



KKP Analyst Meeting 3Q 2020

October 22, 2020

**A new name, solidifying our combined expertise in
Banking and Capital Market business**



Table of Contents

- Covid-19 Update
- Performance Highlights
- Commercial Banking Business
- Capital Market Business
- Appendix

Covid-19 Update

Total outstanding loans as of end of 3Q20 : Baht 258 Billion

Total Loans Under Debt relief measures as of end of 2Q20	Customers Exiting Relief measures during 3Q20	Total Loans remaining under Debt relief measures as of end of 3Q20	Updated Status
<p>~40%</p> <p><i>30% Retail 10% Commercial Lending</i></p>	<p>~6%</p>	<p>~34%</p>	<ul style="list-style-type: none"> ▪ Small number of new requests during 3Q20 ▪ 15% of total loans under relief programs exited relief period at the end of 3Q20, all are in retail segment ▪ Approximately 70% of customers exiting programs can resume with payments ▪ Those that exited the program were partly in a higher risk group prior to joining the relief programs ▪ For the remaining retail customers, relief period will end during 4Q20 ▪ There were no commercial lending customers that relief period have ended during 3Q20 ▪ For Commercial lending customers, part of relief period will end 4Q20 and continuing into 2021 mainly for customers under Hotel and Apartment business segment which may require longer period to fully recover due to the current limited tourism activities

PERFORMANCE HIGHLIGHTS

3Q 2020 Key Performance Highlights

Commercial Banking Business

Overall	<ul style="list-style-type: none">▪ Assisting customers through various relief measures for retail and SME customers▪ 9M20 loan growth of 8.2% driven by Hire Purchase, Housing and Corporate Banking segment▪ Lower repayment for portion under debt relief also contributed to growth▪ NPLs declined further to 2.9%, down from 4.0% at the end of 2019▪ Staging suspensions for loans under relief measures
Hire Purchase	<ul style="list-style-type: none">▪ Opportunity for expansions into better asset quality segment with YTD growth of 13.5%
Retail : Non Hire Purchase	<ul style="list-style-type: none">▪ Slight growth at 6.6% YTD mainly in housing segment with slow growth expected for remaining of year
Commercial Lending	<ul style="list-style-type: none">▪ Contracted 1.9% YTD due to lower new business activity from economic uncertainties together with high repayments
Corporate Banking	<ul style="list-style-type: none">▪ Good asset quality with growth of 17.4% YTD
Financial Markets	<ul style="list-style-type: none">▪ Strong revenue of Baht 254 million for 9M20
SAM	<ul style="list-style-type: none">▪ Overall income from SAM business totaled Baht 645 million, NPA sale activity picked up during 3Q20 post lock down measures
Expected Credit Losses (ECL)	<ul style="list-style-type: none">▪ Baht 1,017 million for 3Q20 with 9M20 total ECL of Baht 2,017 million▪ Credit cost for 9M20 at 2.19% increased yoy from extra provisions during 2Q20 and 3Q20 due to COVID-19 uncertainties▪ Coverage ratio increased to 152.6%
Funding	<ul style="list-style-type: none">▪ COF lowered to 1.8% from cost management and reduction in FIDF fee
BIS Ratio	<ul style="list-style-type: none">▪ If including profit up to 3Q20, BIS ratio at 18.70%, Tier I = 14.24%

3Q 2020 Key Performance Highlights

Capital Market Business

Equity Capital Market

- SET Index closed at 1,237.04 points, decreasing by 8% from 1,339.03 points at the end of 2Q20
- Average daily turnover (SET+mai) for 3Q20 decreased by 20% to Baht 56,139 million from Baht 70,418 million in 2Q20
- Kiatnakin Phatra Securities's market share (SET+mai) without Prop. Trade for 3Q20 increased to 11.91%, ranked 1st

Private Wealth Management

- AUA Baht 548 billion, decline of 5% YTD
- Net new money YTD of Baht 51,825 million

Asset Management Business

- Total AUM Baht 82,015 million, declining by 13% YTD from overall decline in market
- Fees for 9M20 totaled Baht 495 million, declining by 18% yoy

Investment Banking Business

- Market uncertainties creating delay in transactions
- 9M20 revenue Baht 187 million, declining 31% yoy

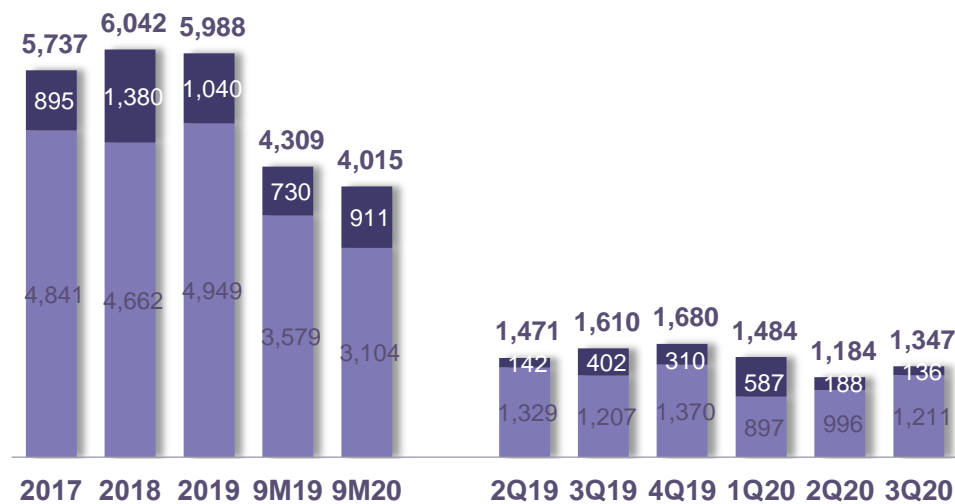
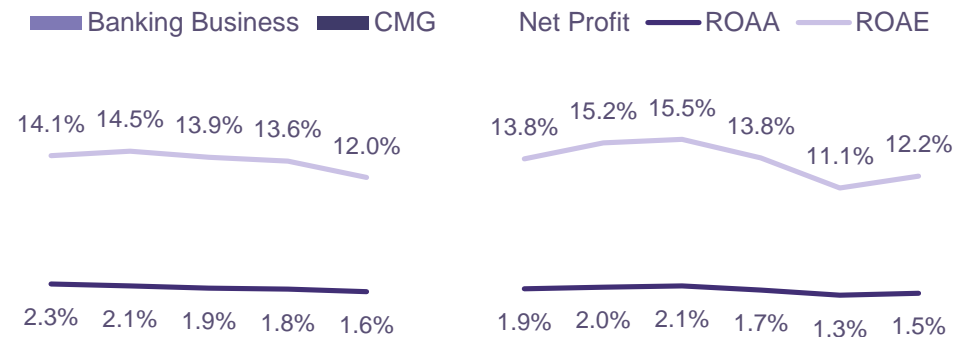
Investment Business

- Equity and Derivatives Business recorded high revenue of Baht 833 million 9M20 increasing 103% yoy
- Total comprehensive revenue 9M20 Baht 745 million, improving 12% yoy

