



KTC Performance Y2019



Agenda

KTC Story

*Consumer Finance Industry &
KTC Portfolio Performances*

- Credit Card Business*
- Personal Loan Business*

*Changes on Accounting Standard
TFRS 9*



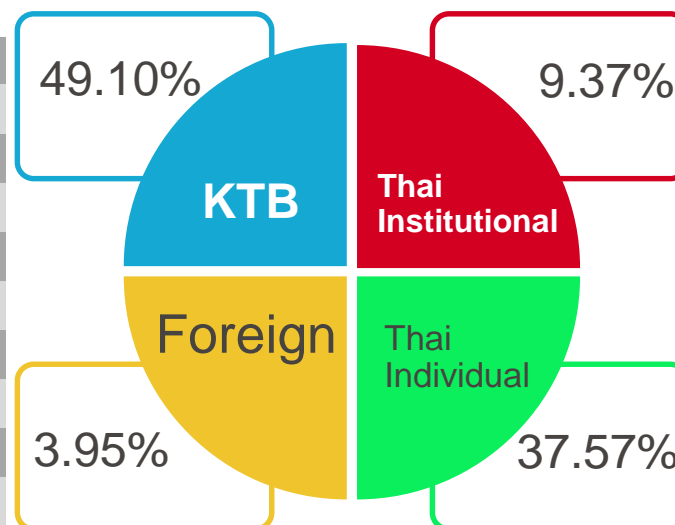
KTC Story

Shareholder Structure

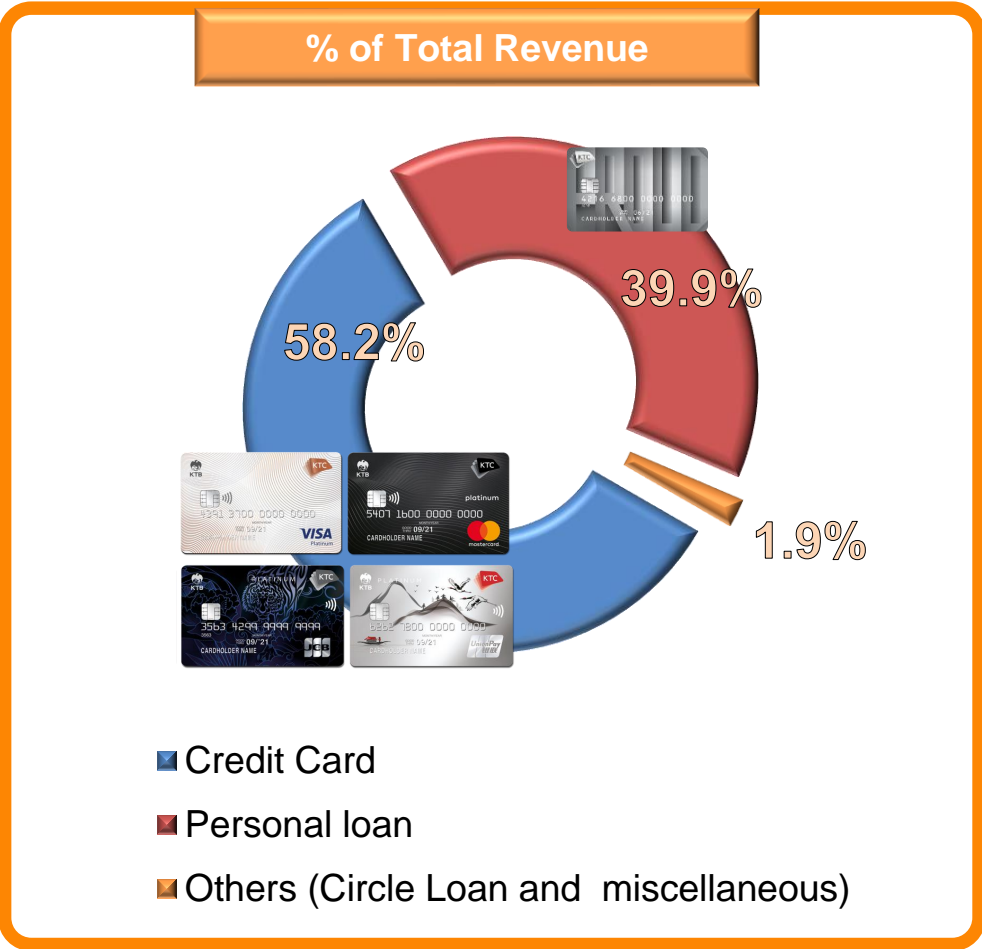
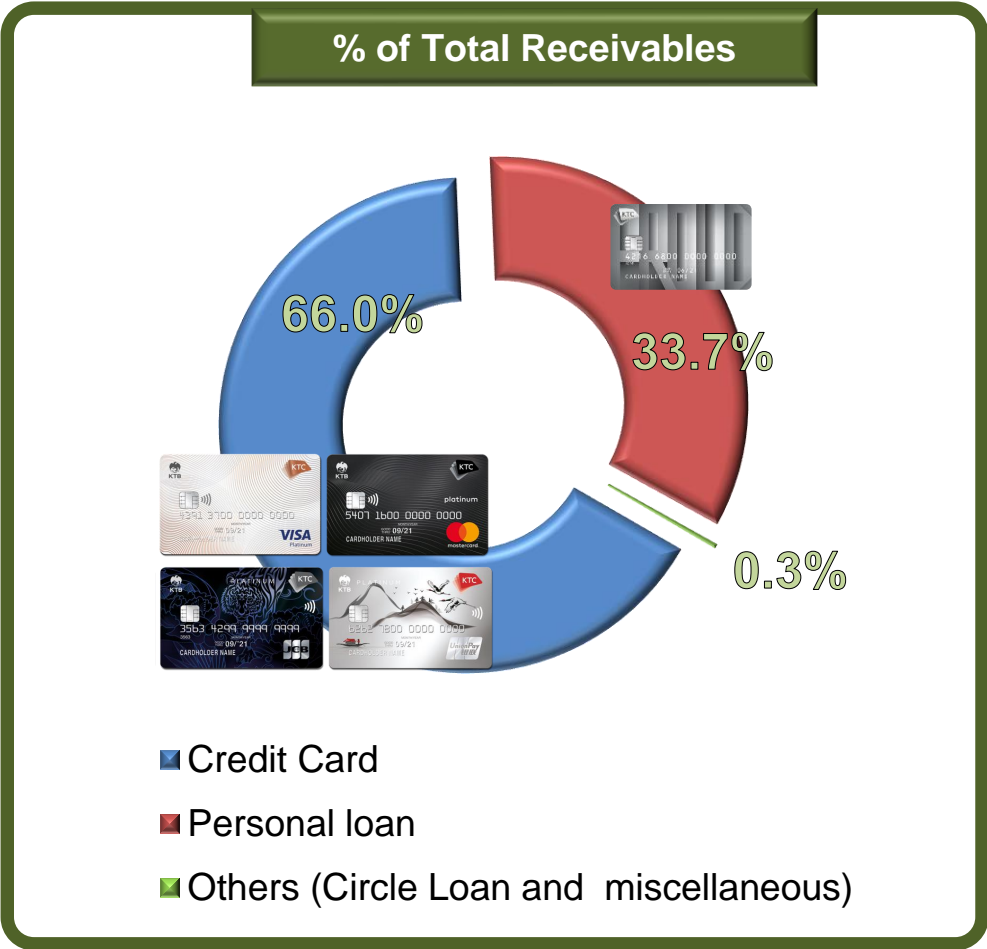
- Incorporated in 1996 as a credit card servicing subsidiary company of Krung Thai Bank PLC
- In July 2002, KTB sold the credit card portfolio to KTC which subsequently transformed KTC into a full consumer finance company and later listed on the SET in October 2002

Top 10 Shareholders (as of Dec 31, 2019)

1	KRUNG THAI BANK PUBLIC COMPANY LIMITED	49.10%
2	MR. MONGKOL PRAKITCHAIWATTANA	17.57%
3	MS. CHANTANA JIRATTITEPAT	5.00%
4	MR. SATAPORN NGARMRUENGPONG	4.98%
5	THAINVDR	4.92%
6	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	1.42%
7	MRS. MANEERAT NGARMRUENGPONG	0.88%
8	MR. KIATINUN DENPAISAN	0.83%
9	MS. RAWISARA NGARMRUNGSIRI	0.46%
10	UBS AG SINGAPORE BRANCH	0.40%



	2014	2015	2016	2017	2018	2019
Thai Institutional Holding	62.87%	72.01%	67.23%	57.03%	58.10%	58.47%
Thai Individual Holding	29.32%	21.87%	22.45%	35.47%	38.20%	37.57%
Foreign Holding	7.81%	6.12%	10.33%	7.51%	3.71%	3.95%
Total Number of Shareholders	3,125	3,426	3,815	4,376	12,344	13,194



