

TISCO

TISCO Financial Group Public Company Limited

SET Opportunity Day FY2023

March 1, 2024

Background

- Founded in 1969 as the first investment bank in Thailand
- In 1973, the first to introduce hire purchase financing product to retail clients. Also, the first to bring in Provident Fund management service
- One of the founding members of the Stock Exchange of Thailand in 1975
- In 1996, first securitization of auto loan in Southeast Asia
- Upgraded to full-service commercial bank in 2005
- Restructured into holding company structure in 2008
- Expanded Microfinance through the brand “Somwang” in 2014
- Acquired retail banking business from Standard Chartered Bank (Thai) in 2017 and sold personal loan and credit card in 2018 to focus on secured lending business
- Started Co-Brand Alliance with Jefferies Hong Kong Limited in 2020
- In 2023, incorporated new partnership with EV automakers

Business Model

“Selective Focus” universal bank

CG Scoring



Excellent

Credit Rating

A- (Stable) by TRIS Rating



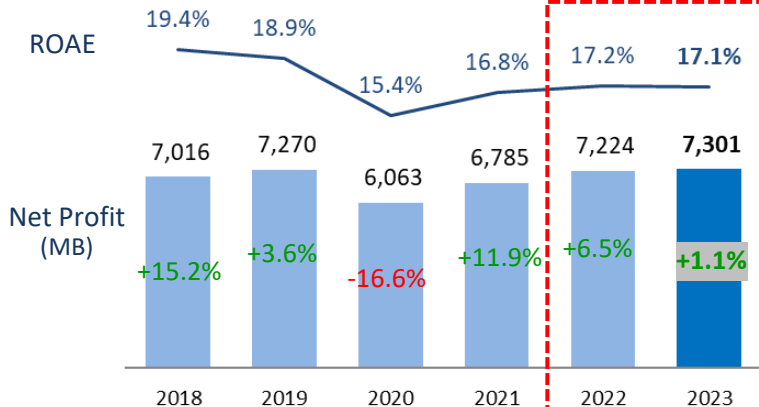
Key Metrics

Unit: Million Baht

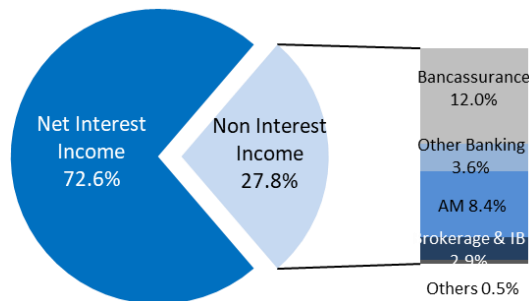
	2022	2023
Total Assets	265,414	290,724
Total Loans	219,004	234,815
Total Funding	198,983	220,891
Capital Ratio (BIS %)	23.4	22.3
Market Capitalization	79,464	79,864

Business Performance

Profitability



Revenue Contribution



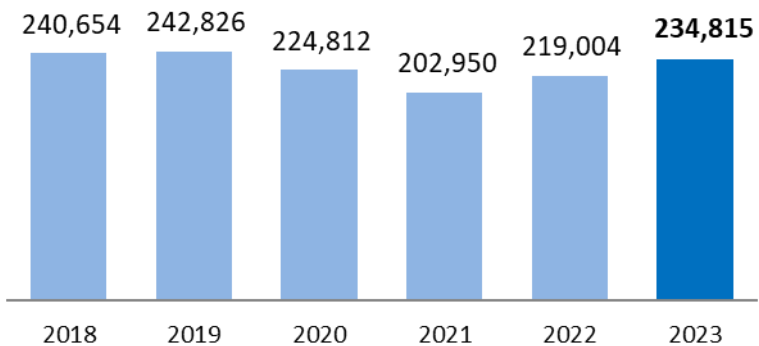
Unit : Million Baht	2020	2021	2022	2023	% YoY
Net Interest Income	13,098	12,460	12,734	13,829	8.6
Non-Interest Income	5,806	6,363	5,571	5,217	(6.4)
Total Income	18,904	18,823	18,305	19,046	4.0
Operating Expenses	(8,012)	(8,267)	(8,591)	(9,340)	8.7
PPOP	10,892	10,557	9,714	9,705	(0.1)
ECL	(3,331)	(2,064)	(723)	(615)	(14.9)
Pre Tax Profit	7,562	8,493	8,991	9,090	1.1
Net Profit	6,063	6,785	7,224	7,301	1.1
ROAE (%)	15.4	16.8	17.2	17.1	

- ❑ **Net profit** for FY2023 increased by 1.1% (YoY) led by a growth in net interest income following loan expansion of 7.2%. However, amid the rising interest rate cycle, funding cost continued to reprice, thus compressing loan spread throughout the year.
- ❑ Non-interest income weakened especially in capital market businesses, together with the loss from trading income.
- ❑ OPEX rose (YoY) resulted from cost related to Somwang branch expansion.

