



KTC

# KTC PERFORMANCE 1Q24



**TRIS**  
RATING  
AA-

MSCI  
ESG RATINGS

BBB

**SET** AAA  
ESG Ratings 2023

**ESG100** 2023  
Environmental•Social•Governance



**CAC**  
COLLECTIVE ACTION AGAINST  
CORRUPTION

**IAA**  
Investment Analysts Association  
Outstanding IR  
2022-2023

# AGENDA



## 1 | KTC Overview & Key Highlights

## 2 | Financial Results

## 3 | Consumer Finance Industry & KTC Portfolio Performances

## 4 | Target vs Actual

## 5 | KTC Sustainability

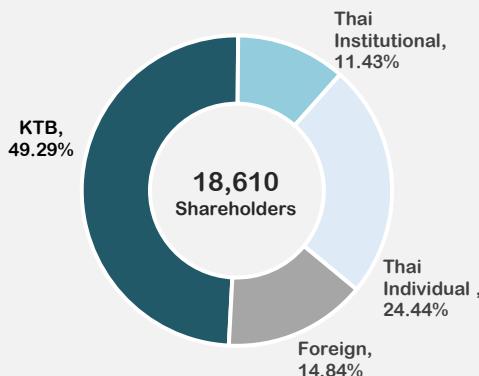


# KTC Overview



- Incorporated in 1996 as a credit card servicing subsidiary company of Krungthai 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

## Shareholder Structure

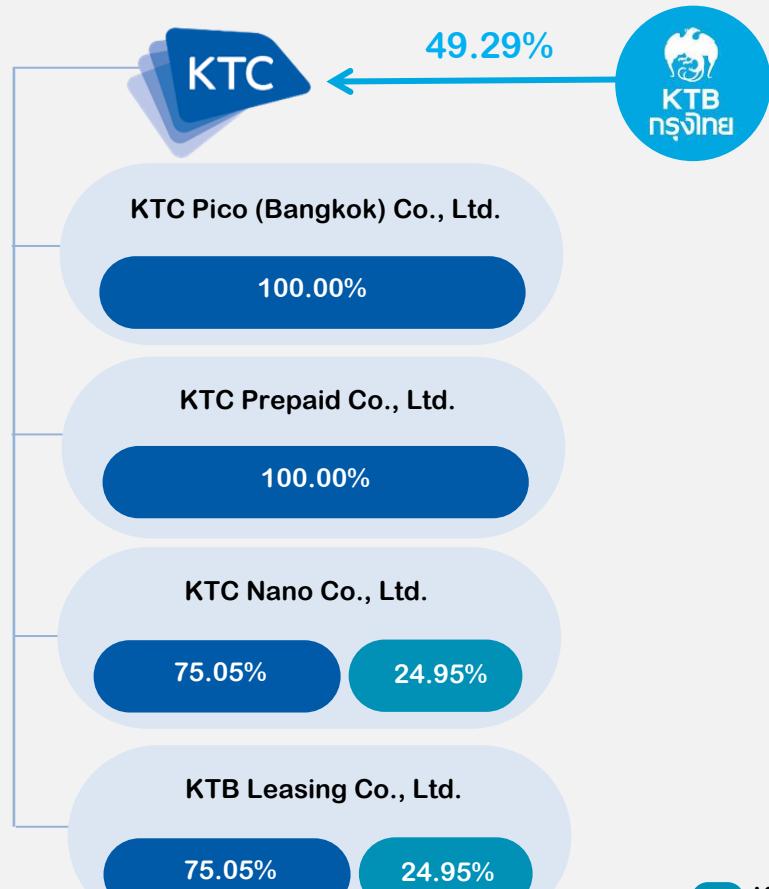


### Top 5 Shareholders

1. Krungthai Bank Public Company Limited	49.29%
2. MR. MONGKOL PRAKITCHAIWATTANA	11.09%
3. Thai NVDR Company Limited	6.25%
4. MS. CHANTANA JIRATTITTEPAT	4.51%
5. UBS AG SINGAPORE BRANCH	4.05%

(As of 31 Mar 2024)

## KTC Holding Structure



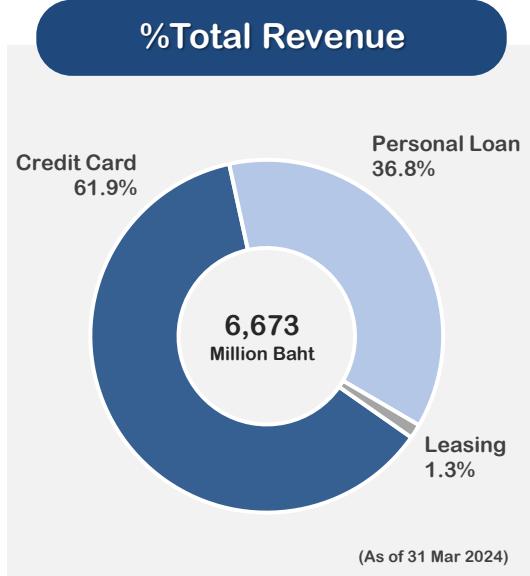
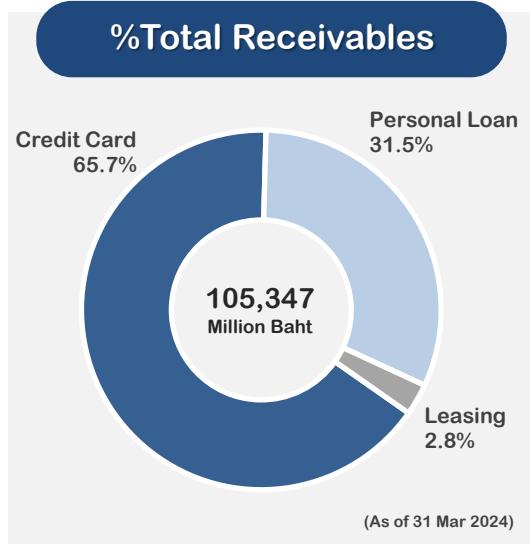
KTB  
KTC