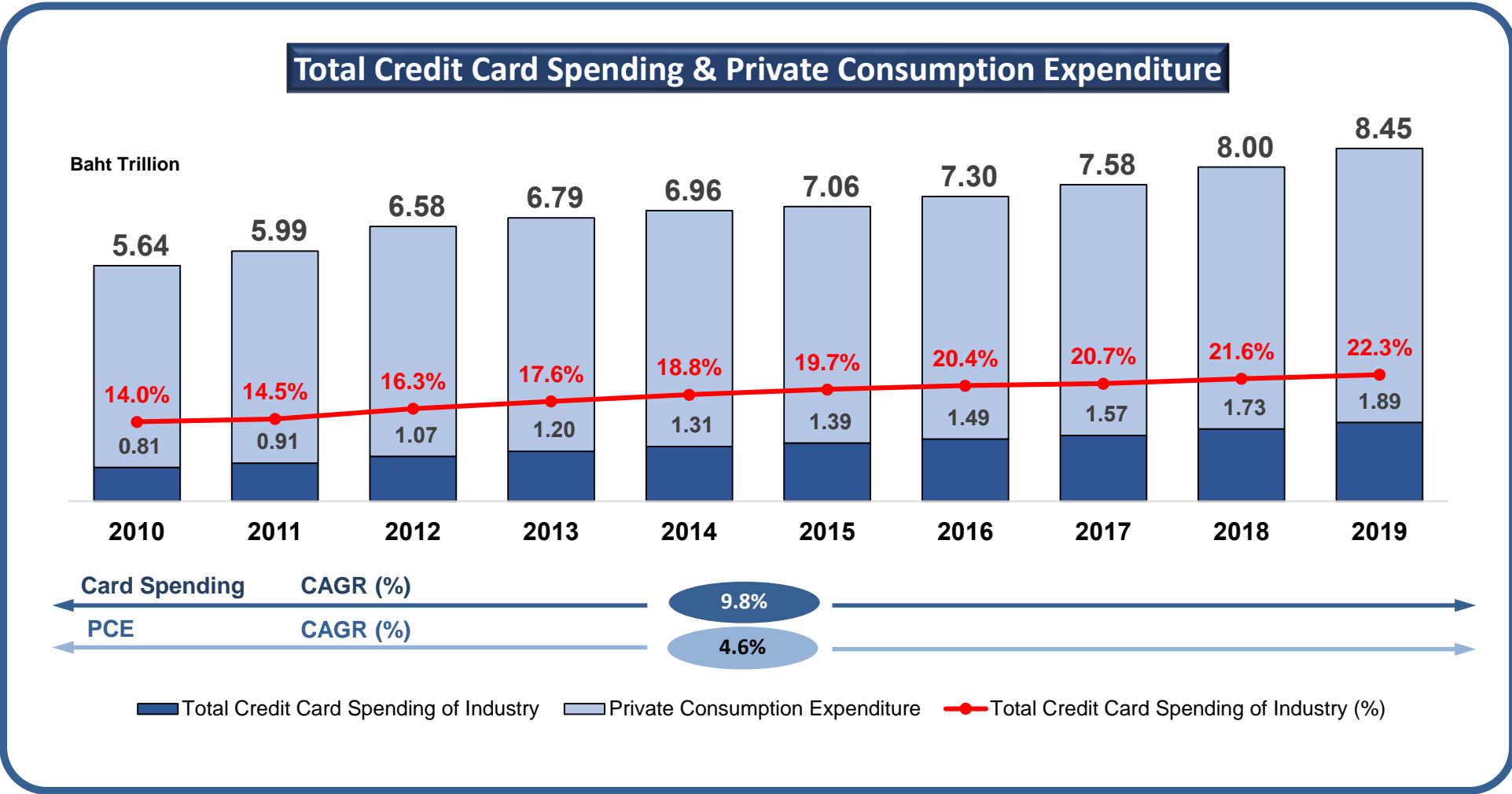


Consumer Finance Industry & KTC Portfolio Performances

Rules and Regulations

	Credit card	Personal loans	Nano Finance	Pico Finance
Minimum income THB	15,000	-	-	-
Interest rate and fees	18%	28%	36%	36% (amount up to 50,000) 28% (amount over 50,000)
Maximum credit line	1.5x (income 15 – 30K) 3x (income 30 – 50K) 5x (income ≥ 50K)	1.5x (income < 30K limited to 3 lenders) 5x (income ≥ 30K)	100,000	100,000
Type of loan	Multipurpose Unsecure	Multipurpose Unsecure	Business Related Unsecure	Multipurpose Secure or Unsecure
Service area	Nationwide	Nationwide	Nationwide	Provincial
Regulator	Bank of Thailand	Bank of Thailand	Bank of Thailand	Ministry of Finance
Latest announce	2017	2017	2015	2019

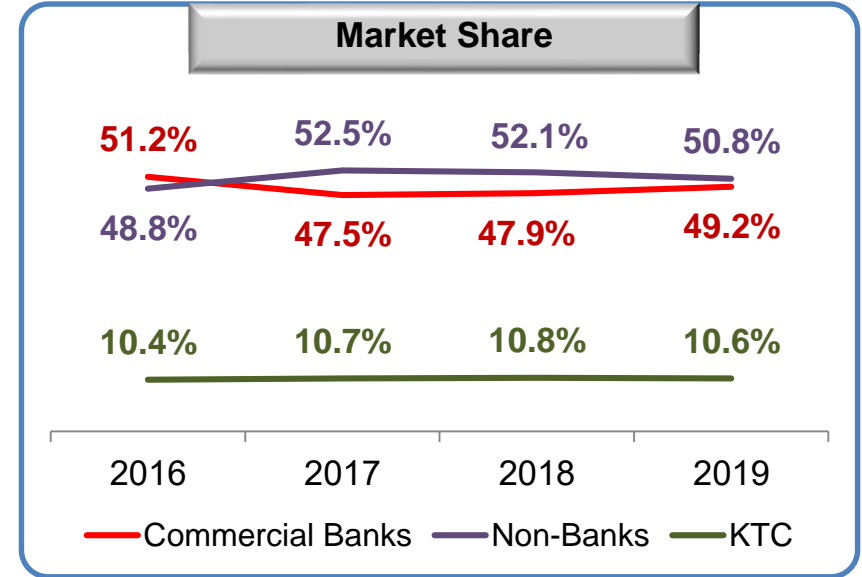
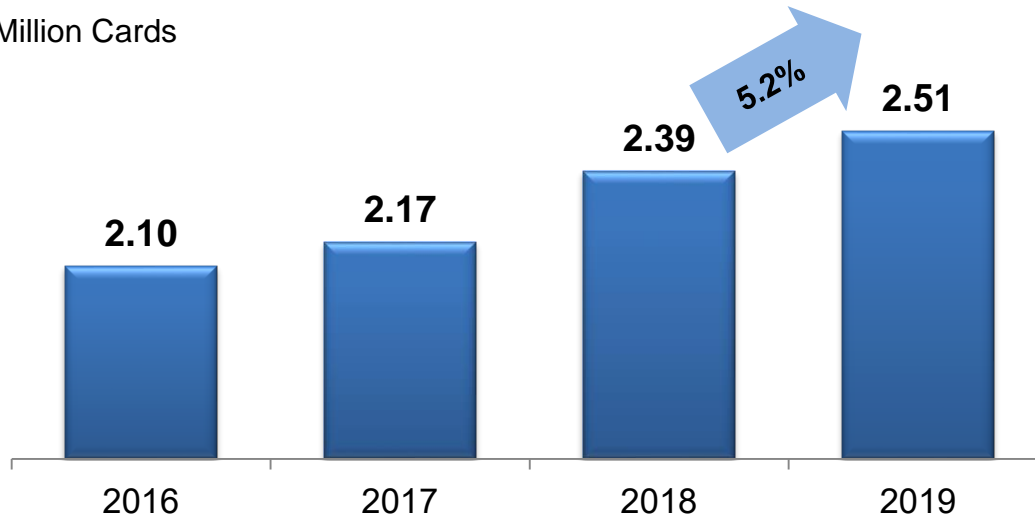
Credit card becoming a tool of payment



