



KTC

# KTC PERFORMANCE 9M23



**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

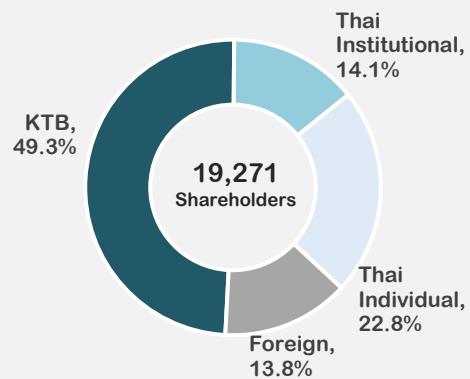


# KTC Overview



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

## Shareholder Structure

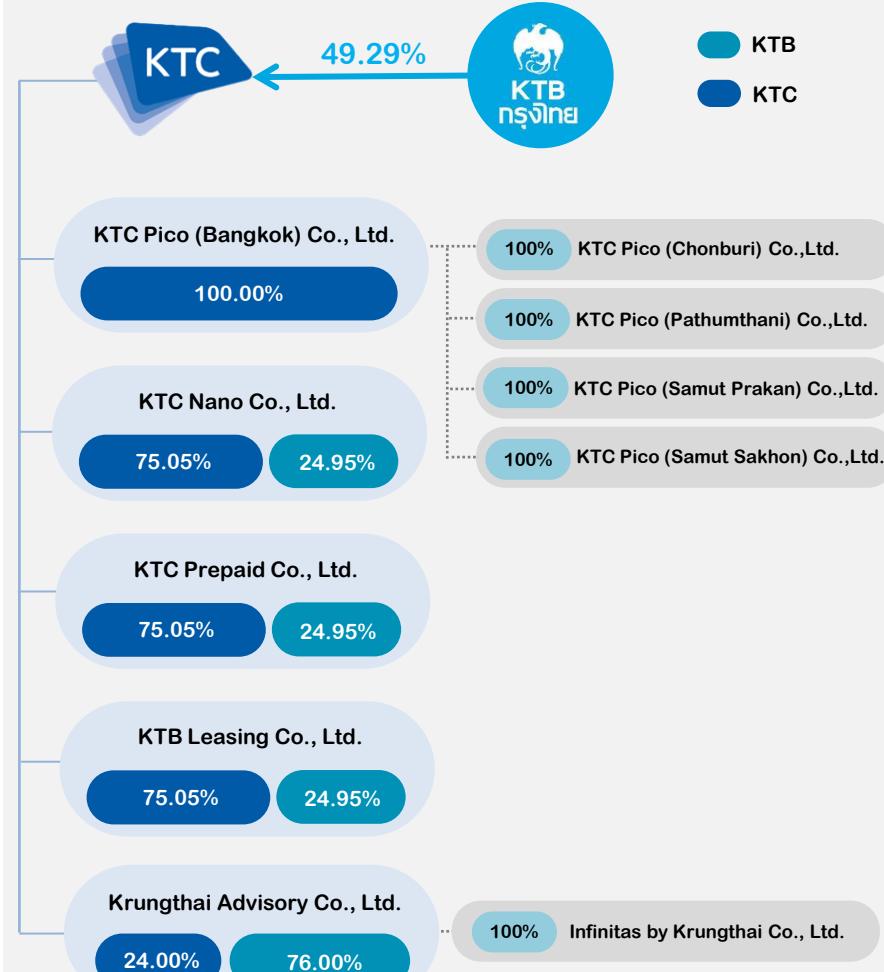


### Top 5 Shareholders

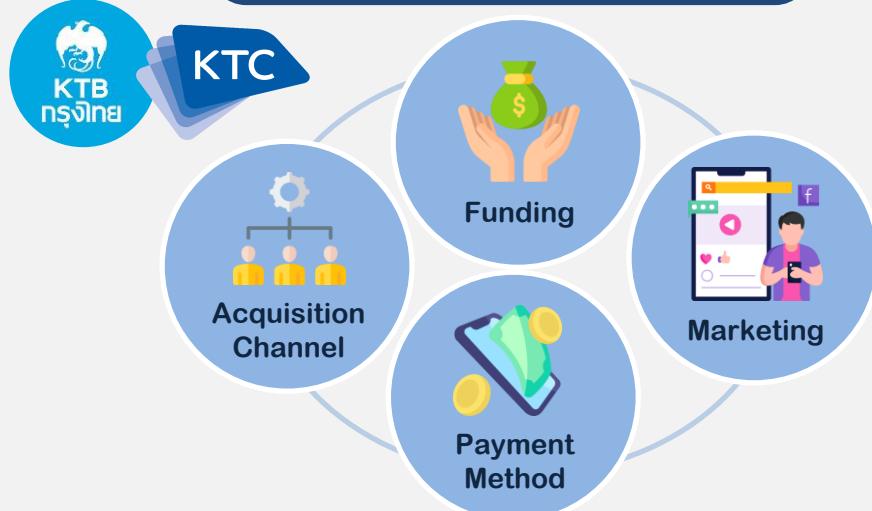
1. Krungthai Bank Public Company Limited	49.29%
2. MR. MONGKOL PRAKITCHAIWATTANA	10.14%
3. Thai NVDR Company Limited	9.25%
4. MS. CHANTANA JIRATTITEPAT	4.25%
5. UOB KAY HIAN PTE LTD A/C - RC	3.68%