(As of 29 Apr 2024)

## KTB & KTC Business Synergy



# Business Structure & BOT Regulations



Type of Loan	Credit Card	Personal Loan	Auto Title Loan	Hire Purchase
Minimum Income (THB)	15,000	-	-	-
Maximum Credit Line (THB)	1.5x (income < 30K) 3x (income 30 – 50K) 5x (income ≥ 50K)	1.5x (income < 30K) 5x (income ≥ 30K)	Automotive Value	Automotive Value
Maximum Interest Rate & Fee	16%	25%	24%	10% 15% 23%
Rate Cap History	18% (Apr-04), 20% (Jul-07), 18% (Sep-17), 16% (Aug-20)	28% (Jul-05), 25% (Aug-20)	28% (Jan-19), 24% (Aug-20)	10% (New Car), 15% (Used Car), 23% (Motorcycle)

Other Licenses: Nano Finance, Prepaid, Hire-Purchase and Financial Lease

Announced on 12-Oct-22  
Effective on 10-Jan-23

# Sustainable Household Debt Solution Framework



## Debt Restructuring: DR

Target Group	Retail
Loan Type	Performing Loans and Non-Performing Loans
Condition	<b>non-NPL:</b> Lender must propose pre-emptive DR <u>at least once</u> to prevent potential issues that a customer may face difficulties in repayment
Effective Period	1 Jan 2024
Status & Impact on KTC	In compliance with BOT's notification (SorKorChor 7/2566)

## Persistent Debt: PD

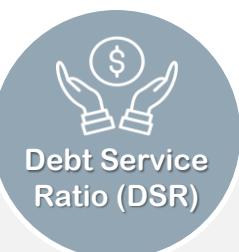
Target Group	Revolving Personal Loans
Loan Type	Performing Loans (Interest payment higher than principal payment over the past 3 - 5 years)
Condition	<b>General PD (3 to &lt; 5 years):</b> Notification to warn of becoming Severe PD
Effective Period	1 April 2024
Status & Impact on KTC	Maximum impact on interest income THB 18 Million/month



## Risk-Based Pricing (RBP)



- Flexible interest rate based on clients' risk appetite
- Qualifying creditors must apply to test lending out in the Regulatory Sandbox



## Debt Service Ratio (DSR)



Plans to take effect in 2025 depending on the economic situation

Note: BOT released the notification of RL on 28 Dec 2023

# Key Highlights 1Q24



Overview &  
Key Highlight

Financial  
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## Total Revenue

6,763 MB

▲ 11.7% (YoY)

## Net Profit

1,803 MB

▼ 3.7% (YoY)



**Total Portfolio**  
105,347 MB

▲ 2.0% (YoY)



## Credit Card

69,213 MB

▲ 2.3% (YoY)



## Personal Loans

33,149 MB

▲ 2.4% (YoY)



## Leasing

2,985 MB

▼ 9.6% (YoY)

## Credit Card Spending

69,419 MB

▲ 8.5% (YoY)

## Net Interest Margin

13.1%

## Total NPL

1.5%  
(Separate)

2.0%  
(Consolidated)

## NPL Coverage Ratio

434.7%  
(Separate)      353.8%  
(Consolidated)

## Sustainable Profit Generation

## Steady Portfolio Expansion

## Continuous Card Spending Growth

## Robust Asset Quality Management

## Stronghold Balance Sheet

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# Financial Result 1Q24



## Total Revenue

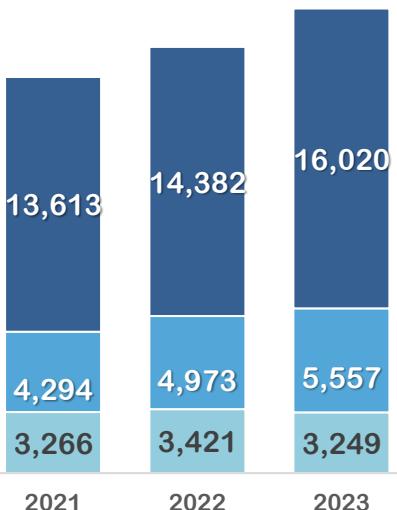
6,763  
Million Baht

↑ 11.7%  
(YoY)

### Total Revenue

Unit: MB

21,442 23,231 25,418



6,055 6,763



## Total Expense

4,504  
Million Baht

↑ 20.4%  
(YoY)