Profitability

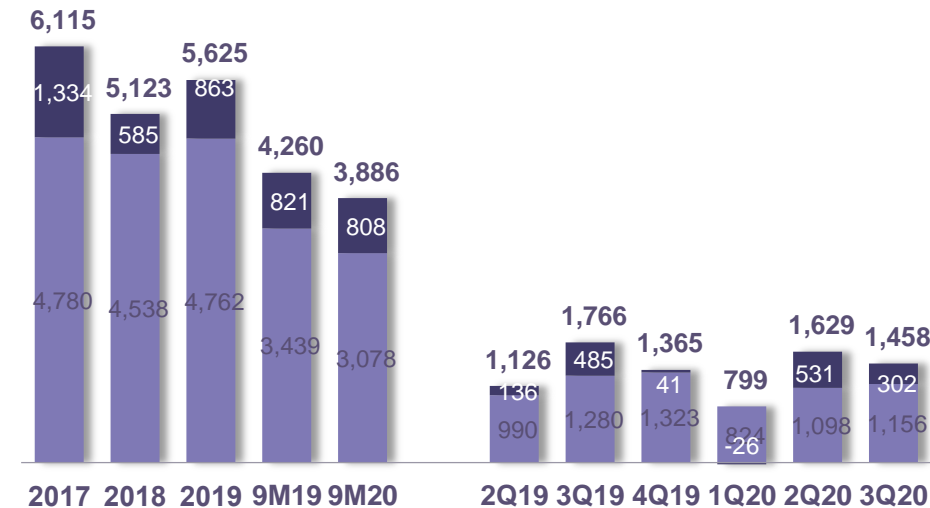
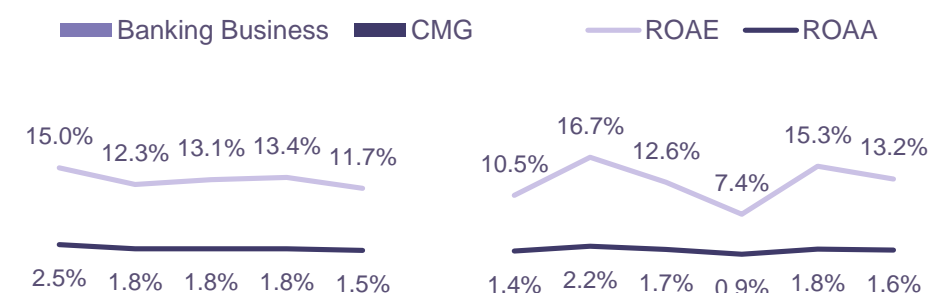
Net Profit (excl. MI)

Baht in million



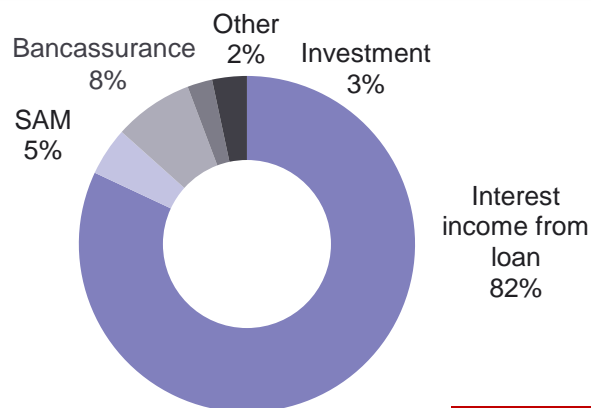
Comprehensive Income (excl. MI)

Baht in million



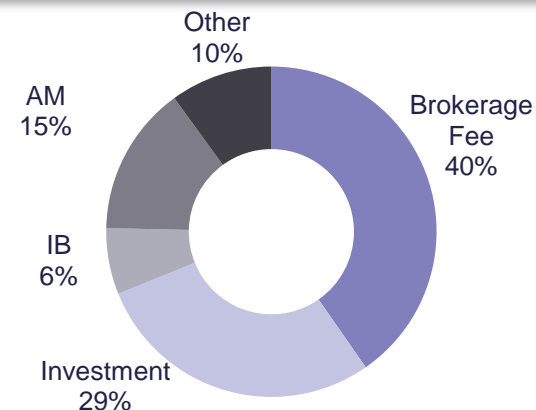
9M 2020 Net Revenue Breakdown

Commercial Banking Business



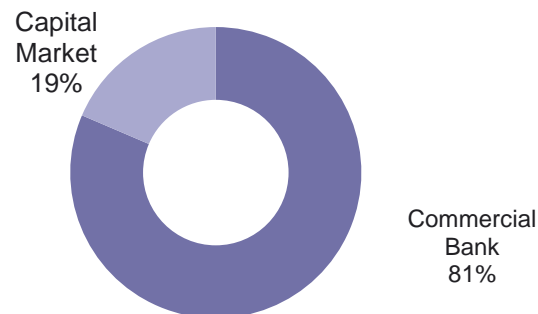
Baht 12,703 million*

Capital Market Business



Baht 2,897 million

KK Phatra Financial Group



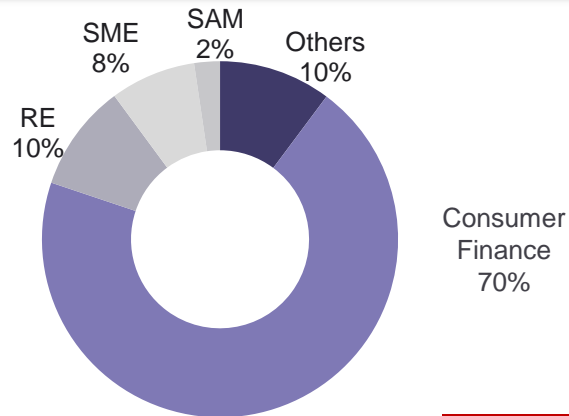
Commercial Bank
81%

Baht 15,600 million

*Include G/L from NPA but exclude G/L from car repossession

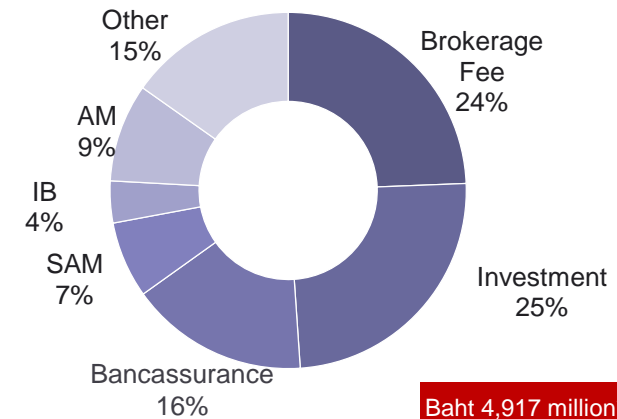
9M 2020 Net Interest Income : Non Interest Income

Net Interest Income



Baht 10,684 million

Non Interest Income*



Baht 4,917 million*

Net Interest Income (NII) : Non Interest Income (Non-NII)



