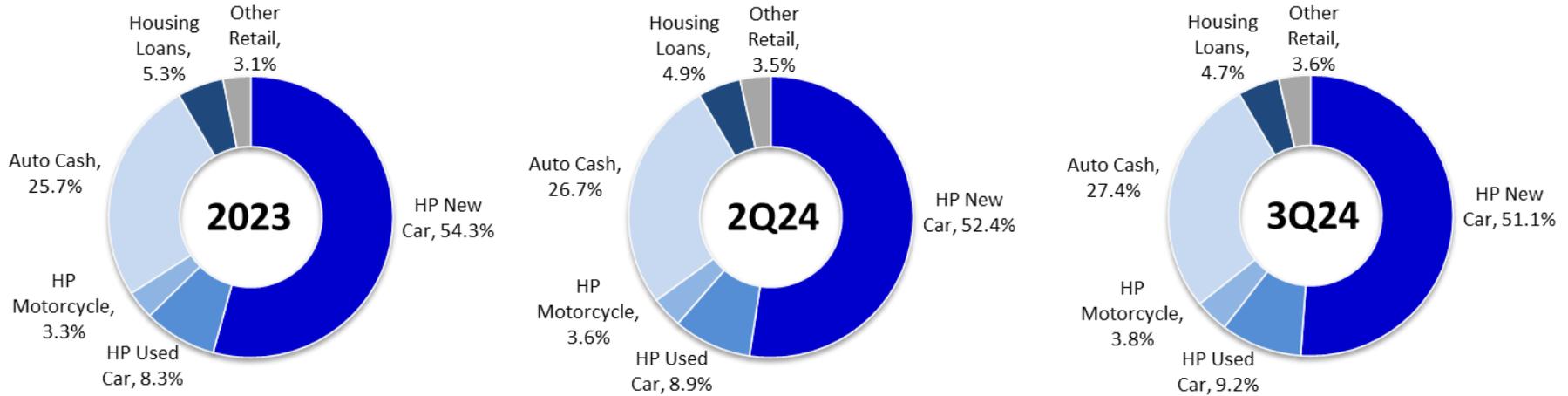
-8.2% QoQ  
-0.3% YTD



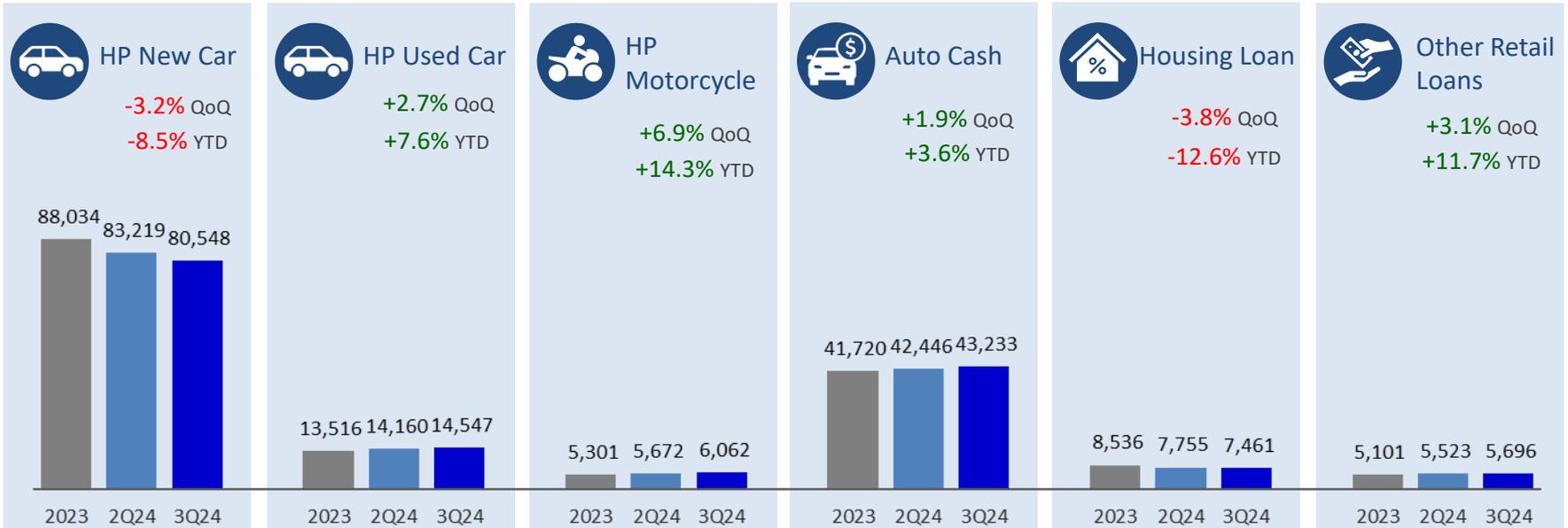
# HP New car was impacted by sluggish industry car sale while high-yield loans continued to grow with cautious underwriting



