

**TISCO**

# **TISCO Financial Group Public Company Limited**

**SET Opportunity Day 3Q/9M2024**

November 5, 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

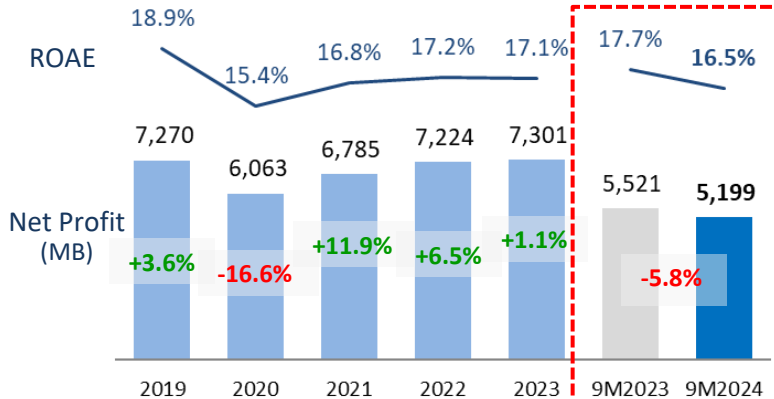


### Key Metrics

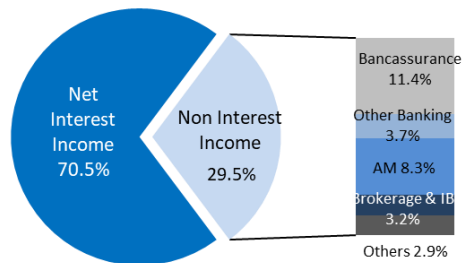
Unit: Million Baht

	2023	9M2024
<b>Total Assets</b>	290,724	277,580
<b>Total Loans</b>	234,815	229,948
<b>Total Funding</b>	220,891	208,945
<b>Capital Ratio (BIS %)</b>	22.3	20.9
<b>Market Capitalization</b>	79,864	77,262

## Profitability



## Revenue Contribution



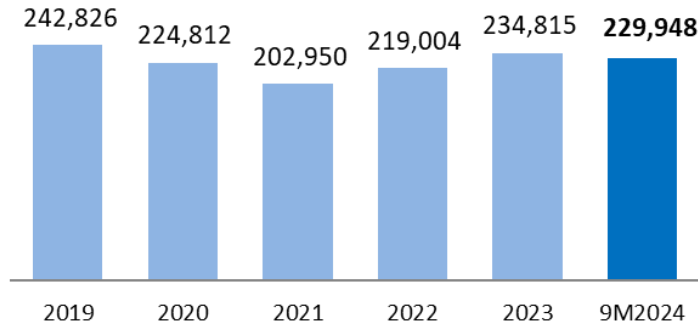
Unit : Million Baht	2021	2022	2023	% YoY	9M2023	9M2024	% YoY
Net Interest Income	12,460	12,734	13,573	6.6	10,070	10,168	1.0
Non-Interest Income	6,363	5,571	5,217	(6.4)	3,957	4,259	7.6
<b>Total Income</b>	<b>18,823</b>	<b>18,305</b>	<b>18,790</b>	<b>2.7</b>	<b>14,028</b>	<b>14,428</b>	<b>2.9</b>
Operating Expenses	(8,267)	(8,591)	(9,340)	8.7	(6,988)	(6,911)	(1.1)
<b>PPOP</b>	<b>10,557</b>	<b>9,714</b>	<b>9,449</b>	<b>(2.7)</b>	<b>7,040</b>	<b>7,517</b>	<b>6.8</b>
ECL	(2,064)	(723)	(359)	(50.3)	(172)	(1,038)	502.6
<b>Pre Tax Profit</b>	<b>8,493</b>	<b>8,991</b>	<b>9,090</b>	<b>1.1</b>	<b>6,868</b>	<b>6,479</b>	<b>(5.7)</b>
<b>Net Profit</b>	<b>6,785</b>	<b>7,224</b>	<b>7,301</b>	<b>1.1</b>	<b>5,521</b>	<b>5,199</b>	<b>(5.8)</b>
<b>ROAE (%)</b>	<b>16.8</b>	<b>17.2</b>	<b>17.1</b>		<b>17.7</b>	<b>16.5</b>	