Baht 15,600 million

*Include G/L from NPA but exclude G/L from car repossession

Consolidated Income Statements

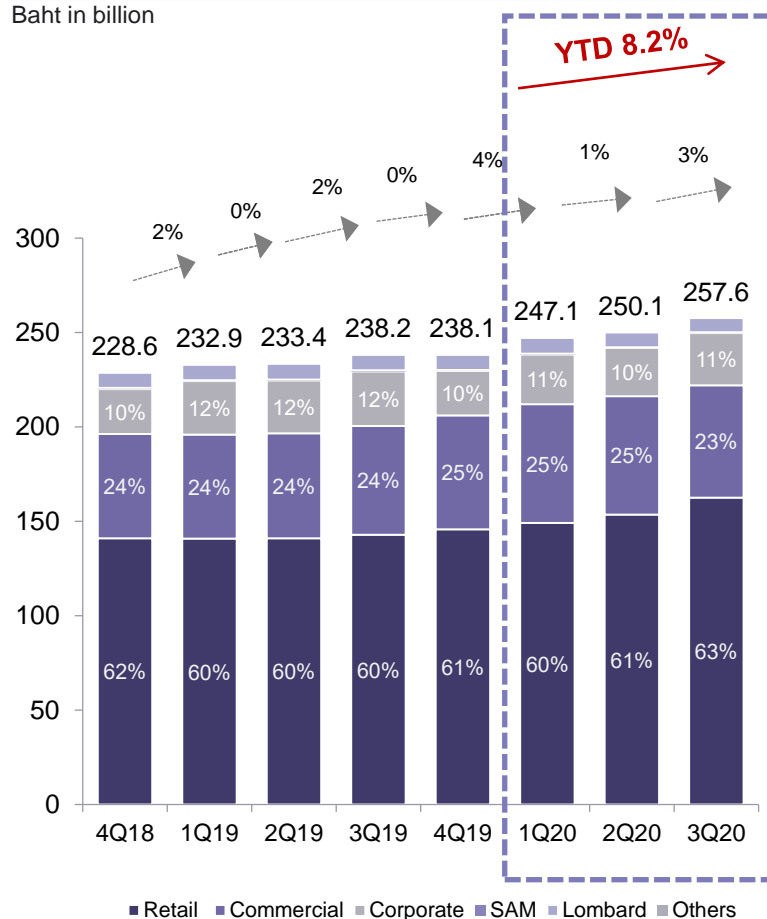
Baht in million	3Q19	1Q20	2Q20	3Q20	QoQ	YoY (Q)	9M19	9M20	YoY (Y)
Interest income	4,696	4,840	4,937	4,705	(5%)	0%	13,479	14,483	7%
Interest expense	(1,469)	(1,301)	(1,323)	(1,175)	(11%)	(20%)	(4,281)	(3,799)	(11%)
NII	3,227	3,539	3,615	3,530	(2%)	9%	9,198	10,683	16%
Fee income	1,386	1,488	1,073	1,209	13%	(13%)	3,788	3,770	(0%)
Fee expense	(179)	(212)	(188)	(185)	(2%)	4%	(434)	(585)	35%
Net fees income	1,208	1,276	885	1,024	16%	(15%)	3,354	3,185	(5%)
Other operating income	548	780	353	259	(27%)	(53%)	1,606	1,391	(13%)
G/L from sale of foreclosed assets	(272)	(392)	(498)	134	(127%)	(149%)	(566)	(756)	34%
Total operating income	4,711	5,202	4,354	4,947	14%	5%	13,592	14,503	7%
Operating expense	(2,341)	(2,963)	(2,124)	(2,265)	7%	(3%)	(6,896)	(7,352)	7%
Provision Expense	(373)	(256)	(744)	(1,017)	37%	173%	(1,468)	(2,017)	37%
Income before income tax	1,997	1,983	1,486	1,665	12%	(17%)	5,227	5,134	(2%)
Net income -Bank	1,610	1,484	1,184	1,347	14%	(16%)	4,309	4,015	(7%)
Diluted EPS	1.90	1.75	1.40	1.59	14%	(16%)	5.09	4.74	(7%)
CI - Bank	1,766	799	1,629	1,458	(11%)	(17%)	4,260	3,886	(9%)
Headcount	4,640	4,539	4,484	4,343	(3%)	(6%)	4,640	4,343	(6%)