## Composition of Retail Loans



Unit: Million Baht

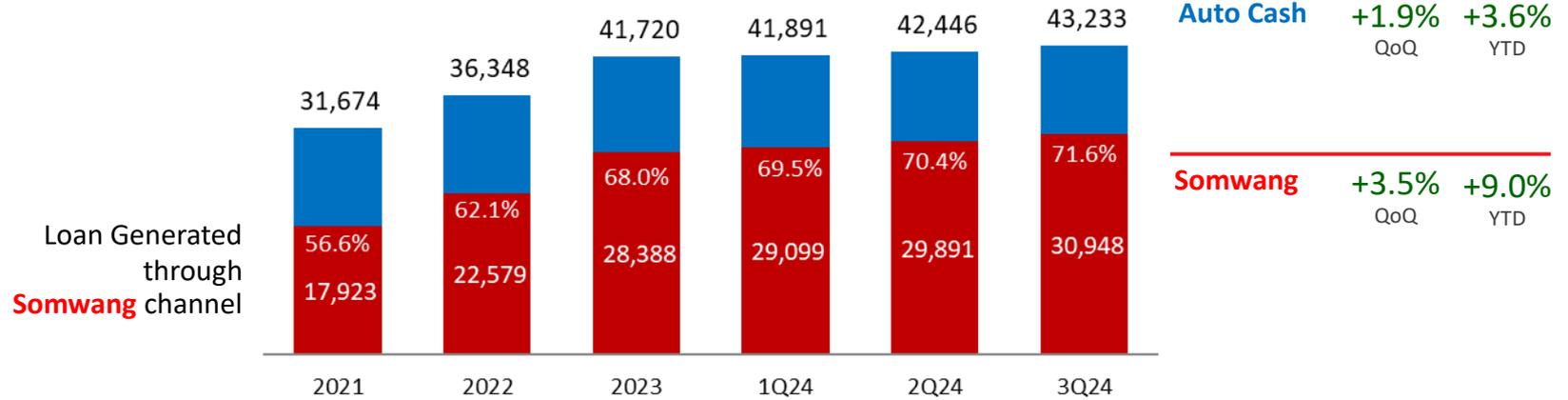


# Somwang channel expanded according to the long-term strategy while maintained cautious loan growth



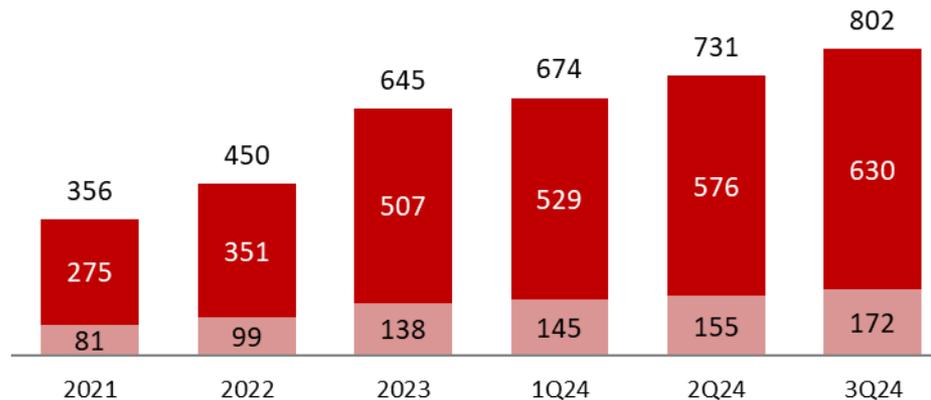
## Auto Cash Loans

Unit: Million Baht



## Somwang Branches

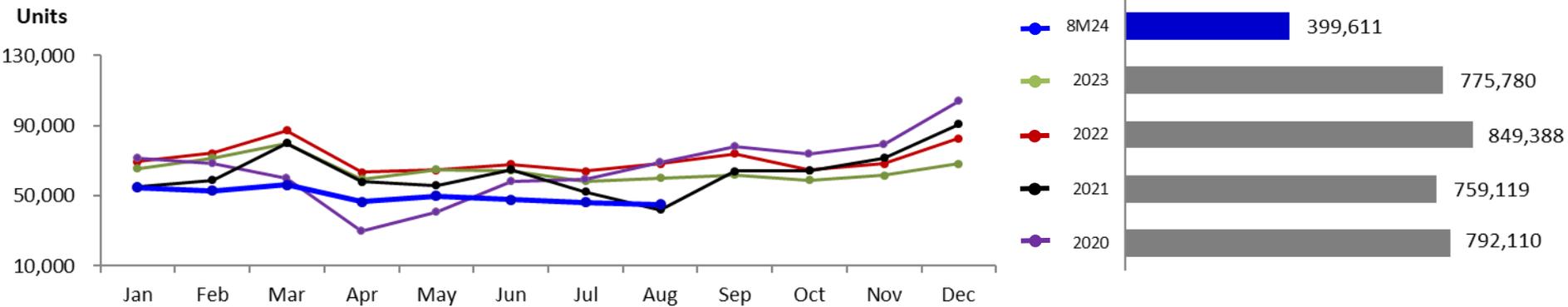
■ BKK and vicinity ■ Provincial area



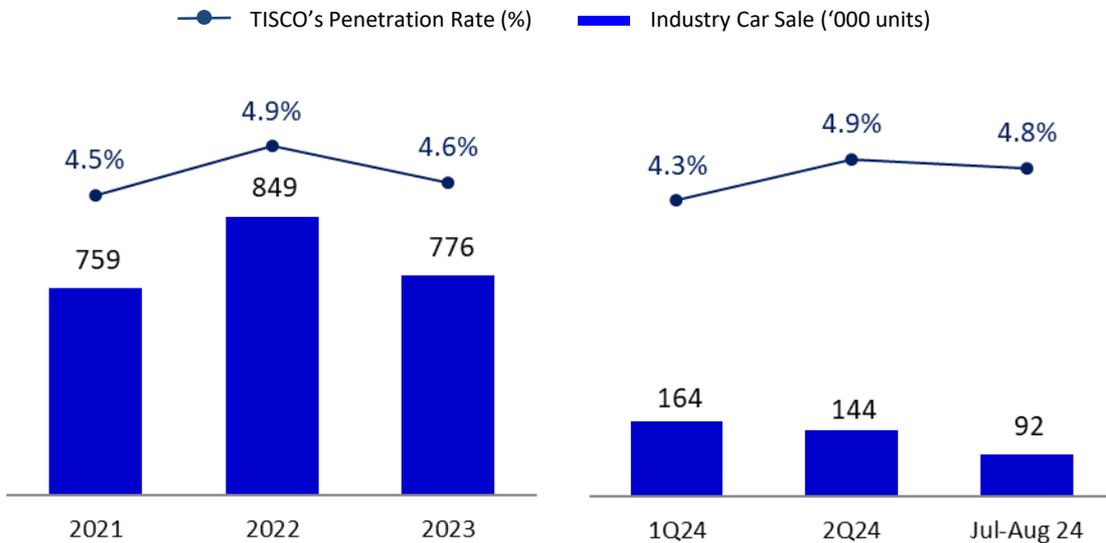
# Weak domestic car sale due to tightened underwriting and credit concern from financial institutions