- ❑ **Net profit** of 9M2024 decreased by 5.8% (YoY) due to an increase in ECL expense.
- ❑ Net interest income increased by 1.0% (YoY) supported by loan expansion. However, cost of funds still rose (YoY) following deposit rate repricing.
- ❑ Non-interest income improved by 7.6% (YoY) mainly derived from investment gain, IB fee and asset management fee.
- ❑ ECL expense increased (YoY) to cushion against risks of fragile economy and high household debt level.

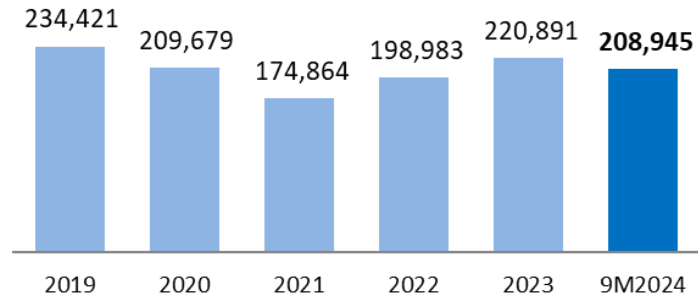
Unit: Million Baht



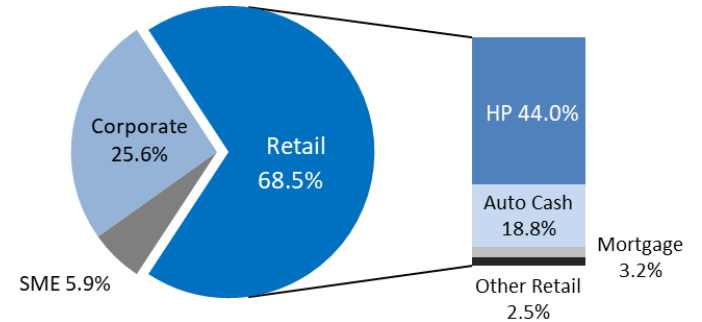
## Loans Growth **-2.1%** (YTD)



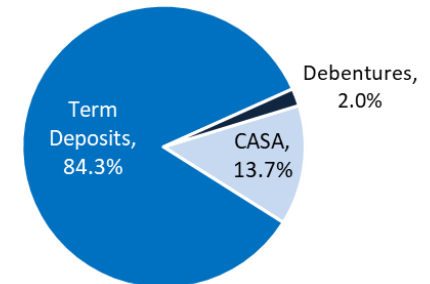
## Deposits & Borrowings Growth **-5.4%** (YTD)



