ทีเอ็มบีธนชาต
TMBThanachart

Investor Presentation
3Q24 Financial Performance

October 18, 2024

ttb Strategy

	SHORT TERM	MEDIUM TERM	LONG TERM
GOAL – Customer & Customer experience	Convenience products & services via digital	Ecosystem-based solution via digital to smoothen the journey	Lifetime financial well-being
GOAL – Shareholder & Financial aspect	Balance sheet preservation, shift in loan portfolio to higher yield & progressively increase ROE	Sustainable higher dividends with more efficient capital utilization	Top-tier ROE and strengthen ecosystem via organic and inorganic opportunities
STRATEGY	• Focus on **existing customers** while **selectively acquiring new ones** • Ensure **effective asset and liability management**	• Strengthen **digital and tech foundation** • Monetize on **ecosystem customers** • Better **utilize capital** to maximize returns	• Advance adoption of **digital-first, digital-only** through **ecosystem propositions** • Develop **solutions and journeys** to enhance customer **financial well-being**
KEY RESULTS (3Q24)	**Better asset allocation** • %NII to RWA improving to **5%** (Previously 4%) **Yield improvement from asset shifting** • **14% CAGR** in high yield lending • **> +100 bps** yield improved since growing higher-yielding assets in 4Q21	**Positive results on digital migration** • **> 92%** financial transaction via digital • Continued momentum of digital sales **Growing ecosystem customers engagement** • **> 800k** cars onboard My Car • **> 580k** homes onboard My Home • **> 680** companies onboard My Work **Digital foundation engine start to function** • **> 100k** applications/month submitted • **> 30%** used car booking via Roddonjai	**Digital-first operating model** in place • **-10%** customer traffic at branch (YTD) • **-10%** contact center volume (YoY) **Well-being solution** kicked-off • **+8%** home loan retention improved • **75%** of wealth customers hold investment products

SUSTAINABLE RETURN TO SHAREHOLDER

Executive summary (1)

Amidst challenging macro environment, TTB remains prudent to preserve B/S for future growth while patiently waiting for uncertainties to subside. Moving into 2H24 where expectation on rate cut is growing and concerns on household-debt remain, we have emphasized on 4 key areas to manage our retail-oriented portfolio, aiming to maintain profitability and most importantly, to ensure the quality of long-term ROE.

- ❑ **Effective Asset-Liability Management (ALM)**

Assets

Loan portfolio
- ➢ Prudent loan growth to ensure quality
- ➢ Shift mix toward better-risk adjust return loans

Liquidity book
- ➢ Maintain low-risk and liquid asset position
- ➢ Repositioning investment portfolio to enhance returns

Liabilities

Deposit portfolio
- ➢ Adjusting deposit structure and duration in response to interest rate cycle
- ➢ Flexibility in LDR management

Debt issued and borrowing portfolio
- ➢ Proactive cost initiatives e.g. AT1 early redemption
- ➢ Optimized borrowing structure

- ➢ **Stabilized asset yield**: While ensuring loan portfolio quality, we have managed liquidity book proactively to maintain overall asset yields. As reflected in 3Q24, higher yield on investment helped stabilize EA yield, despite pressure on loan yields due to competition for quality customers and market expectation interest rate trend.

- ➢ **Well-control funding cost**: Moving towards a rate-cut cycle, we start adjusting deposit structure and shortening durations to open room for re-pricing opportunities. We also optimized debt issued and borrowing structure to ensure that funding cost and asset yield are justified. Hence, TTB could bring down funding cost QoQ.

- ➢ As a result of these efforts, **NIM was stable at 3.26% in 3Q24 and 3.27% for 9M24, remaining at the upper bound of our target** rage of 3.10%-3.25%. With LDR at 97%, there remains flexibility in managing deposit and funding cost.

Executive summary (2)

- **Maintaining revenue stream**
  - **Quality NII**: We continue to shift loan mix towards better risk-adjusted return products to compensate for a slow volume growth. Together with effective ALM, we could maintain NII stream while consuming less capitals as suggested by lower RWAs, reflecting the effectiveness of our strategy.
  - **Fee income:** To compensate a slowdown in loan-related fees, we have boosted non-loan related fees through new product offerings such as principal-protection investment, as well as enhance sales-services though both digital and physical channel, resulting in a stable net fee income QoQ.
- **Cost discipline:** TTB has always prioritized budgeting to ensure that spending will be aligned with our strategies to enhance customer experience. The C/I track record has proved our successful efforts in this front. By leveraging digital capabilities to improve both revenue engines and OPEX structure, TTB is on track to achieve C/I aspiration at low-40s.
- **Risk cost control:** With stringent loan growth and risk management, asset quality and risk cost have been under control. Given the outlook on uneven economic recovery and high household debt, we continued to sell and write-off NPLs, leading to an uptick in normal ECL in 3Q24. We will continue to do so to ensure that our loan portfolio whether PL or NPL comprises of the quality ones, mitigating downside risks to B/S and future growth.

As a result, 9M24 performance remained on track with net profit of THB 15,919 million (+17% YoY) or an ROE of 9.1%. The net profit generation has strengthened capital position and given the Bank various options for **capital management**. Our well-executed initiatives included the optimization of AT1 and Tier 2 capitals as well as the increase in dividend payment.

With earnings momentum, current capital robustness and the remaining AT1, we still see opportunities to enhance shareholder value further. The recent announcement of the increase in 1H24 dividend payout to 60% reflected our commitment on this front.

With healthy financial position, we believe TTB is in good shape to navigate through economic turbulences and on track to achieve a medium-term ROE milestone of 10% as well as our long-term goals.

Financial highlight – 9M24 results

		FY2023 Actual	2024 Targets	9M24 Actual
INCOME	**Loan growth** (YoY)	-3.5% YTD	Flat	-5.7% YTD
	Deposit growth (YoY)	-0.9% YTD	In line with loan growth	-6.5% YTD
	Net Interest Margin	3.24%	3.1%-3.25%	3.27%
	Non-NII growth (YoY)	-3.4%	Low single digit growth	-7.2% (Excluded BA amortization) -4.4%
EFFICIENCY	**C/I Ratio**	44%	Mid-40s	42%
ASSET QUALITY	**% Stage 3**	2.62%	≤ 2.9%	2.7%
	Credit cost (bps)	Normal provision **128** Total provision **164**	125 - 135	Normal provision **137** Total provision **156**
	Net profit (YoY)	THB 18.5 bn +30.0%	-	THB 15.9 bn +17%

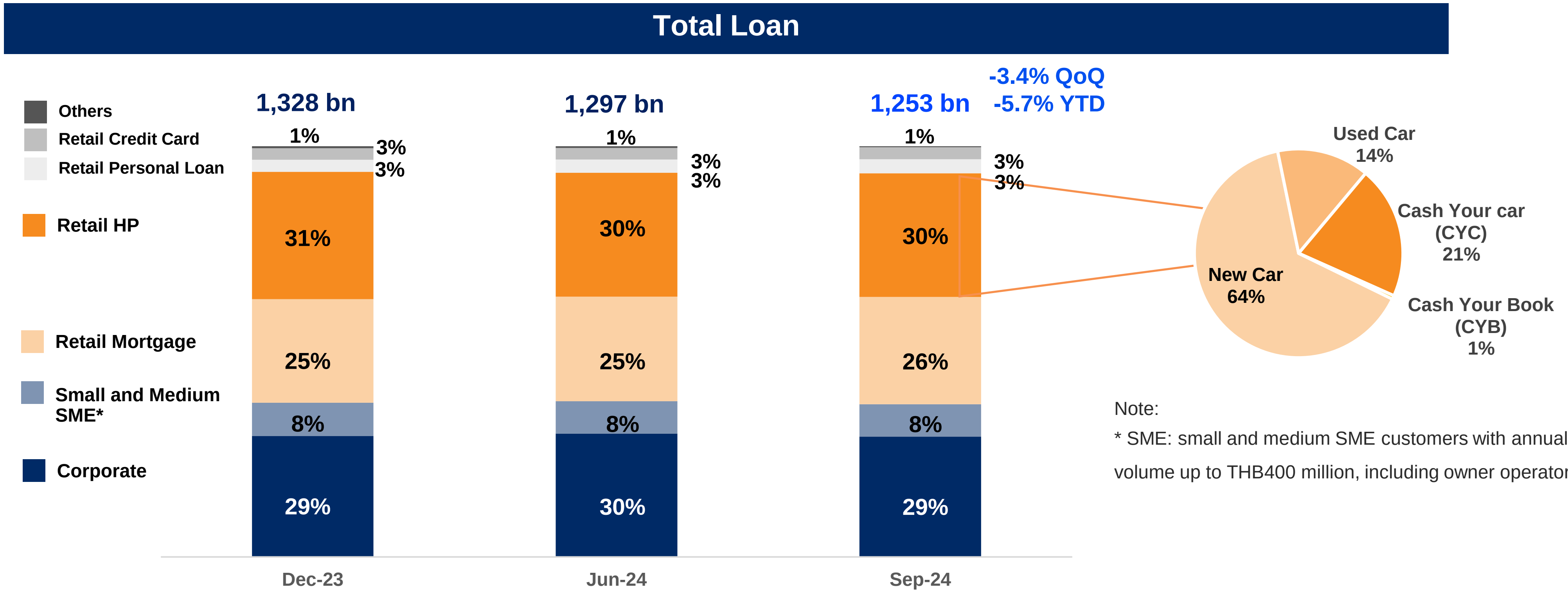
3Q24 Performance

Asset Quality

Net profit and Capital Management

3Q24 Strategy Update

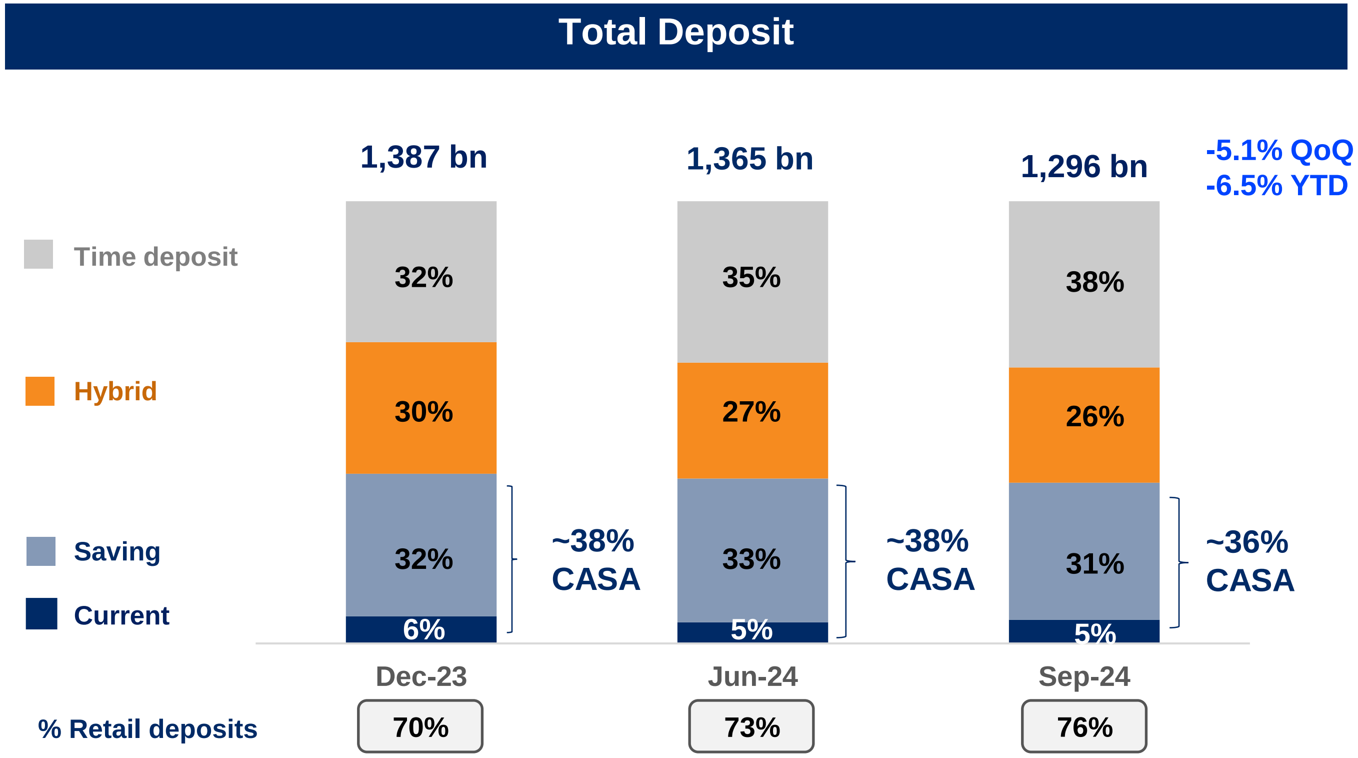
Reaffirming prudent loan growth to strike balance between risk and return

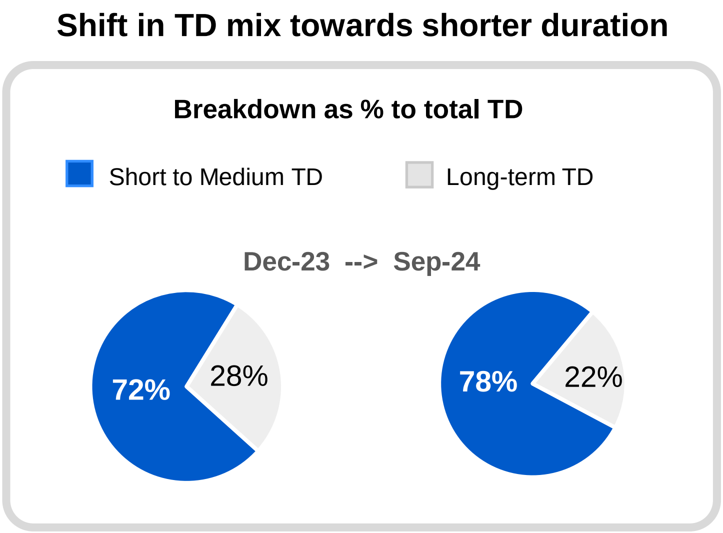


Note:
* SME: small and medium SME customers with annual sales volume up to THB400 million, including owner operators

- Amid uncertain economic recovery, we reiterated **prudent strategic direction for 2H24** to ensure justified risk-adjusted returns with 2 key strategies for loan expansion.
  - ✓ **Selective loan growth:** our targeted growth areas are still in retail consumer lending namely CYC and CYH as well as personal loan and credit card, used as Day-2 cross-selling products to our existing customer bases (car owners, home owners and salary earners).
  - ✓ **Liquidity recycling:** we continued to shift low-yield lending towards high-yield retail consumer lending products while ensure the risk appetite is appropriate and not compromise higher returns and quality of loan portfolio.
- With the anticipated interest rate cut, loan demand became challenging. However, TTB's targeted retail loans grew: CYH +10%, CYC +6%, and personal loans +9% YTD. Commercial loans declined -6% YTD and SMEs -9%, in line with our liquidity recycling plan. The HP portfolio slowed for both new and used cars due to a slowdown in auto market. Overall, total loans reached THB 1,253 billion, -5.7% YTD as of Sep-24.
- Going forwards, we will leverage ecosystem play initiatives to tap into new customers as well as to cross sell Day-2 products to good-quality customers in our existing port. This would help improve in both terms of volume and quality. Given post-merger loan structure and digital capability, we believe there is still room to penetrate consumer lending space further to enhance portfolio yield.

Optimizing deposit level to ensure effective cost management





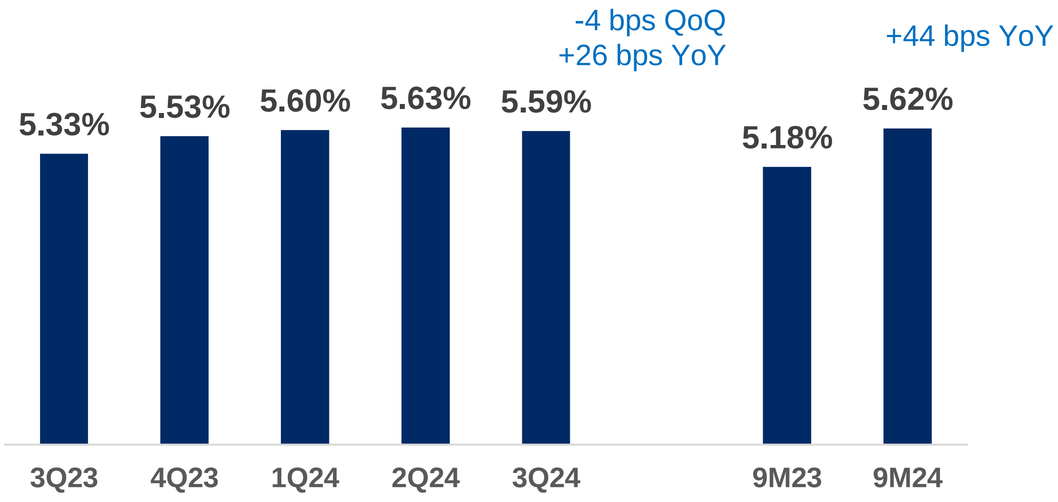
- As a result of our liquidity management and a sizable deposit acquisition from pre-funding strategy in 4Q23, TTB entered year 2024 with LDR <100% which placed us in a good position in managing deposit acquisition and cost during higher-for-longer intertest rate environment.
- TTB has adjusted deposit structure through changes in product offerings in response to market environments. During the rising rate cycle, we secured our deposit by offering TD-long duration to accommodate customer demand, leading to an increase in TD portion.
- With expectation on rate-cut cycle, we started to shift product mix by reducing TD-long duration and increase a short-term TD, leading to an increase in % short-medium term TD to 78% while long-term TD reduced to 22% of total TD port.
- As a result, TD dropped -2.3% QoQ with a slow YTD growth of +10.3% YTD but still accounted for 38% of total deposit due mainly to the outflow from high-cost SA. Overall, total deposits in 3Q24 decreased by -5.1% QoQ and -6.5% YTD to THB 1,296 billion.
- LDR remained at 97%, still provide flexibility for deposit cost management through the rundown of long-term TD which will reach maturity in 4Q24.