### Total Operating Expense

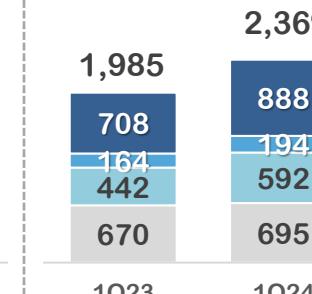
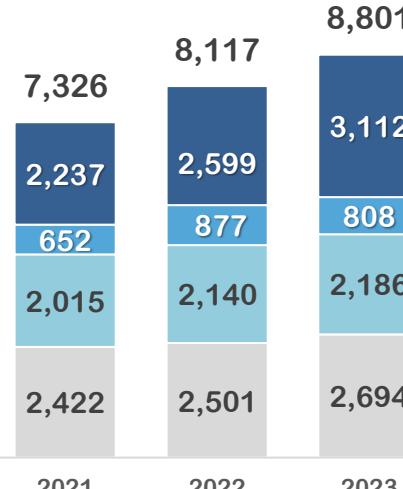
2,369  
Million Baht

↑ 19.4%  
(YoY)

### Cost to Income Ratio

34.2% 34.9% 34.6%

32.8% 35.0%



Interest Income  
(Including Credit Usage)

Fee Income  
(Excluding Credit Usage)

Recovery Income

Fee  
Expense

Marketing  
Expense

Other  
Operating Expense  
(Other Taxes, F&E and etc.)

Personal  
Expense

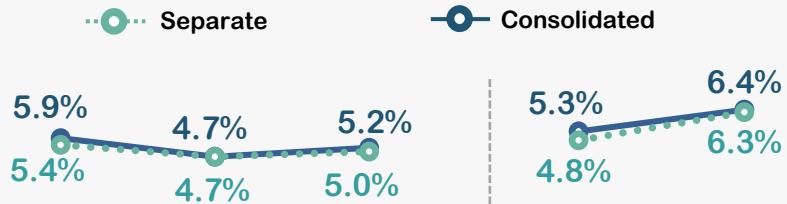
Note: Based on Consolidated Financial Statement