## Loan Breakdown

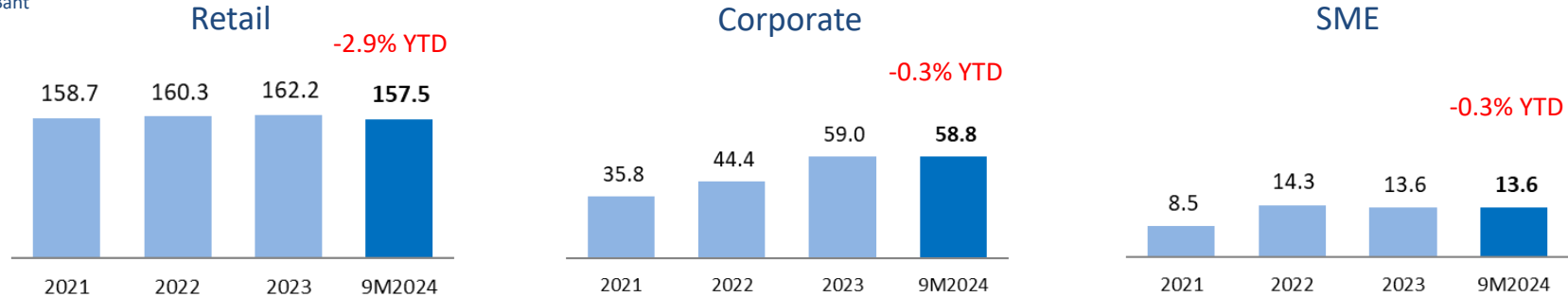


## Funding Composition



## Composition of Loan Growth **-2.1% (YTD)**

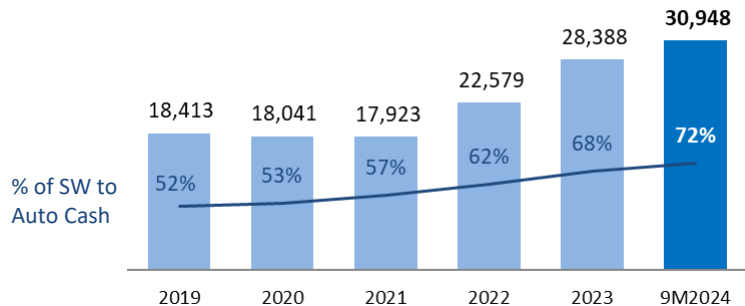
Unit: Billion Baht



## Somwang Business

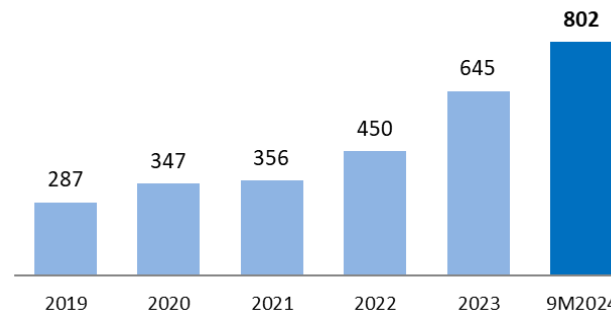
Unit: Million Baht

### Loan Outstanding **+9.0% YTD**



### Branch Channel

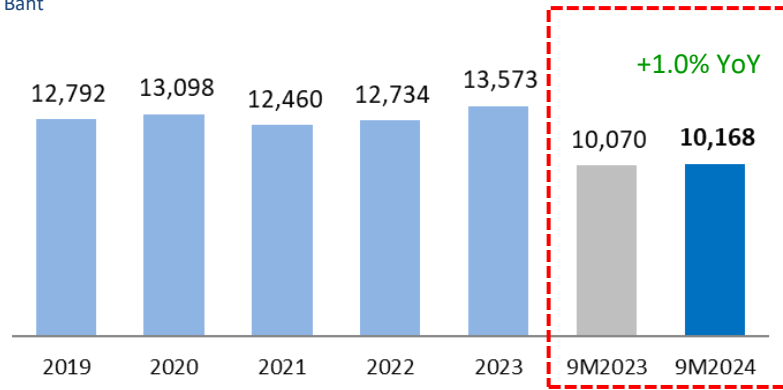
**+157 Branches**



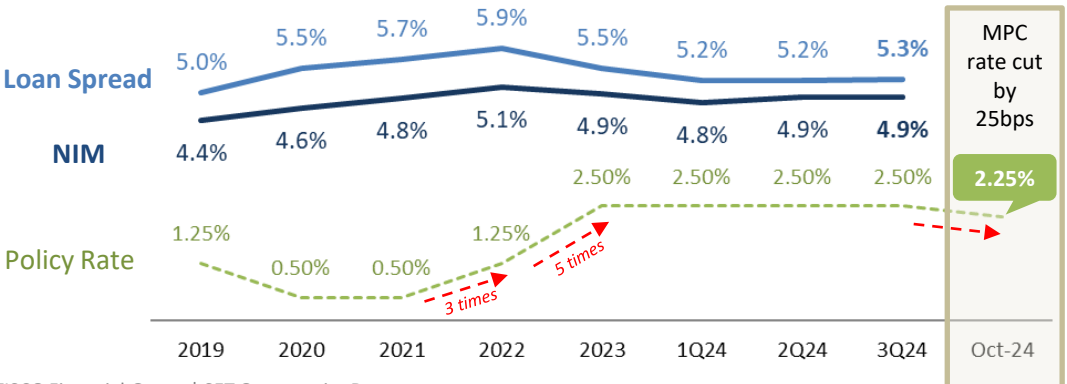
# Net Interest Income

Net Interest Income rose by **1.0%** (YoY) aligning with loan growth

Unit: Million Baht



Net interest income improved by 1.0% (YoY) following loan expansion and growth in high-yield businesses.



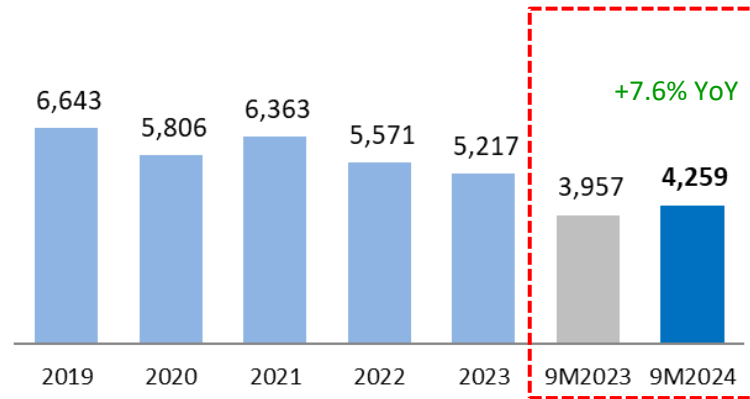
Cost of funds started to reach the peak and stabilize during 2Q-3Q, whereas loan yield continued to increase thanks to the shift in loan mix to high-yield businesses.

Loan spread and NIM showed sign of stabilizing in 3Q24 which reflected the start of interest rate downtrend.

In October, the BOT cut the policy rate by 25 bps to 2.25%.

Non-Interest Income improved by **7.6% (YoY)** thanks to capital market improvement.

Unit: Million Baht



Banking Fee  
Bancassurance

-0.3%  
-1.2%

Banking fee remained subdued from a slowdown in bancassurance business following lower new business volume which was affected by a sharp drop in industry car sale.



Brokerage & IB

+0.9%

Brokerage fee softened from last year amid low trading volume, but Thai market started to rebound at the end of 3Q2024. TISCO recorded IB underwriting fee in 2Q-3Q2024.



Asset Management

+2.8%

Asset management fee continued to improve following an expansion in AUMs of provident fund business and mutual fund business.