Note: Long-term TD: Maturity > 12 months

Maintaining the alignment of loan yield and deposit cost

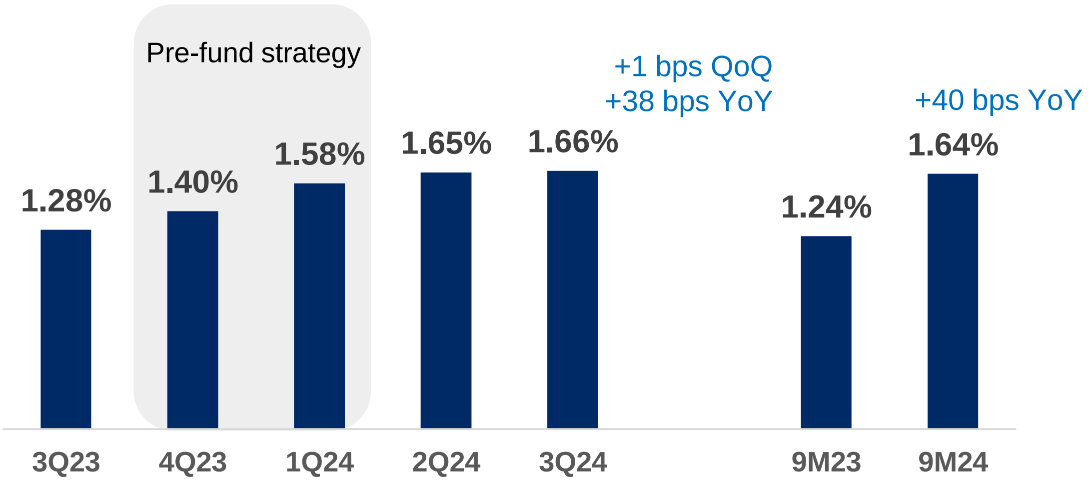
Loan Yield

▲ MPC QoQ	+ 50 bps	-	-	-
▲ Yield QoQ	+20 bps	+7 bps	+3 bps	-4bps



Cost of Deposit

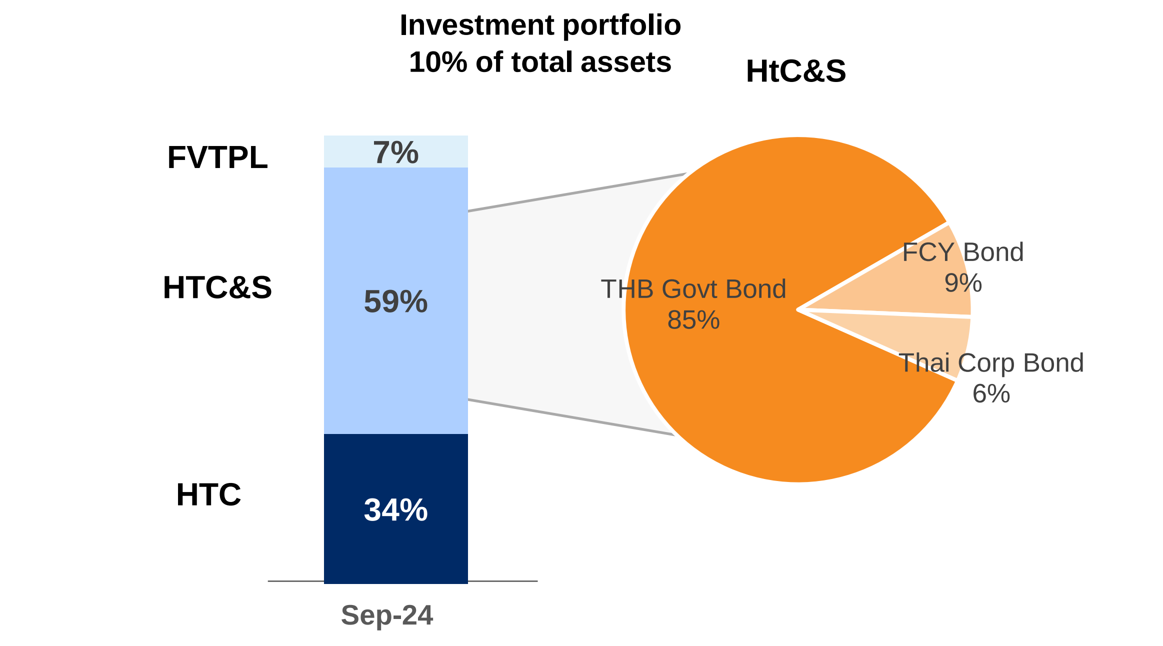
▲ MPC QoQ	+ 50 bps	-	-	-
▲ Cost QoQ	+12 bps	+18 bps	+7 bps	+1 bps



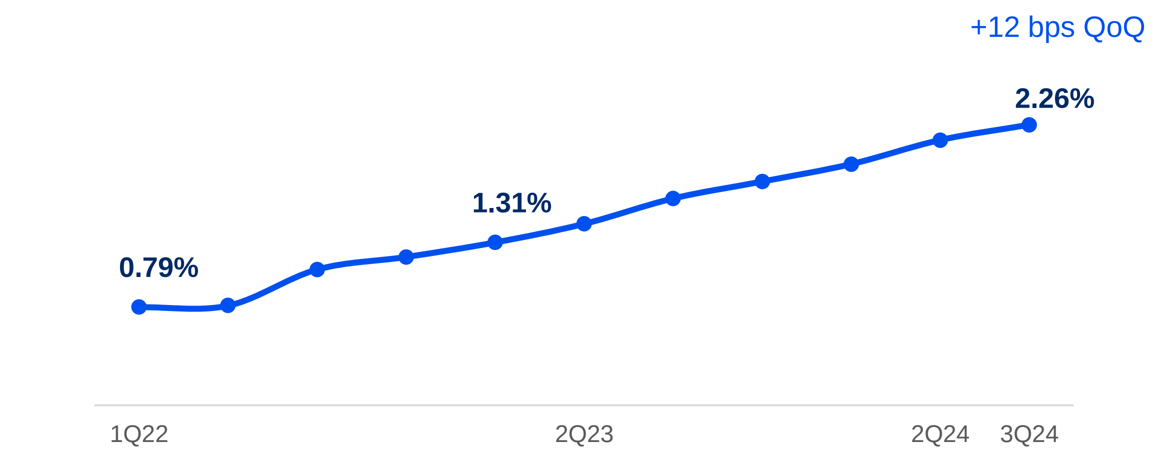
- As a result of our loan strategy, loan yield has been on improving trend while deposit cost movement was in line with our plan.
- With current LDR <100% level, there remains flexibility in managing deposit and funding cost.
- Moving towards a rate-cut cycle, TTB has started to shift deposit mix and shortened deposit duration to open room for re-pricing opportunities.
- On loan side, the fixed-rate retail lending port (HP and consumer loans) is less sensitive to interest rate changes and would help reduce impact on overall loan yields during the rate-cut period.

Proactive management of liquidly book including investment portfolio

Healthy Investment Portfolio



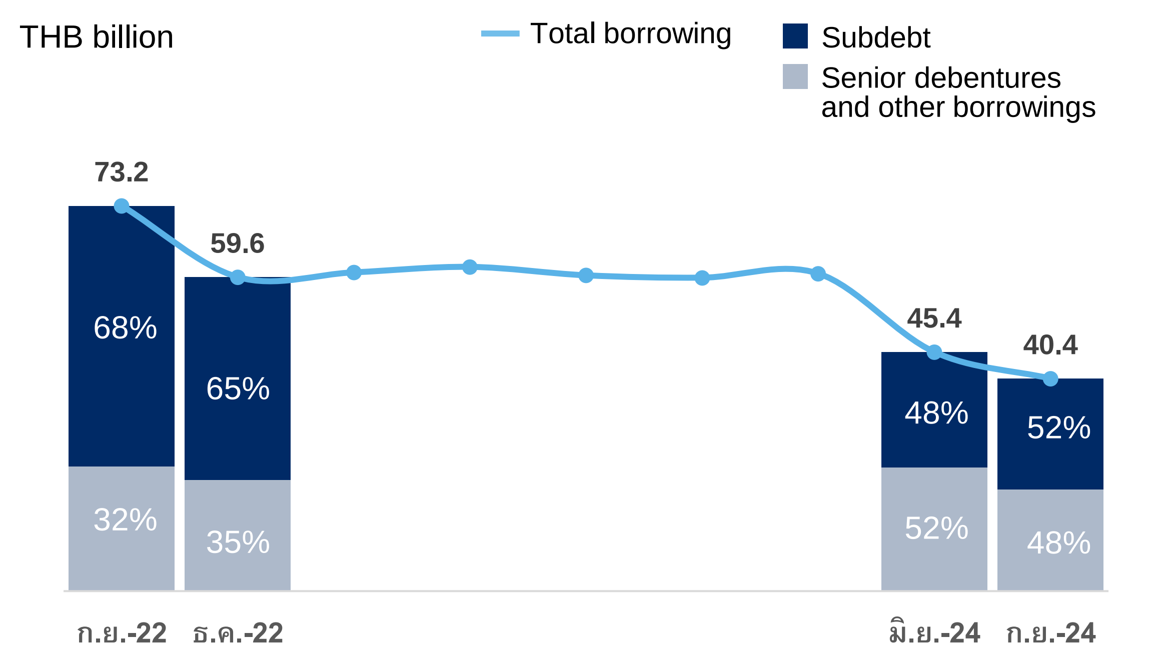
Improving Investment Yield



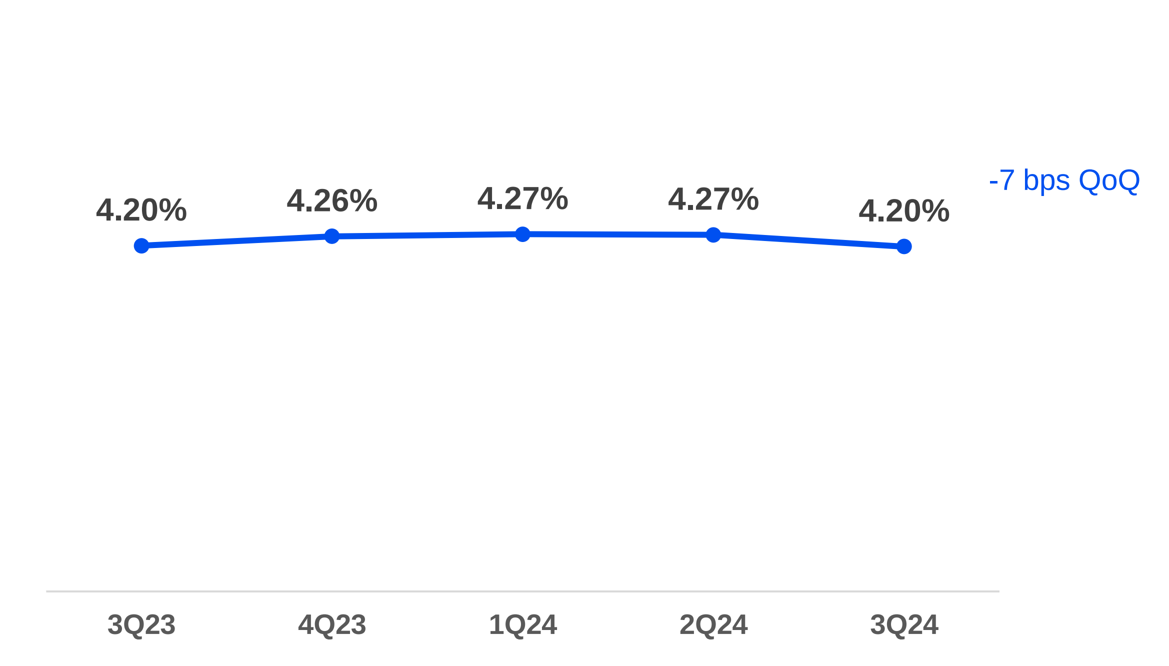
- The Bank has set a clear direction to focus on its core lending business. To support this, the investment policy is designed for liquidity management, primarily emphasizing low-risk, highly liquid financial instruments. Currently, 59% of the investment portfolio is in HTC&S, while 34% is in HTC.
- As of Sep-24, the HTC&S portfolio comprised 85% Thai government bonds, 9% foreign currency bonds, and 6% investment-grade Thai corporate bonds (credit rating ≥ A- and up, with over 84% currently rated AA or higher). The HTC portfolio consists entirely of Thai government bonds.
- With such a structure, **TTB's investment portfolio is less risky and resilient**, despite growing market concerns about corporate bond defaults.
- In addition, we have been **proactively adjusted our investment strategy in response to interest rate trend to enhance investment return**. As a result, the portfolio yield has been on improving trend.

Optimizing borrowing structure and cost where possible

Optimized Borrowing Structure



Effective Borrowing Cost*

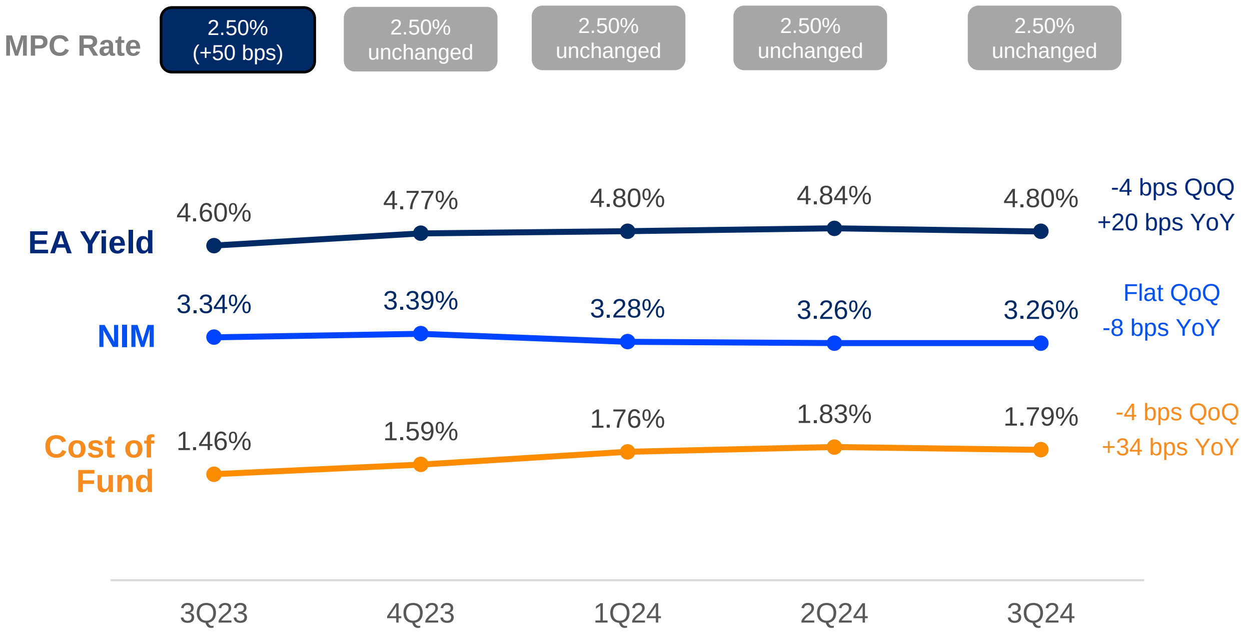


- We implemented various funding cost initiatives to optimize borrowing structure and cost at both bank-level and subsidiary-level.
- We were also able to manage AT1 portfolio on the backdrop of robust capital level such as;
  - ➢ Dec-22: The partial buyback of AT1 securities.
  - ➢ Jun-24: The early-redemption of THB 30 bn-Subordinate Tier II and downsizing the re-issuance by haft at a lower cost.
- These actions helped lower borrowing cost in line with as B/S optimization plan and funding cost management during the rate-hike cycle. Moreover, there is still US$187 mn of AT1 remaining, at coupon rate of 4.9%, reaching its first-call date in Dec-24.
- Despite the decrease in borrowing portfolio, overall liquidity remained strong as indicated by the ratio of LDR+borrowing at 94% as of Sep-24.