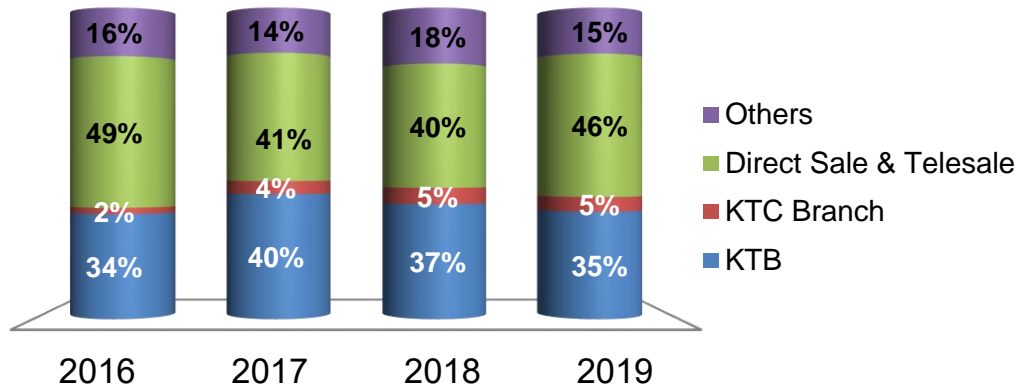


Credit Card: Number of Cards

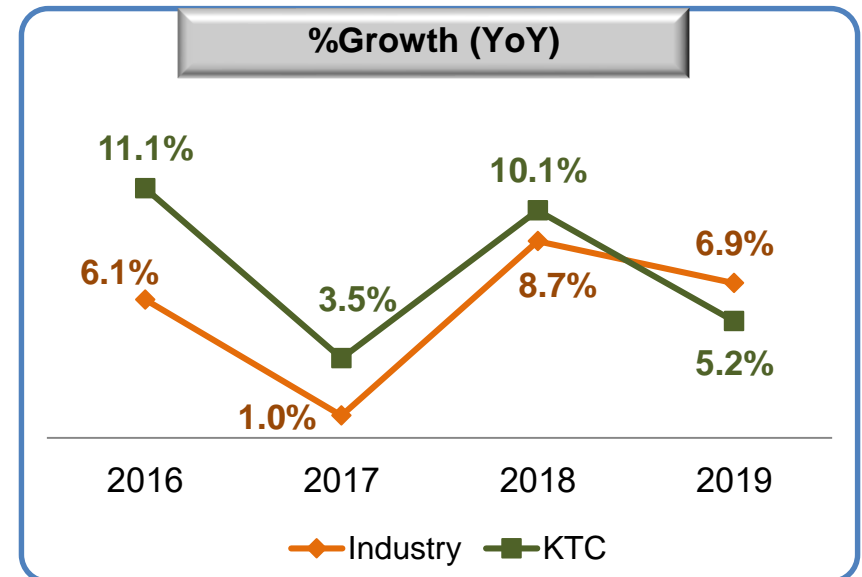
Million Cards



Acquisition Channels - New Application



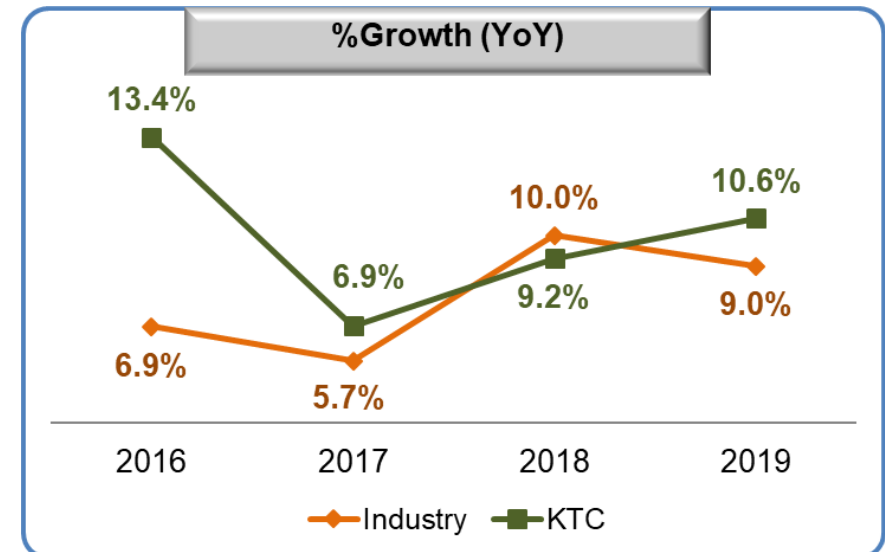
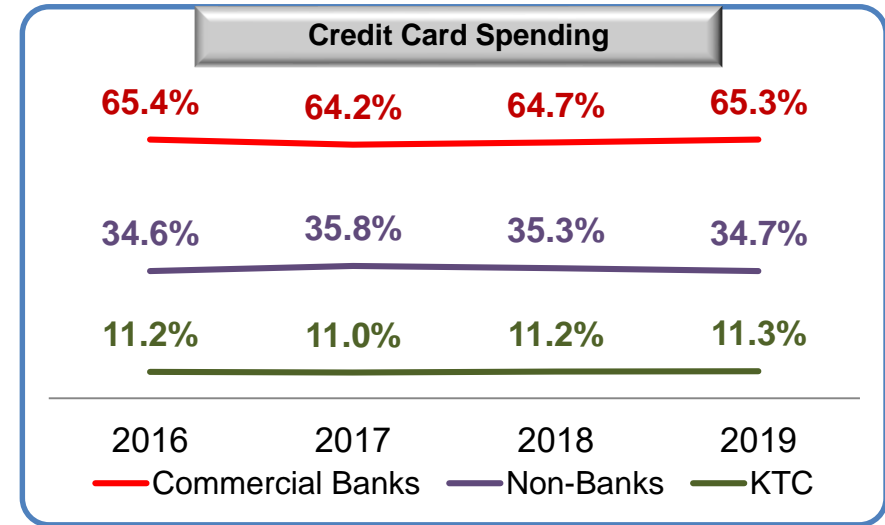
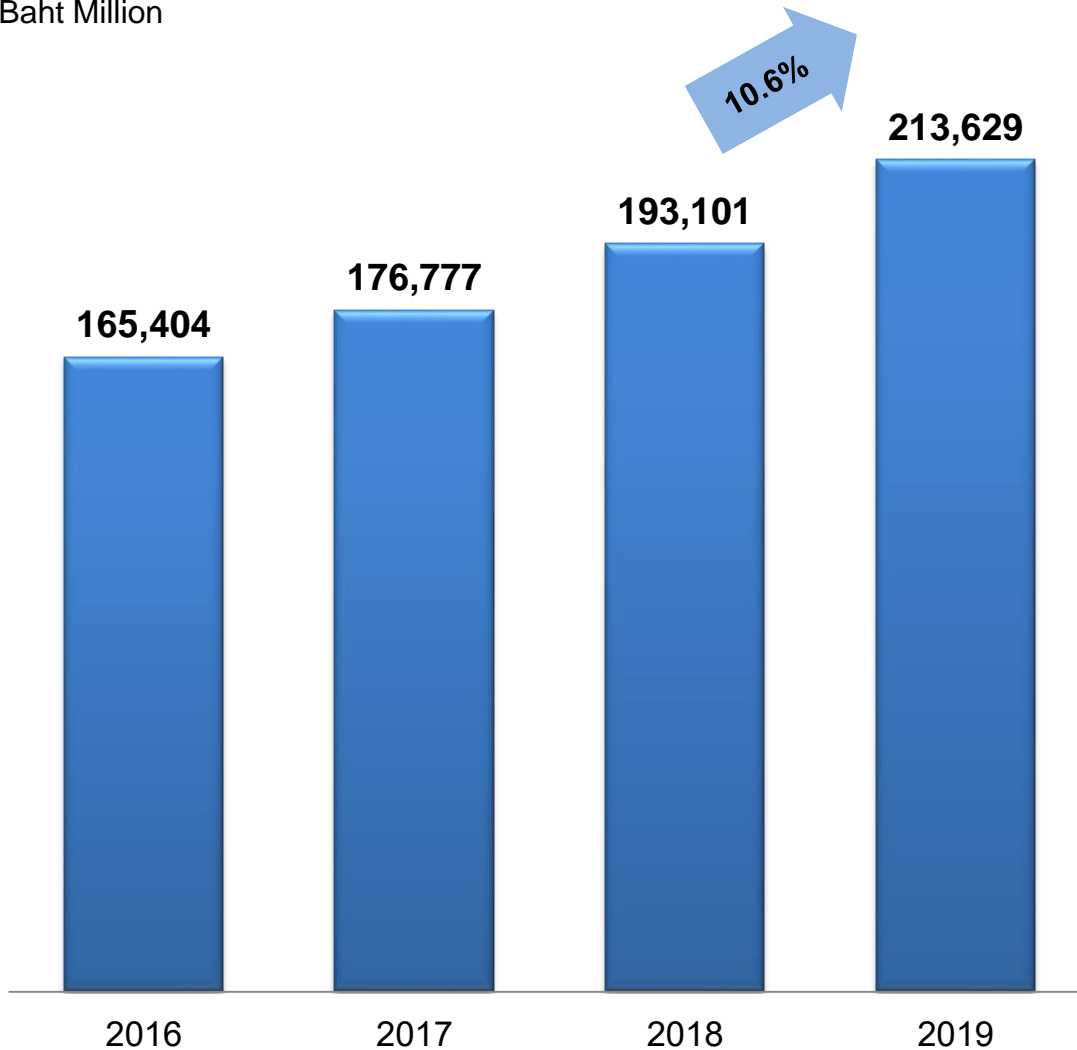
Others: Marketing Events, Online, Corporate Alliance, Take One Partner, Network Management, and others