## Industry New Car Sale



## TISCO's Auto HP Penetration Rate

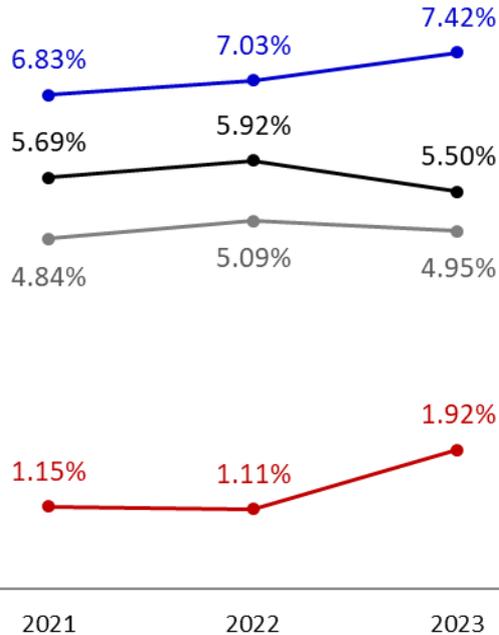


Industry Car Sale  
**-23.9%**  
 YoY

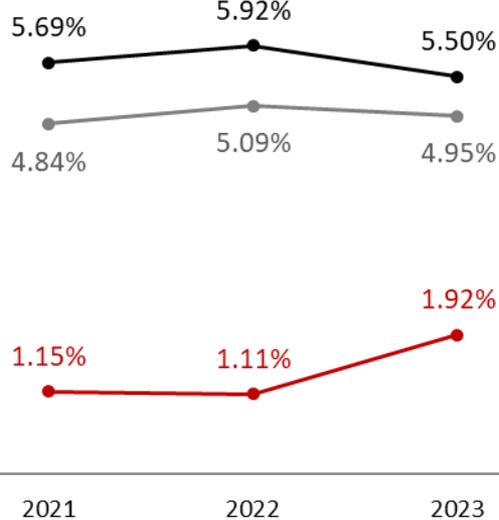
# Cost of funds showed sign of peaking while loan yield gradually increased along with growth in high yield loans



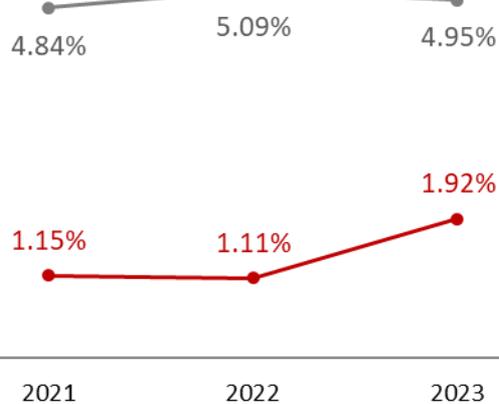
## Yield on Loans



## Loan Spread



## NIM



## Cost of Funds



Change YoY

+39 bps

-42 bps

-14 bps

+81 bps

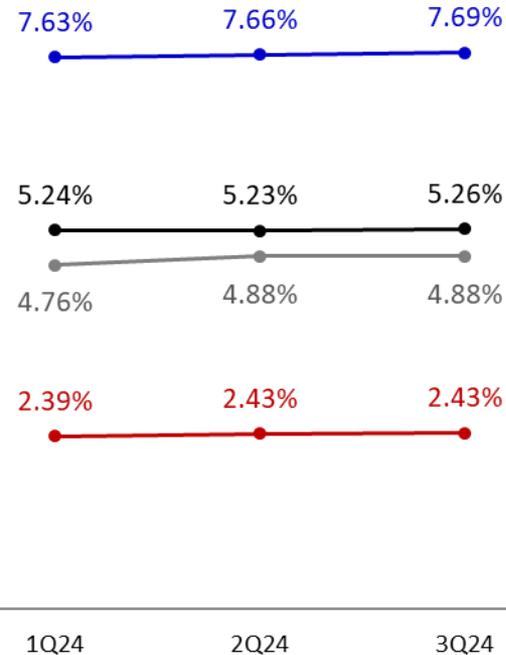
Change QoQ

+3 bps

+3 bps

+0 bps

+0 bps



Unit: Million Baht

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

+7.2%

+6.6%

	1Q24	2Q24	3Q24
Loan Outstanding	235,218	233,448	229,948
Net Interest Income	3,395	3,387	3,385