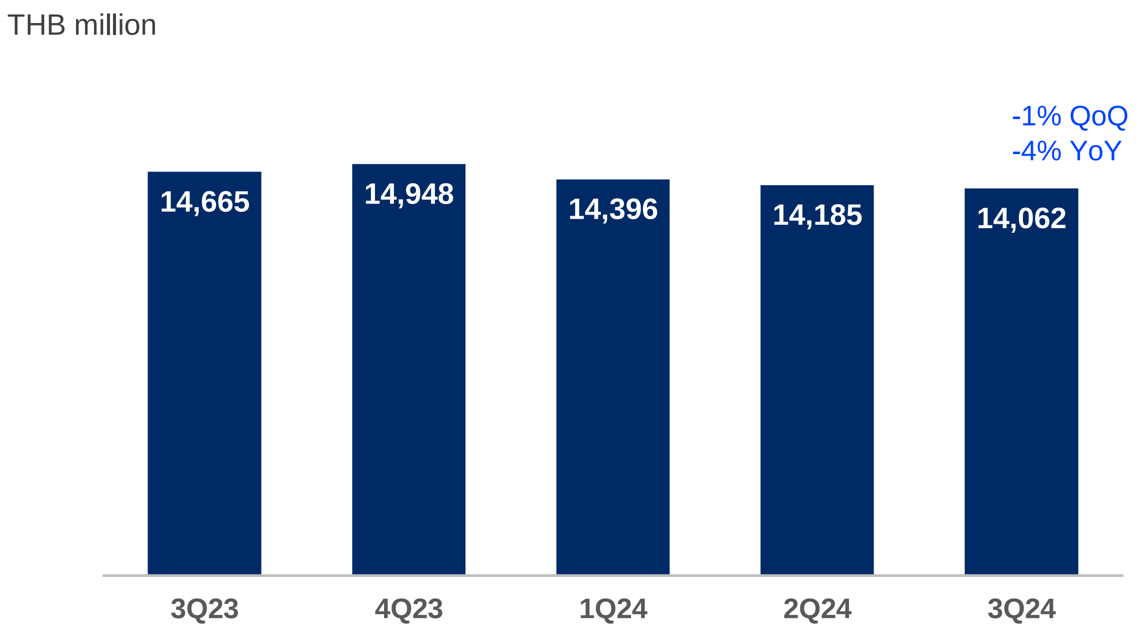
Note: *Effective borrowing cost – using internal numbers (daily average)

NIM in line with target while ensuring quality of NII stream

Earning asset yield, cost of fund and NIM



Net Interest Income (NII)

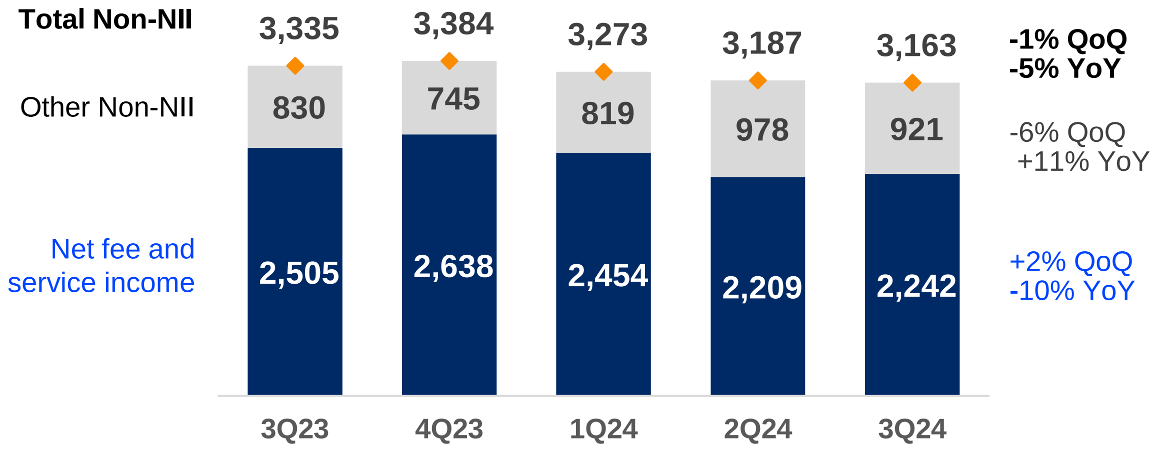


- As a result of effective ALM initiatives, TTB could maintain NIM as target while NII stream was relative stable while consuming less capitals as suggested by lower RWAs, reflecting the quality of our NII generated by quality loan book.
- In addition, the Bank ensures quality of revenue recognition since the pandemic by fully providing provision for accrued interest on stage 3 loans and extra MO for modified loan accrued interest to limited downside risk from overstated NII especially for the case that vulnerable customers' debt service ability may not recovery.

Non loan-related fees performance reducing impact on slow-loan related fees

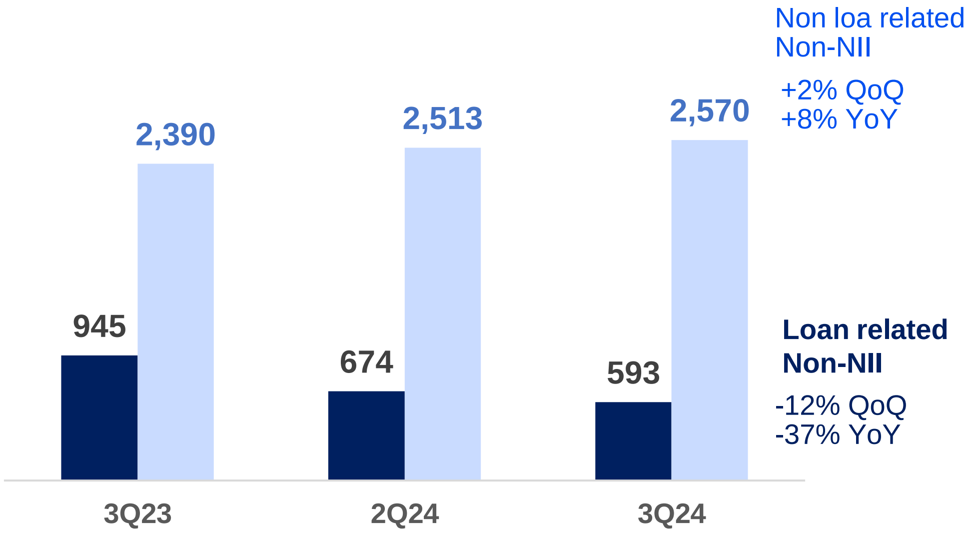
Total Non-NII

THB million



Non-NII breakdown with loan related

THB million



- Non-NII was slightly down QoQ due mainly to a high base effect of dividend income in 2Q24. Net fee income, on the other hand, improved QoQ.
- If looking at another aspect, we can see that the recovery of Non-NII has been pressured by a slowdown in loan-related Non-NII. Such a side-effect from the selective loan growth strategy and economic conditions have weighed down overall performance given sizable HP and Mortgage portfolio.
- To reduce pressure from loan-related front, we have booted Non-NII and fee income though other fee products. As a results, net fee +2% QoQ, led by mutual fund fees and Non-auto BA.

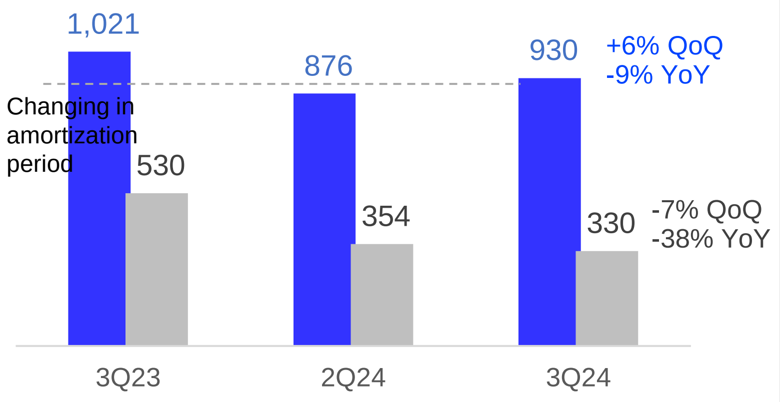
Note: Starting from January 1, 2024. the amortization of deferred revenue in BA fees shall be spread out for additional 5 years to reflect change in accounting estimation in relation to the exclusive partnership between TTB and Prudential Life Insurance. The amortization adjustment (approx.THB 100 mn.) was one of the factors for decreasing in overall Non-NII and Net fee income YoY.

Non loan-related fees improving, but loan related fee facing with challenge due to slowdown in loan volume

Loan-related fees

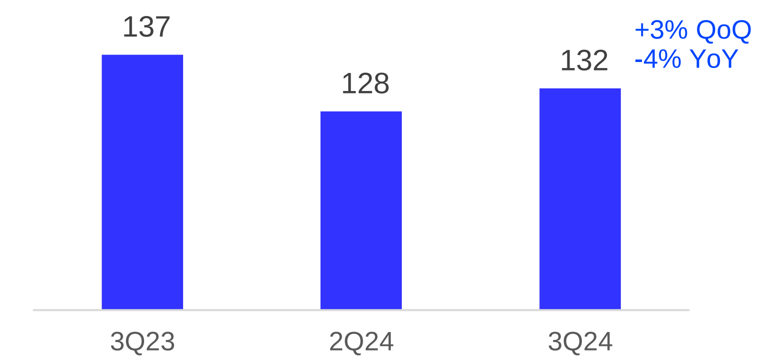
Bancassurance fee

THB million



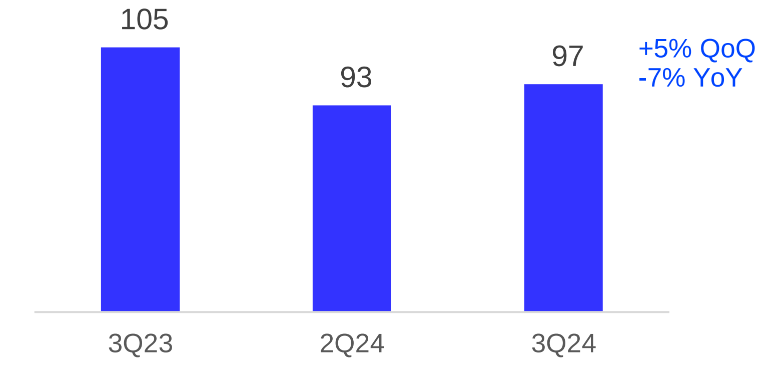
LG fee

THB million



Commercial -Loan related fee

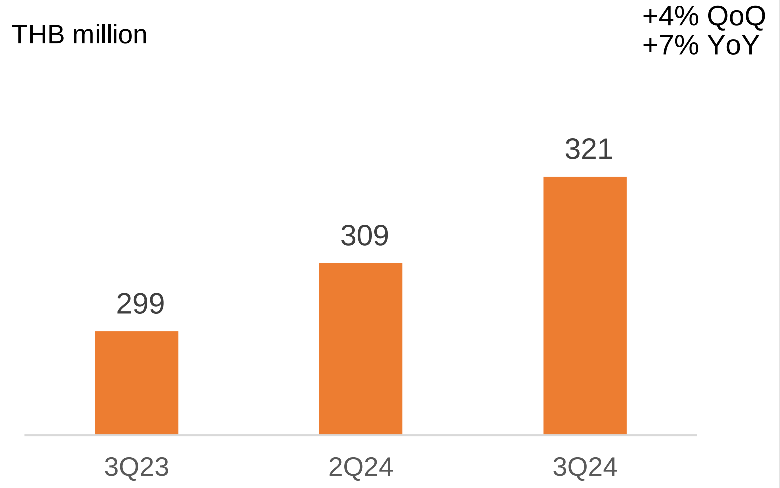
THB million



Non loan-related fees

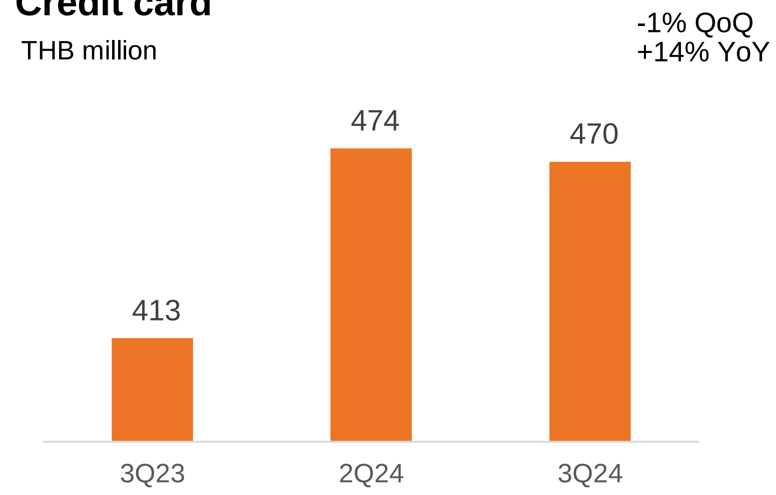
Mutual fund fee

THB million



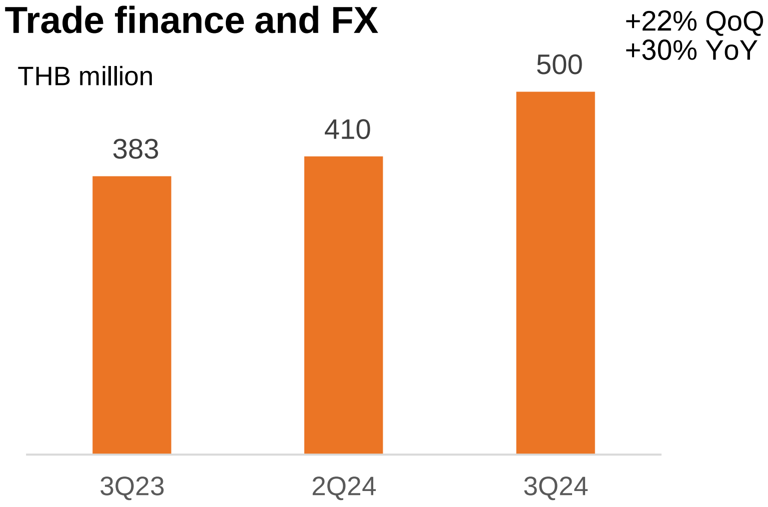
Credit card

THB million



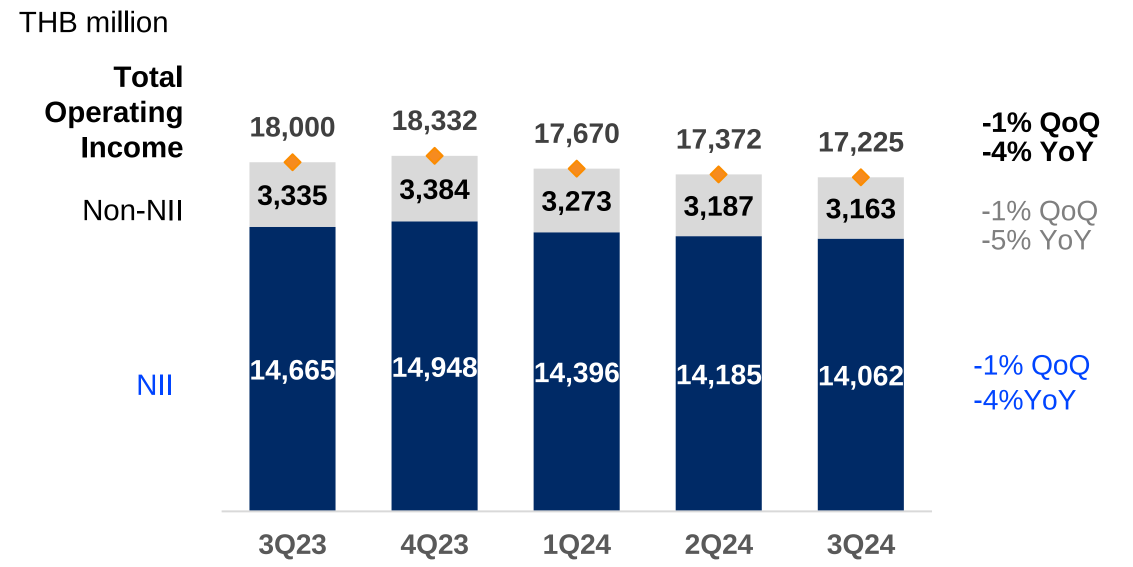
Trade finance and FX

THB million

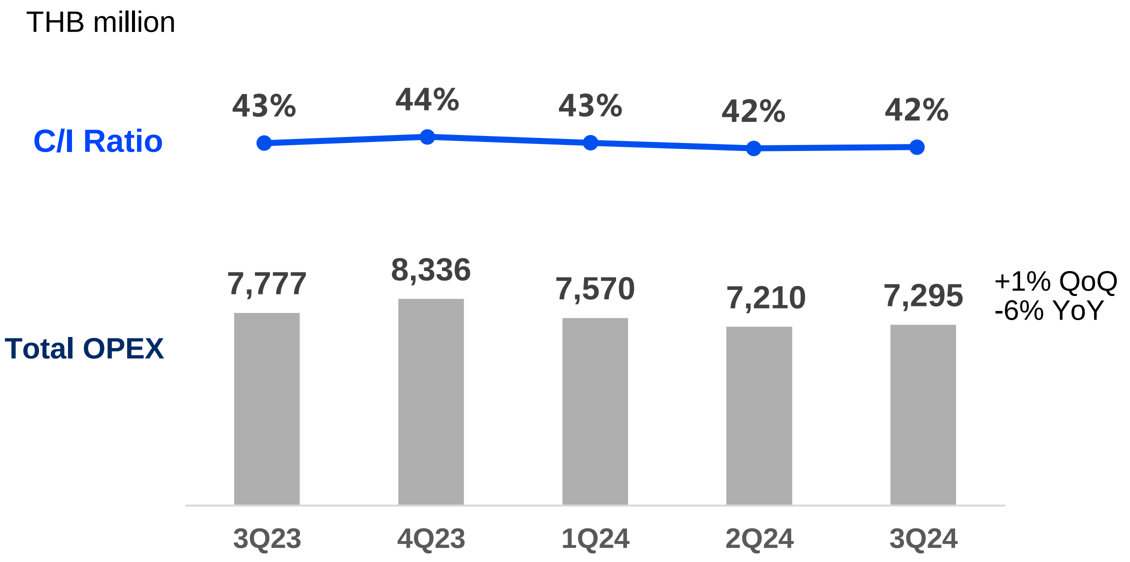


Focusing on cost discipline during revenue challenges

Total Operating Income



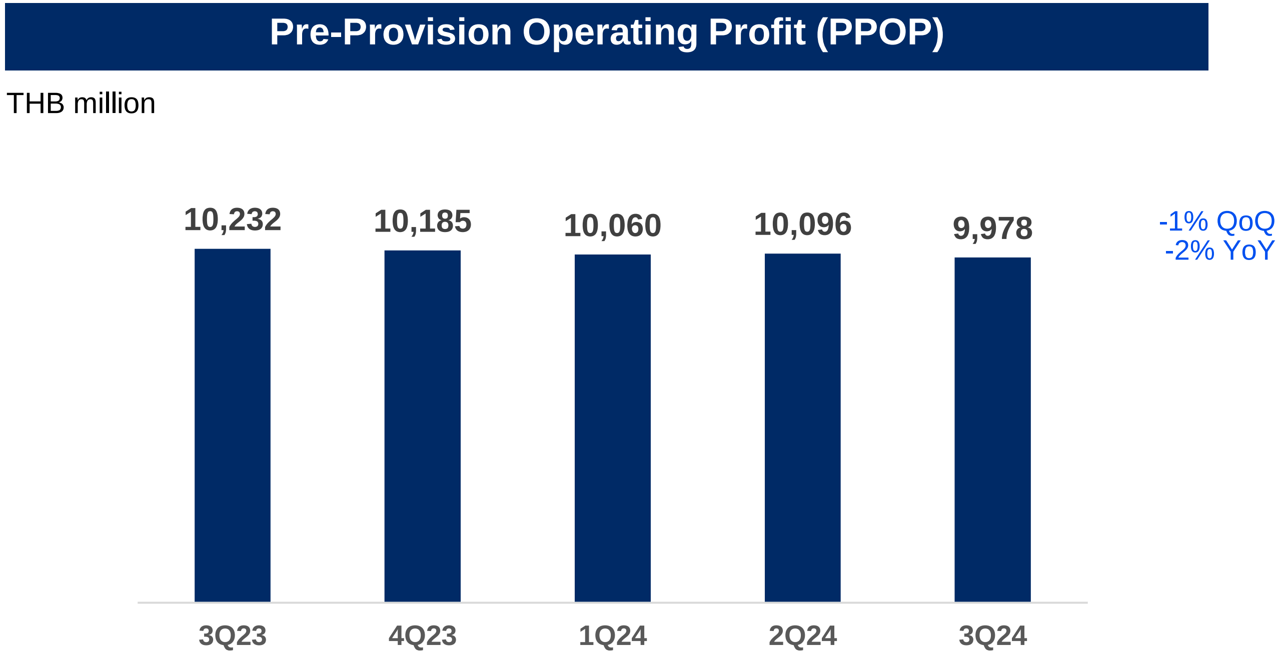
Total Operating Expense & C/I Ratio



- Our total operating income in 3Q24 remained relatively stable QoQ, primarily impacted by a decrease in fees related to loan demand and a decline in net interest income. This was largely due to higher loan repayment compared to new bookings in auto loans, particularly in new car loans and mortgages.
- Despite challenging market conditions that have affected traditional fee income, we are actively enhancing our digital capabilities. This effort aims to support new business models, diversify our fee income sources, and improve cross-selling opportunities.
- Meanwhile, Ecosystem play initiatives continue to gain good traction and will be one of supportive factors going forward.