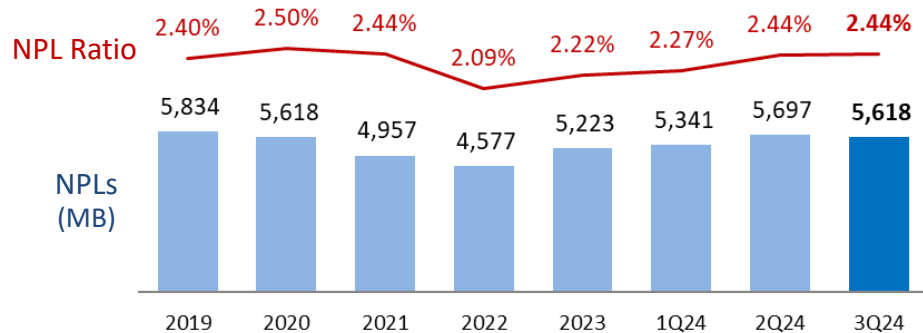


Other Income

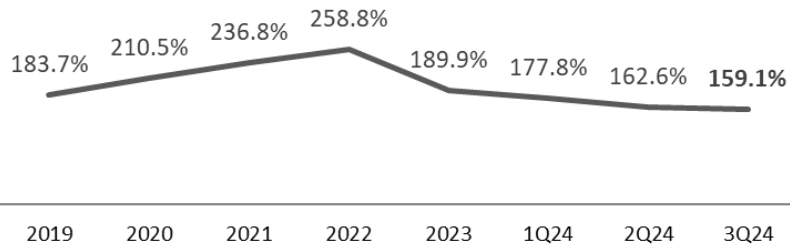
+166.0%

Other income significantly increased from a recognition of investment gain.

## Non-Performing Loans (NPLs)



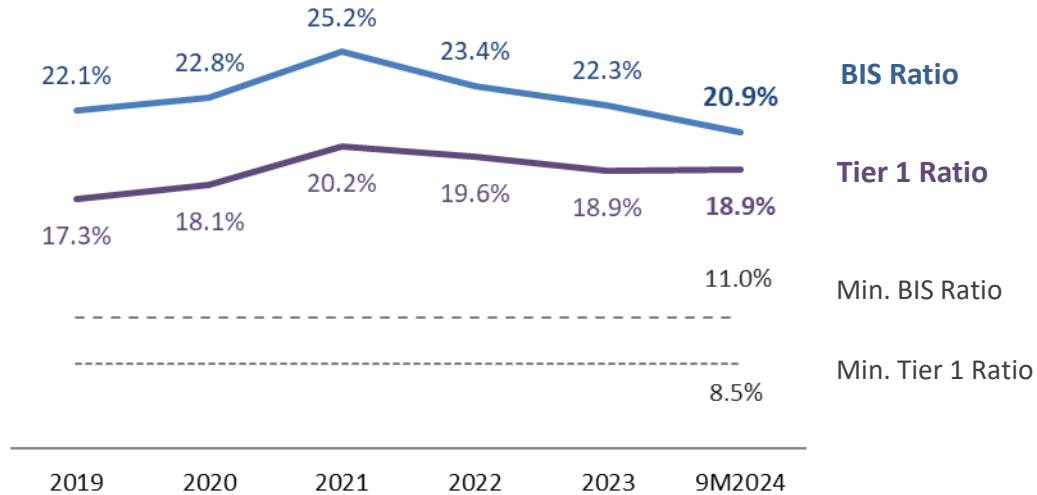
## Coverage Ratio



NPLs increased from last year following the growth strategy into high-yield businesses, combined with the fragile economy and high household debt level.

TISCO has tightened loan underwriting and increased debt collection process, resulting in a controllable NPLs from 2Q-3Q2024.

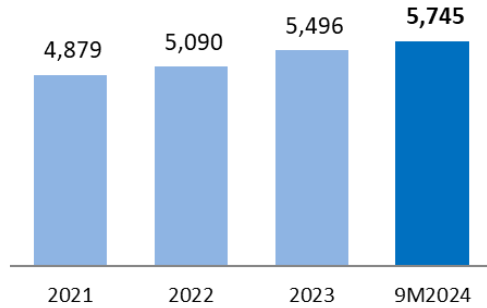
Utilizing the excess reserve, coverage ratio decreased to **159.1%** but remained at a sufficient level against potential risks.