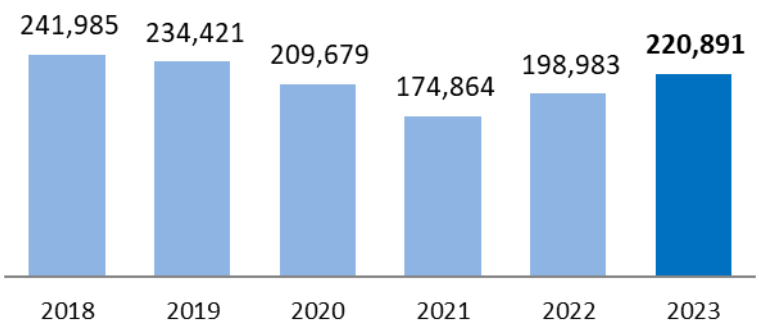
Unit: Million Baht



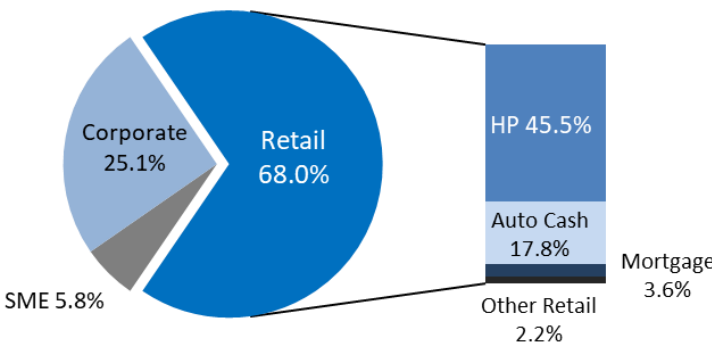
Loans Growth **+7.2%** (YoY)



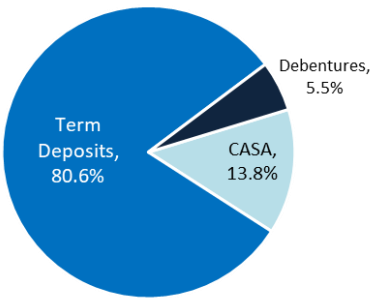
Deposits & Borrowings Growth **+11.0%** (YoY)



Loan Breakdown



Funding Composition

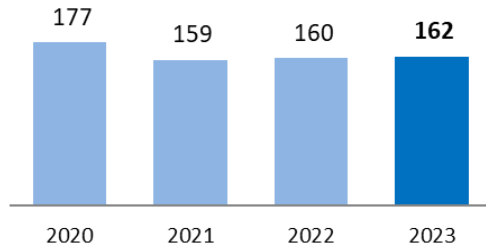


Composition of Loan Growth **+7.2%** (YoY)