- In 3Q24, Cost relatively flatted QoQ and -6% YoY in operating cost was mainly from;
  - ➢ HR cost saving due partly to lower headcounts (-169 HCs QoQ and -595 HCs YoY) from both normal retirement and natural attrition
  - ➢ Premise cost saving from optimized office space & branch rationalization
  - ➢ Lower variable cost related to business activities such as marketing expenses
- As a result, C/I ratio was at 42% in 3Q24, in line with target guidance.
- Our consistency in cost discipline clearly reflects in OPEX and C/I track record. Therefore, key drivers to achieve C/I aspiration of low-40s would shift from HR and branch optimization to a digital-first business model, aiming to reduce physical cost structure and bringing down cost to serve per transaction in the long run.

Cost efficiency supporting operating performance



- 3Q24 PPOP recorded at THB 9,978 million, -1% QoQ and -2% YoY

3Q24 Performance

Asset Quality

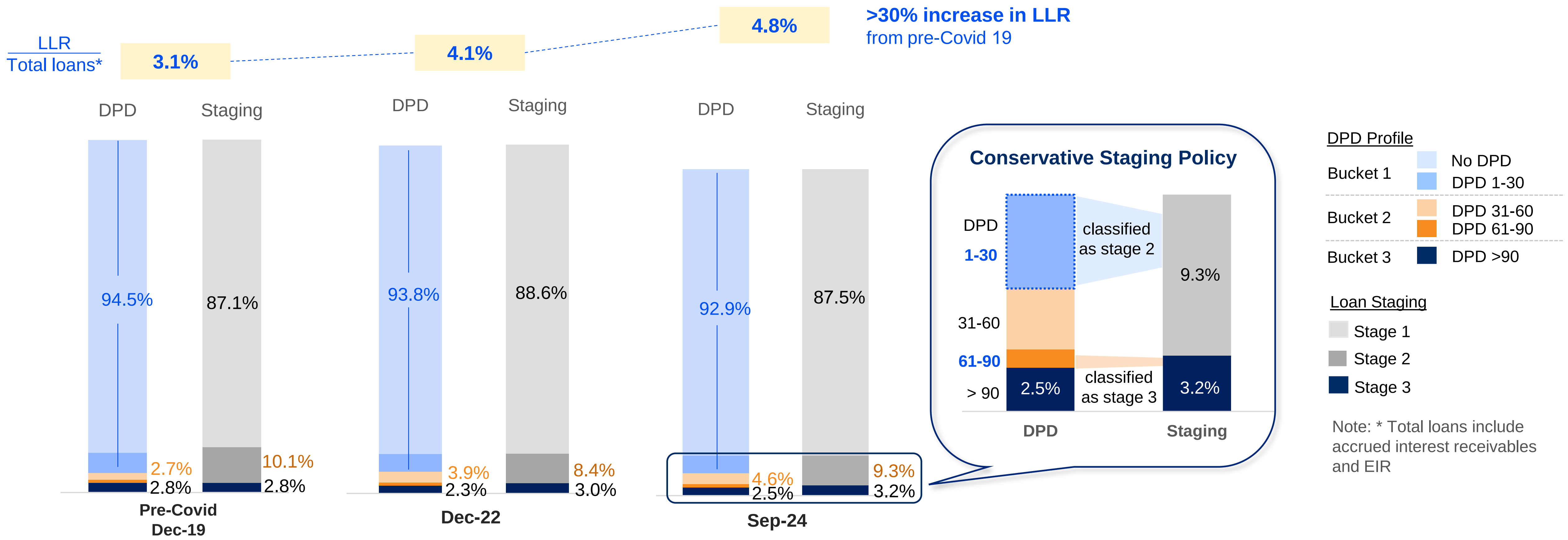
Net profit and Capital Management

3Q24 Strategy Update

Conservative loan staging with strong LLR buffer

DPD Profile VS Loan Staging

Internal data for managerial view - Breakdown as % of Loan principals (excluded interbank)

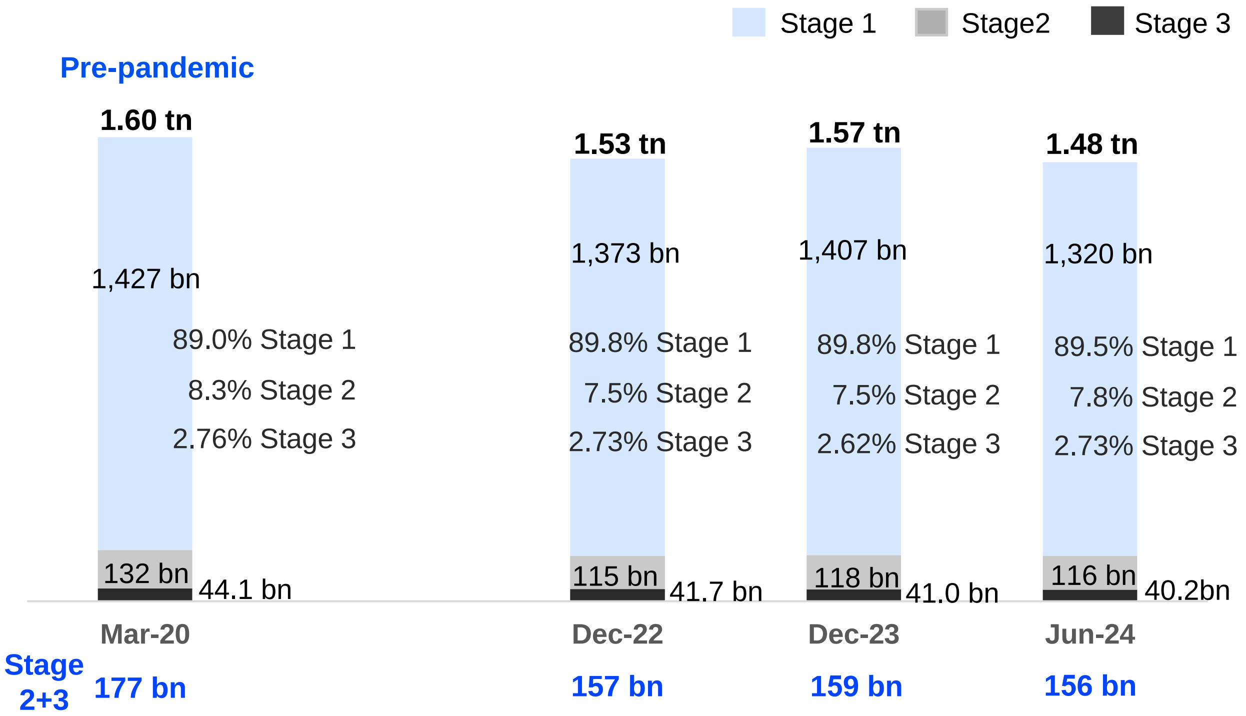


Note: * Total loans include accrued interest receivables and EIR

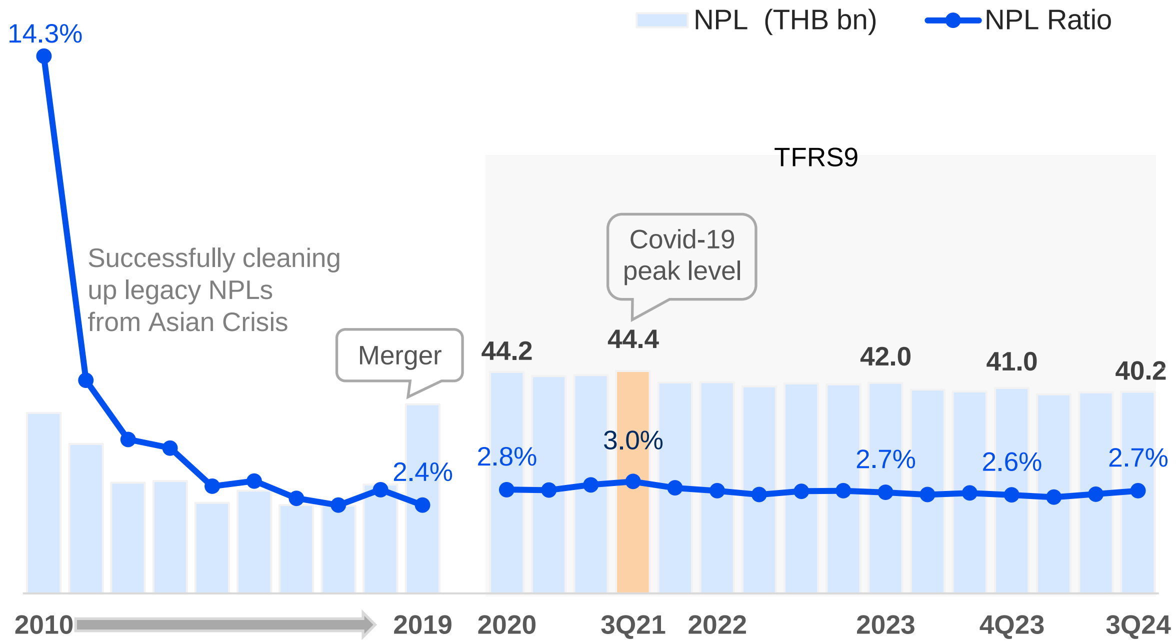
- The Bank's 7 scheme picks up days past due (DPD) within stages and imposes bucket and PD shifts.
- When compared the current staging policy with the pre-IFRS9 method (DPD), it shows that stage 2 loans already covers the early indicators of customers' debt service behavior. This reflects that the loan-staging profile is more conservative than the DPD classification.
- Apart from stringent staging policy, TTB has continued to strengthen LLR buffer. Since 2023, the ratio of LLR to total loans has been maintained close to 5% level, higher than a pre-Covid level at around 3%. With financial flexibility, TTB was able to uplift LLR by providing extra MO in 4Q23, leading to a solid rise in LLR in Dec-23.

Proactively resolved weak loans to ensure portfolio quality

Loan Classification (%)



Stage 3 Ratio (NPL Ratio)



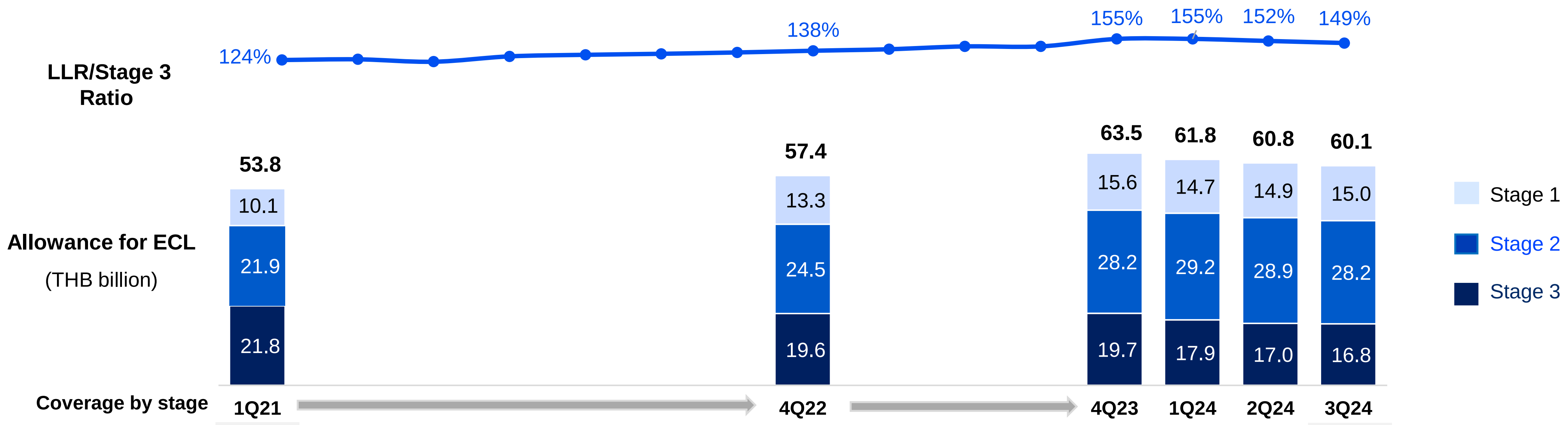
- TTB has proactively resolved weak-loans through effective sales and write-off activities with an aim to de-risk and ensure existing portfolio quality.
- As a result, **the level of Stage 2+3 loans has decreased from pre-pandemic level and remained under control**.
- As of 3Q24, Stage 2+3 loan was still well-contained at THB 156 bn or reduced by approx. 2% YTD and 13% from pre-pandemic level.

- With stable NPL formation and slightly slower resolution activities in 3Q24, **Stage 3 outstanding was at THB 40.2 billion, relatively stable QoQ but dropped approx. -2% YTD**.
- NPL ratio continued to decline from the peak level during Covid-19 at 2.98% to the current level at 2.73%. The slight uptick in NPL ratio QoQ and YTD was due mainly to the decline in total loan balance.
- Overall, the NPL has been well-contained and in line with target of ≤ 2.9%.

Note: Total loans to customers and interbank

Ensuring LLR buffer against future uncertainties

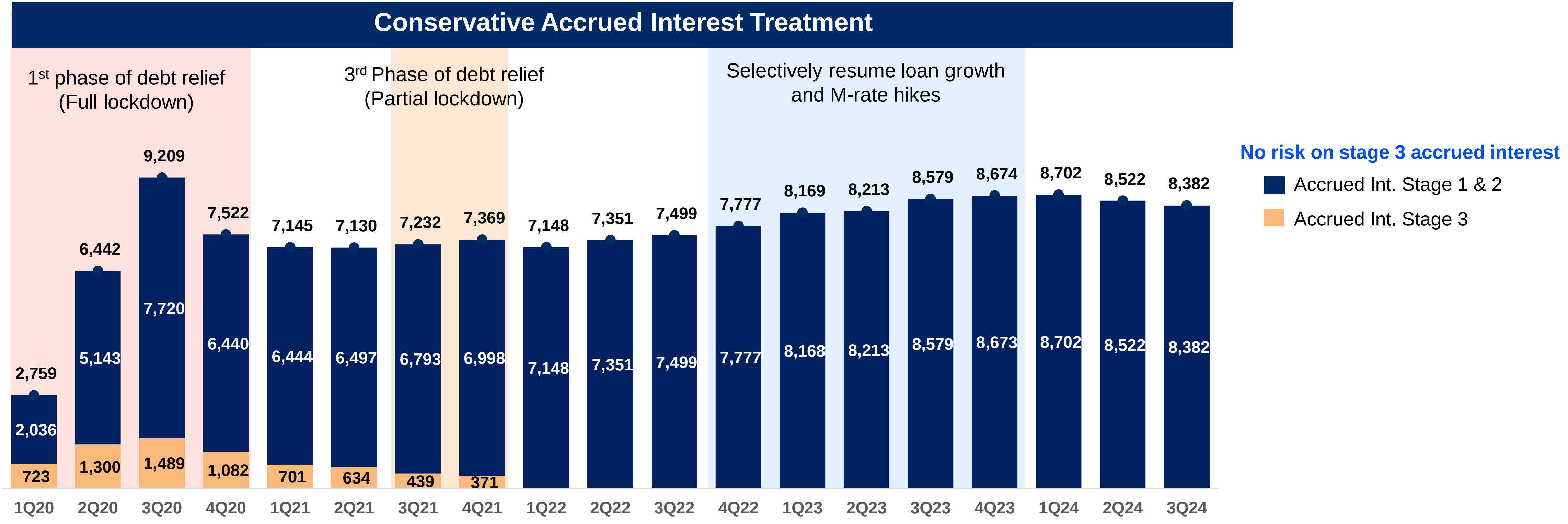
Distribution of Risk Provision



Coverage by stage	1Q21	4Q22	4Q23	1Q24	2Q24	3Q24
Stage 1	0.8%	1.1%	1.3%	1.3%	1.3%	1.4%
Stage 2	18.5%	20.9%	23.3%	24.2%	24.1%	23.9%
Stage 3	49.3%	47.0%	48.1%	45.0%	42.3%	41.8%

- At TTB, we consistently review our ECL model and closely monitor customers' behavior to ensure sufficient buffer and distribution of LLR.
- Since the pandemic, the Bank has strengthened LLR buffer. Given uncertain post-pandemic economic recovery, the Bank decided to provide additional provision on top of a normal BAU level. As a result, LLR ratio has been uplifted and maintain LLR ratio at around 150% since 4Q23 and stayed at 149% as of 3Q24.
- Such a precautionary action will mitigate risks from future uncertainties while there is a possibility to release LLR once the economy turnarounds, a positive upside to the Bank and shareholders.
- We also improve the distribution of LLR as suggested by higher LLR for Stage 1 & 2. Moreover, we continue to de-risk non-collateral Stage 3 loans through sales and write-off to enhance the quality of stage 3 portfolio. Therefore, LLR for Stage 3 has decreased overtime and it is the main reason for a declining trend of total LLR.