COMMERCIAL BANKING BUSINESS

Loan Growth

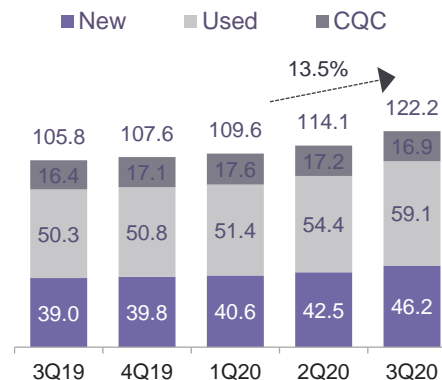
Gross Loan Composition

Baht in billion

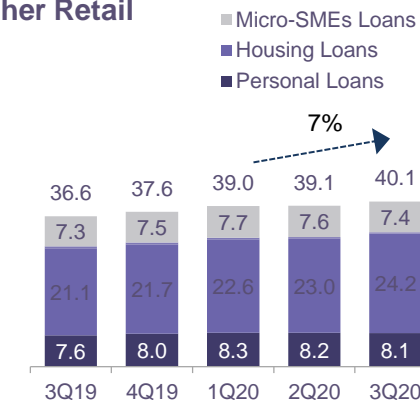


Retail Loans

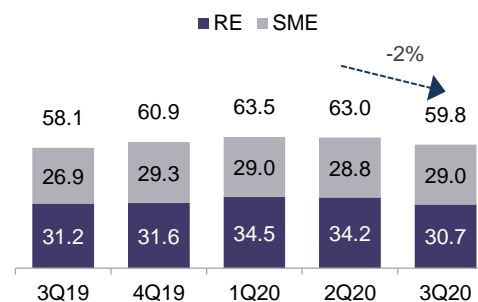
Hire Purchase



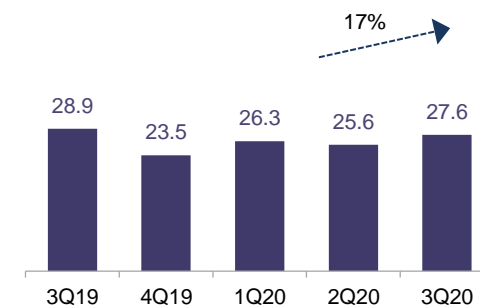
Other Retail



Commercial Lending



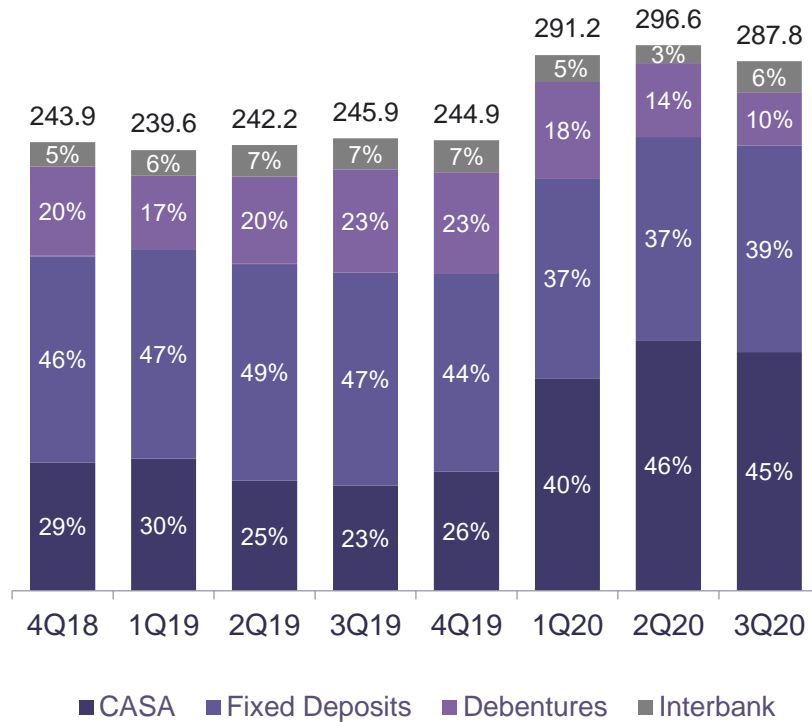
Corporate Banking



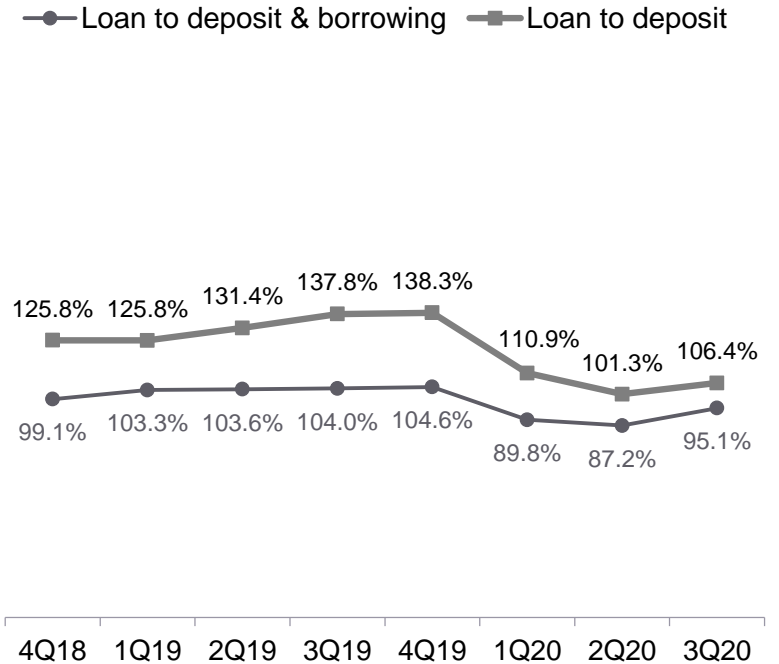
Funding & Liquidity

Interest Bearing Debt

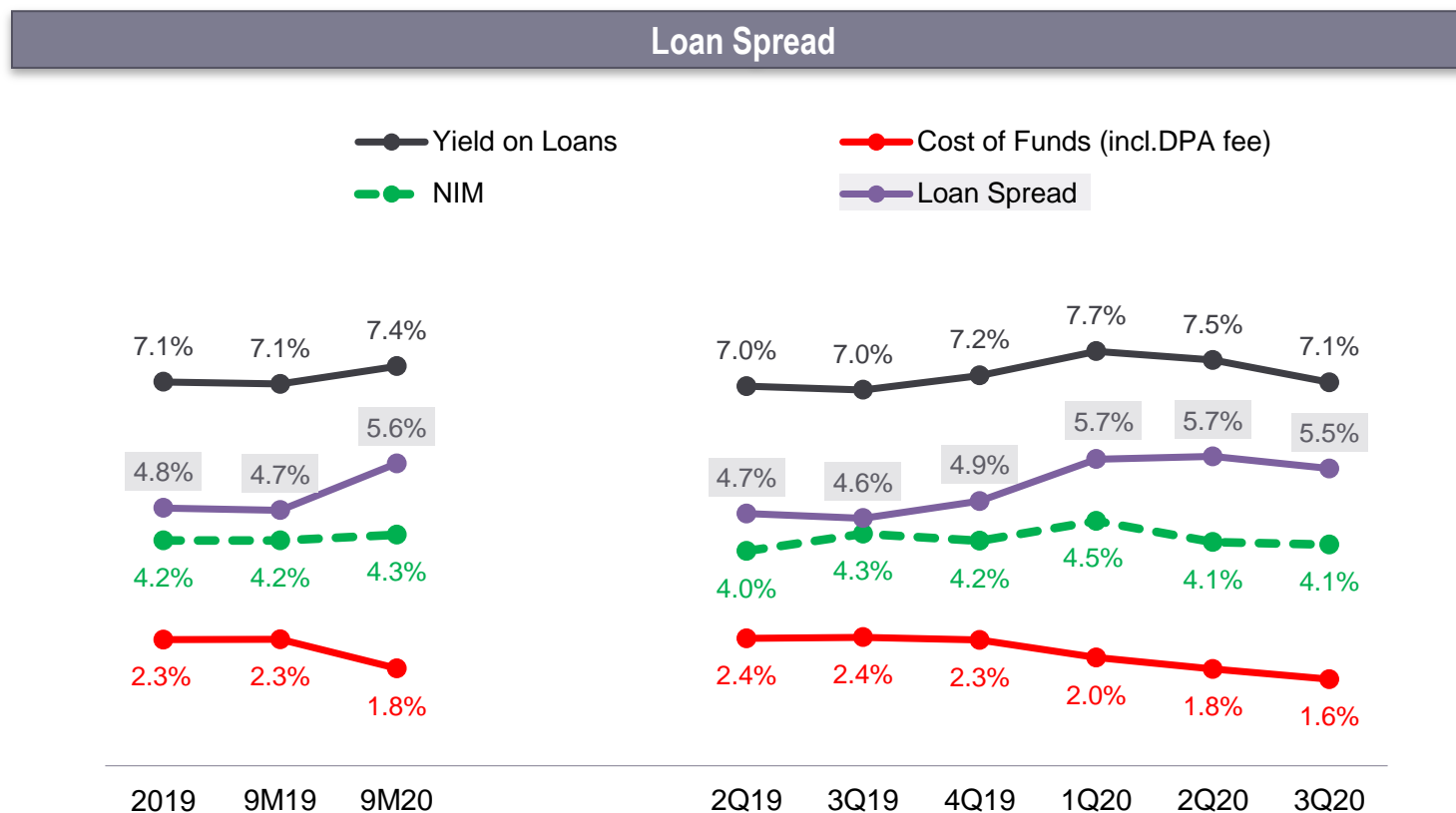
Baht in billion



Loan to Deposit & Borrowing



Loan spread

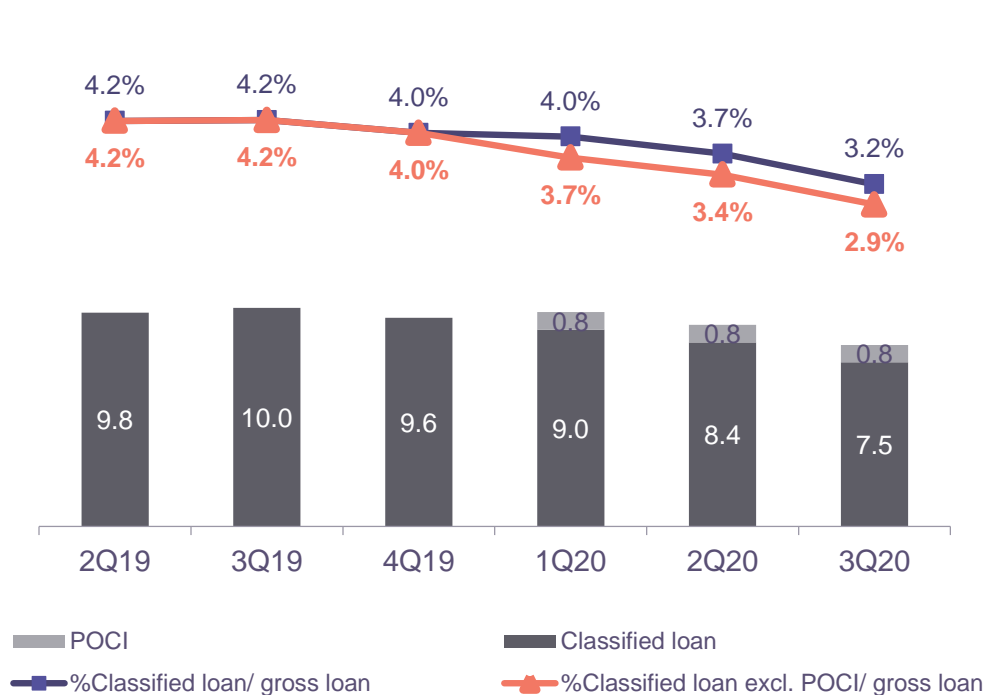