# Expected Credit Loss



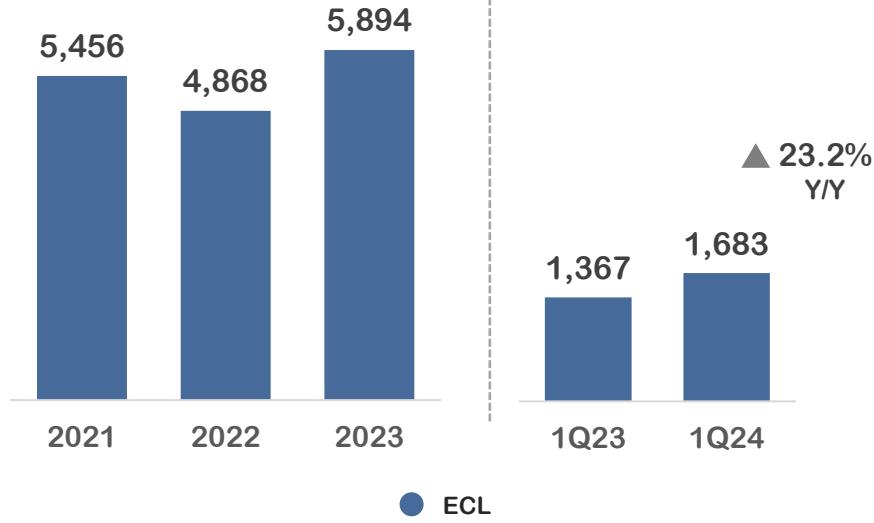
## Expected Credit Loss

### Credit Cost (Total ECL to Total Loan)



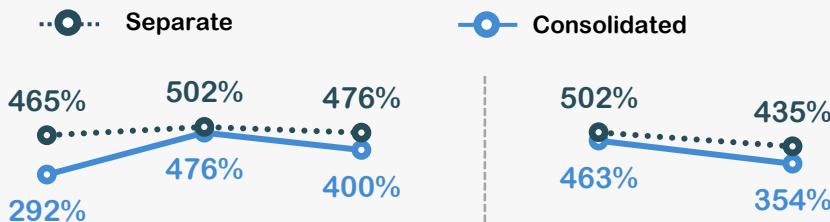
### Total Expected Credit Loss

Unit: MB



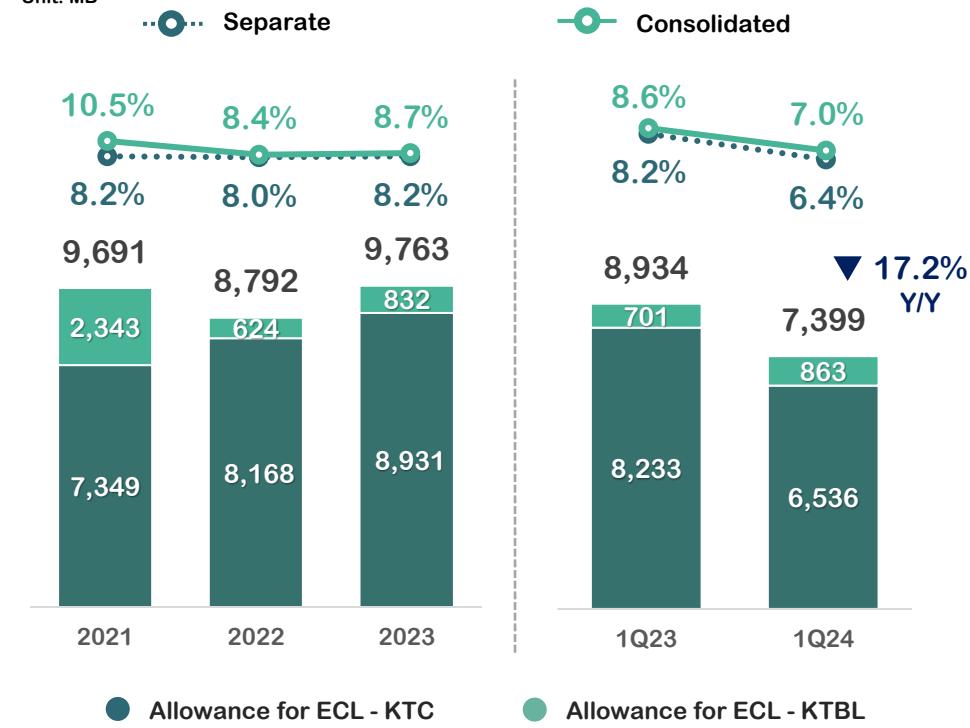
## Allowance for Expected Credit Loss

### NPL Coverage ratio (Total Allowance to NPLs)



### Total Allowance for Expected Credit Loss (Total Allowance to Total Loan)

Unit: MB



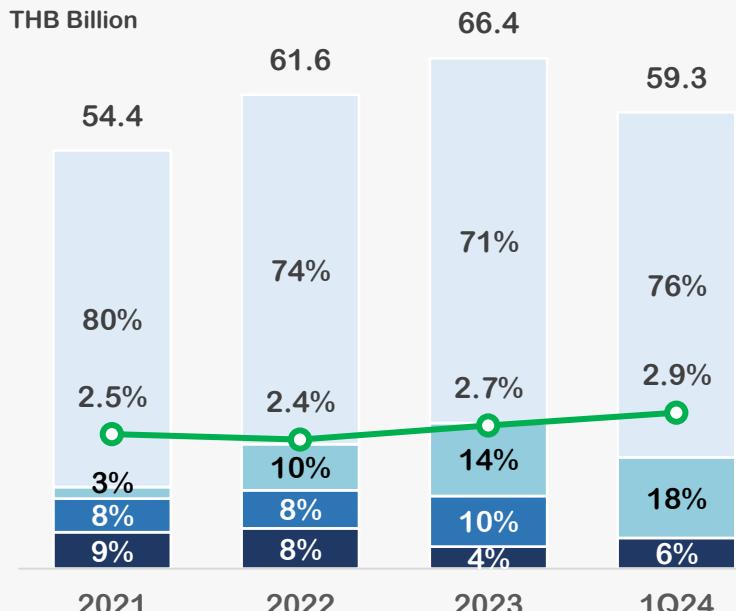
# Balance Sheet and Source of Fund



## Balance Sheet Highlight

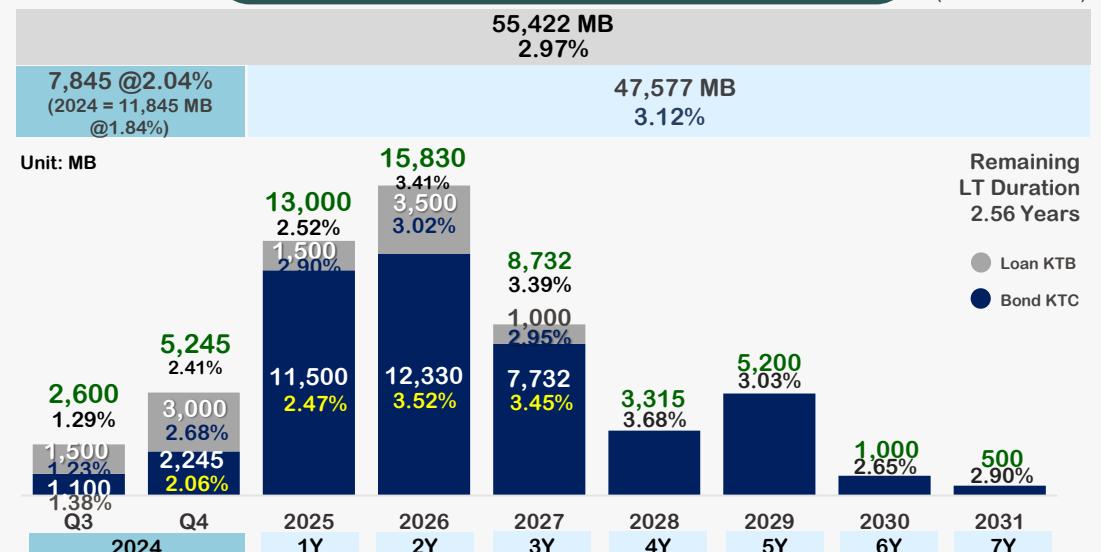


## Interest Bearing Debt (Original Term)



## Maturity Profile

(As of 31 Mar 2024)