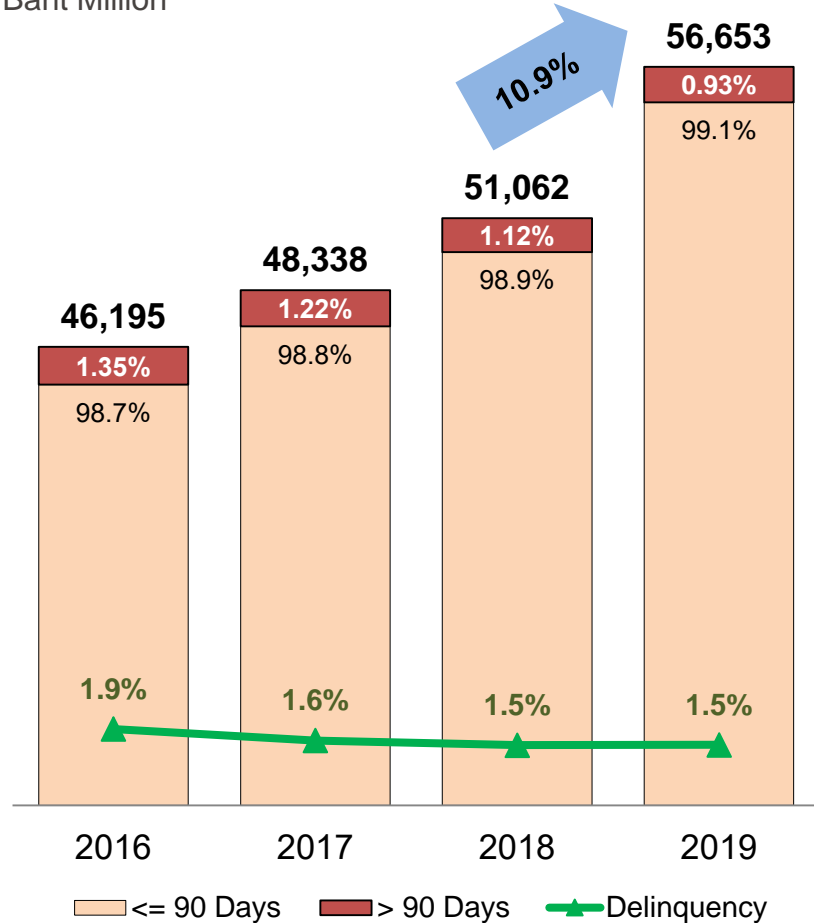
Credit Card: Total Spending

Baht Million

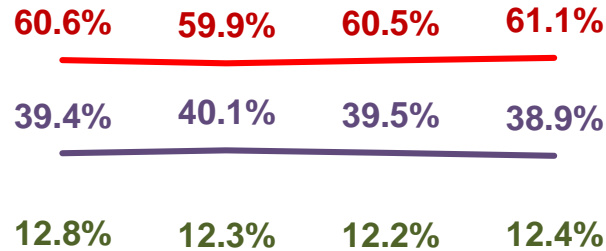


Credit Card: Portfolio

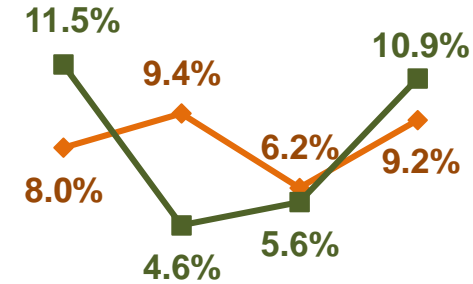
Baht Million



Market Share



%Growth (YoY)



2016 2017 2018 2019 2016 2017 2018 2019

— Commercial Banks — Non-Banks — KTC — Industry — KTC

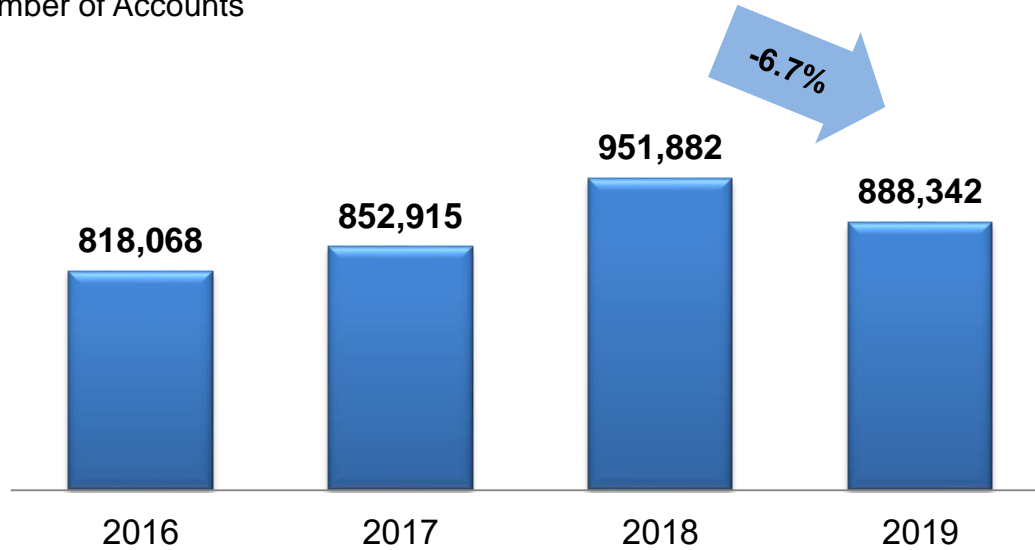
Portfolio Quality

%NPL (90dpd)	2016	2017	2018	2019
Industry	2.84%	1.92%	1.81%	1.93%
Commercial Bank	3.69%	2.39%	2.17%	2.23%
Non-Bank	1.54%	1.21%	1.26%	1.44%
KTC	1.22%	1.12%	0.99%	0.93%