Unit: Billion Baht

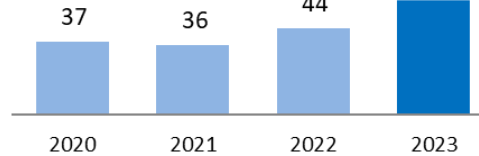
Retail

+1.2% YoY



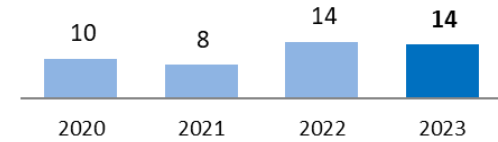
Corporate

+32.9% YoY



SME

-4.6% YoY

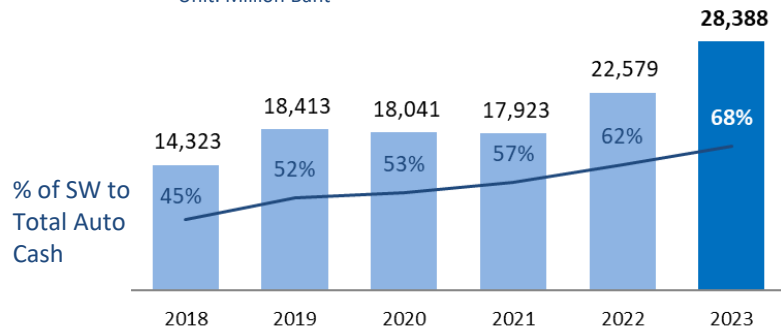


Somwang Business

Loan Outstanding

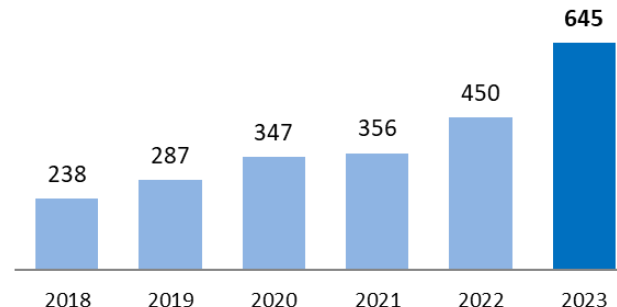
Unit: Million Baht

+25.7% YoY



Branch Channel

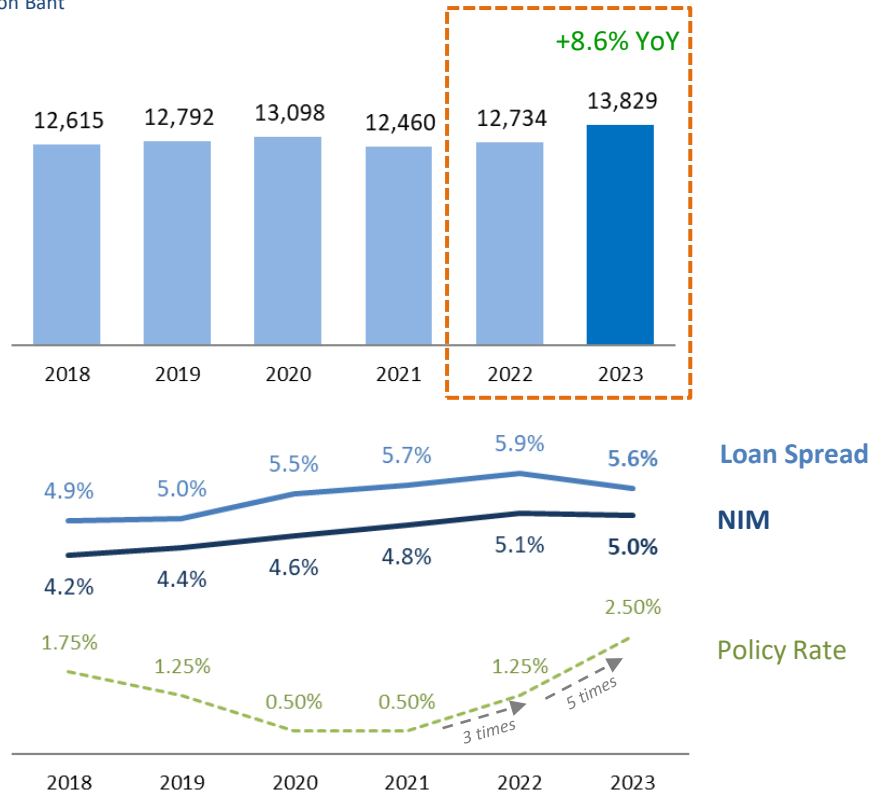
+195



Net Interest Income

Net Interest Income rose by **8.6% (YoY)** aligning with loan growth

Unit: Million Baht



In 2023, BOT increased policy rate in total of 5 times to 2.50%, while the FIDF cost resumed to 46 bps effective in Jan 2023.

TISCO's cost of fund rose drastically with the repricing of cost of fund in conjunction with an increase in market interest rate.

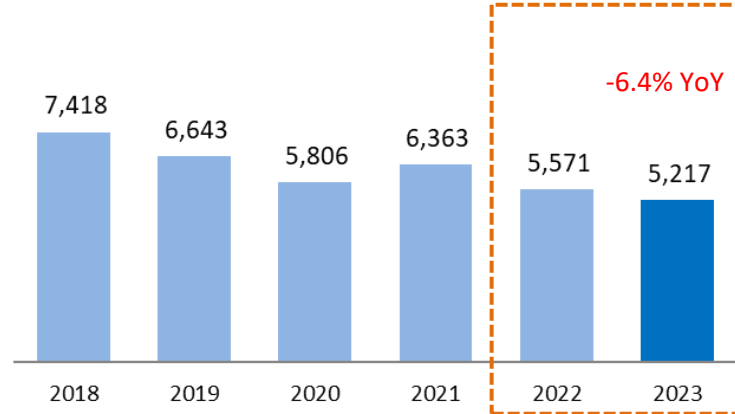
Loan yield also increased thanks to the growth strategy into corporate loans and high-yield businesses.