(As of 30 Sep 2023)

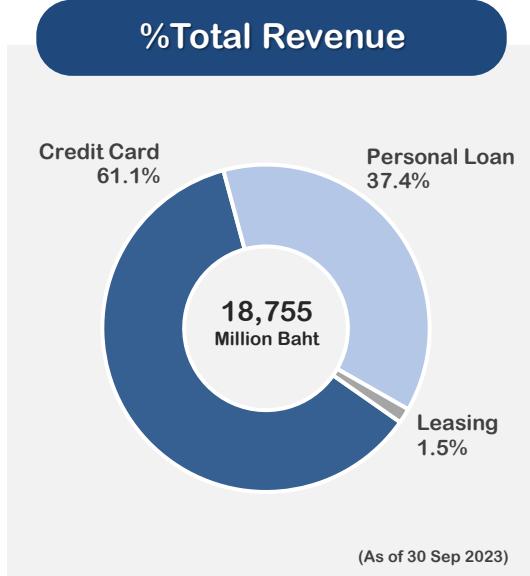
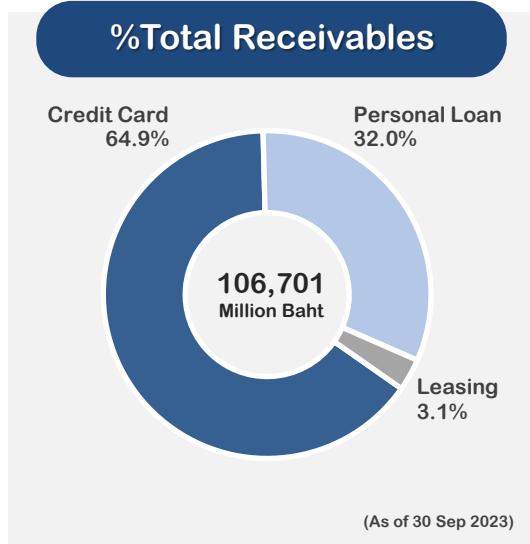
## KTC Holding Structure



## 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

Key Highlight	Financial Results	KTC Portfolio Performance	Target vs Actual	Sustainability
Overview & Key Highlight	Financial Results	KTC Portfolio Performance	Target vs Actual	Sustainability

# Sustainable Household Debt Solution Framework

BOT's Consultation Papers, Sep – Oct 2023



		Responsible Lending (RL)	Persistent Debt (PD)	Risk-Based Pricing (RBP)	Debt Service Ratio (DSR)	
Target Group	Retail Borrowers	Revolving Personal Loans				Overview & Key Highlight
Loan Type	NPLs Persistent Debt (PD) New Loans	Performing Loans (Interest payment higher than principal payment over the past 3 or 5 years)				Financial Results
Condition	<p>Debtor having debt problems</p> <ul style="list-style-type: none"> <li>Receives solutions that best suit debtor's affordability</li> </ul> <p>New Debtor</p> <ul style="list-style-type: none"> <li>Receives advertisement and product that is complete, correct and clear, and do not encourage excessive borrowing or discourage a healthy credit culture</li> </ul>	<p><b>General PD (3 years)</b> Notification to warn of becoming Severe PD</p> <p><b>Severe PD (5 years)</b> Option to convert Revolving to Term loans (Revolving credit line must be closed)</p> <ul style="list-style-type: none"> <li>Monthly Income &lt; THB 20,000</li> <li>Interest rate <math>\leq</math> EIR 15% per Annum</li> <li>Fully repay loans within 5 years</li> </ul>	<p>SANDBOX</p> <p>Start testing in mid 2024 (1-2 years in the Regulatory Sandbox)</p> <ul style="list-style-type: none"> <li>Flexible interest rate based on clients' risk appetite</li> <li>Qualifying creditors must apply to test lending out in the Regulatory Sandbox</li> </ul>	<p>Plans to take effect in 2025 depending on the economic situation</p>		KTC Portfolio Performance
Effective Period	1 Jan 2024	1 April 2024				Target vs Actual
Status & Impact on KTC	In compliance with BOT's Framework	Maximum impact on interest income THB 18 Million/month				Sustainability

Note: BOT issued RL consultation paper during 4-20 Sep 2023 and RBP during 29 Sep – 17 Oct 2023

Source: Bank of Thailand  
Data Updated as of 30 Sep 2023

# Key Highlights 9M23



## Total Revenue

**18,755 MB**

▲ 10.5% (YoY)