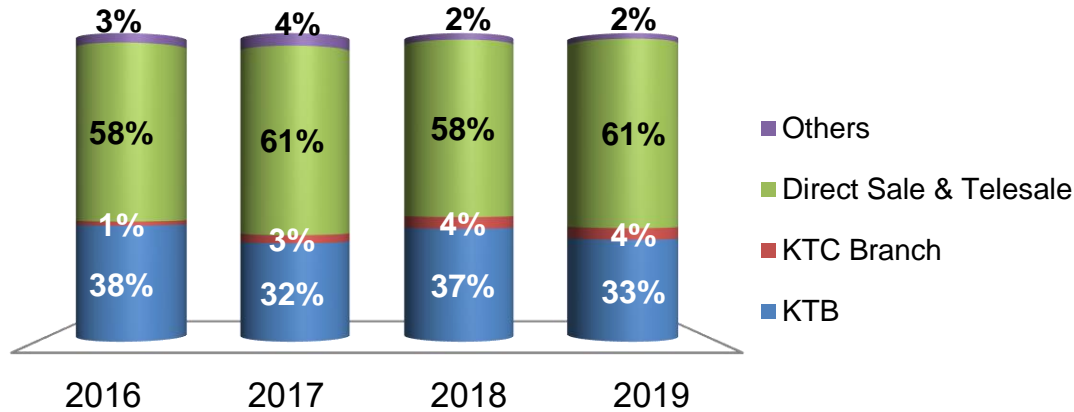


Personal Loan: Number of Accounts

Number of Accounts

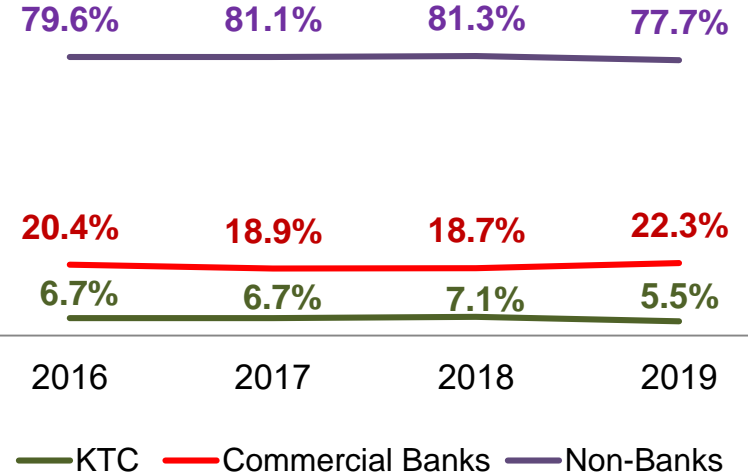


Acquisition Channels - New Application

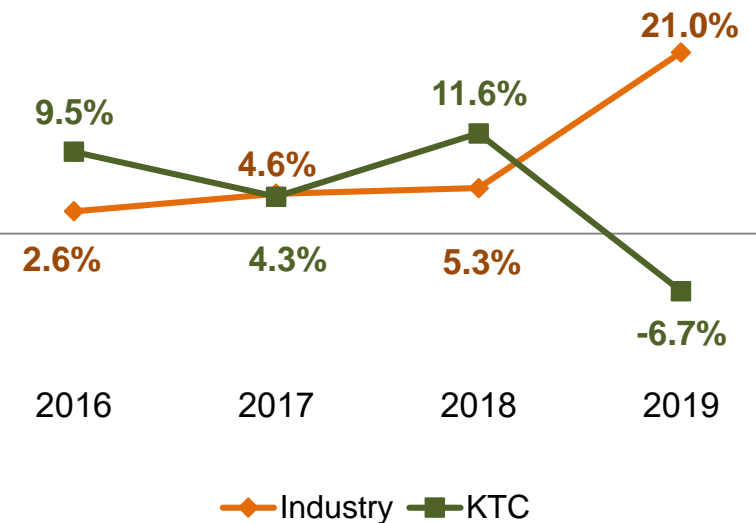


Others: Online, Marketing Events, and Others

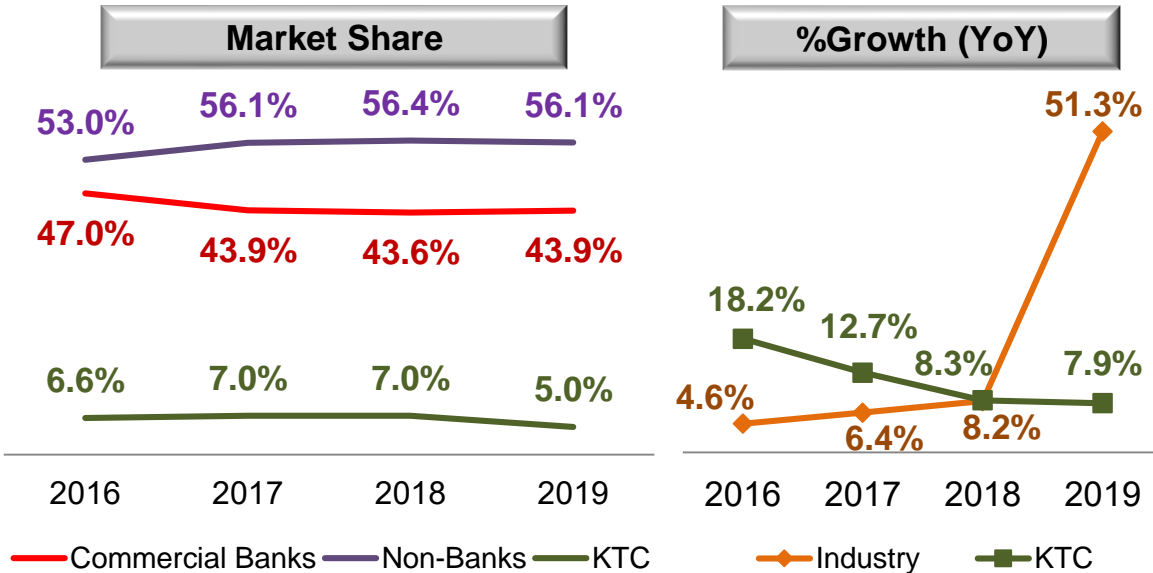
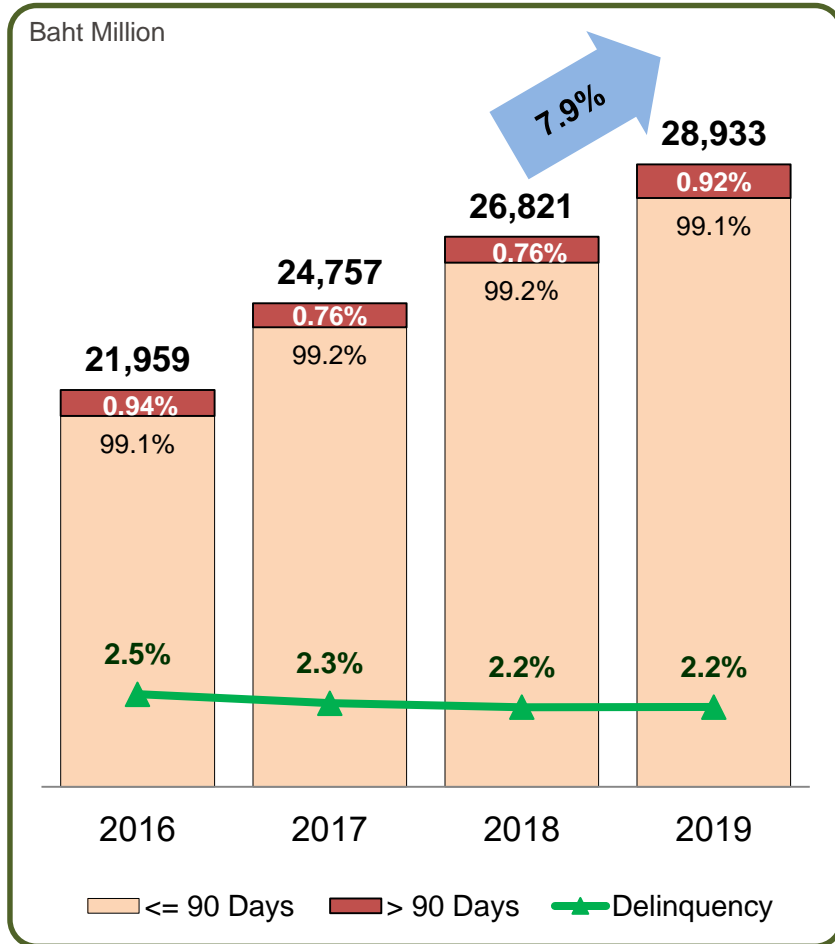
Market Share



%Growth (YoY)



Personal Loan: Portfolio

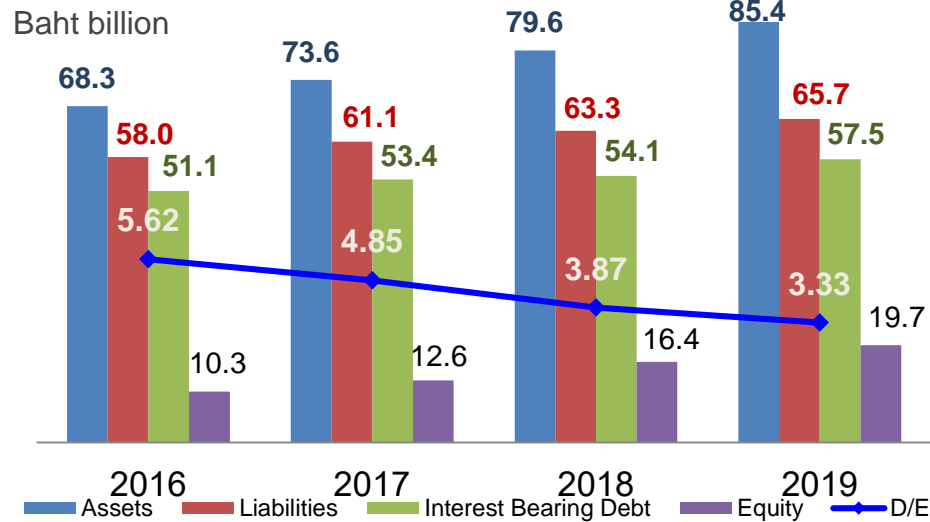


Portfolio Quality				
%NPL (90dpd)	2016	2017	2018	2019
Industry	3.16%	2.50%	2.54%	3.01%
Commercial Bank	4.08%	3.02%	2.97%	4.20%
Non-Bank	2.35%	2.10%	2.22%	2.08%
KTC	0.94%	0.76%	0.76%	0.92%

* Starting in February 2019 BOT includes Car Title Loan into the Personal loan amount.
Retroactive data was not provided.

Balance Sheet Highlight

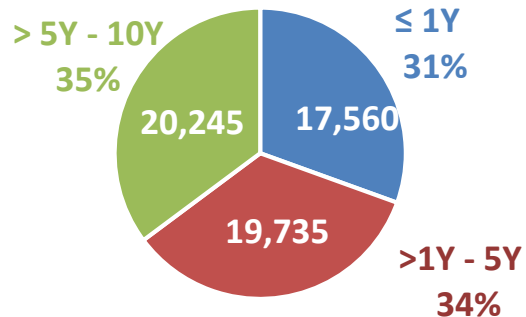
Key B/S Figures



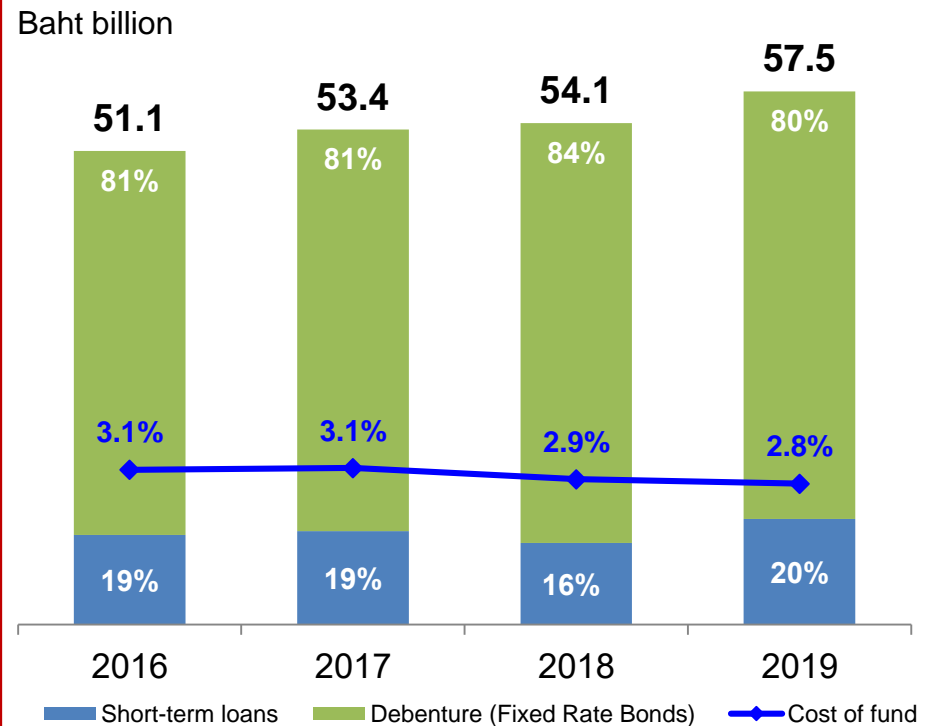
Remaining Term (ST & LT)

Average Duration = 3.57 yrs.

Average LT Duration Remaining = 4.44 yrs.