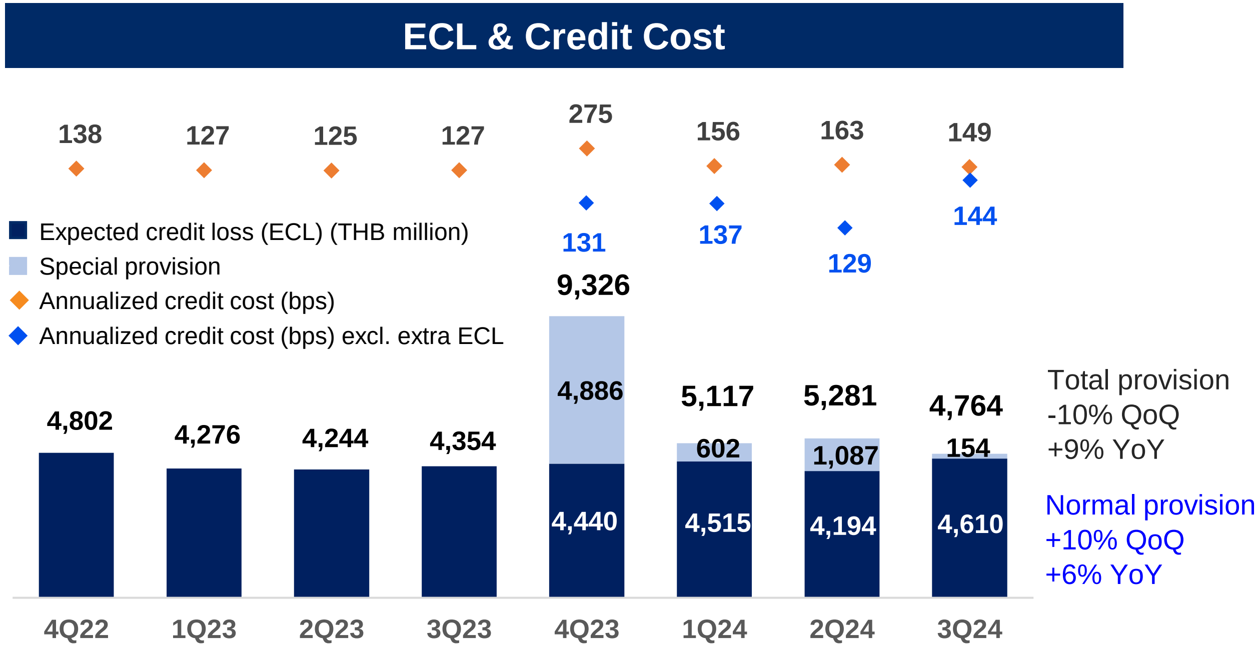
Accrued interest trend reflecting our conservative approach

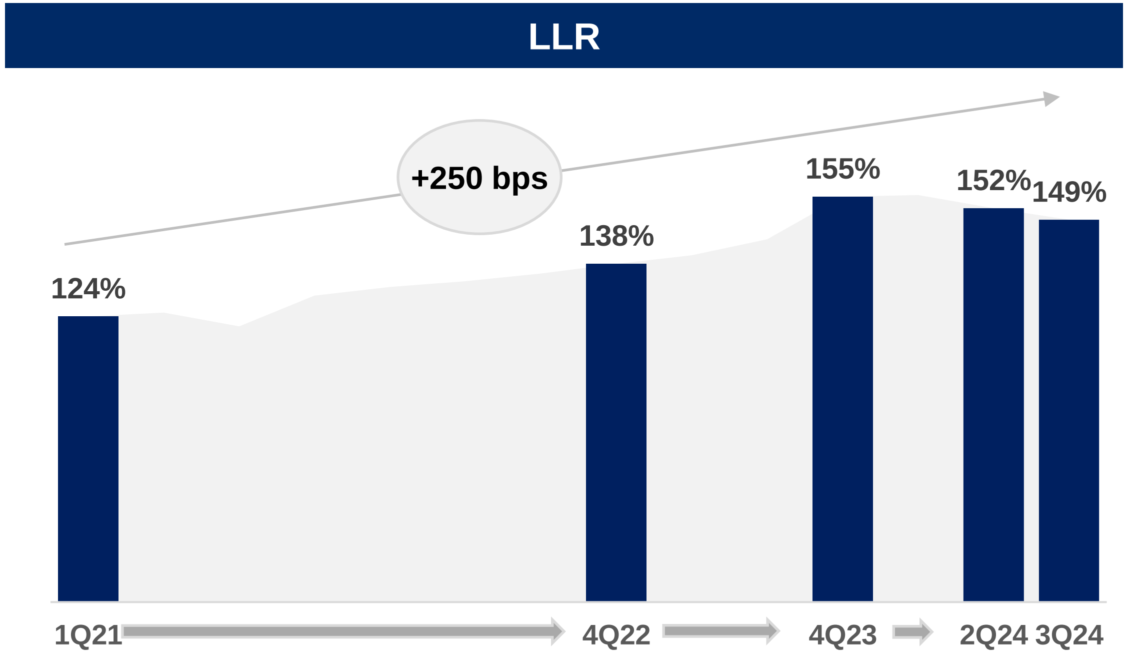


- TTB has taken conservative approach in revenue recognition for accrued interest treatment during the pandemic, starting in Jan 2021.
- As a result, accrued interest trend continuously declined from the peak in 3Q20 and stabilized during muted loan growth period. An upward trend in accrued interest since 3Q22 was due to loan growth resumption and the impact from M-Rate hikes especially on mortgage portfolio.
- Accrued interest of loans under modifications in Stage 2 and Stage 3 has been fully provisioning. We believe this would preemptively limit future downside risks and help improve B/S quality.

Note : *4Q20 accrued interest was restated and presented net from allowances for expected credit loss to be comparable with 2021

Prudent risk management on the back of in-control asset quality trend





- With financial flexibility, TTB has opportunity to enhance its LLR cushion since 4Q23 by setting aside special provisions in addition to the normal BAU levels.
- In 3Q24, total provisions amounted to THB 4,764 million, comprising of:
  - ➢ A special provision of THB 154 million as an additional buffer against economic uncertainties.
  - ➢ A normal provision of THB 4,610 million, reflecting a normal credit cost of 144 bps. The increase QoQ was primarily due the decline in loan balance and write-off activities, which shifted towards a less asset-backed base compared to 2Q24, where the written-off was more on secured loans.
- The LLR remains strong at 149%. At this level, there could be potential upsides for shareholders and the Bank once economic uncertainties subside.
- With our conservative risk management approach and manageable loan portfolio quality, the asset quality situation is under control. We maintain our guidance on risk costs and asset quality.

3Q24 Performance

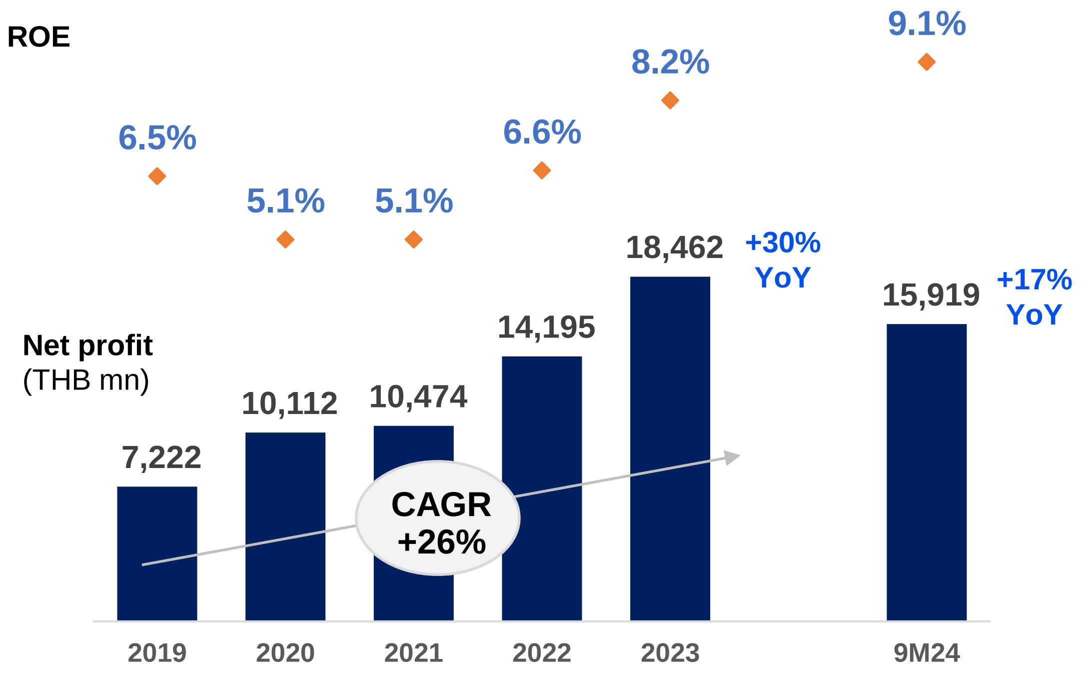
Asset Quality

Net profit and Capital Management

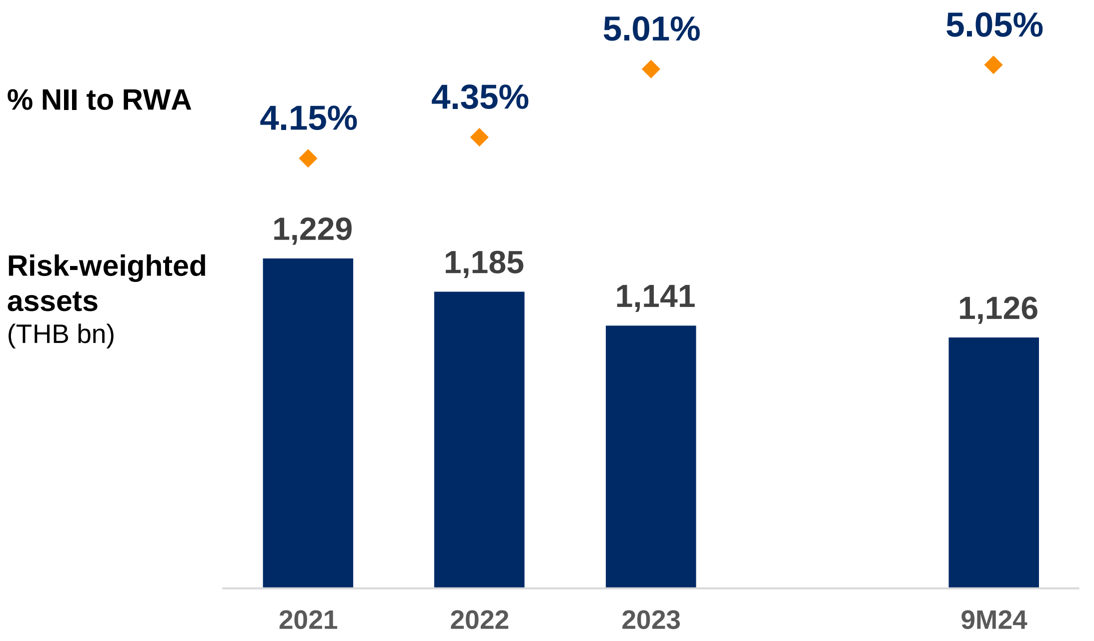
3Q24 Strategy Update

Enhancing quality of earnings

Net Profit



% NII to RWA and Risk weighted assets

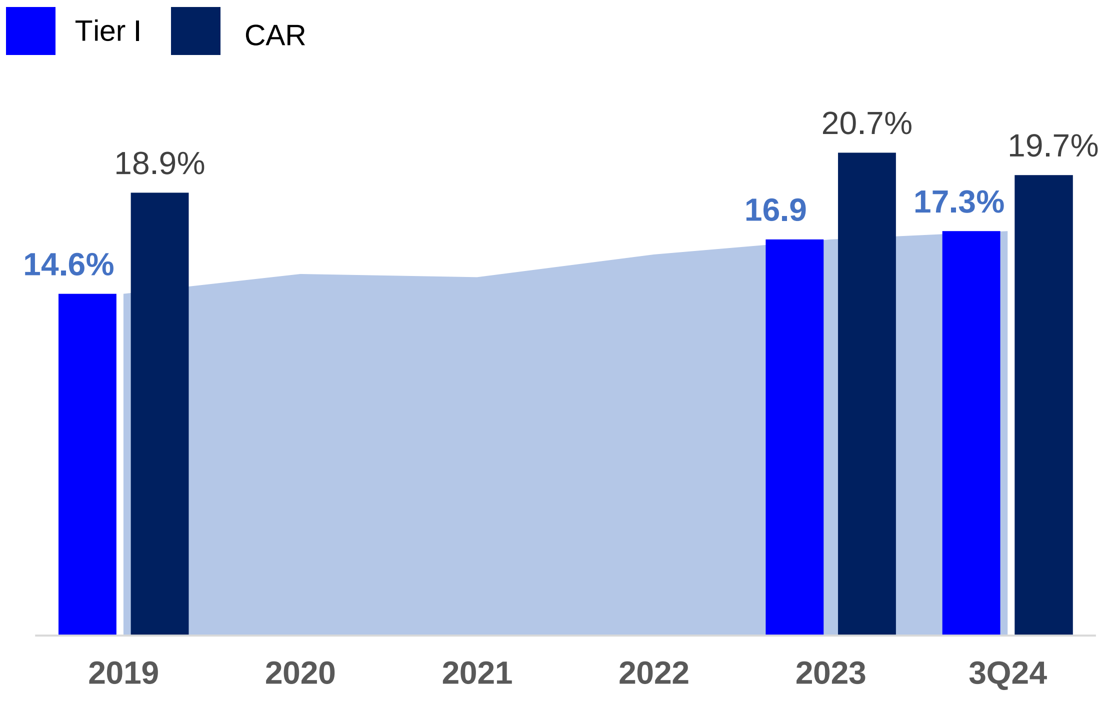


- TTB achieved a 10% YoY increase in 3Q24 with net profit of THB 5,230 million, an ROE of 8.9%. For 9M24, net profit reached THB 15,919 million, an ROE of 9.1%, aligning with our medium-term aspiration of 10% ROE.
- Apart from initiatives to maintain profitability against current economic turbulences, we emphasize on **improving the quality of net profit to build a healthy capital position**.
- Our tactical strategies have yielded positive results, as reflected by % NII to risk-weighted assets (RWA) which has improved overtime. This demonstrates the effectiveness of our approach, allowing us to **maintain earnings while consuming less capitals**.
- Such an improvement also gives us **the opportunity to optimize excess capitals** and enhance shareholder returns, following our merger.

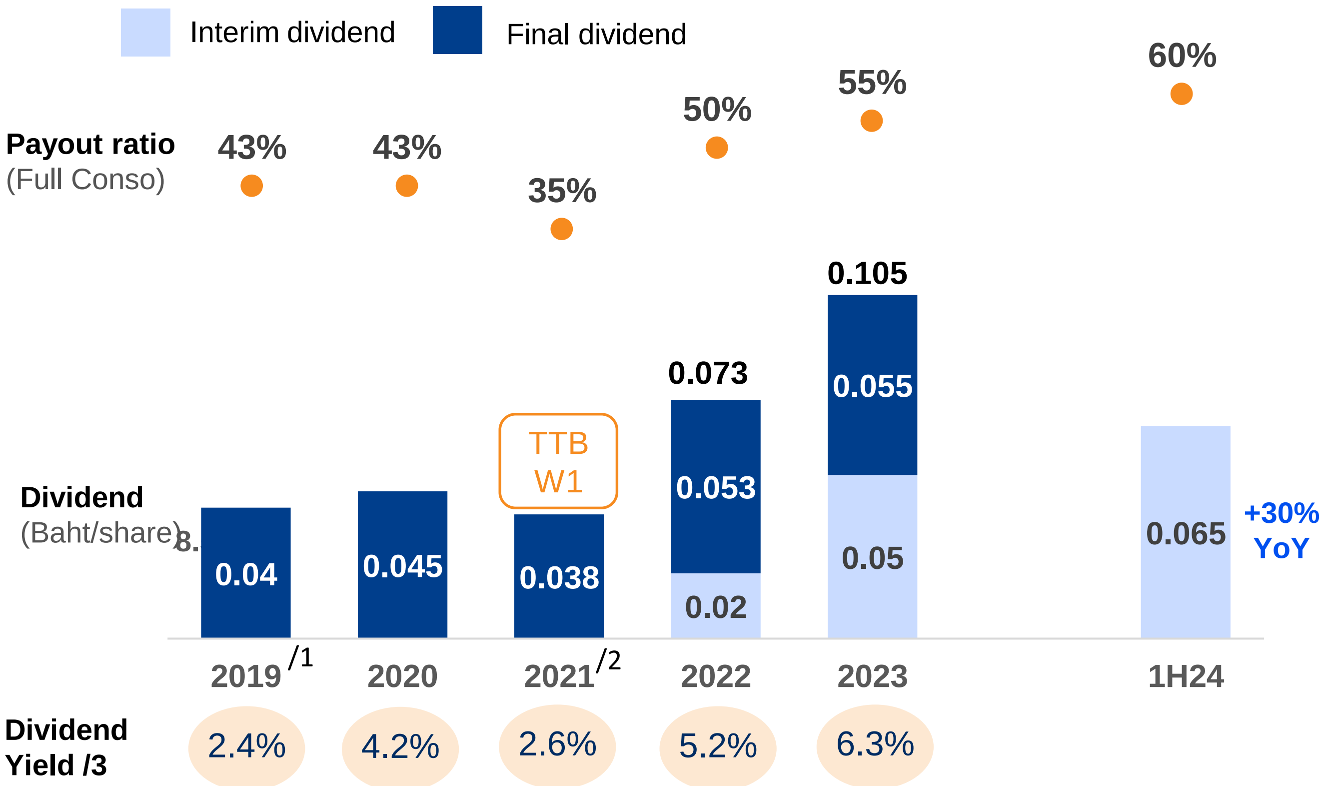
Note: Remaining tax benefits of THB 11.7 billion will be recognized by 2028, based on future net profit estimates.