## Net Profit

**5,534 MB**

▲ 2.2% (YoY)



## Total Portfolio

**106,701 MB**

▲ 10.0% (YoY)



## Credit Card

**69,225 MB**

▲ 8.9% (YoY)



## Personal Loans

**34,106 MB**

▲ 8.2% (YoY)



## Leasing

**3,369 MB**

▲ 74.2% (YoY)

## Credit Card Spending

**192,270 MB**

▲ 13.7% (YoY)

## Net Interest Margin\*

**13.4%**

## Total NPL

**1.9%**

**2.3%**

(Separate)

(Consolidated)

## NPL Coverage Ratio

**443.3%**

(Separate)

**381.5%**

(Consolidated)



## Strong Growth in Total Portfolio



## Sustainable Income Generating



## Ongoing Increase in Credit Card Spending



## Controllable Asset Quality

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

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Overview &  
Key Highlight

Financial  
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# Financial Result 9M23



**Total Revenue** 18,755 | 10.5%  
(YoY)

● Total Revenue  
Unit: MB



● Interest Income  
(Including Credit Usage)

● Fee Income  
(Excluding Credit Usage)

● Recovery Income

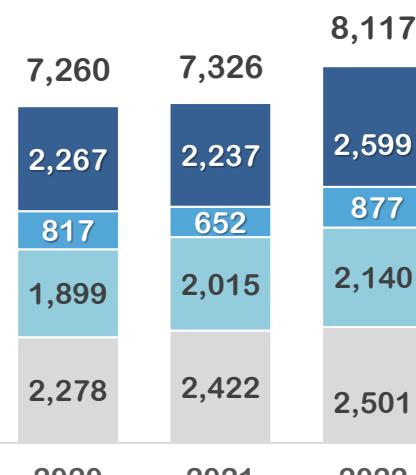
Note: Based on Consolidated Financial Statement

**Total Expense** 11,900 | 16.5%  
(YoY)

**Total Operating Expense**

● Cost to Income Ratio

32.9% 34.2% 34.9%



● Fee Expense

● Marketing Expense

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

● Personal Expense

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# Expected Credit Loss



## Expected Credit Loss

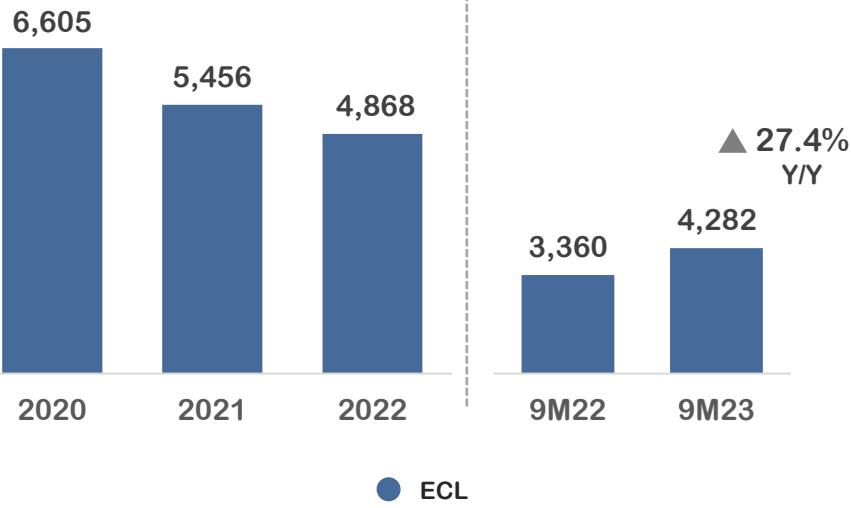
### Credit Cost (Total ECL to Total Loan)

Separate (Dotted Line)      Consolidated (Solid Line)