Fund Usage



Total Credit Line = 29,540 MB KTB = 18,030 MB
Available Credit Line = 23,660 MB Others = 11,510 MB

KTC rating : A+ by TRIS

Consolidated Operating Results	Y2017		Y2018		Y2019	
	Million Baht	(%YoY)	Million Baht	(%YoY)	Million Baht	(%YoY)
Total Revenue	19,525	11.1%	21,198	8.6%	22,625	6.7%
<i>Bad Debt Recovery</i>	2,855	19.0%	3,342	17.1%	3,496	4.6%
Administrative Expenses	7,143	3.5%	7,524	5.3%	7,722	2.6%
<i>Marketing Expenses</i>	866	(22.8%)	909	5.0%	1,014	11.5%
Interest Expense	1,629	9.9%	1,555	(4.5%)	1,566	0.7%
Pre-Provisioning Profit	10,754	16.9%	12,119	12.7%	13,337	10.1%
Bad Debt and Doubtful Account	6,627	9.2%	5,703	(13.9%)	6,433	12.8%
Profit before Tax	4,127	32.0%	6,416	55.5%	6,904	7.6%
Income Tax Expense	(822)	30.3%	(1,277)	55.2%	(1,380)	8.1%
Net Profit	3,304	32.5%	5,140	55.5%	5,524	7.5%
Other comprehensive income	(18)		1		(54)	
Total Comprehensive income for the years	3,287	35.4%	5,141	56.4%	5,470	6.4%

Key Financial Ratios

	Y2016	Y2017	Y2018	Y2019
Net Profit Margin	14.2%	16.9%	24.2%	24.4%
Cost to Income Ratio	39.3%	36.6%	35.5%	34.1%
Operating Cost to Income Ratio⁽¹⁾	28.5%	27.6%	26.6%	25.3%
Average Interest Received (including credit usage)	18.2%	18.2%	18.0%	17.8%
Average Cost of Fund	3.1%	3.1%	2.9%	2.8%
Net Interest Margin (including credit usage)	15.1%	15.1%	15.1%	15.0%
D/E Ratio (times)	5.6	4.9	3.9	3.3
ROE	26.2%	28.9%	35.5%	30.6%
ROA	3.9%	4.7%	6.7%	6.7%
Allowance/Total Receivables	7.9%	7.8%	7.0%	6.6%
Allowance/NPL	472.8%	588.6%	615.8%	620.1%
Charge-off Rate	9.4%	9.3%	7.5%	7.8%
Earning per share	1.0	1.3	2.0	2.1
Book Value per Share (Baht)	4.0	4.9	6.3	7.7
Dividend Payout Ratio	41.3%	41.4%	41.1%	41.1%⁽²⁾

1. Excluding Net Interchange & Marketing Expenses

2. BOD approved on Feb 7th, however the right to received dividend is not confirmed until approved by the AGM 2020 (No. 18)

KTC ACHIEVEMENTS



INDEX

SEPTEMBER 2019

- KTC was calculated in **FTSE All World Index**

2018 - Present

- KTC was in **SET 50 Index**

2010 - 2017

- KTC was in **SET 100 Index**



AWARDS

2019

- **Best CEO Award** by SET
- **Outstanding Company Performance Award** by SET
- **ISO 27001:2013** certified
- **Thailand's Top Corporate Brand** in Finance Category by Sasin

2018

- **Champion Security Award South-East Asia** by VISA
- **Thailand's Top Corporate Brand** in Finance Category by Sasin

2017

- **Thailand Boutique Award** by Mastercard

2016

- **Thailand's Top Corporate Brand** in Security Category by Sasin
- **Thailand Boutique Award** by Mastercard
- **Outstanding Young Rising Star Awards** by SET
- **Outstanding IR Award** by SET

2015

- **Global Service Quality Award** in Risk Efficiency by VISA
- **Outstanding IR Award** by SET



CREDIT RATING

2016 - 2019

- Assigned rating at **A+**

2016

- Upgraded rating **A- to A+**

2015

- Upgraded rating **BBB+ to A-**



SUSTAINABILITY

2019

- KTC was selected in **THSI List**

2016 - 2021

- **Thai CAC** certified

2016 - 2019

- **Performance Excellence as ESG100** (Thaipat) in Finance & Environmental, Social and Governance

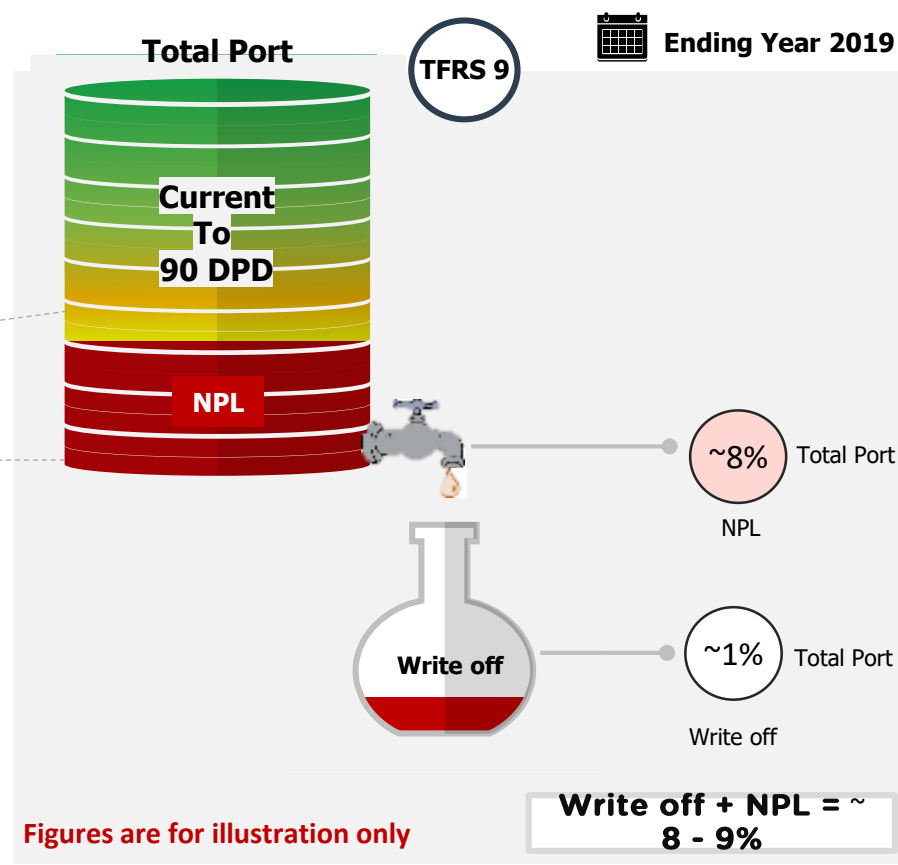
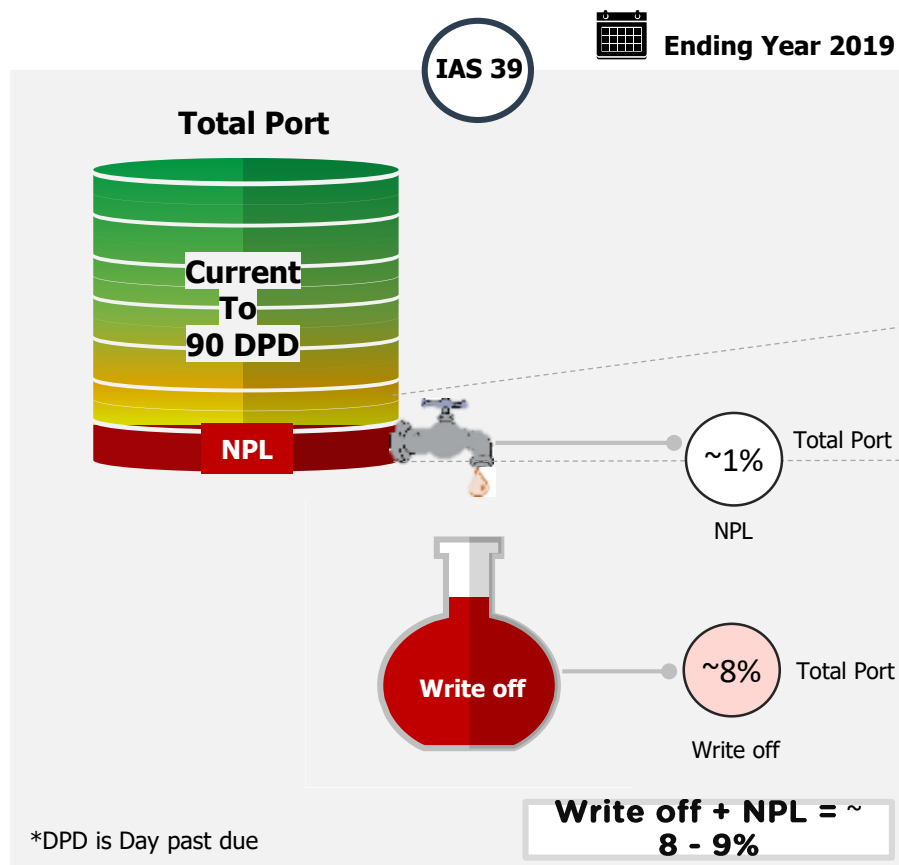
2017