-1.5%

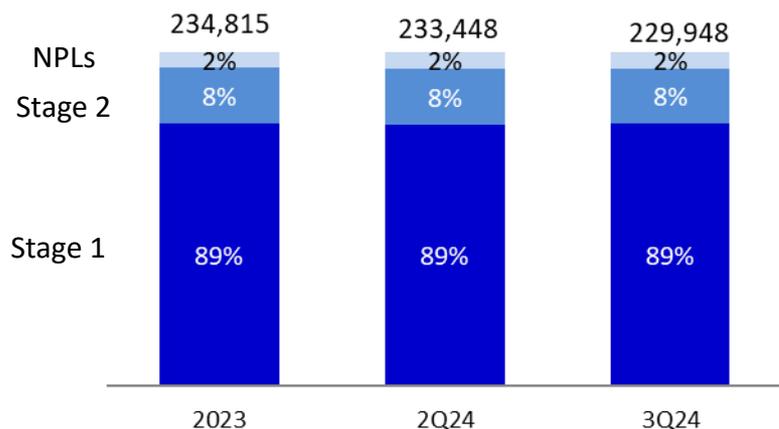
-0.1%

# NPLs was stable with a focus on debt collection process and proactive NPL management



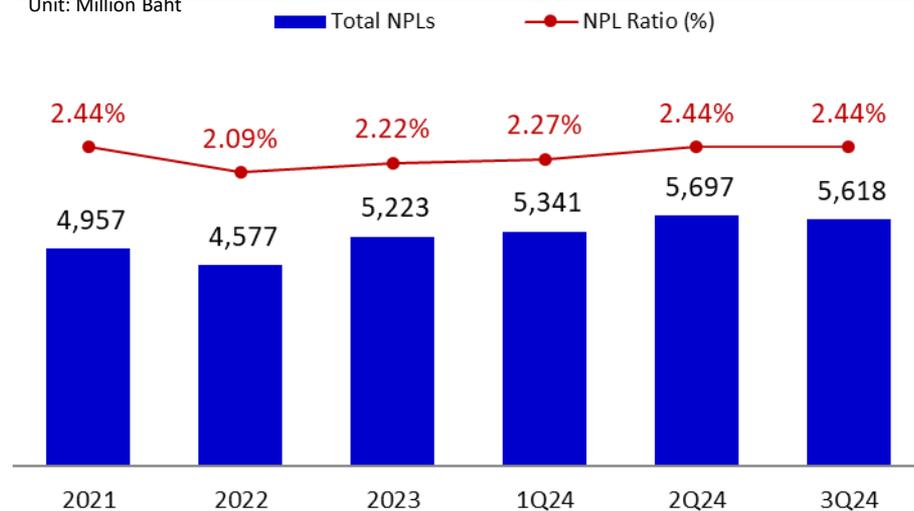
## Loan Classification

Unit: Million Baht

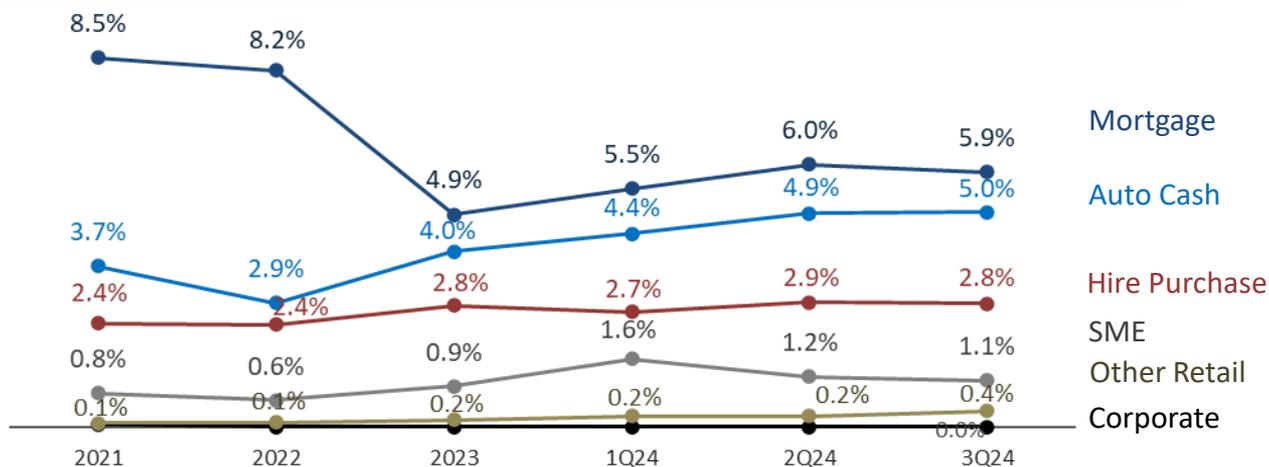


## Non-Performing Loans

Unit: Million Baht



## NPLs by Loan Types



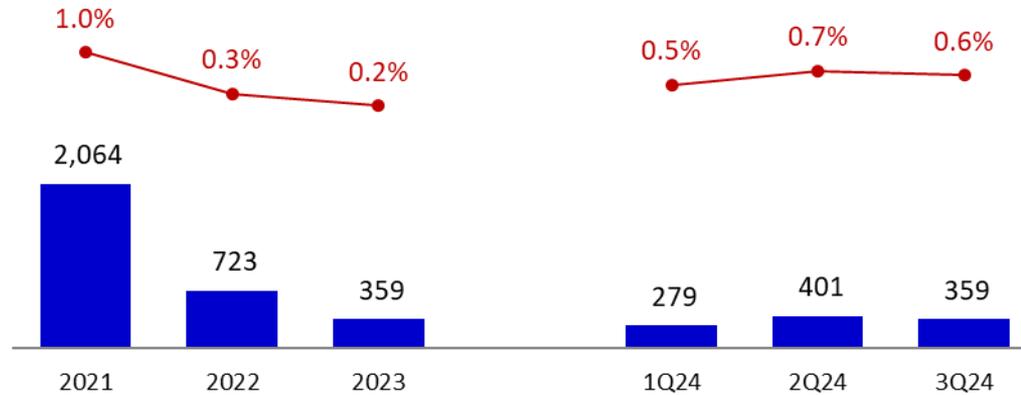
# Stepping up ECL expense to resume the normalized level in 2025, supporting high-yield business growth and against fragile economy