Cost of fund repriced faster than loan yield, therefore loan spread declined by 0.3% (YoY), as well as NIM.

Non-Interest Income

Non-Interest Income dropped by **6.4% (YoY)** due to volatile capital market condition

Unit: Million Baht



Brokerage & IB **-23.0%**

Brokerage business weakened significantly caused by the highly volatile capital market and lower market trading volume. Moreover, TISCO also recorded trading loss from investment.



Banking Fee **-4.3%**
Bancassurance **-3.3%**

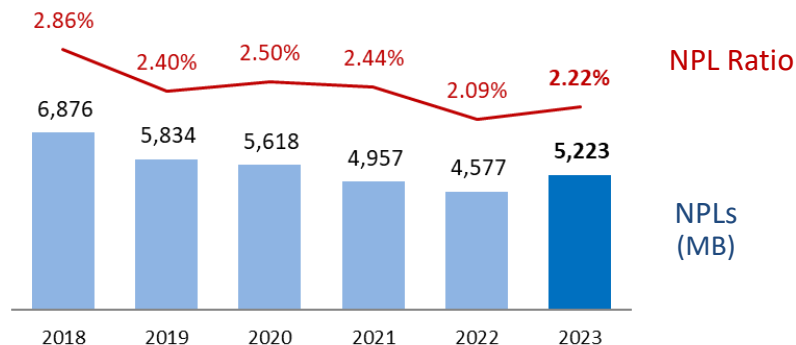
Banking fee declined from a slow recovery in bancassurance business following lower new business volume.



Asset Management **+5.4%**

Asset management fee increased along with AUM expansion, as well as the recognition of incentive fee income.

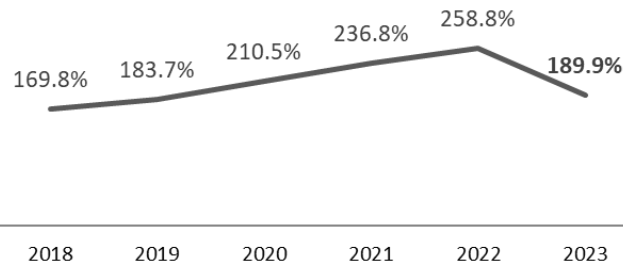
Non-Performing Loans (NPLs)



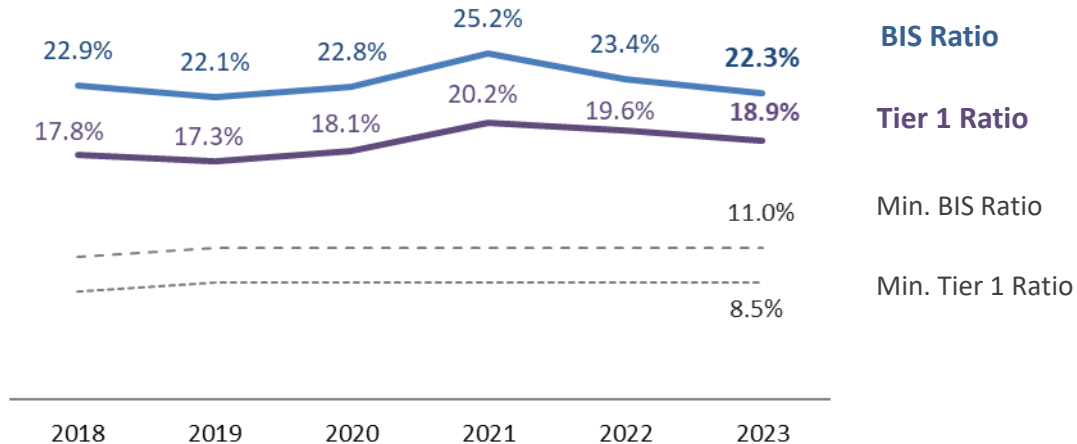
NPLs increased following the active growth strategy into high-yield businesses.

The Company remained cautious with strong credit control policy amid the rising concerns on debt serviceability from high household debt problem.