### Total Expected Credit Loss

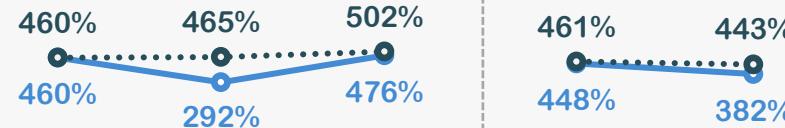
Unit: MB



## Allowance for Expected Credit Loss

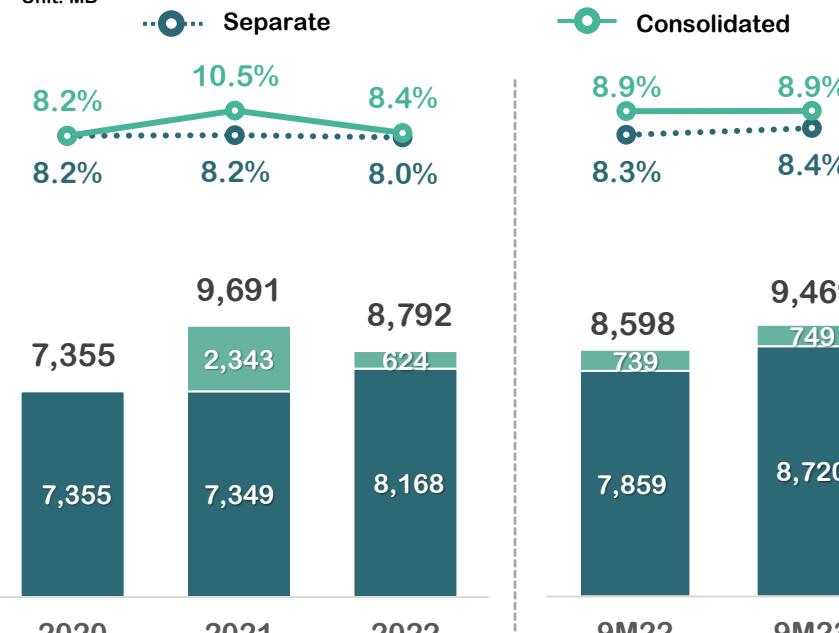
### NPL Coverage ratio (Total Allowance to NPLs)

Separate (Dotted Line)      Consolidated (Solid Line)



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

Unit: MB



▲ 10.1%  
Y/Y

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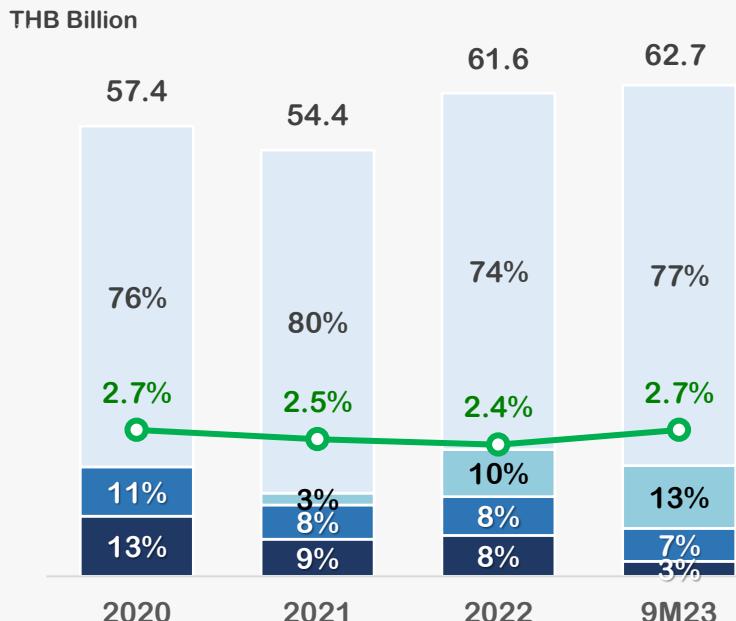
# Balance Sheet and Source of Fund



## Balance Sheet Highlight

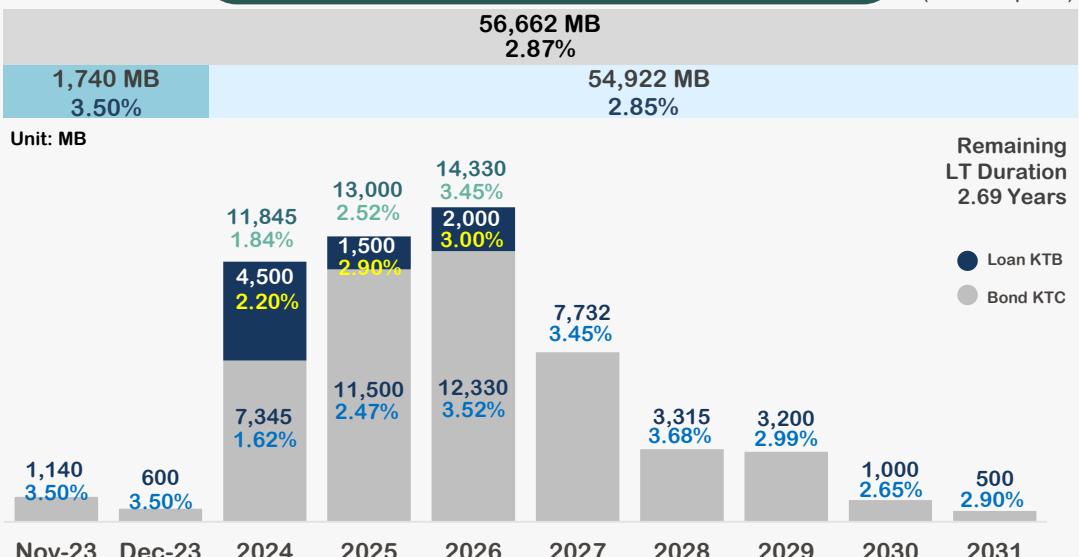


## Interest Bearing Debt (Original Term)



## Maturity Profile

(As of 30 Sep 2023)