Reinforcing capital position with priority to shareholder interests

Solid Capital with ample buffer over requirement



Dividend



- Since the merger, TTB has focused on optimizing capital usage and enhancing shareholder returns through strategic initiatives namely, repurchasing AT1 debt instruments, the redemption of Subordinate Tier II bond in 2Q24, reducing the rollover size by half while maintaining a robust capital base. As of Sep-24, there is still US$187 mn of AT1 remaining, at coupon rate of 4.9%, reaching its first-call date in Dec-24.
- Following improved performance post-merger, **we increased our payout ratio to 55% in 2022 and 60% in 1H24**. This aligns with our strategy to recycle our balance sheet and expand our portfolio of high-quality assets, reducing capital pressure and enhancing shareholder returns.
- These actions underscore our commitment to prioritizing equity holder interests. As of Sep-24, our Tier I ratio stands strong at 17.3%, and our CAR is 19.7% (preliminary data), placing us among the top tier in the banking industry and well above the BoT's minimum requirements.

Note: Consolidated financial statements

3Q24 Performance

Asset Quality

Net profit and Capital Management

3Q24 Strategy Update

Transformation journey towards the most recommended bank of choice

TBANK
Auto lending Leader
+
TMB
Top performing deposit franchise

Financial closing of the merger transaction

ttb
Integration of 2 banks becoming one D-SIBs

ttb / ttb business one / ttb spark
Launch of new ttb Touch / Biz One and setup of ttb Spark

Ready to take off for better performance and shareholder value creation

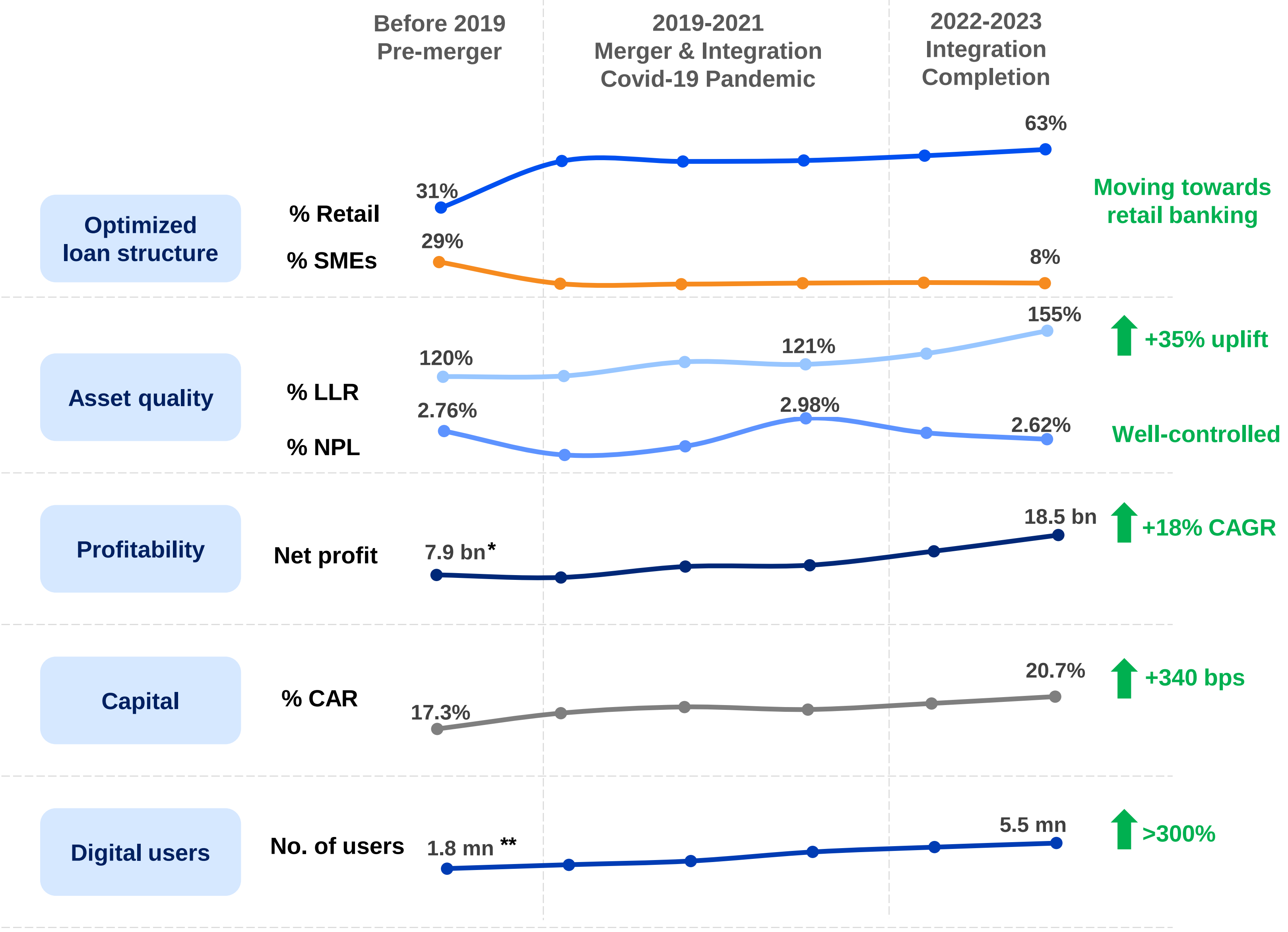
2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024+

- House-keeping
- Merger transaction and integration effort
- Synergy realization
- Provision to absorb Covid impact funded by synergy and prudent loan growth to preserve B/S health amid & post Covid
- Building foundation for future growth
- Initial result from business model transformation
- Continuation of business transformation towards 'digital-first' and ecosystem play

Improvement pathway of key business drivers: 2018-23

Before

- Sub-scale medium-sized bank
- High SME concentration
- Low funding cost
- Low asset yield
- Lack of digital capabilities to grow or transform business



After

- D-SIB bank with scale (yet nimble enough to react to changes)
- Retail-focused with very selective SMEs in portfolio
- Strong capital
- Strong LLR
- High liquidity
- In-house digital capabilities with foundation in place to drive business transformation

*2018 net profit excludes gain from TMBAM sales
**TMB-only

2024 outlook and recap of the Bank's strategic intent

2024 external outlook

- **Slow-growth environment**
- **High household debt**
- **Tightening regulatory landscape**
- **Intensifying competition**
- **EV becoming more mainstream**, disrupting Thai auto industry, creating both risks and opportunities
- **Continued momentum in digital adoption**. **AI/data analytics** unlocks new potential at scale.

2024 internal outlook

- **Still untapped opportunities in existing customers**
- **Already lean cost structure.** Fewer room for major rationalization unless **thru change in business model.**
- **Digital readiness much stronger** than pre-merger but **continued investment in digital/IT expected**
- **Resilient asset quality**, thanks to prudent loan booking in the past 2-3 years

Recap: the bank's strategic intent

- **Optimize for return** while maintaining economy of scale gained thru the merger.
- **Increasingly shift loan mix towards retail** while focus on value chain/ecosystem play in commercial.
- Transition from mono-product to **multi-product relationship with customers and ultimately win main bank relationship.**
- Double down on **humanized digital banking** (vs. a pure virtual bank) while optimizing for a **leaner physical network with enhanced productivity.**
- Build in **sufficient buffer to absorb volatility and ensure steady return to shareholders.**

3Y transformation roadmap and key deliverables

Transformation roadmap:

1 Digital transformation
to build new capability and foundation

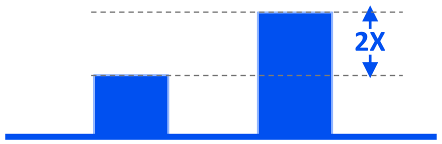
2 Revenue model transformation
to rethink existing and new revenue engines

3 Ecosystem play
to extend from existing areas of strength, thru own solution and partnership

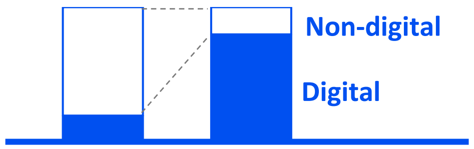
4 Branch and process transformation
to drive productivity improvement

5 Organizational transformation
to align organization structure and workforce to digital-first principle

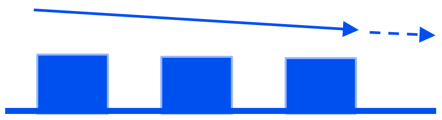
Expected key results:



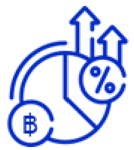
2x product holding on targeted ecosystem customers



>80% of non-financial services fulfilled via digital and >3x growth in digital sales contribution



Sustainable C/I at low 40%



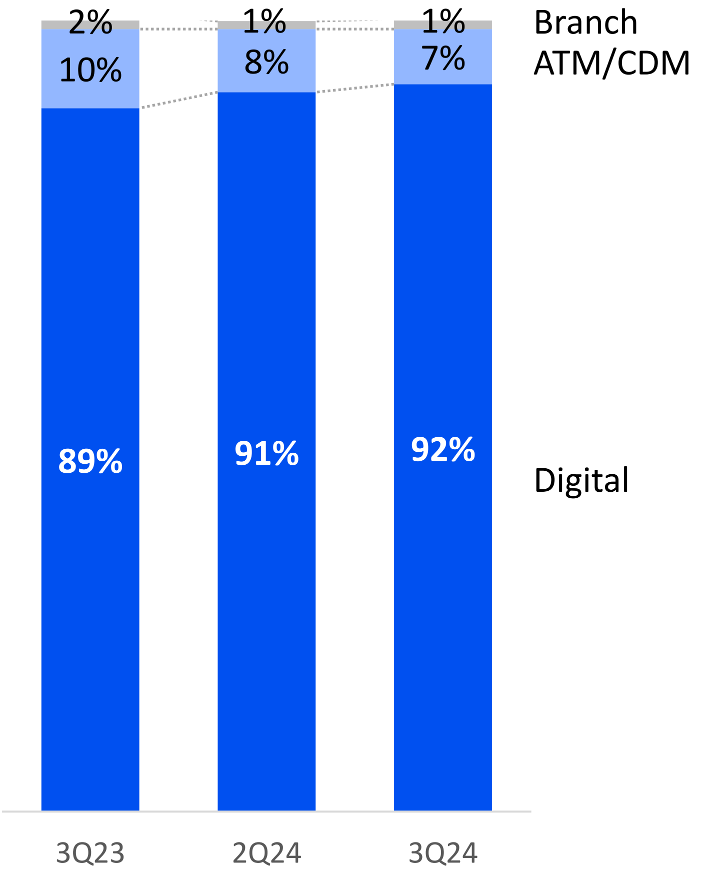
Top quartile ROE
Prudent capital base

Improved risk adjusted return and return on capital

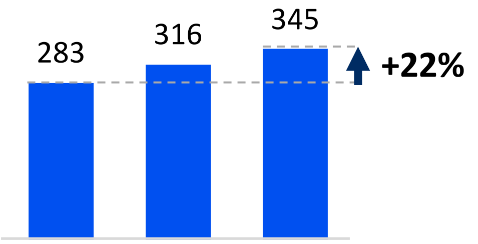
1 Digital transactions' momentum is well-maintained in both financial and non-financial transactions

Financial transactions

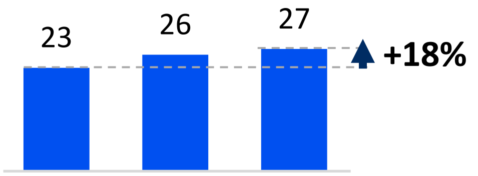
Channel mix of all financial transactions



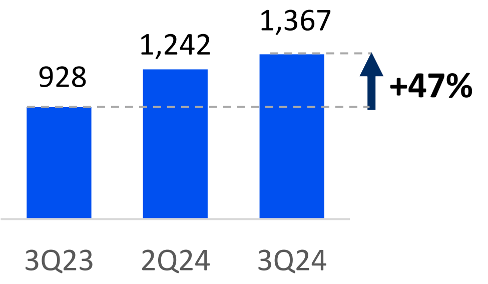
Digital financial transactions (mn)



Bill payment & Top up (mn)



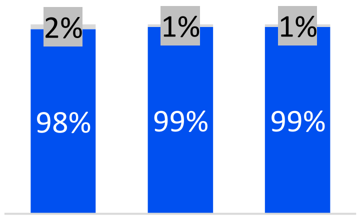
QR code
Average daily transaction ('000s)



Non-financial transactions

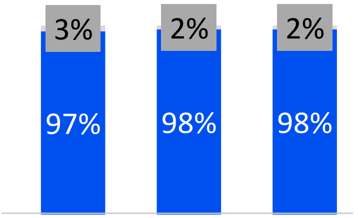
% Digital
% Others

Deposit



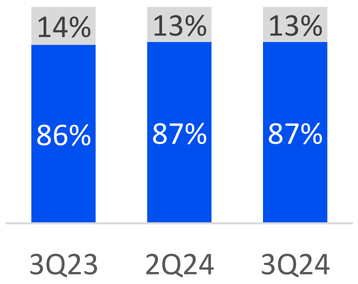
- Request statement
- Activate dormant

Retail Lending



- Credit card/loan status tracking
- Activate card
- Apply e-statement
- Block credit card

Automotive Lending

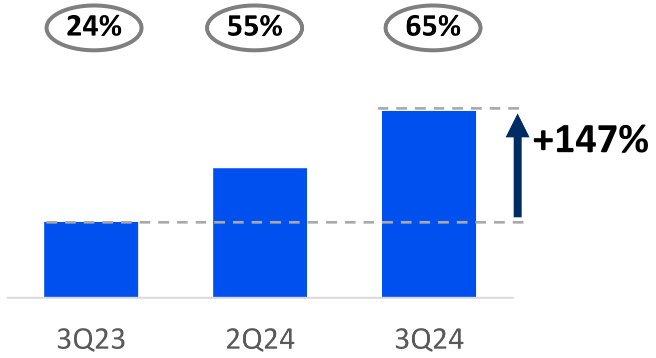


- Request car registration copy
- Auto loan status tracking
- Request HP contract copy
- Request HP receipt
- Renew car tax

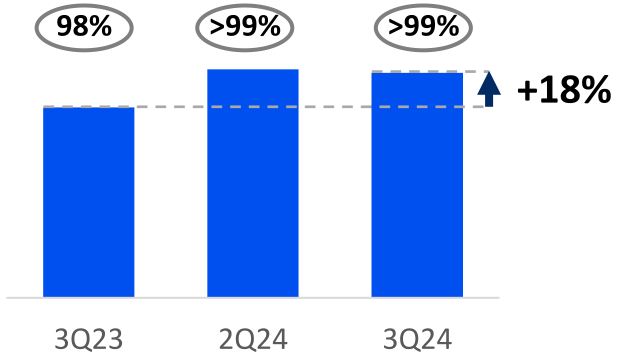
1 Digital sales via ttb Touch continue to yield overall positive results

xx% %digital

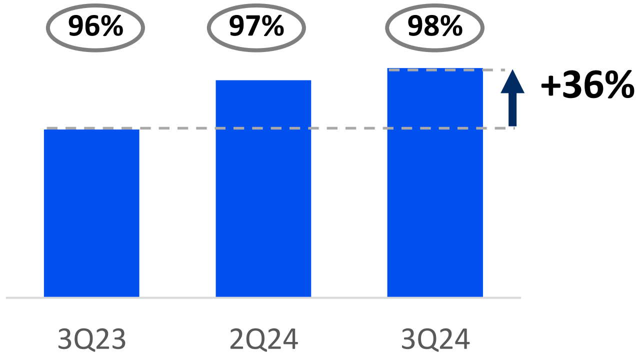
Credit card booking
(No. of card)



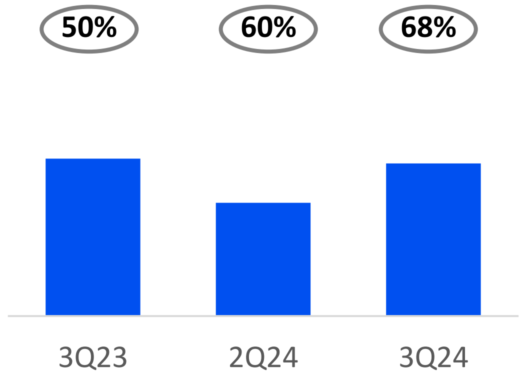
So Goood transactions
(Transaction)



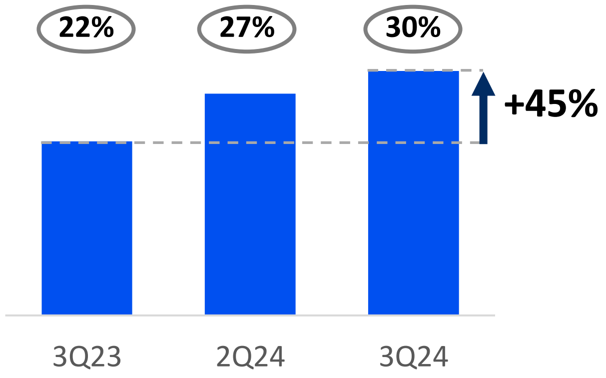
Mutual funds transaction
(Transaction)



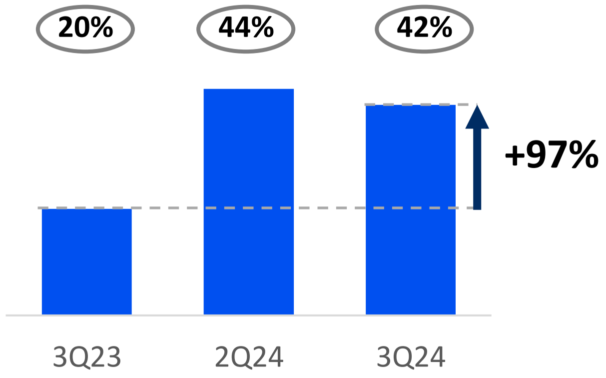
Flash card booking
(No. of card)