# Profitability Ratio

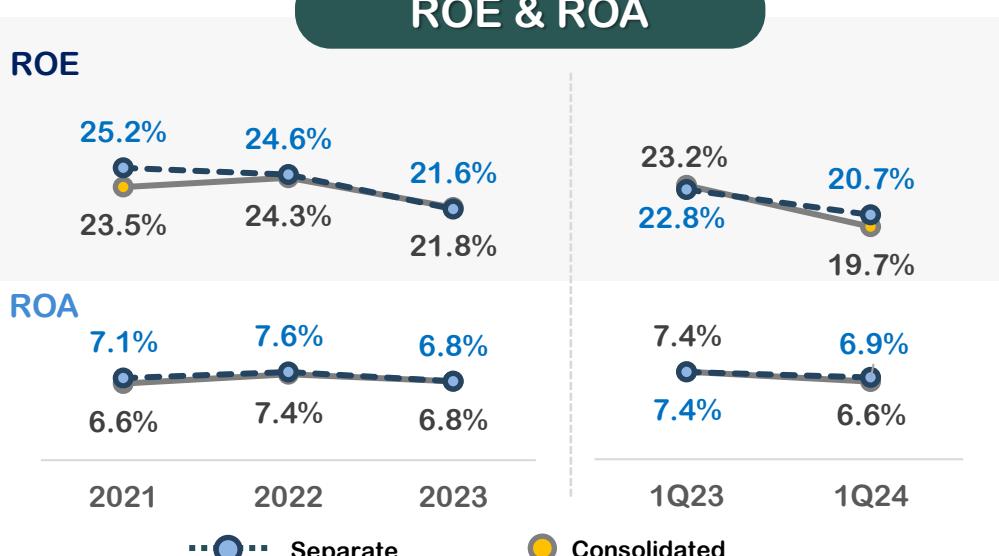
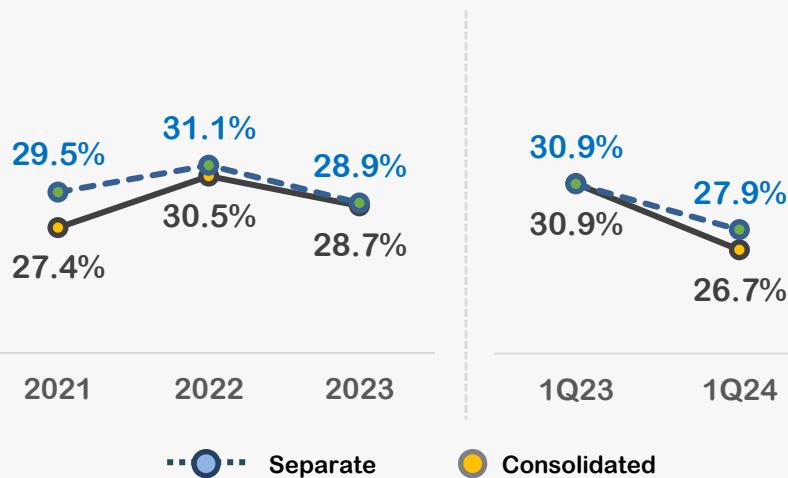


## Yield on Loan & NIM & COF



\*Net Interest Margin (NIM) = (Interest Income (Inc. Credit Usage) - Financial Expense) / Average Gross Receivables

## Net Profit Margin



## EPS & Dividend Payout



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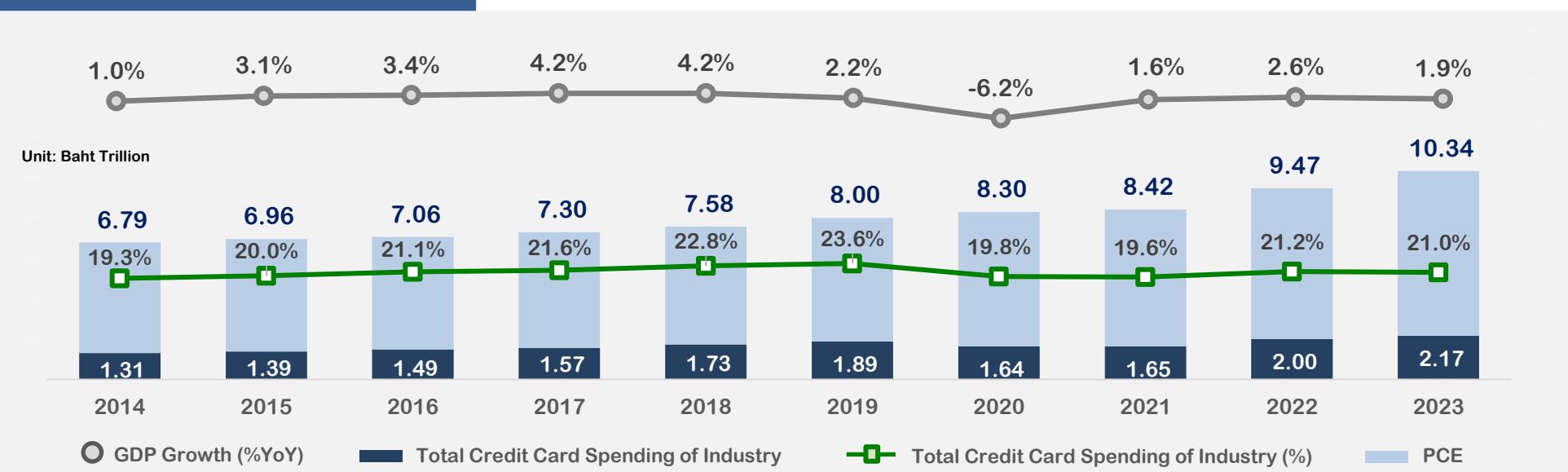
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# Credit Card Industry & Market Share