Coverage Ratio



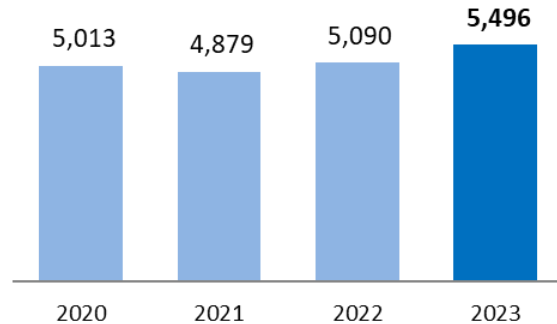
Coverage ratio decreased from last year to **189.9%** but remained at a sufficient level against potential risks.



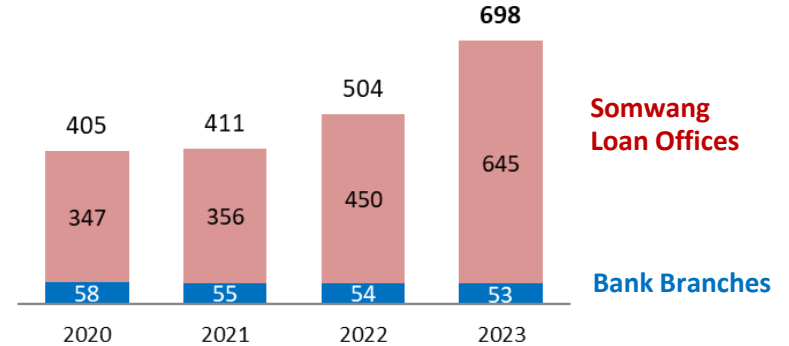
TISCO maintained **sufficient** Capital Adequacy Ratio and **exceeded** the minimum requirement by BOT.

Employees & Branches

Number of Employees



Number of Branches



Share Capital Information

Share Summary

Total shares 800,655,483

Ordinary shares 800,645,624

Preferred shares 9,859

Share Movement FY2023

High (Baht) 104.00

Low (Baht) 89.50

Average (Baht) 98.55

Par value (Baht) 10.0

Market capitalization (Million Baht) 79,864

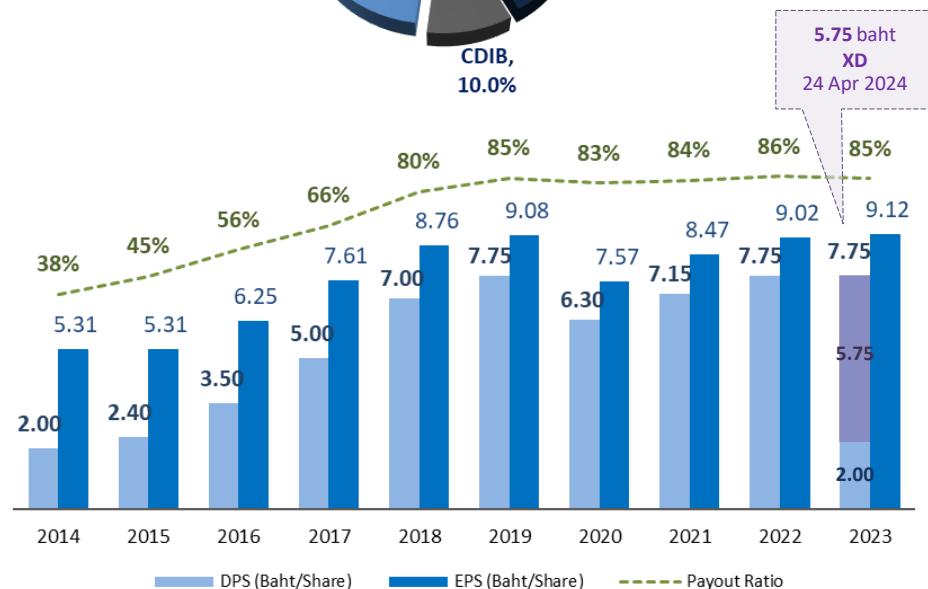
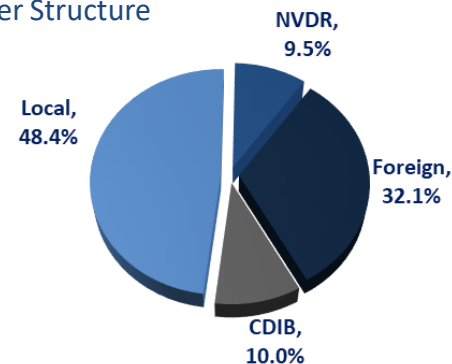
Foreign limit (%) 49.0%

Free float (%) 73.8%

Dividend Payout (%) 85.0%

Data as of December 2023

Shareholder Structure



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