NIM = Net interest income / Average earning assets including Interbank, investment in securities, investment in loans, loans net deferred revenue

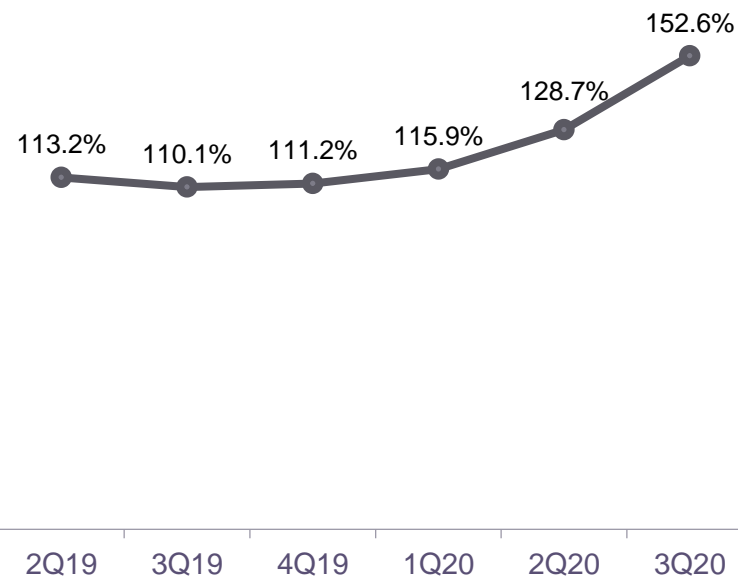
Asset Quality

Total Non-Performing Loans

Baht in billion



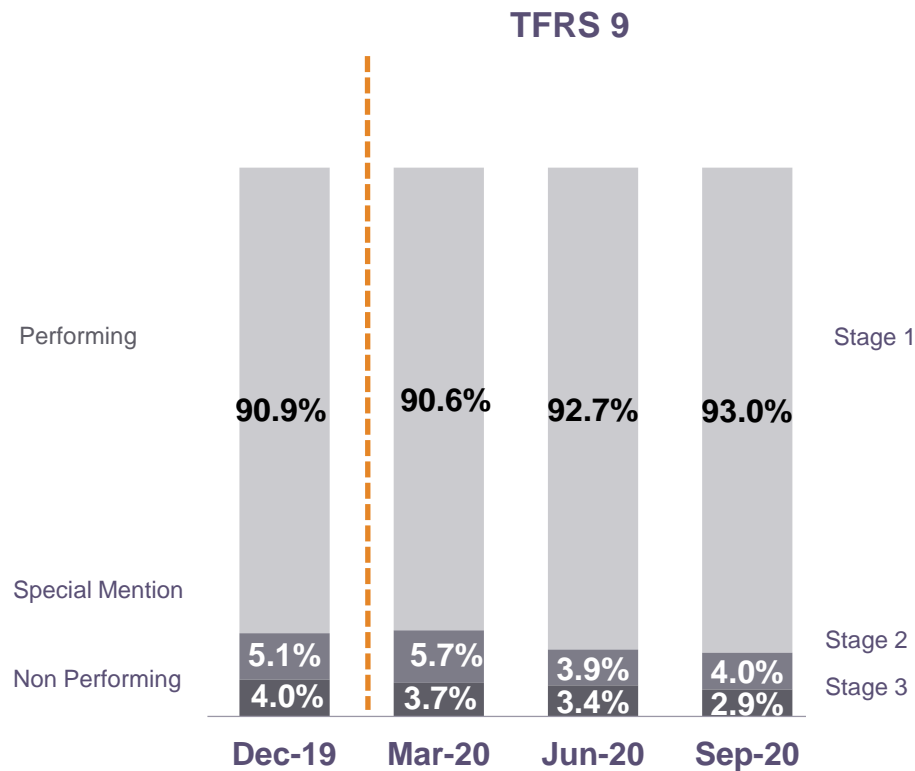
Total Allowance / NPLs



- Reclassification under TFRS 9 for Financial Assets classified as **Purchased or originated credit impaired (POCI)** from previous classification under Investment in loans

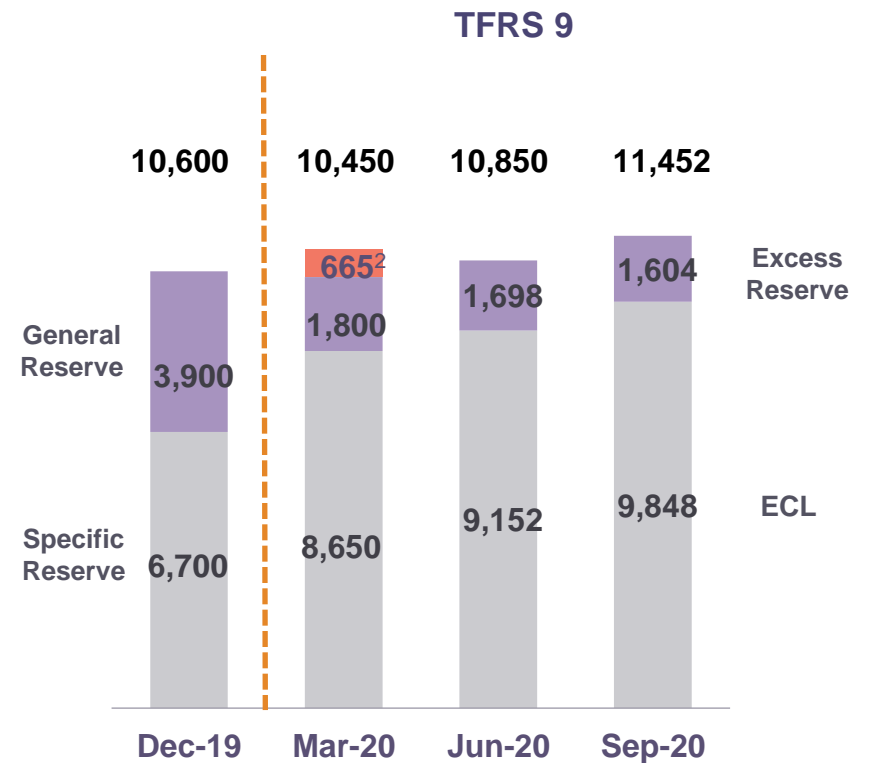
Loan classification and Allowance for ECL