## Credit Card Penetration



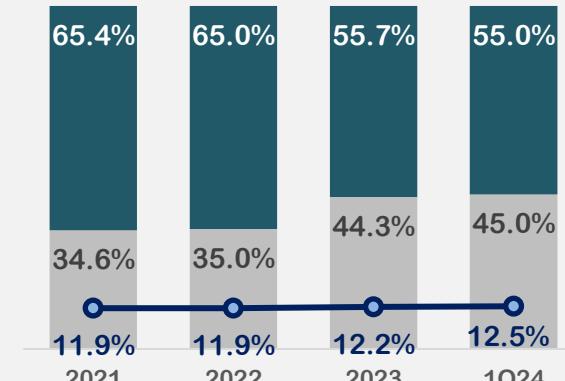
## Credit Card Portfolio



## No. of Credit Cards



## Credit Card Spending



# Credit Card Performance



Overview &  
Key Highlight

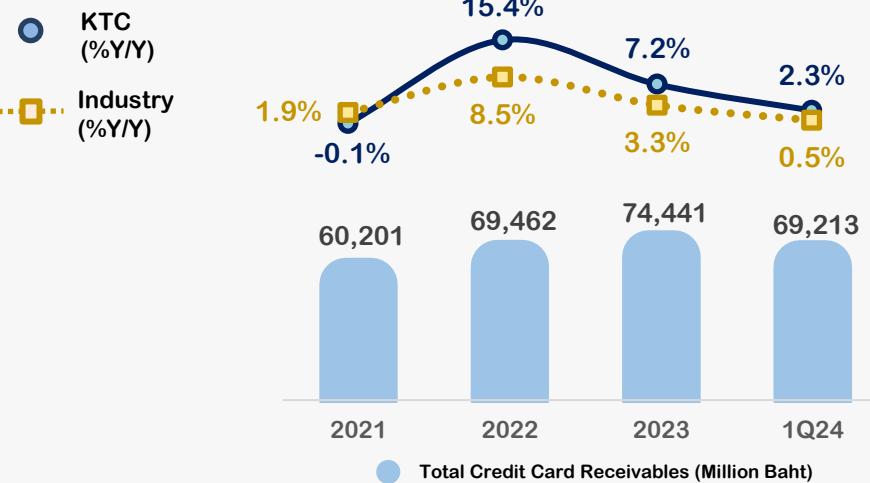
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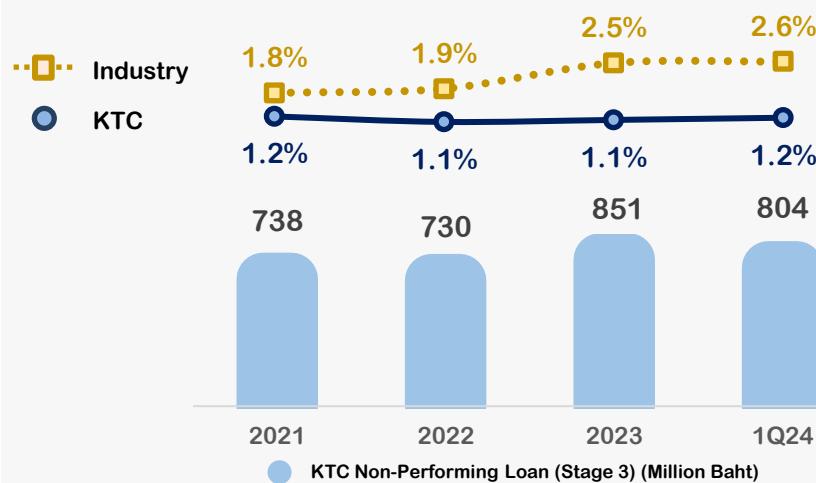
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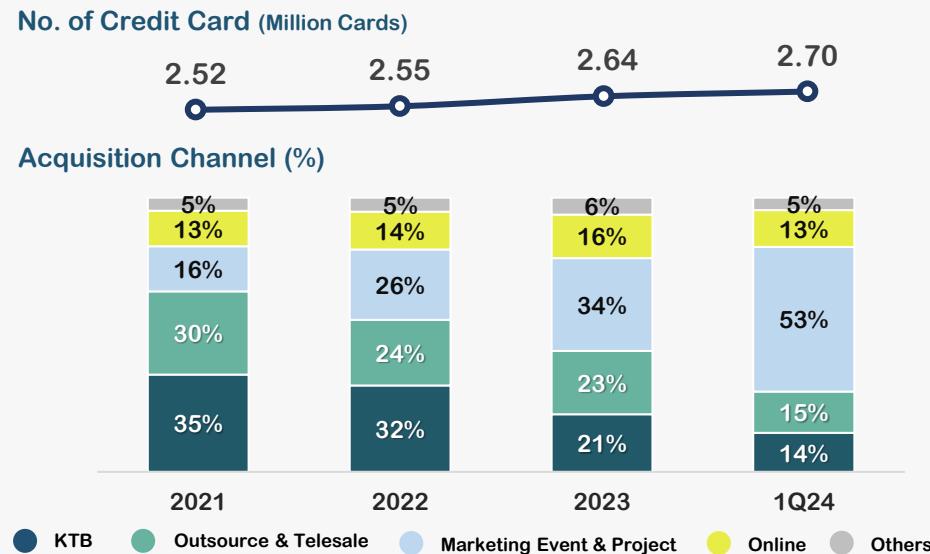
## Portfolio Growth