Total ST Credit Line = 29,371 MB  
ST: KTB = 19,061 MB, Others = 10,310 MB  
LT: KTB = 11,000 MB

KTC rating AA- by **TRIS**  
A Strategic Partner of **TRP** Group

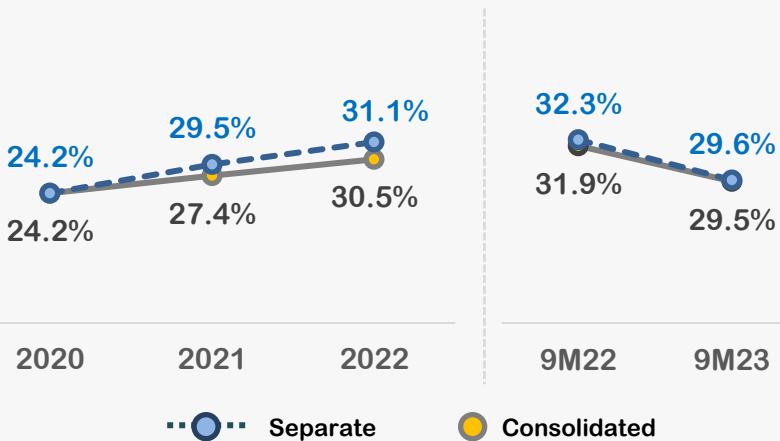
# Profitability Ratio



## Yield on Loan & NIM & COF

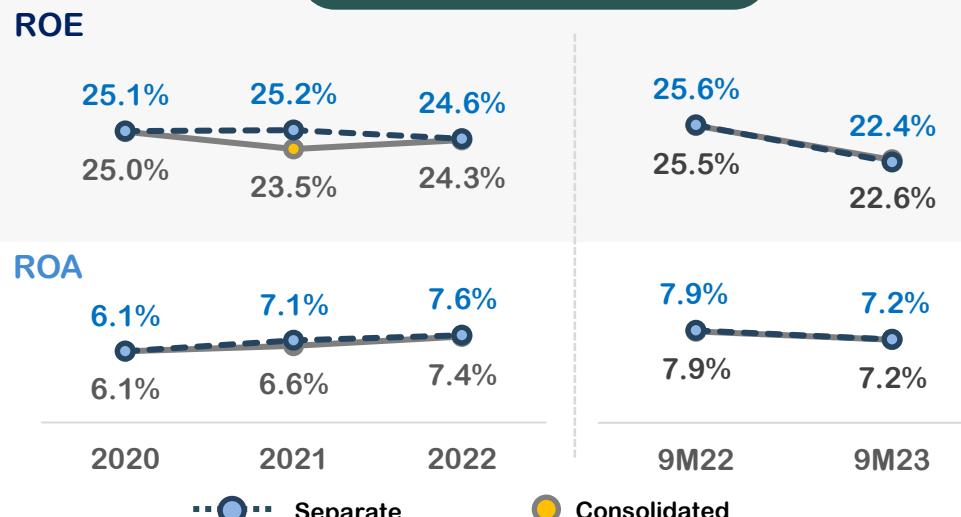


## Net Profit Margin

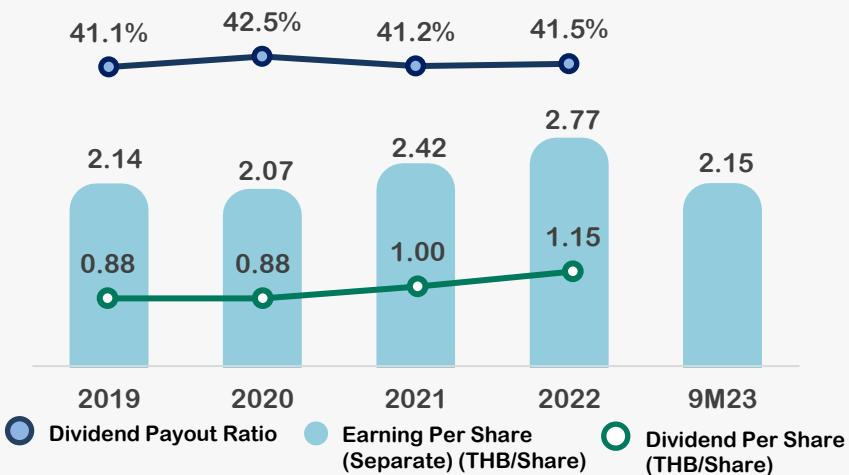


\*Net Interest Margin (NIM) = (Interest Income (Inc. Credit Usage) - Financial Expense) / Average Gross Receivables