Loan Classification ¹



Allowance

Baht million

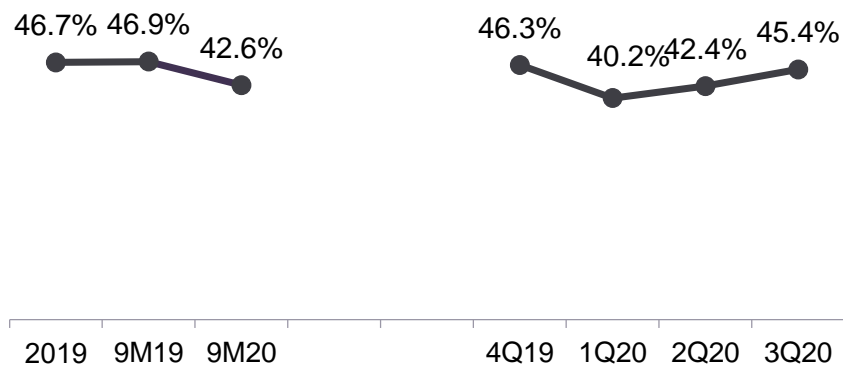


1/ Principle balance and exclude Purchased or originated credit impaired loans (POCI)

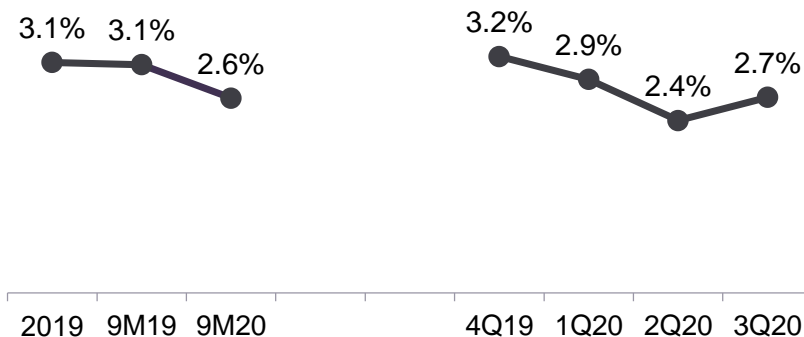
2/ Allowance for NPA not included in Allowance for ECL

Efficiency ratio

Cost to Income¹



Cost to Earning Assets² (annualized)



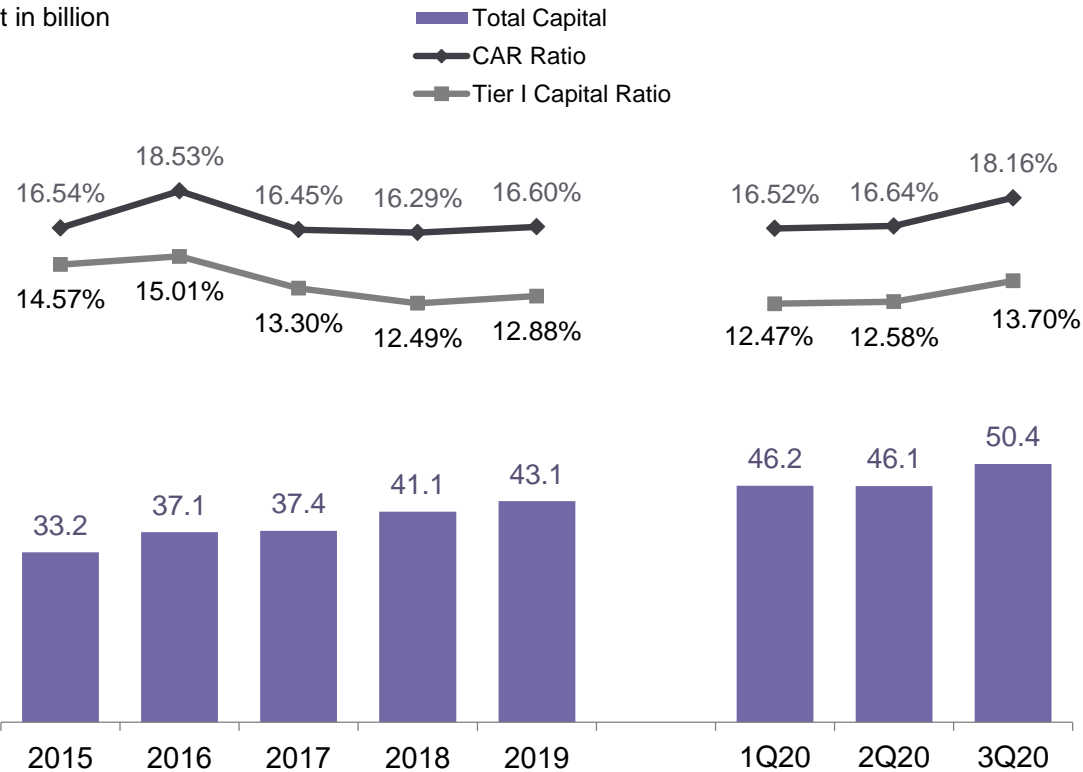
1/ Operating expense (excl. Loss from fair value adjustment and G/L from sale of foreclosed assets)/ Net revenue (incl. G/L from sale of NPA)

2/ Earning assets includes net loan, NPA, Interbank & money markets and Investment in loans & properties

High quality capital

CAR Ratio and Tier 1 Ratio (BankOnly)

Baht in billion



▪ If including net profits up to 3Q 2020

- CAR ratio = 18.70%
- Tier 1 ratio = 14.24%

CAPITAL MARKET BUSINESS

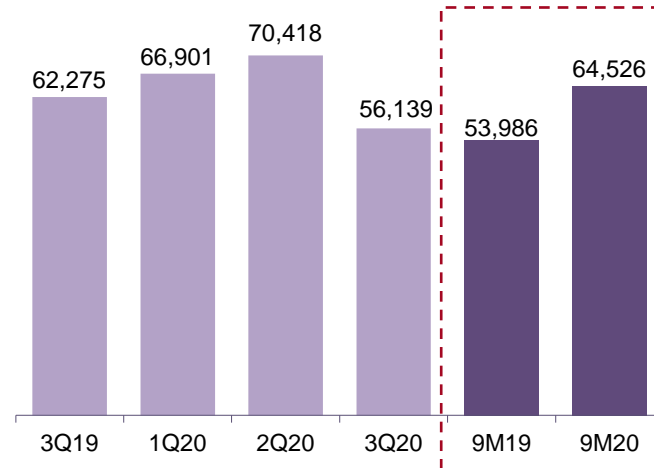
Capital Market Business - Financial Performance Summary