## Expected Credit Loss

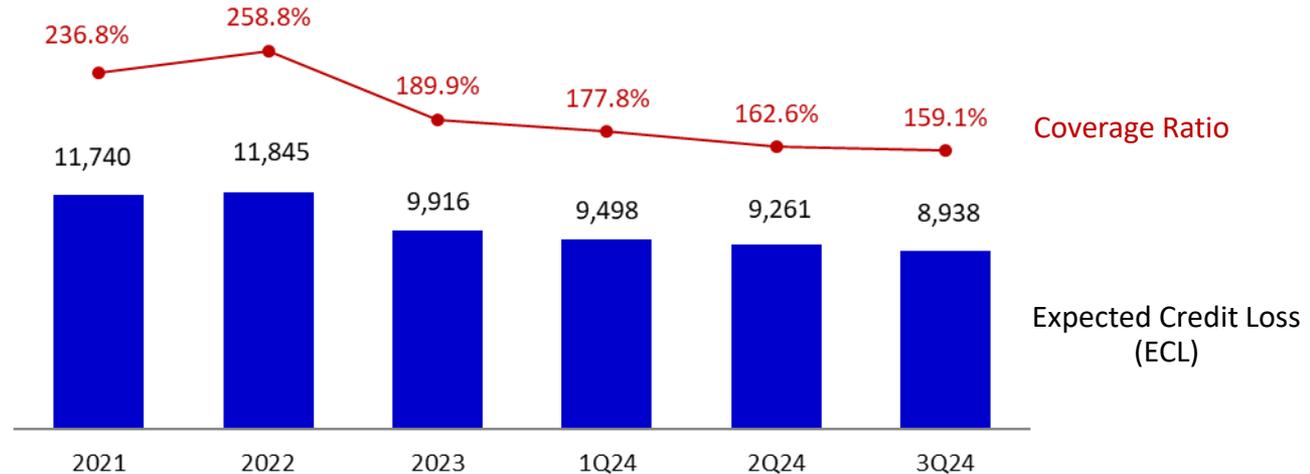
Unit: Million Baht

■ Provisions/ECL    ● Credit Cost (%)



## Allowance for ECL

Unit: Million Baht



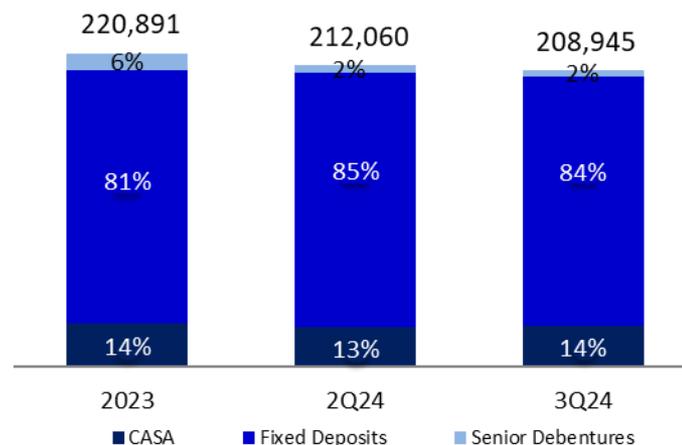
# Efficiently managed funding base to align with loan portfolio contraction



## Total Funding

Unit: Million Baht

-1.5% QoQ  
-5.4% YTD



Unit : Million Baht	2023	2Q24	3Q24	% QoQ	% YoY
Current	1,529	1,634	1,797	9.9	17.5
Savings	28,988	25,623	26,755	4.4	(7.7)
Fixed Deposits	178,128	179,566	176,202	(1.9)	(1.1)
Short-Term Bill of Exchanges	36	36	36	-	-
Senior Debentures	12,210	5,200	4,155	(20.1)	(66.0)
<b>Total Deposits &amp; Borrowings</b>	<b>220,891</b>	<b>212,060</b>	<b>208,945</b>	<b>(1.5)</b>	<b>(5.4)</b>
Subordinated Debentures	5,040	2,640	2,640		
% LDR to Total Deposits & Borrowings	106.3	110.1	110.1		

# Capital market businesses recovered with better market sentiment, and banking fee improved despite the pressure from subdued car sale



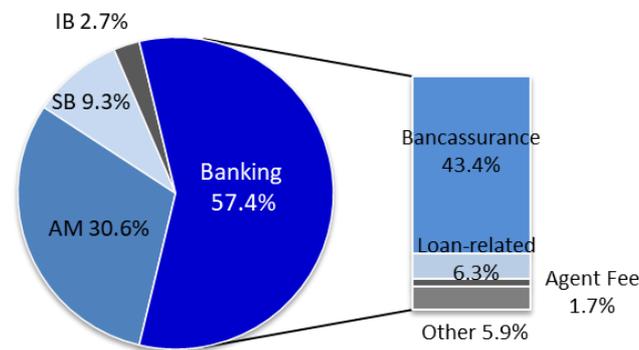
## Non-Interest Income from Core Businesses