## ROE & ROA



## EPS & Dividend Payout



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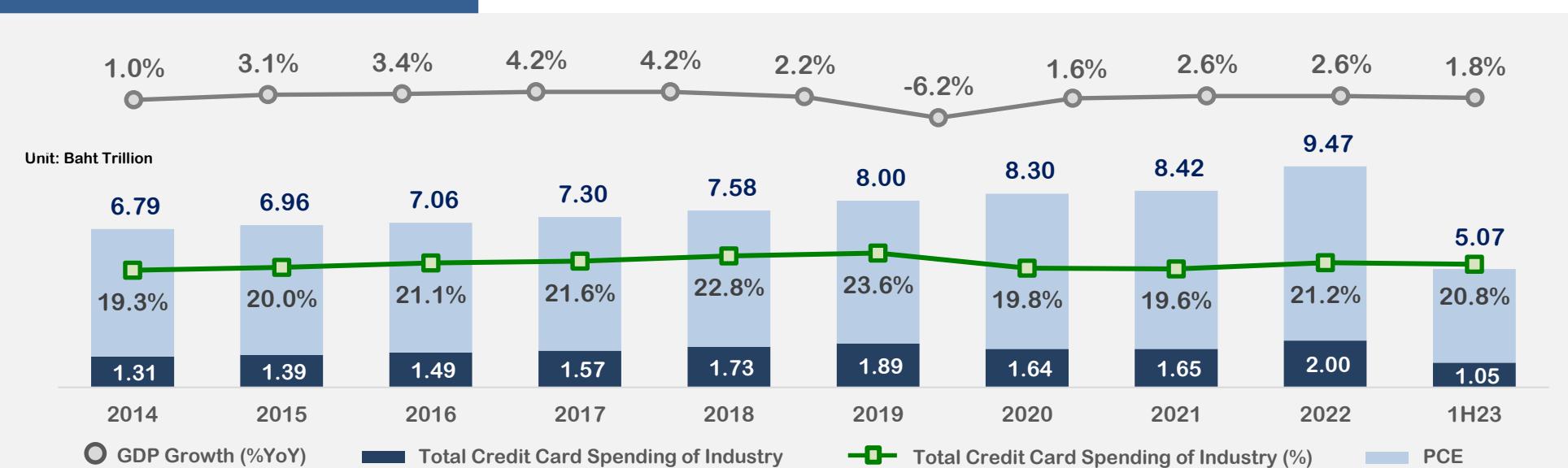
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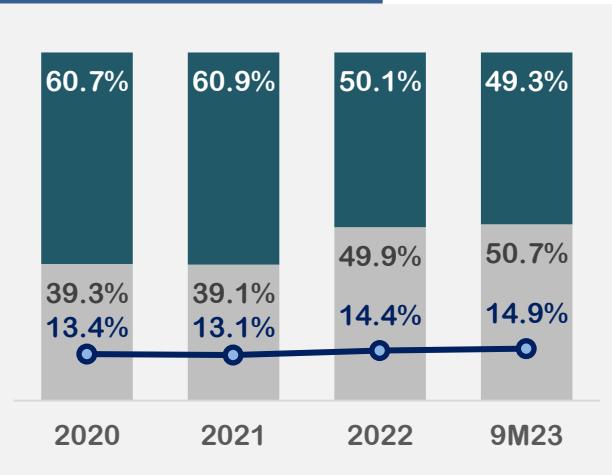
# Credit Card Industry & Market Share