(Baht million)	3Q19	1Q20	2Q20	3Q20	% change q-o-q	% change y-o-y	9M19	9M20	% change y-o-y
Revenue									
Agency Business									
Brokerage fees	411.9	458.4	403.5	339.5	-15.9%	-17.6%	1,047.0	1,201.4	14.7%
Fee and service income	422.8	463.0	251.6	380.1	51.1%	-10.1%	1,183.4	1,094.7	-7.5%
Agency Business	834.7	921.4	655.1	719.6	9.8%	-13.8%	2,230.4	2,296.1	2.9%
Investment Business	332.7	478.0	231.7	153.8	-33.6%	-53.8%	566.0	863.5	52.6%
Other Income	82.9	112.4	97.4	101.0	3.7%	21.8%	242.0	310.8	28.4%
Total Revenue	1,250.3	1,511.8	984.2	974.4	-1.0%	-22.1%	3,038.4	3,470.4	14.2%
Total Expenses	746.6	781.6	745.1	804.1	7.9%	7.7%	2,109.7	2,330.8	10.5%
Net Profit	402.6	587.1	188.0	136.3	-27.5%	-66.1%	730.1	911.4	24.8%
Total other comprehensive income	83.0	(612.5)	352.3	165.7	-53.0%	99.6%	91.5	(94.5)	-203.3%
Total comprehensive income									
for the period	485.6	(25.4)	540.3	302.0	-44.1%	-37.8%	821.6	816.9	-0.6%

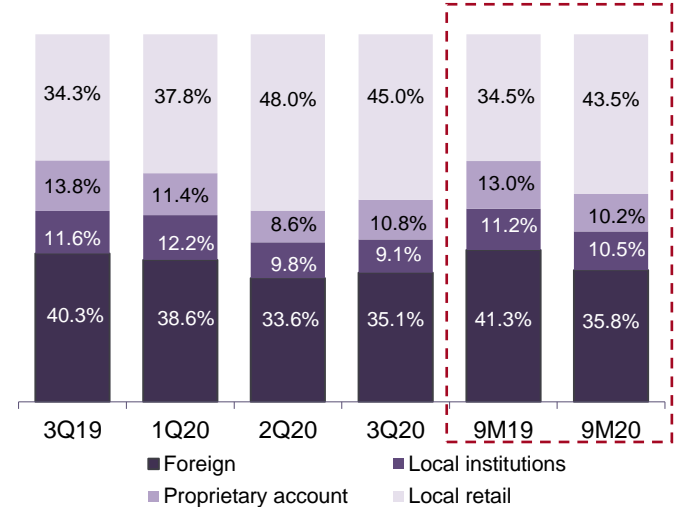
Agency Business – Equity Brokerage Business

- Daily average trading of market in 3Q20 was Baht 56,139 million, decreased 20% from 2Q20, decreased 10% from 3Q19
- KKPS's daily average trading value in 3Q20 was Baht 13,288 million, ranking no.1

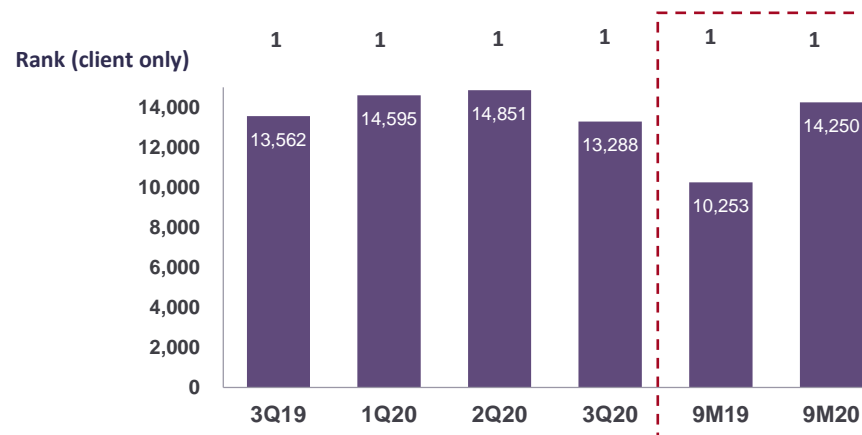
Market Daily Average Trading Value (Bt million)



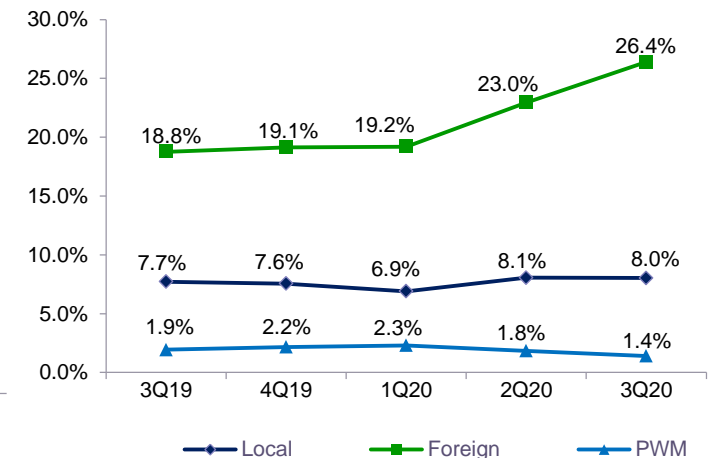
Breakdown of client of SET & MAI



Daily Average Trading Value (Bt million)



Market share - Segmented by Investor

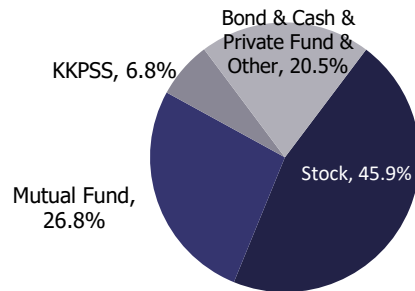


Agency Business

HNW's Asset Base

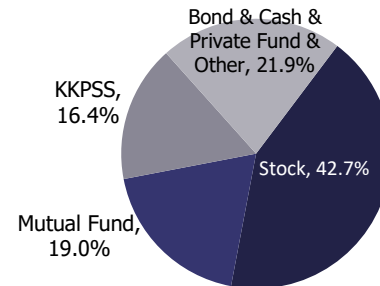
Y2019

Total: Baht 575 billion



9M2020

Total: Baht 548 billion



- Our Asset under Advise (AUA) down 5% in 9M20 and has net new money amount Baht 51,825 million