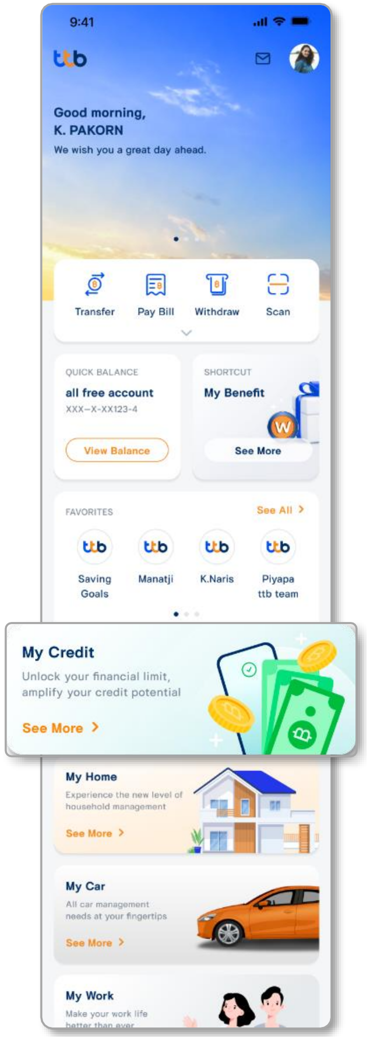
Personal loan booking
(THB Mn)



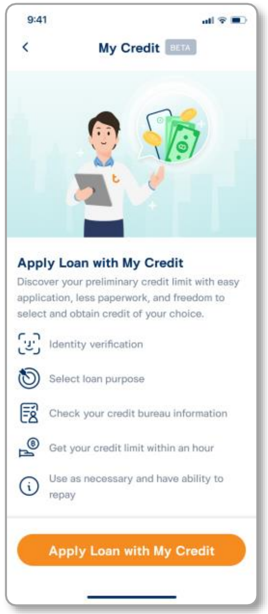
Deposit account opening
('000 accounts)



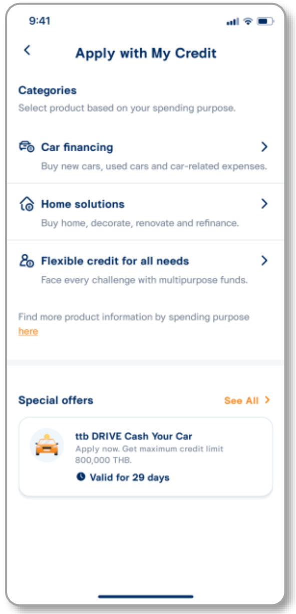
1 Recent ttb Touch enhancement: “My Credit” widget as a vehicle to transform how ttb lends as a bank



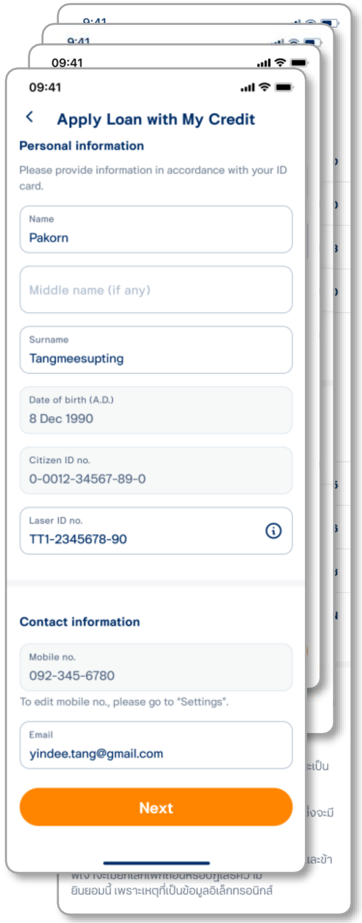
Introduction



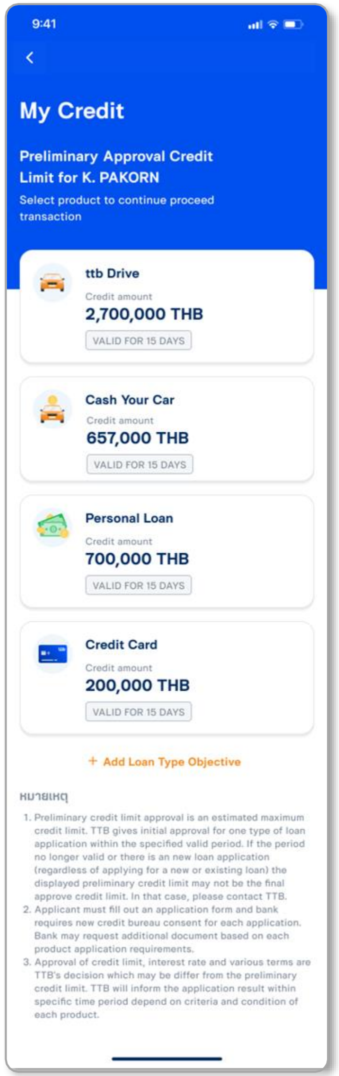
Select objective



Confirm personal info + grant e-NCB consent



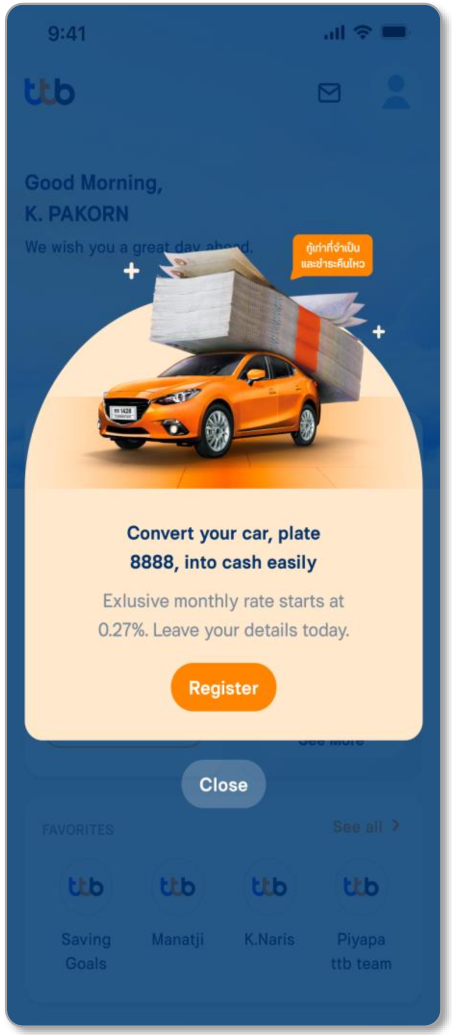
Receive pre-approve credit offer

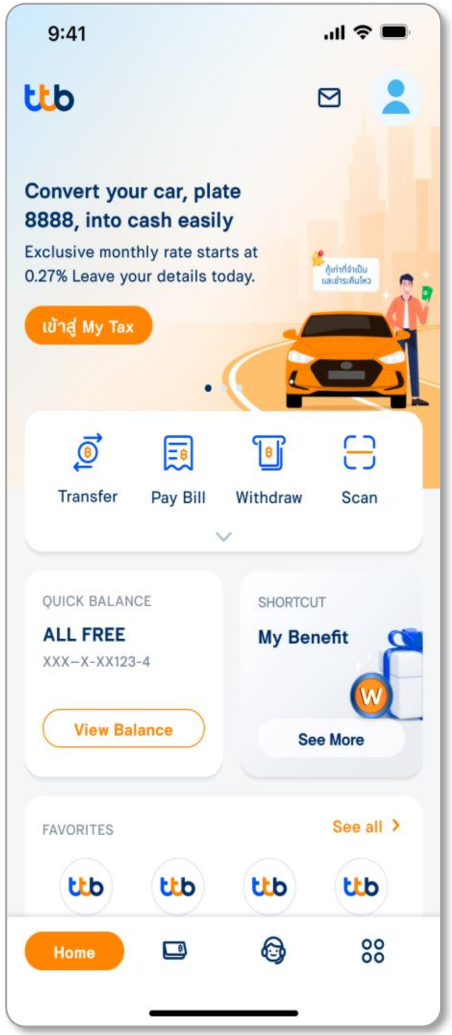


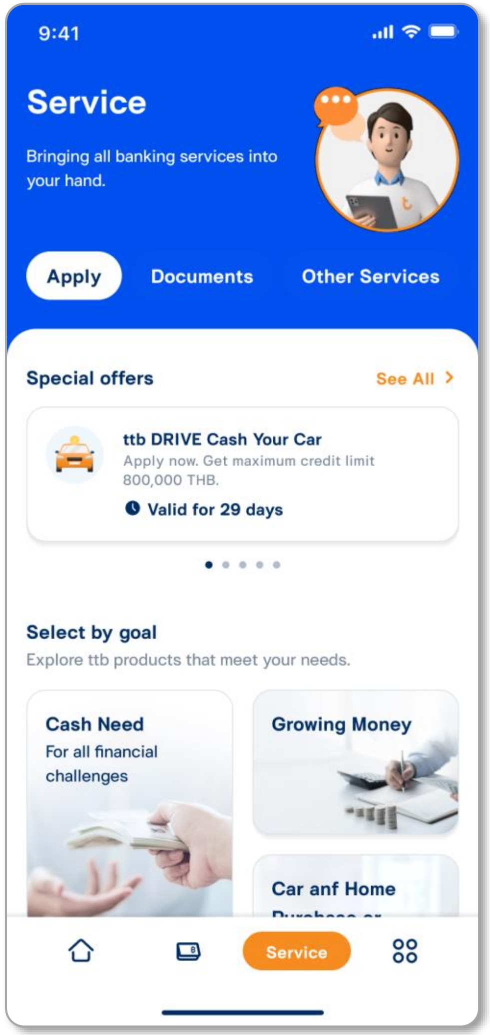
3-month stats during soft launch (w/o marketing)

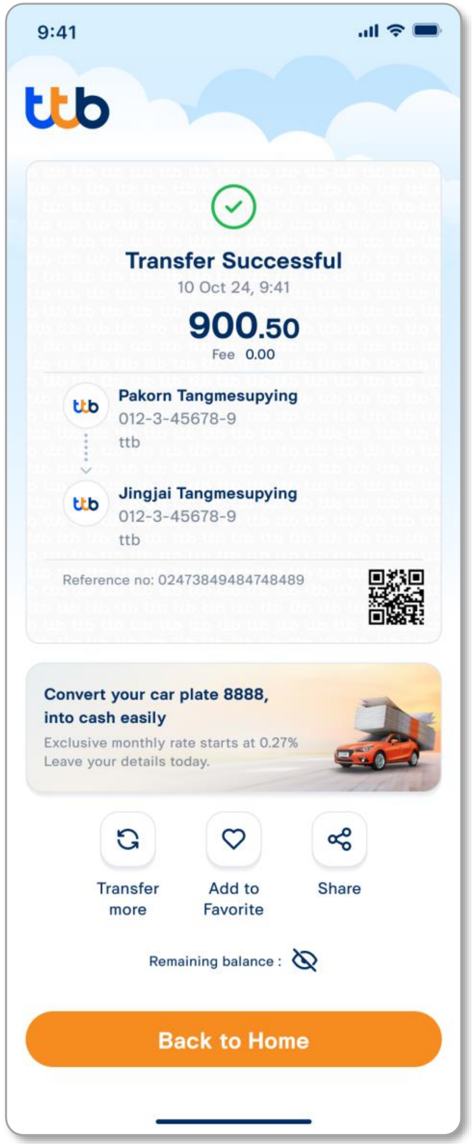
Customer visits to My Credit widget	152k
Customers with prelim. loan offers via My Credit	38k
Customers submitting loan app via My Credit	36k

❶ Recent ttb Touch enhancement: data-driven hyper-personalization engine to embed personalized messages in various part of ttb Touch

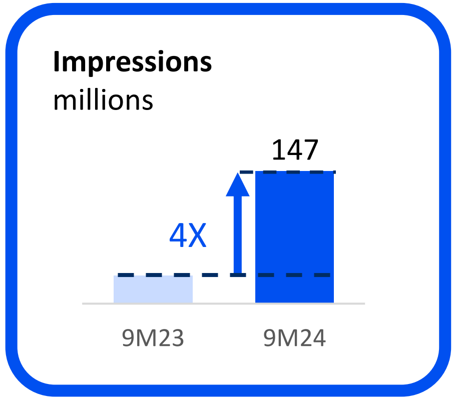


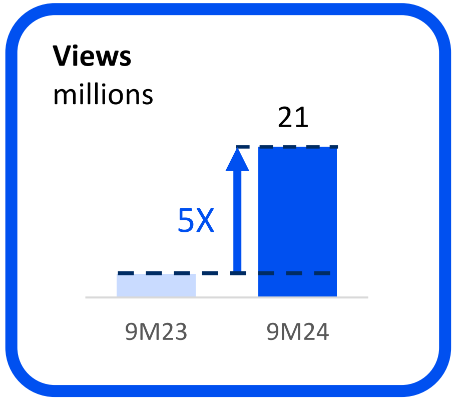


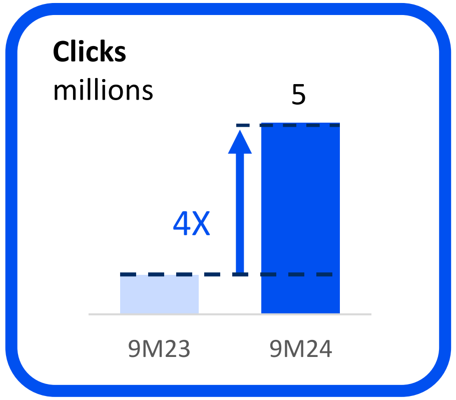




Key stats







②③ Ongoing ecosystem plays and revenue model transformation towards digital-first principle

- **> 800K** cars onboarded to My Car
- **32%** of ttb's used car business generated via Roddonjai
- **~ 3x** YoY growth in motor insurance

~2.5mn
Car Owner Customers

~1mn
Payroll Customers

- **> 50%** of new welfare loan bookings via digital channel
- **> 680** companies onboard My Work solution

- **> 580K** home onboarded to My Home (launched February 2024)
- **+8%** YoY Improvement on retention rate

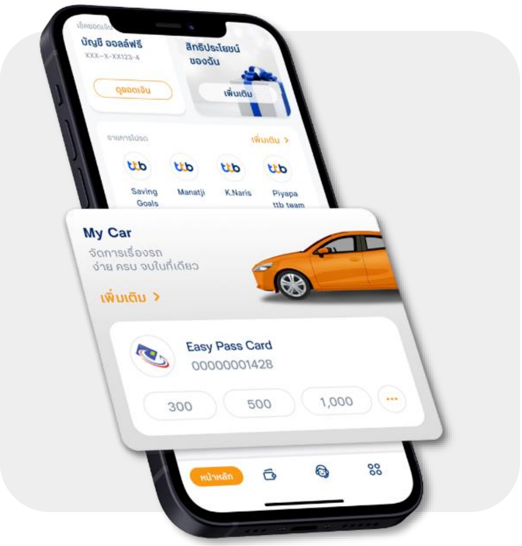
~1mn
Home Owner Customers

~40K
Wealth Customers

- **9x** YoY growth in FCD account, and **5.2x** YoY growth in balance
- **~ 3x** YoY growth in Term fund
- **75%** of wealth customers invest with ttb

Car owner ecosystem – Strengthening car owner relationships through digital platforms

My Car

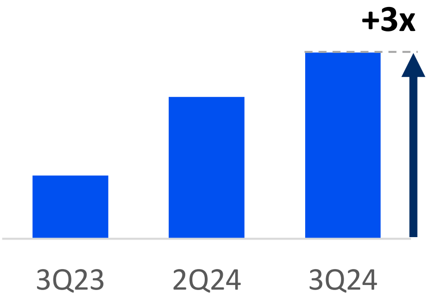


> 800k
Cars onboarded

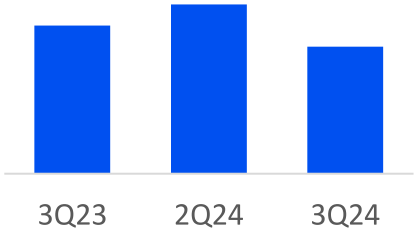
79%
Car tax renewal vs other channels

> 69k
Easy pass registered

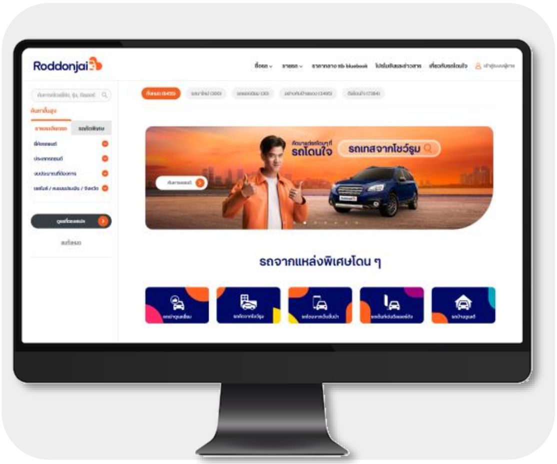
Motor insurance
(unit)



CYC via My Car
(% Digital)



Roddonjai

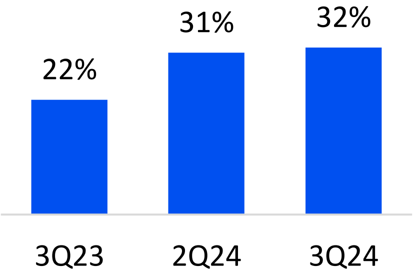


> 1.9mn
Unique monthly visitors (Sep'24)

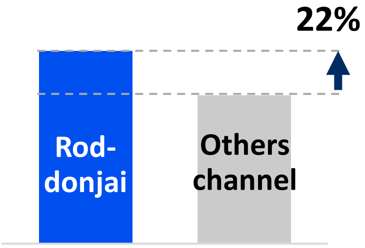
> 2.7mn
Financial calculations conducted

> 50%
of sold cars are booked with ttb

Roddonjai contribution to used car booking (%)