- **Excellence CG Scoring** by SET and IOD

Changes on Accounting Standard TFRS 9

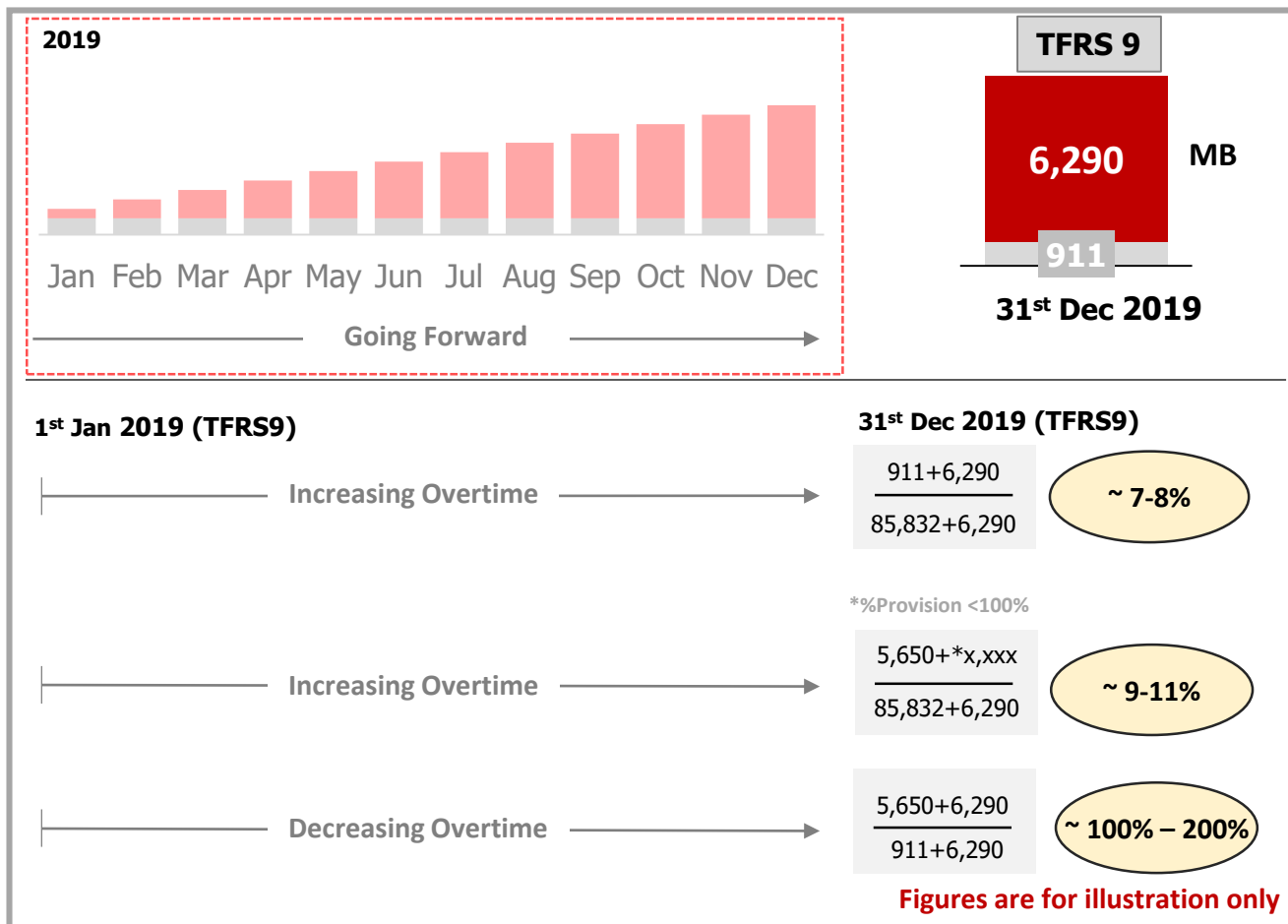
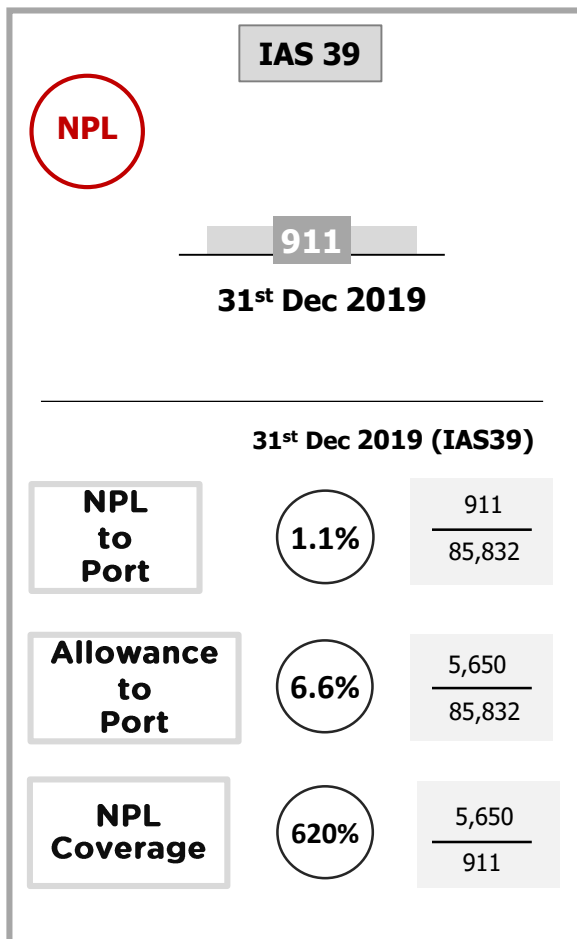
Changes on Accounting Standard TFRS 9