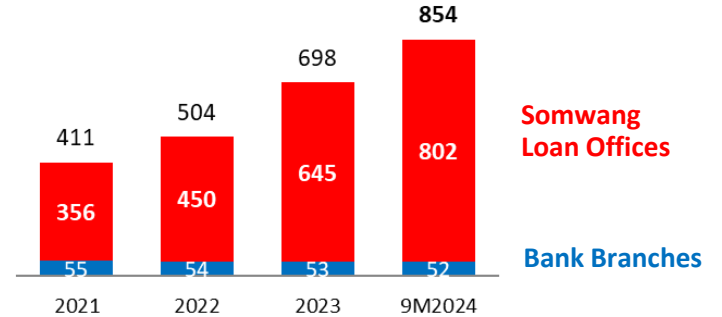
TISCO maintained **sufficient** Capital Adequacy Ratio and **exceeded** the minimum requirement by BOT.

# Employees & Branches

Number of Employees



Number of Branches



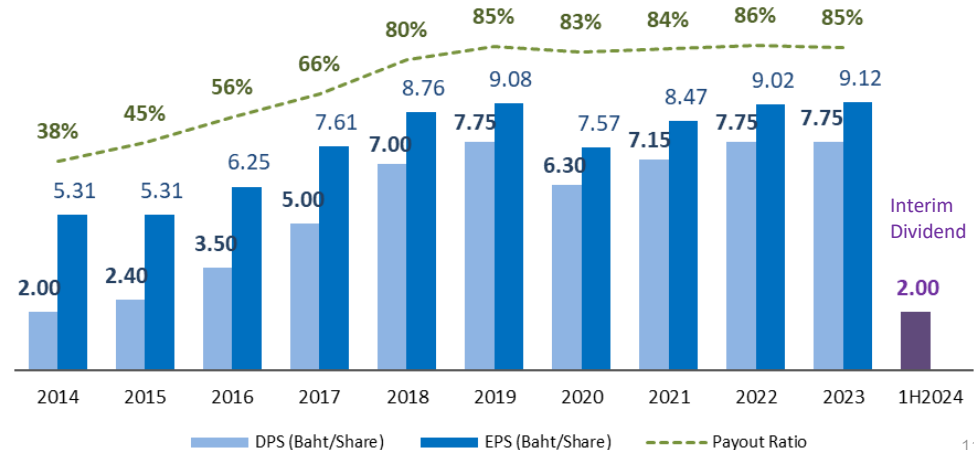
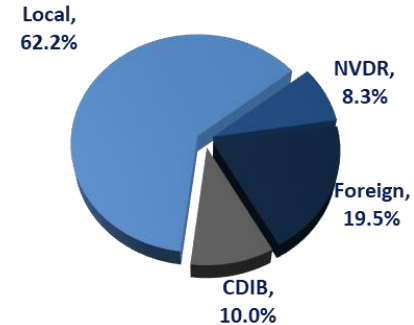
# Share Capital Information

## Share Summary

<b>Total Shares</b>	<b>800,655,483</b>
Ordinary shares	800,645,624
Preferred shares	9,859
<b>Share Movement 9M2024</b>	
High (Baht)	101.50
Low (Baht)	90.00
Average (Baht)	97.16
Par value (Baht)	10.0
<b>Market capitalization (Million Baht)</b>	<b>77,262</b>
Foreign limit (%)	49.0%
Free float (%)	73.8%
<b>Dividend Payout (%)</b>	<b>85.0%</b>

Data as of September 2024

## Shareholder Structure



As a responsible financial institution, we place sustainability **at the center of our core business activities** to deliver our purpose of integrity, fairness, and transparency that create sustainable value for our customers, shareholders, people and society.

## Environment

*Low-Carbon Economy* with focus on reducing green house gas emission and be accountable for environmental risks and opportunities

### Green Finance



### Reduction of Environmental Footprint



## Social

*Social Well-Being* through collaboration with employees and business partners, and generate positive impacts on the society

### Financial Inclusion to Underserved Clients



### Comprehensive Financial Services



### Happy Organization



### Contribution to Society



## Governance

*Sustainable Growth for All* by integrating ESG risk management and SD in-process into businesses

### Sustainability Governance and System



### ESG-integrated Risk Management





# Disclaimer

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# Investor Relations

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