Average car price on Roddonjai
(THB)



2 3 Salaryman ecosystem – Better assist employers and employees through financial well-being and digital tailored solutions

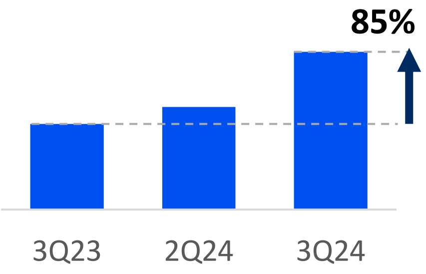
Payroll engagement & well-being

> 1.5k
Welfare MOU signed

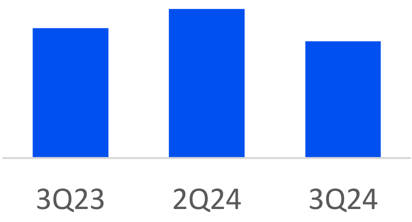
> 444k
Eligible employees

> 50%
New welfare loan bookings via digital

Payroll acquisition
(No. of company)



Welfare loan new booking
(THB Mn)1/

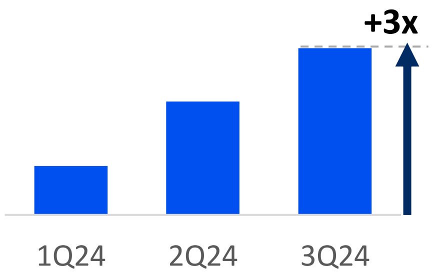


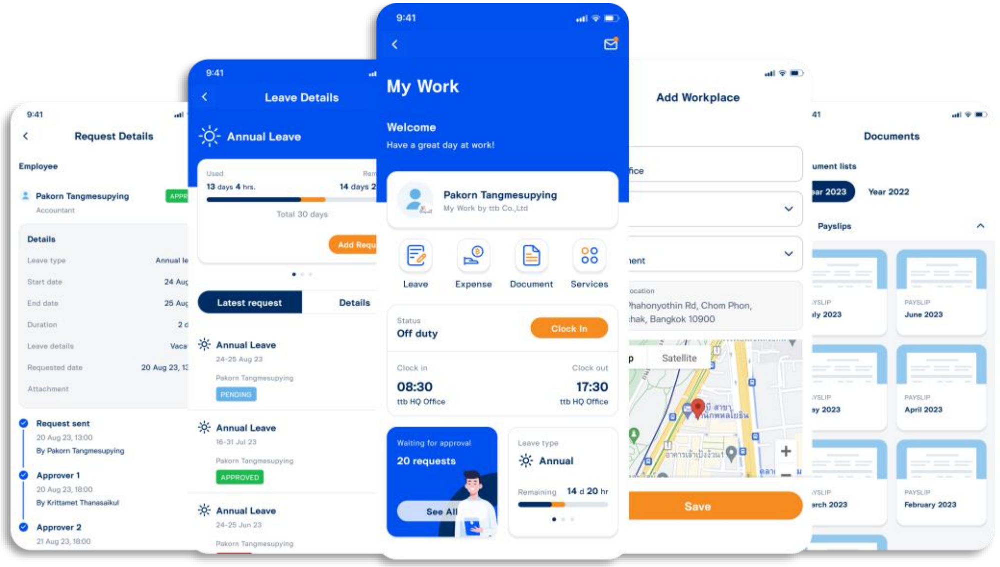
My Work by ttb

> 680
Companies onboarded

> 100
Companies converted to premium version

Total company acquired



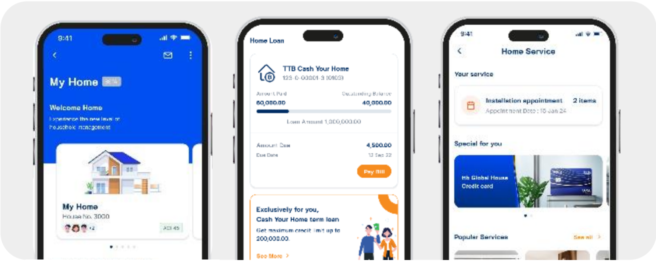


1/ Reduction in welfare loan booking from tightening loan policy

2 3 Homeowner ecosystem – Deepen engagement throughout home owner's lifetime journey with My Home solution and partnership

My Home

Launched in Feb'24



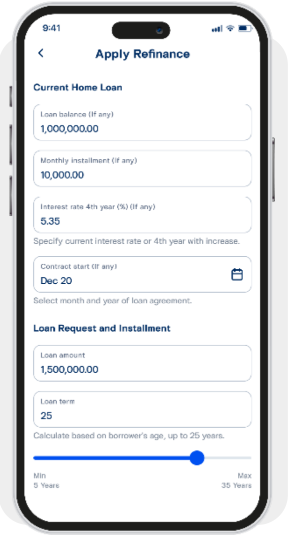
- Bill management with home members
- Refinance calculation & apply
- CYH top-up offering
- Reminder to renew insurance
- Maintenance service

> 580K
Home onboard

> 390K
Users

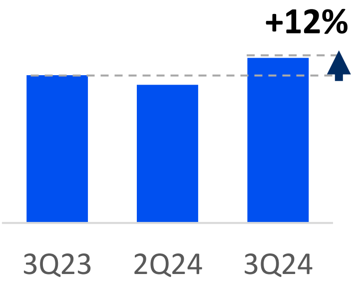
> 40K
utility bills set up in My Home

Refinance & Retention

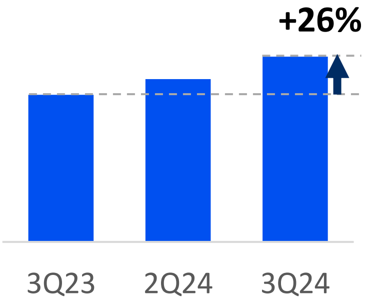


+8%
YoY retention rate growth

Refinance unit
(Unit)



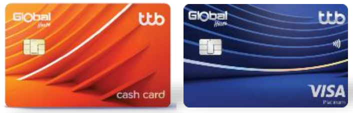
Refinance amount
(THB mn)



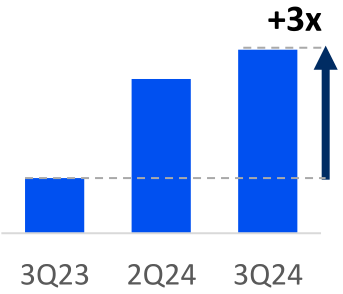
Credit card spending

~ 50% of ttb home-loan customer holds ttb credit card

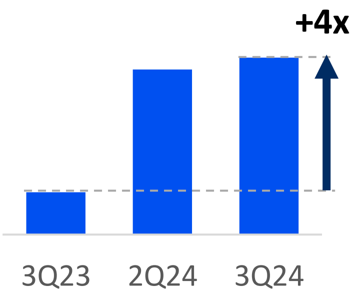
Global house card
Launched in Jul'23



Global house card
(# of cards)



Spending amount
(THB mn)



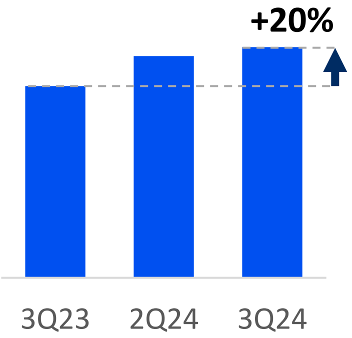
②③ Wealth ecosystem – Extensive product suits and solutions aimed at maximizing and growing wealth

Wealth customer

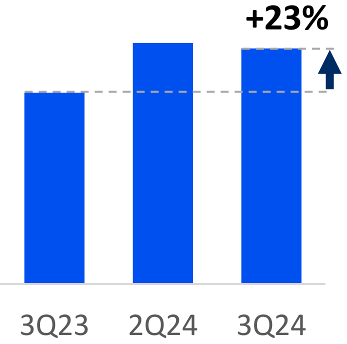
> 1,000
Private banking customer acquisition in 2024

> 80%
Of wealth customers hold reserve card

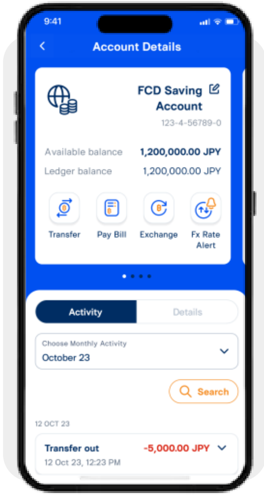
Reserve card
(# of cards)



Spending amount
(THB mn)

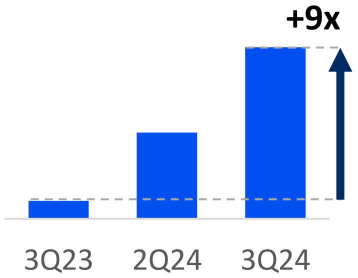


Savings – Retail FCD Account

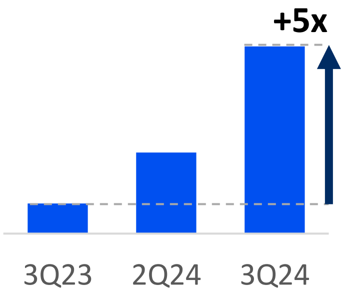


- Easy account management via ttb touch
- Up to 4% p.a. FCD USD Saving Account

FCD Account
(New account)



FCD Balance
(THB mn)



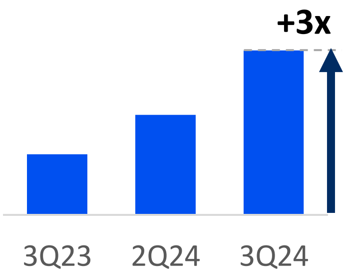
FCD : Foreign currency deposit

Wellness Investment

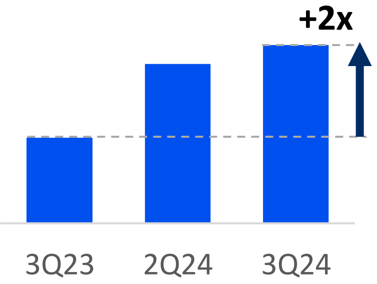
> 75%
Of wealth customers hold investment product

> 95bn
New Investment volume YTD

Term fund
(THB mn)



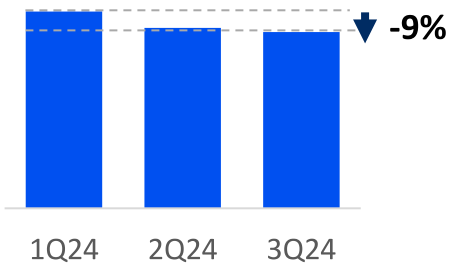
Structure notes
(THB mn)



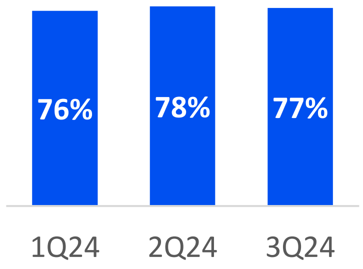
❹ Continuing reduction in customer contacts across all physical touchpoints, alongside on-going expansion of digital migration

Branch

Traffic at branch
('000 customers)

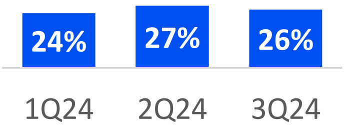


High counter migration to auto lobby
(% migrated transaction)



High counter services e.g.,
- Deposit and withdrawal
- Money transfer
- Bill payment

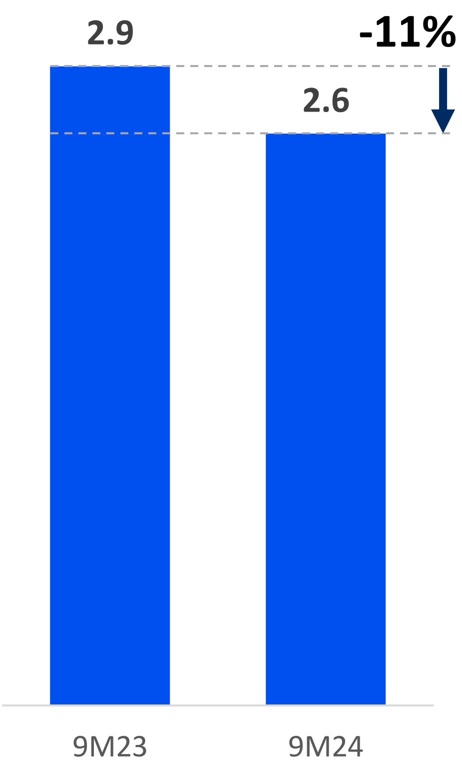
Low counter migration to touch
(% migrated transaction)



Low counter services e.g.,
- Account opening/ info. update
- Debit card issuing
- Other customer supports

Contact center

Contact center volume
(Mn calls)



-42% (YoY)
Reduction in card activation transactions

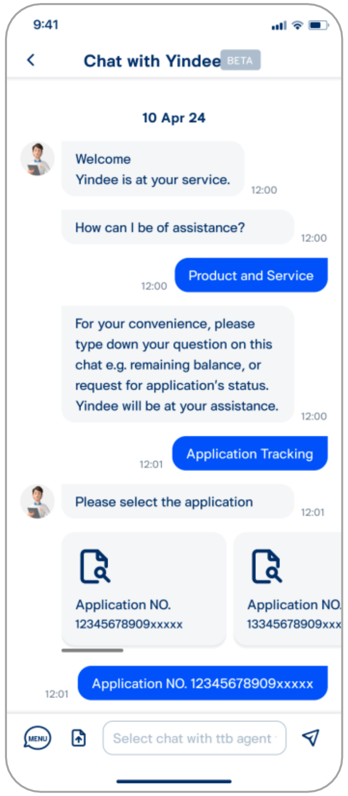
-27% (YoY)
Reduction in AL payment amount/due date, history inquiry

-24% (YoY)
Reduction in hire purchase account closing

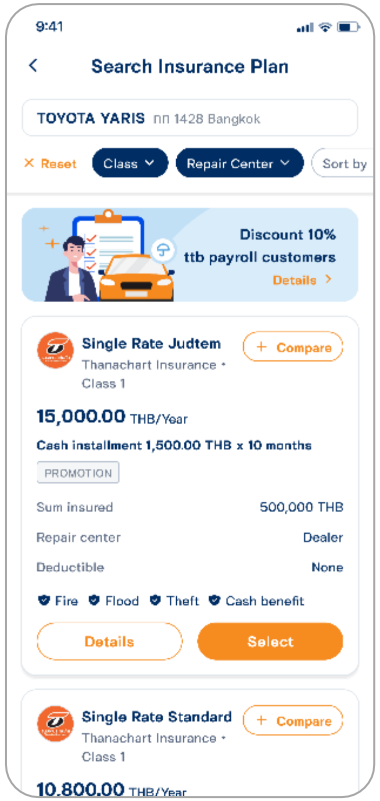
Digital first branch launched in Jan'24

Key highlights of upcoming ttb touch releases

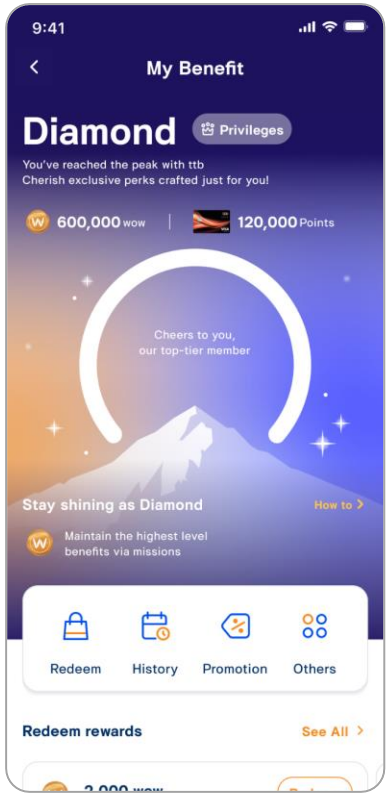
Widget for QR scanning



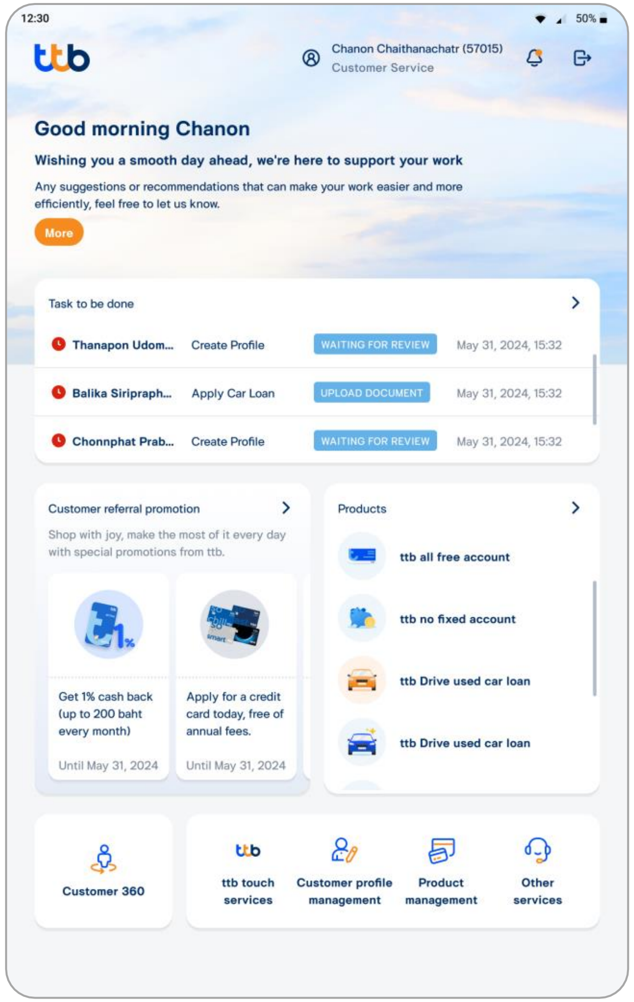
Yindee Chat x Generative AI



Cash installment for motor insurance



Bank-wide loyalty program



Staff-assisted tablet for sales and service personnel

Nov 2024

1H 2025

THANK YOU

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