## Credit Card Penetration



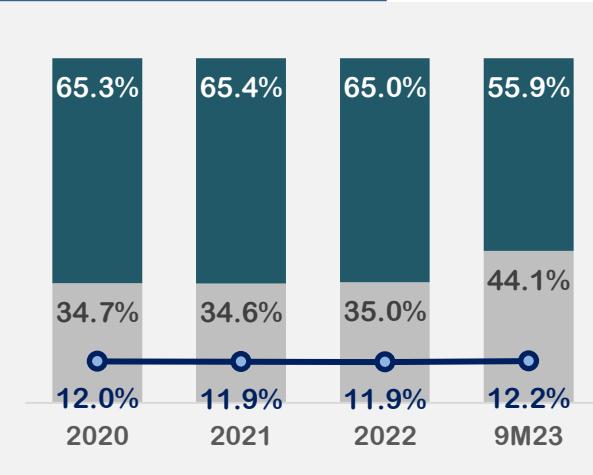
## Credit Card Portfolio



## No. of Credit Cards



## Credit Card Spending



# Credit Card Performance



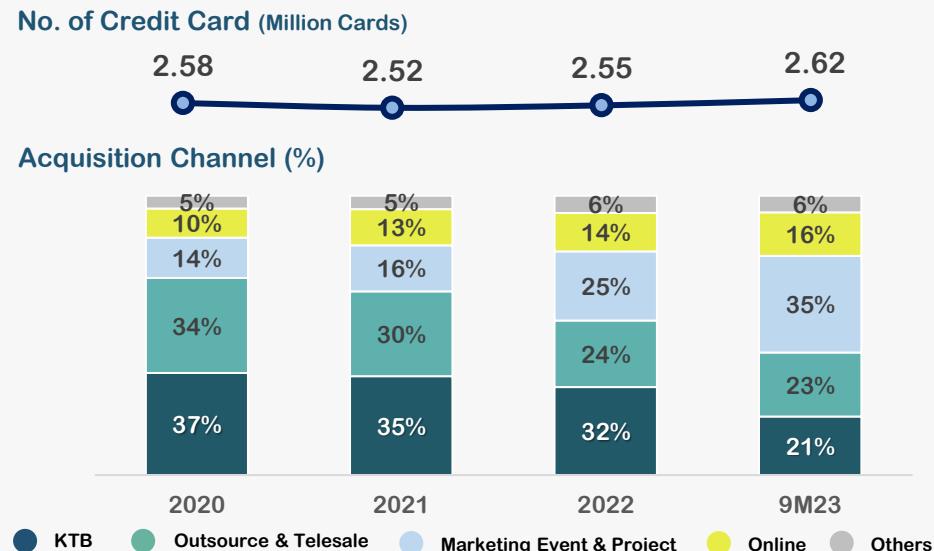
## Portfolio Growth



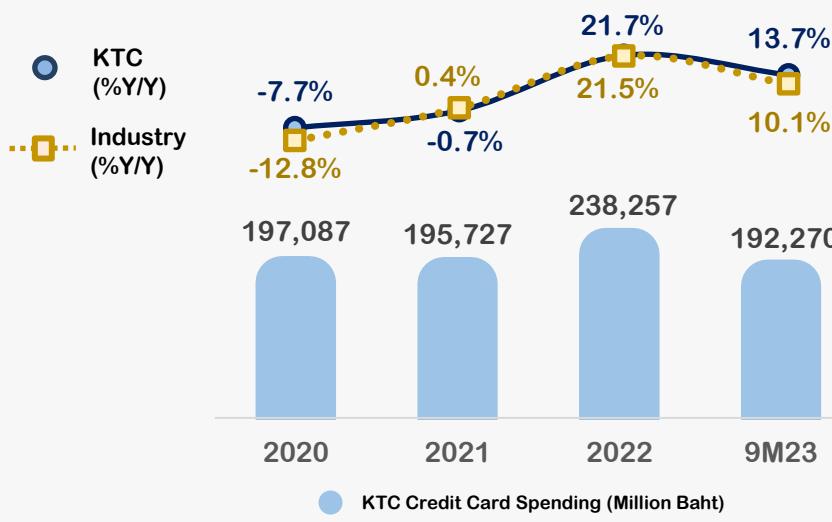
## Portfolio Quality



## Acquisition Channel



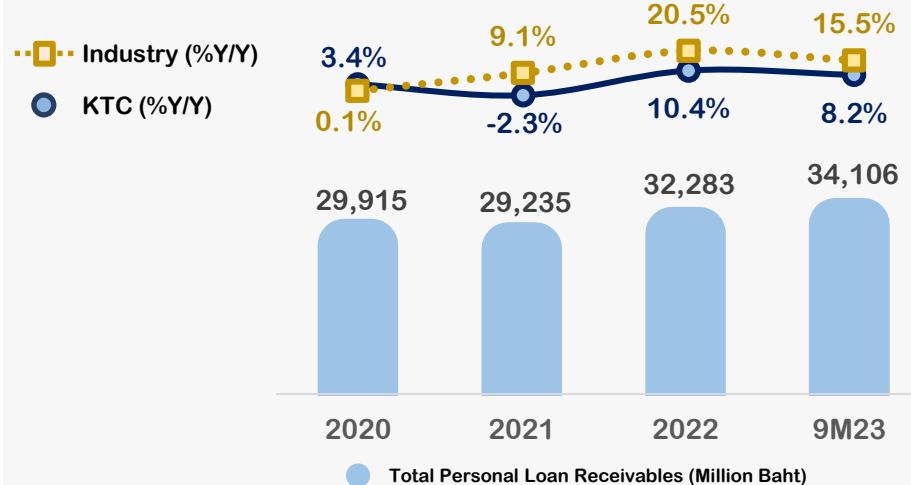
## Card Spending



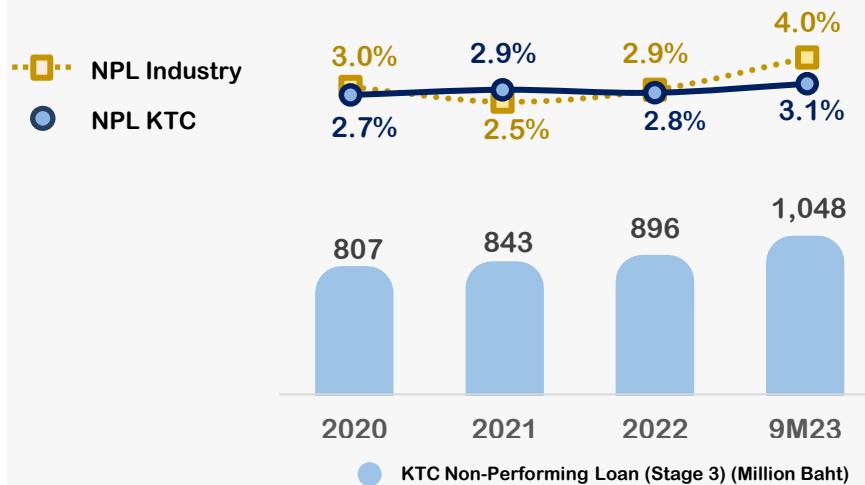
# Personal Loan Performance



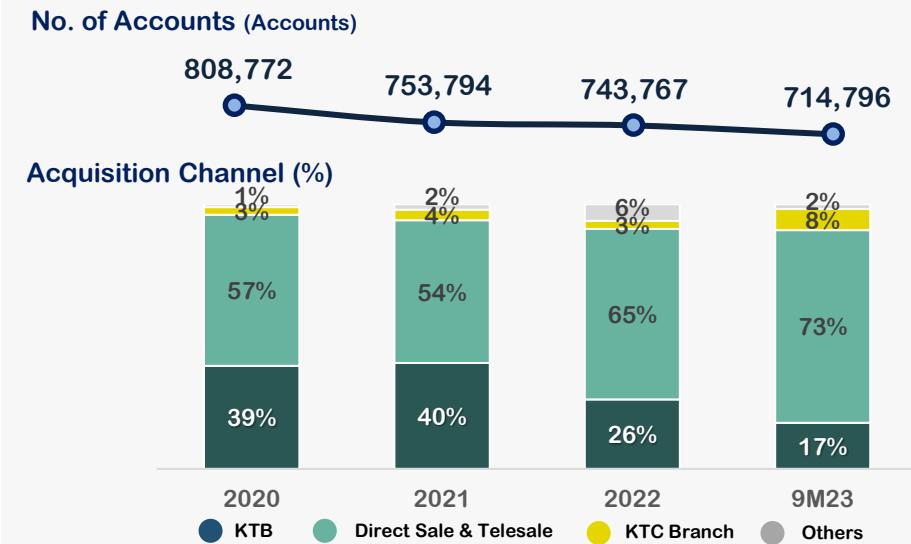
## Portfolio Growth



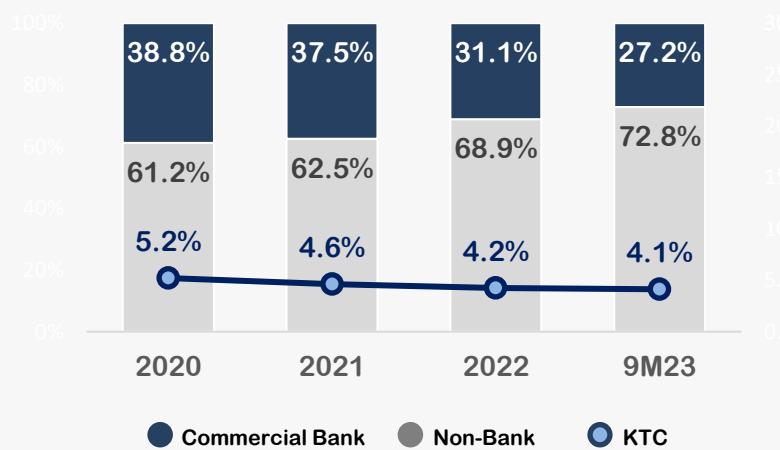
## Portfolio Quality



## Acquisition Channel



## Market Share



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# Target vs Actual



## Financial Target 2023

## Actual 9M23

Net Profit **> 7,079 MB**

**5,534 MB**

Total Portfolio Growth **15%**

**10.0%**

Credit Card Spending Growth **10%**

**13.7%**

KTC PROUD Receivables Growth\* **7%**

**6.2%**

New Booking of P BERM Car for Cash **9,000 MB**

**1,929 MB**

New Booking of KTBL Commercial Loan **3,000 MB**

**1,446 MB**

Portfolio Quality (%NPL) **< 1.8%**

**2.3%**

\*KTC PROUD receivables excludes BOT's Relief Measures

# Target 2024

Net Profit  
 $> 2023$



Portfolio  
Growth  
**10%**

NPL  
Same Level  
as 2023

**15%**  
Credit Card  
Spending Growth



**5%**  
KTC PROUD  
Portfolio Growth



**6,000**  
mb  
KTC P BERM  
New Booking



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# Sustainability Overview



## Strategies

### Economic Dimension

#### Better Product & Service



“Digital Transition for Customers and Employees”

## 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 Thaipat 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

## 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”

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## International Awards

MSCI ESG RATINGS

BBB

CCC | B | BB | BBB | A | AA | AAA

MSCI ESG Ratings BBB Since July 2023



FTSE4Good Index since 2021



ASEAN CG Scorecard award (ASEAN Asset Class PLCs category), average score of 97.5 in 2022



## 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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English Version

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For further info, please contact IR Team at +66 2 828 5067 or [irktc@ktc.co.th](mailto:irktc@ktc.co.th)

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