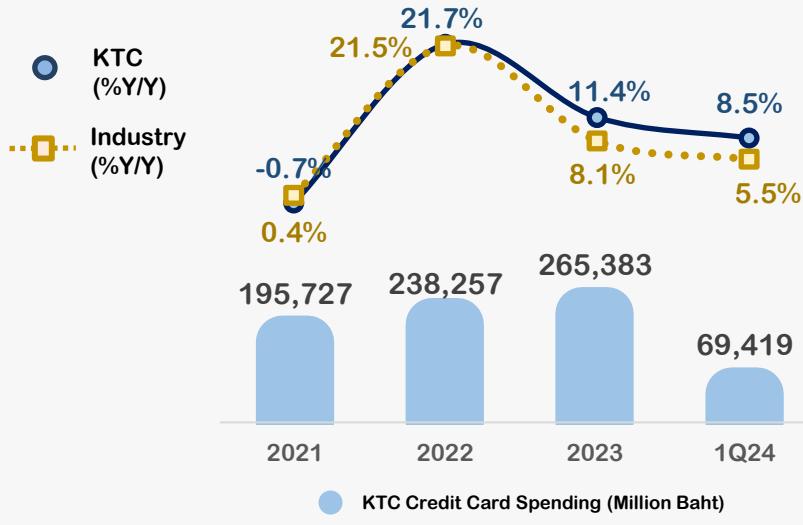
## Portfolio Quality



## Acquisition Channel



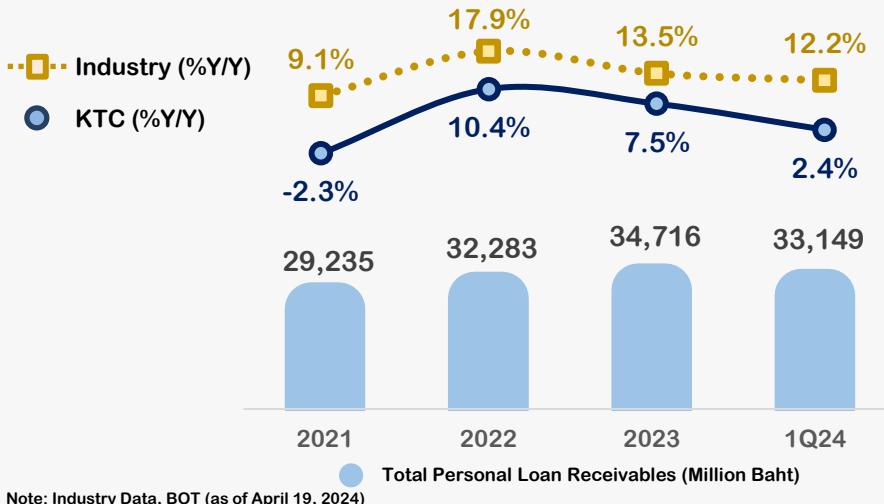
## Card Spending



# Personal Loan Performance

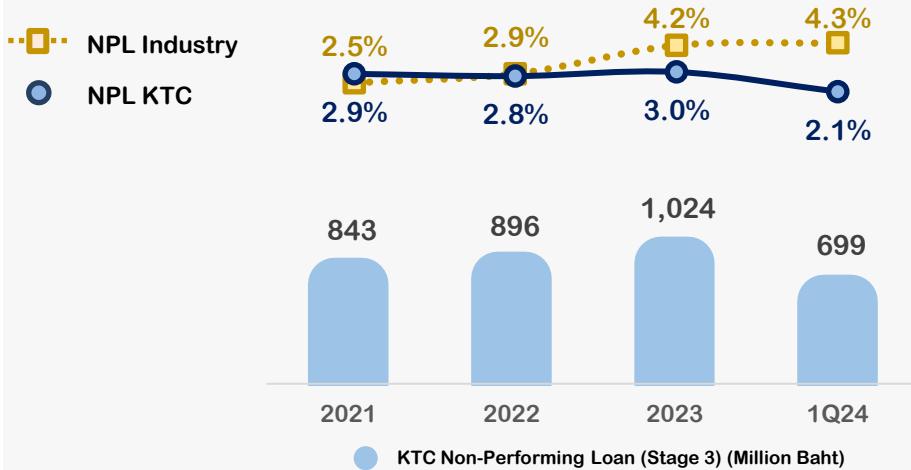


## Portfolio Growth

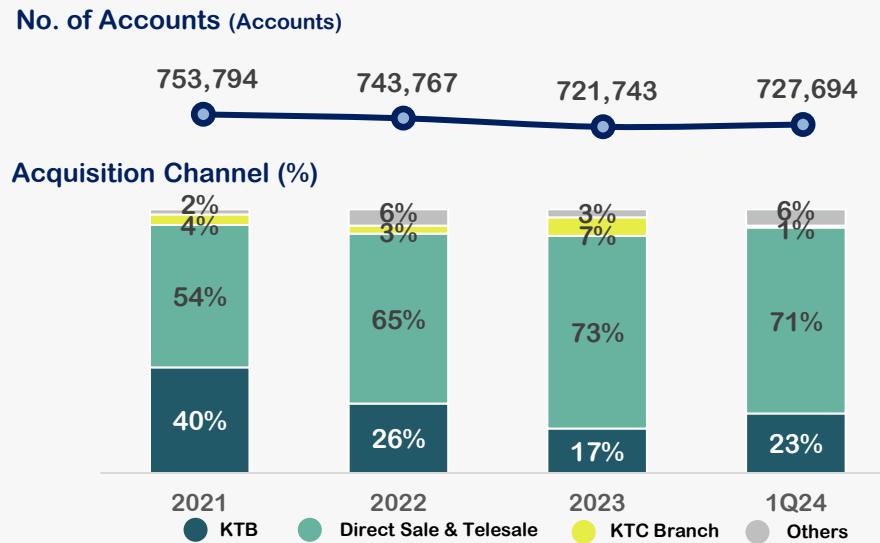


Note: Industry Data, BOT (as of April 19, 2024)

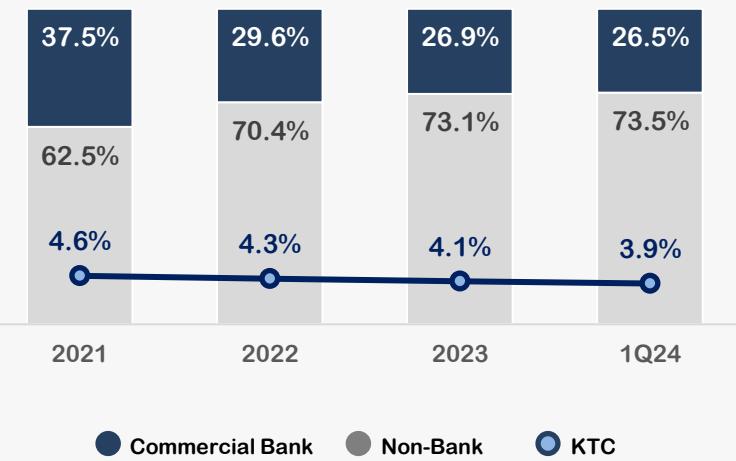
## Portfolio Quality



## Acquisition Channel



## Market Share



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# Target vs Actual

## Target 2024

## Actual 1Q24

	Net Profit (MB)	> 7,295	1,803
	Total Portfolio Growth	6 - 7%	2.0%
	Credit Card Spending Growth	15%	8.5%
	KTC PROUD Portfolio Growth (0-90 Days)	5%	3.9%
	New Booking of P BERM Car for Cash (MB)	6,000	611
	Portfolio Quality (%NPL)	< 2.0%	2.0%

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# Sustainability Overview



## Strategies

### Economic Dimension

#### Better Product & Service



“Digital Transition for Customers and Employees”

## Vision

KTC is a membership company in payment and retail lending business with emphasis on being a trusted organization with sustainable growth

## Purpose

To provide better financial products and services to enhance quality of life for all Thais

### Social Dimension

#### Better Quality of Life



“Financial Access and Education for All Thais”

### Environmental Dimension

#### Better Climate



“Environmentally Friendly”



## National Awards



In SETTHSI Index since 2020 & SET ESG Ratings AAA in 2023



Certified as an ESG100 company and recognized for outstanding sustainability performance by Thaiwat Institute since 2016



Excellence CG Scoring by Thai Institute of Directors Association (IOD) since 2016 (Based on OECD Principles of CG)



Excellent AGM Scoring by Thai Investors Association (TIA) in 2023



Membership of the Thai Private Sector Collective Action Against Corruption since 2016



NEWS Compass® Global Award - Distinguished Achievement in Coaching and Mentoring

## Vision

KTC is a membership company in payment and retail lending business with emphasis on being a trusted organization with sustainable growth

## Purpose

To provide better financial products and services to enhance quality of life for all Thais



## International Awards



Member of the S&P Global's Sustainability Yearbook 2024



MSCI ESG Ratings BBB Since July 2023



FTSE4Good Index since 2021



## World Class Standards



: With Reference

Adopting an International Sustainability Reporting Framework, the Global Reporting Initiatives Standards (GRI Standards) since 2019



The Information Security Management System ISO/IEC 27001:2013



The Privacy Information Management System ISO/IEC 27701:2019

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