Unit: Million Baht



## Non-Interest Income from Core Businesses Breakdown

Data as of 9M2024



Unit : Million Baht	3Q23	2Q24	3Q24	% QoQ	% YoY	9M23	9M24	% YoY
Banking Fee	800	796	804	1.1	0.5	2,389	2,381	(0.3)
<i>Bancassurance Fee</i>	615	595	612	2.8	(0.6)	1,824	1,802	(1.2)
<i>Other Banking Fee</i>	185	201	193	(4.0)	4.1	564	579	2.6
Asset Management Basic Fee	410	419	437	4.3	6.6	1,235	1,268	2.7
Brokerage Fee	139	110	153	38.8	9.9	463	387	(16.4)
Investment Banking Fee	3	88	23	(73.4)	832.0	30	111	264.2
<b>Non-Interest Income from Core Businesses</b>	<b>1,352</b>	<b>1,412</b>	<b>1,417</b>	<b>0.4</b>	<b>4.8</b>	<b>4,117</b>	<b>4,147</b>	<b>0.7</b>
Gain (Loss) on Financial Instruments	(43)	220	41	(81.1)	n.a.	44	307	600.8
Share of Profit from Subsidiaries	11	7	7	2.0	(37.4)	31	23	(26.1)
Dividend Income	32	24	34	46.1	7.2	85	95	12.1
AM Performance Fee	5	1	6	292.1	7.0	8	9	12.8
<b>Total Non-Interest Income</b>	<b>1,357</b>	<b>1,664</b>	<b>1,506</b>	<b>(9.5)</b>	<b>10.9</b>	<b>4,285</b>	<b>4,582</b>	<b>6.9</b>

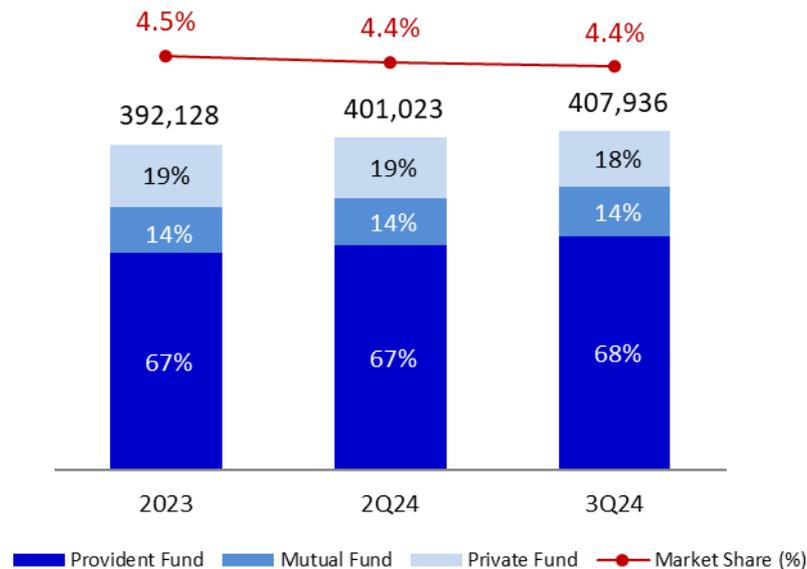
# AUMs grew thanks to the increased contributions, new fund issuances and improved market conditions.