1 Change on Write off and NPL:



Changes on Accounting Standard TFRS 9

2 Change on NPL and Ratio:



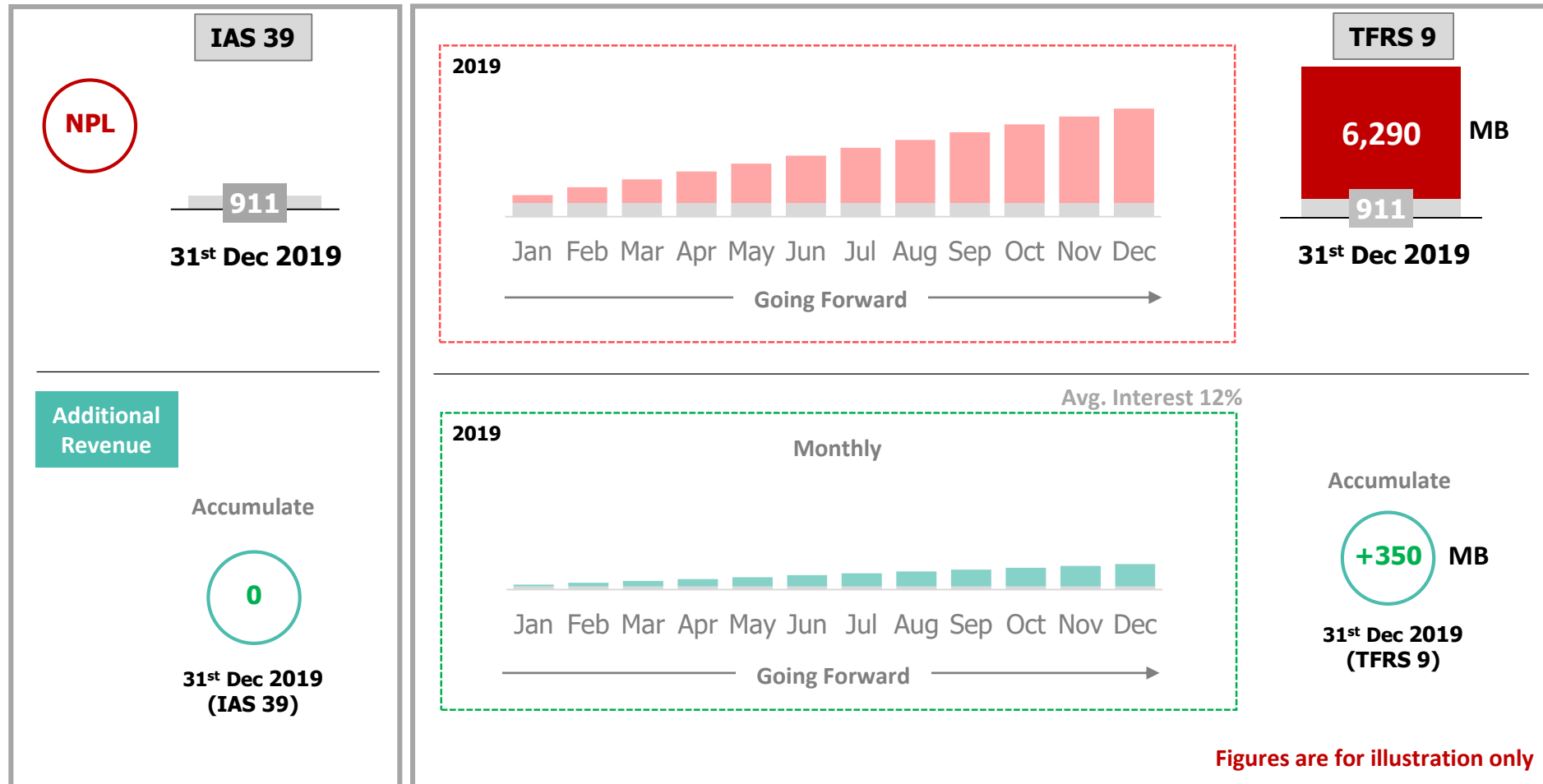
Changes on Accounting Standard TFRS 9

3 Change from write off to be NPL:



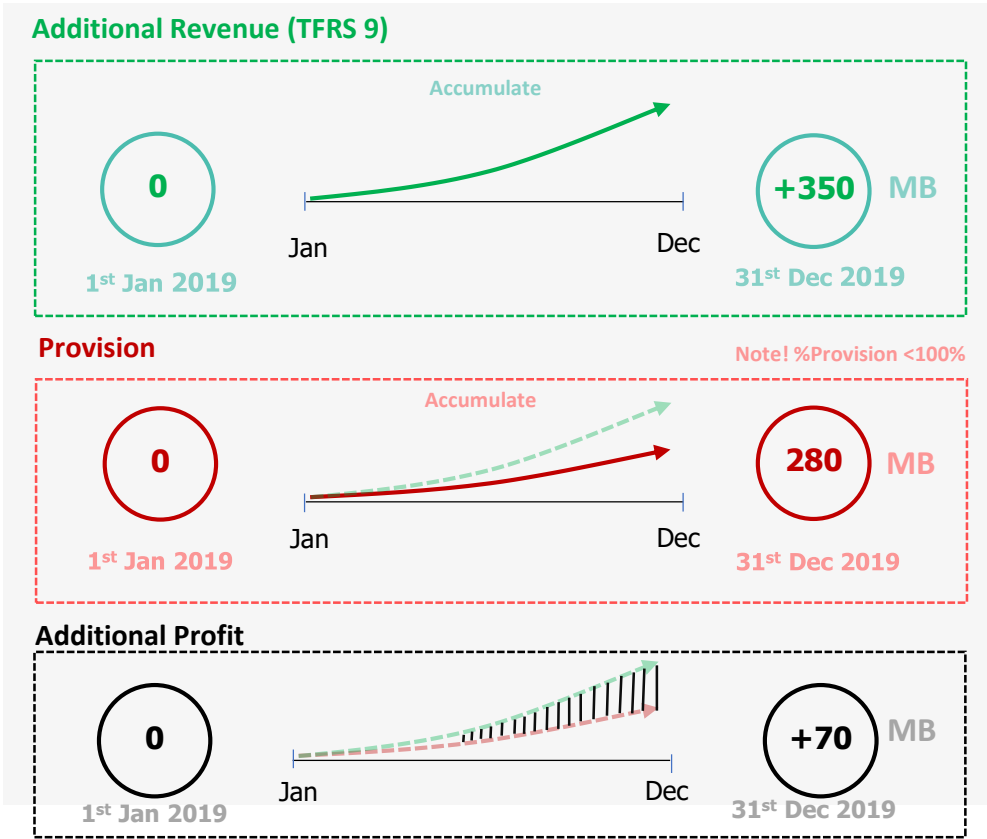
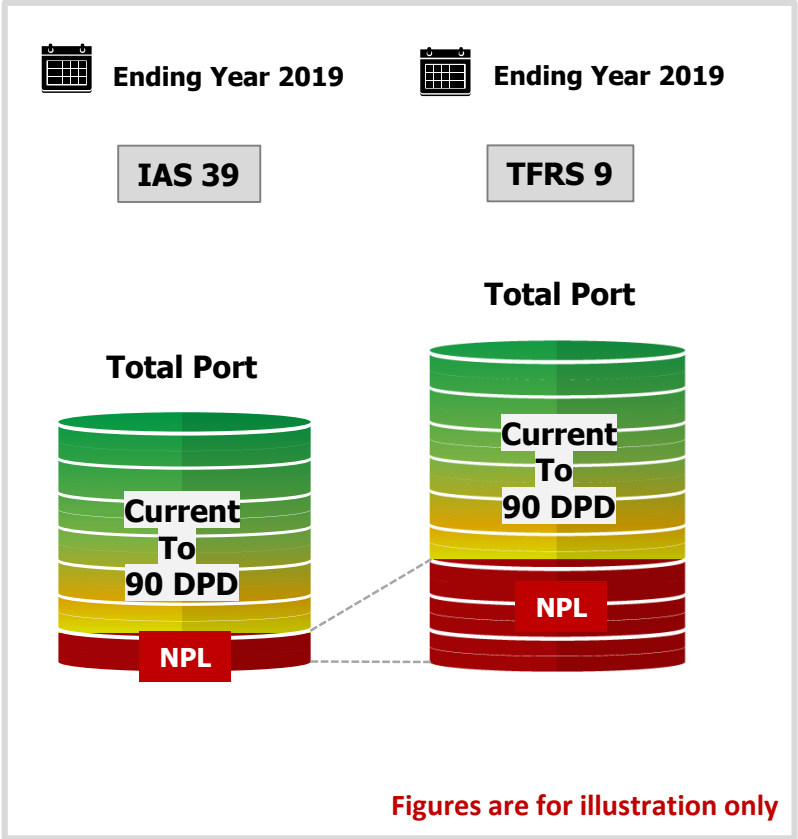
Changes on Accounting Standard TFRS 9

4 Change on Revenue:



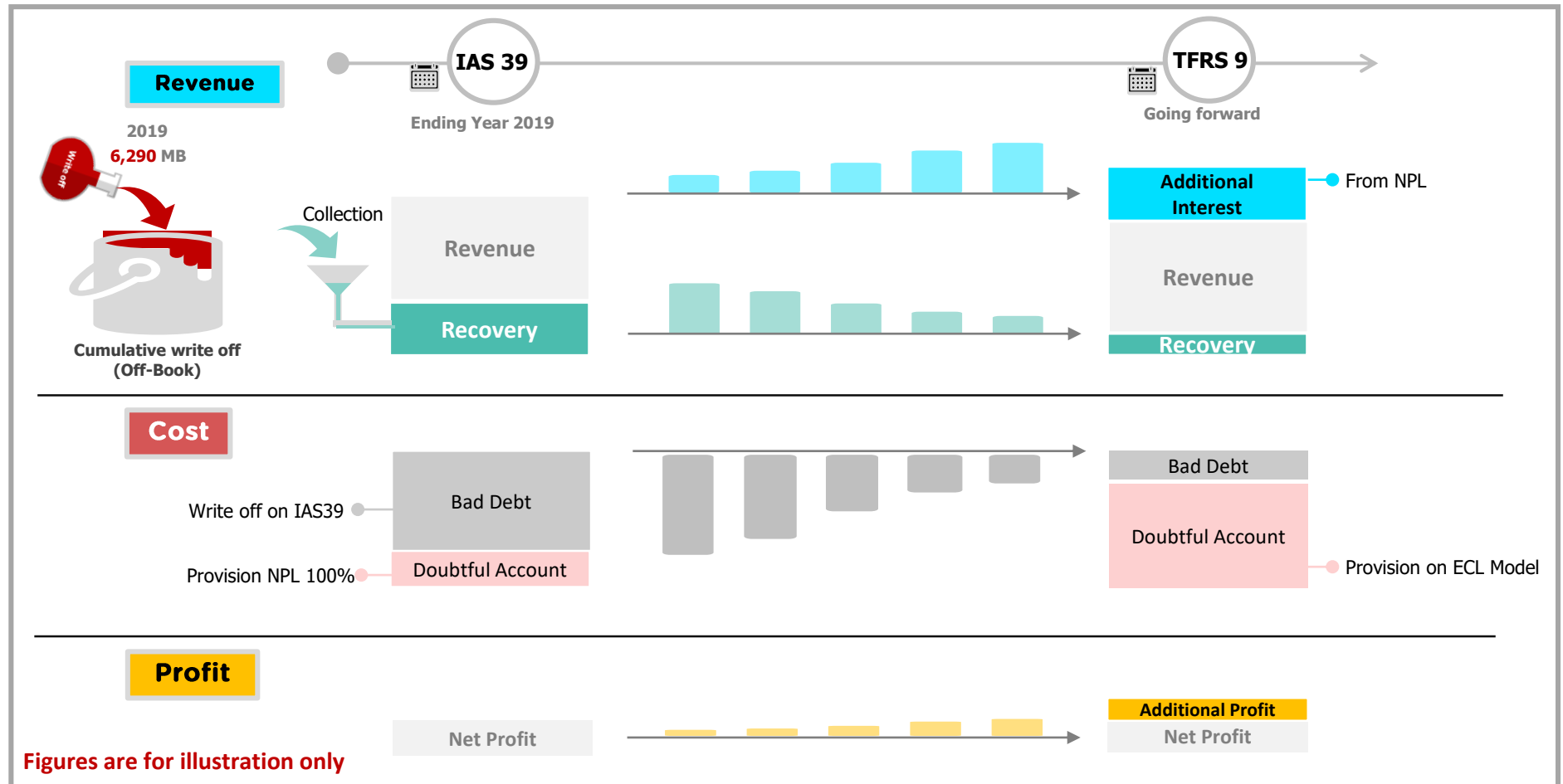
Changes on Accounting Standard TFRS 9

5 Change on Profit from provision on ECL Model:



Changes on Accounting Standard TFRS 9

6 Change on Financial Statement:





THANK YOU

For further info, please contact IR Team at +66 2 828 5067 or irktc@ktc.co.th

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