## Assets Under Management

Unit: Million Baht

+1.7% QoQ  
+4.0% YTD



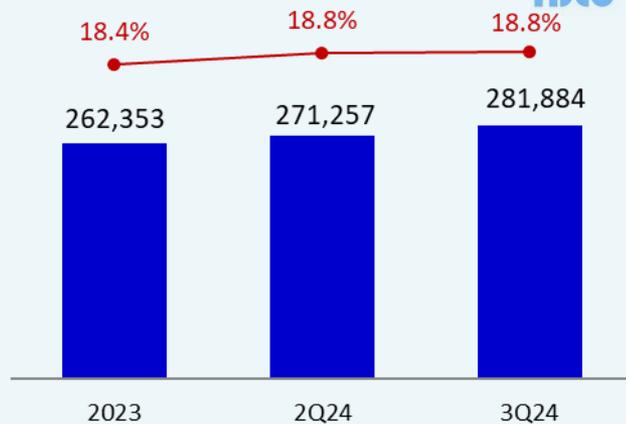
# Rank #9

\*Remark: Market shares and rankings as of August 2024

### Rank #1

#### Provident Fund

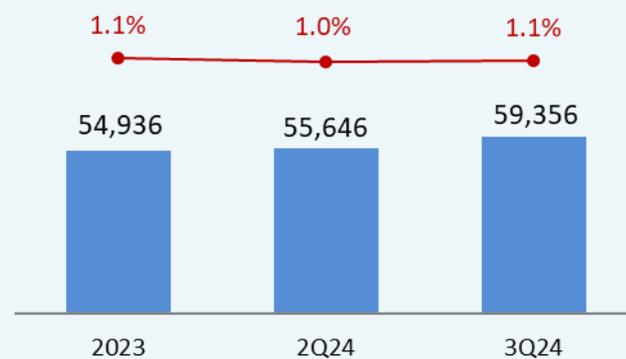
+3.9% QoQ  
+7.4% YTD



### Rank #14

#### Mutual Fund

+6.7% QoQ  
+8.0% YTD



### Rank #6

#### Private Fund

-10.0% QoQ  
-10.9% YTD

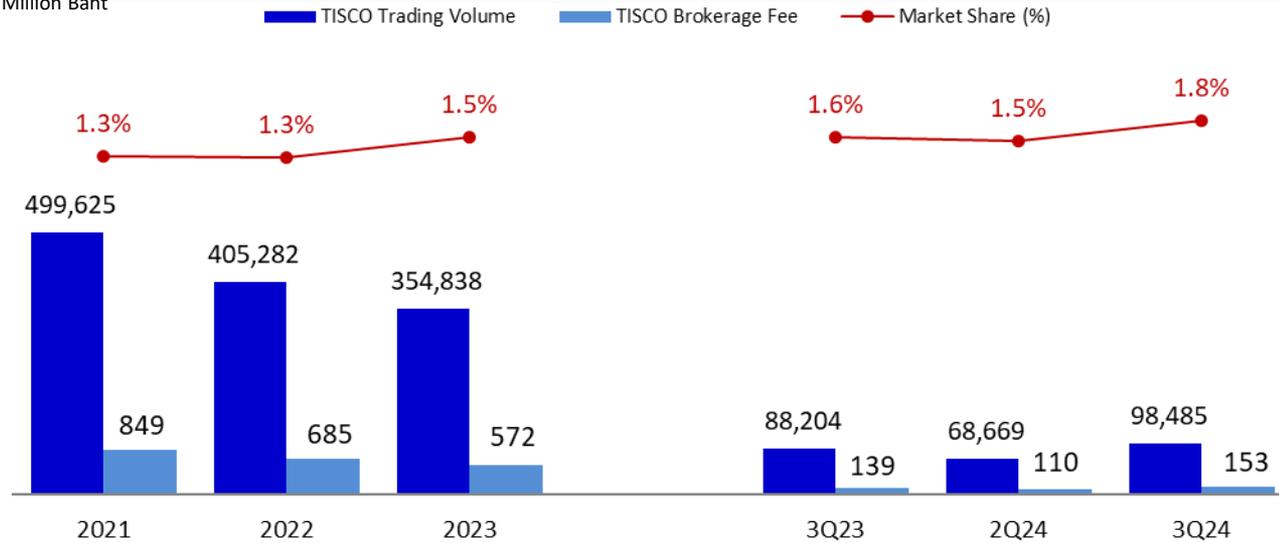


# TISCO's trading volume increased along with the market trading volume and improved market share

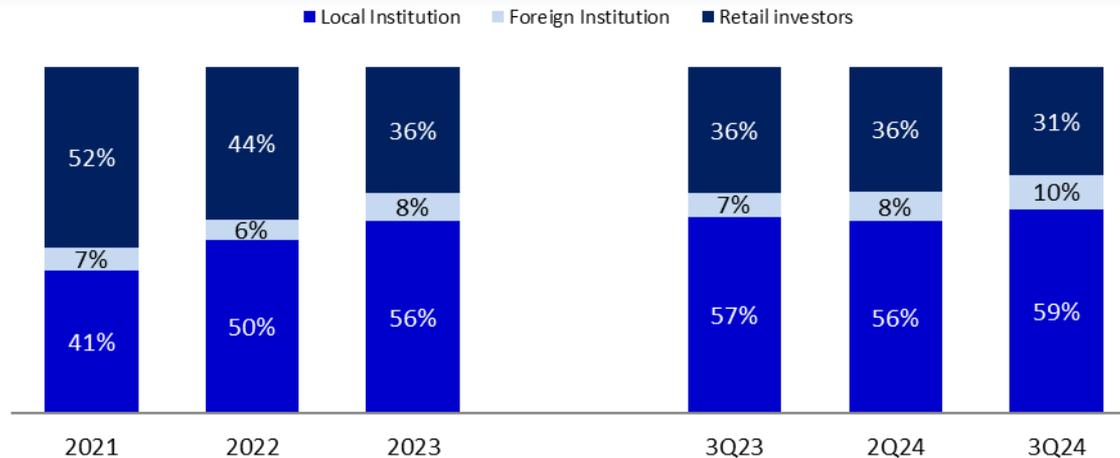


## TISCO Trading Volume & Market Share

Unit: Million Baht



## Trading Volume by Customers

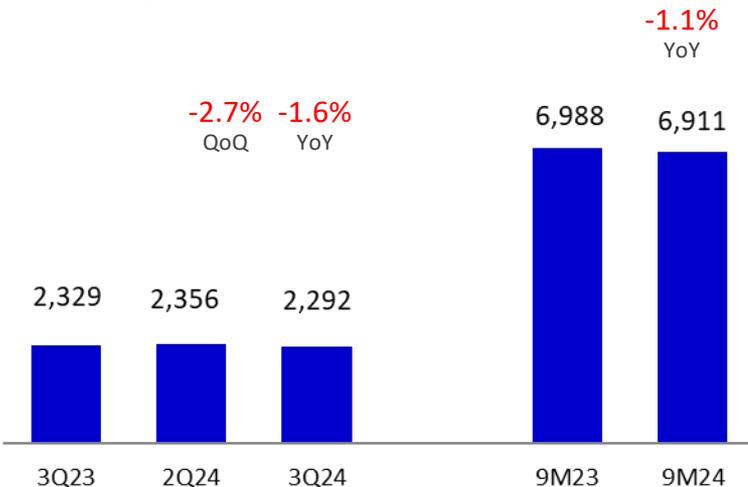


# OPEX was well-controlled during weak economic environment



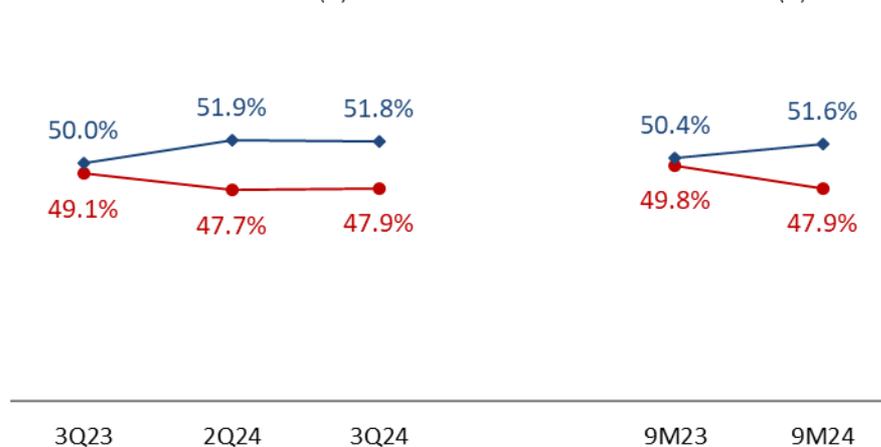
## Operating Expenses

Unit: Million Baht



## Cost to Income Ratio

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



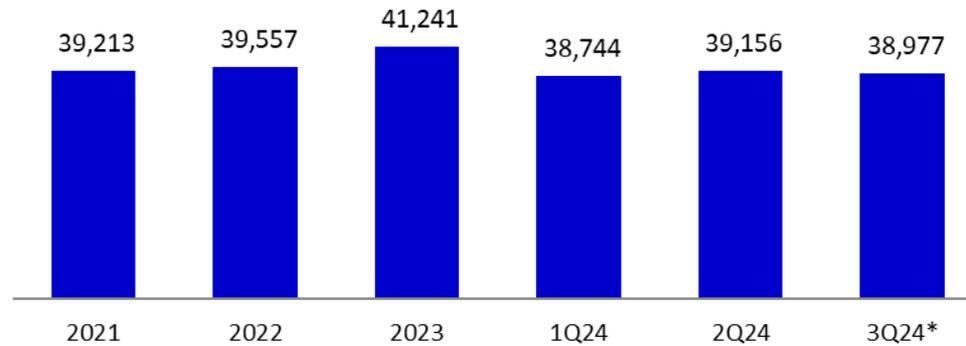
Unit : Million Baht	3Q23	2Q24	3Q24	% QoQ	% YoY	9M23	9M24	% YoY
Employee Expenses	1,611	1,579	1,541	(2.4)	(4.4)	4,784	4,656	(2.7)
Premises & Equipment Expenses	206	226	223	(1.2)	8.5	602	657	9.1
IT Expenses	204	192	188	(2.3)	(8.0)	593	577	(2.7)
Marketing & Sale Admin Expenses	72	70	76	8.0	5.1	257	212	(17.3)
Admin & Other Expenses	235	288	264	(8.2)	12.4	753	809	7.4
<b>Total Operating Expenses</b>	<b>2,329</b>	<b>2,356</b>	<b>2,292</b>	<b>(2.7)</b>	<b>(1.6)</b>	<b>6,988</b>	<b>6,911</b>	<b>(1.1)</b>

# Maintained solid capital level and exceeded BOT's requirement

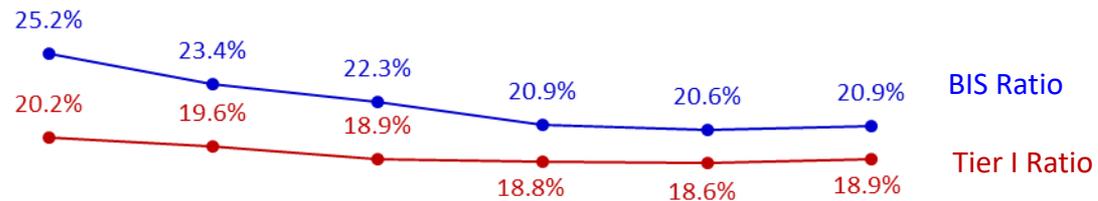


## Capital Base of TISCO Bank

Unit: Million Baht



## Capital Adequacy Ratio



*Min. Required by BOT*

11.0% BIS Ratio

8.5% Tier I Ratio

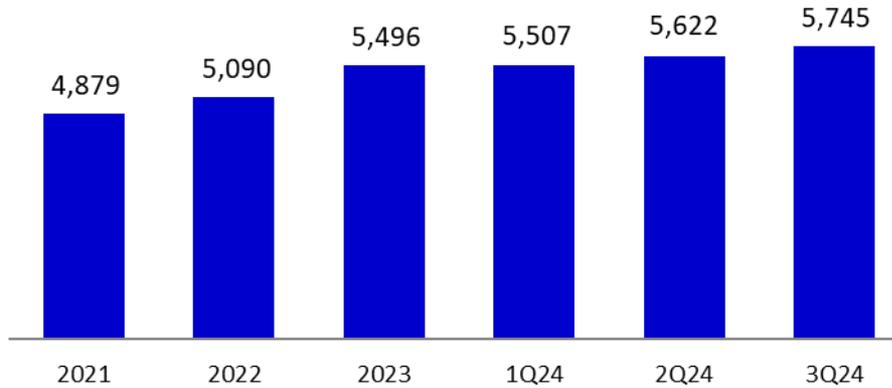
2021 2022 2023 1Q24 2Q24 3Q24\*

\*Projected figures

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

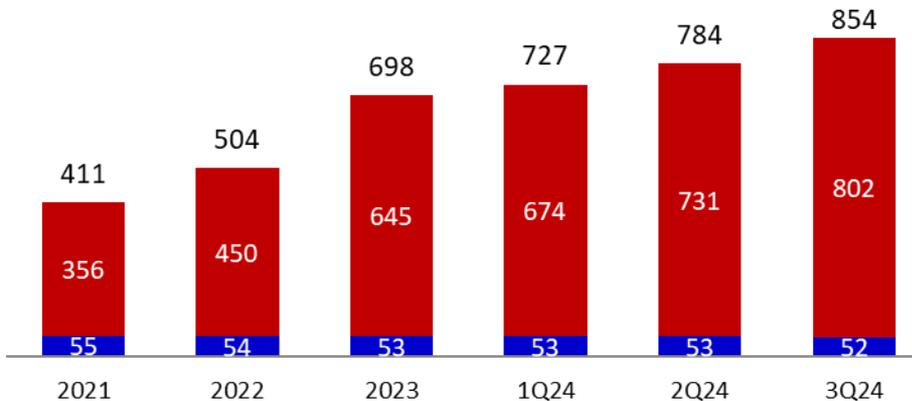


## Total Employees



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
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