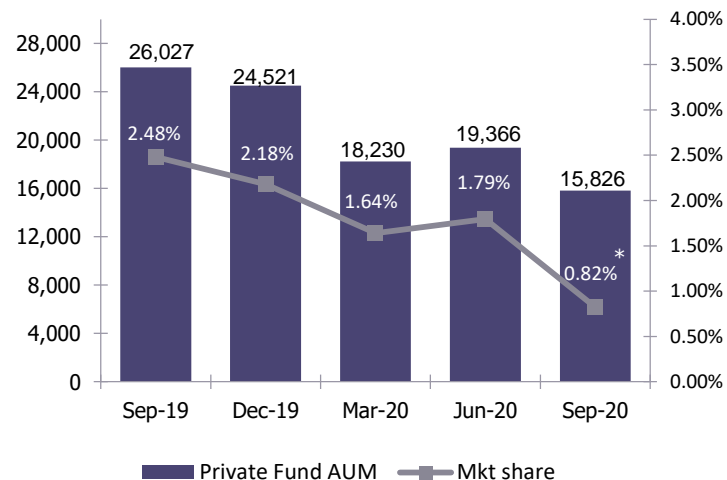
Average Yield

0.22%

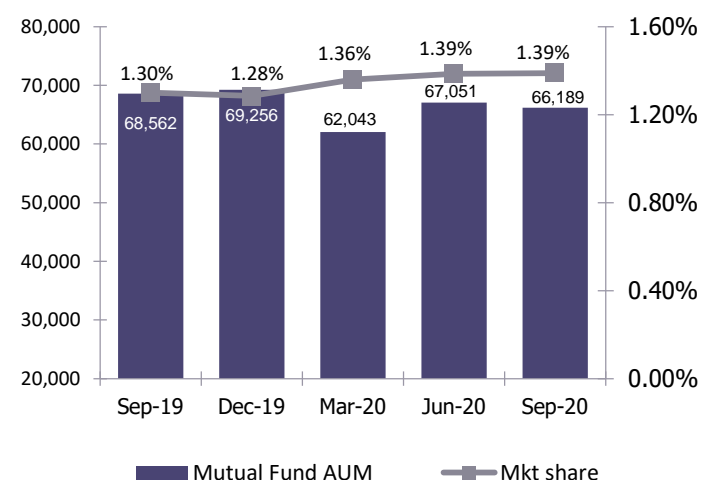
0.23%

Asset Management Business

Private Fund



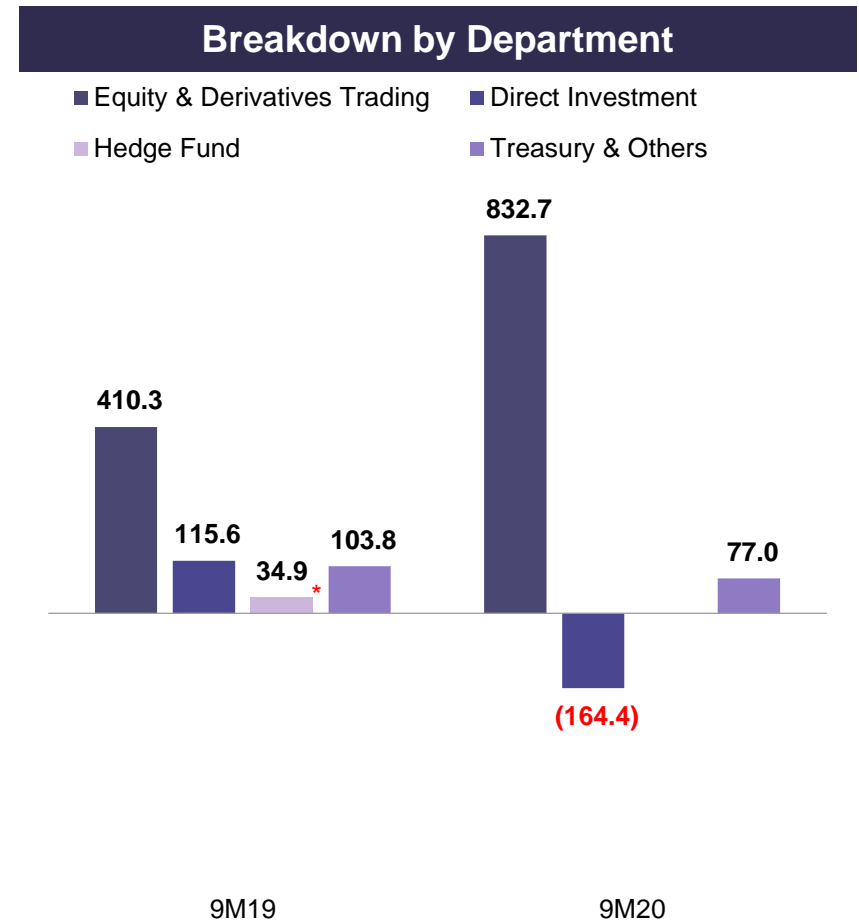
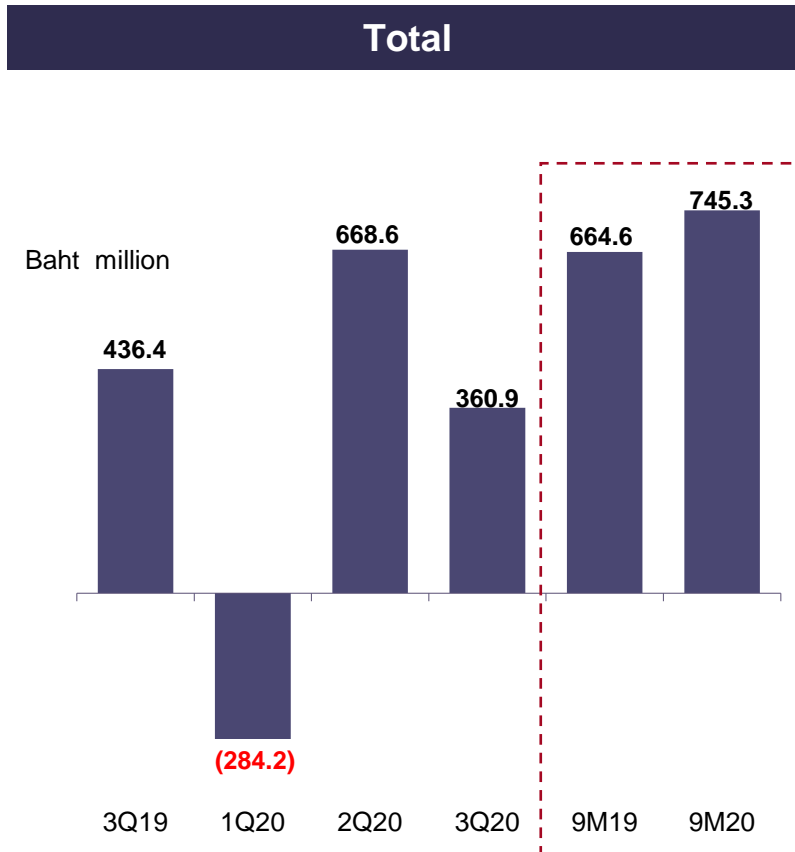
Mutual Fund



* Market share in Sep 2020 is calculated by using Aug's market data

Investment Business

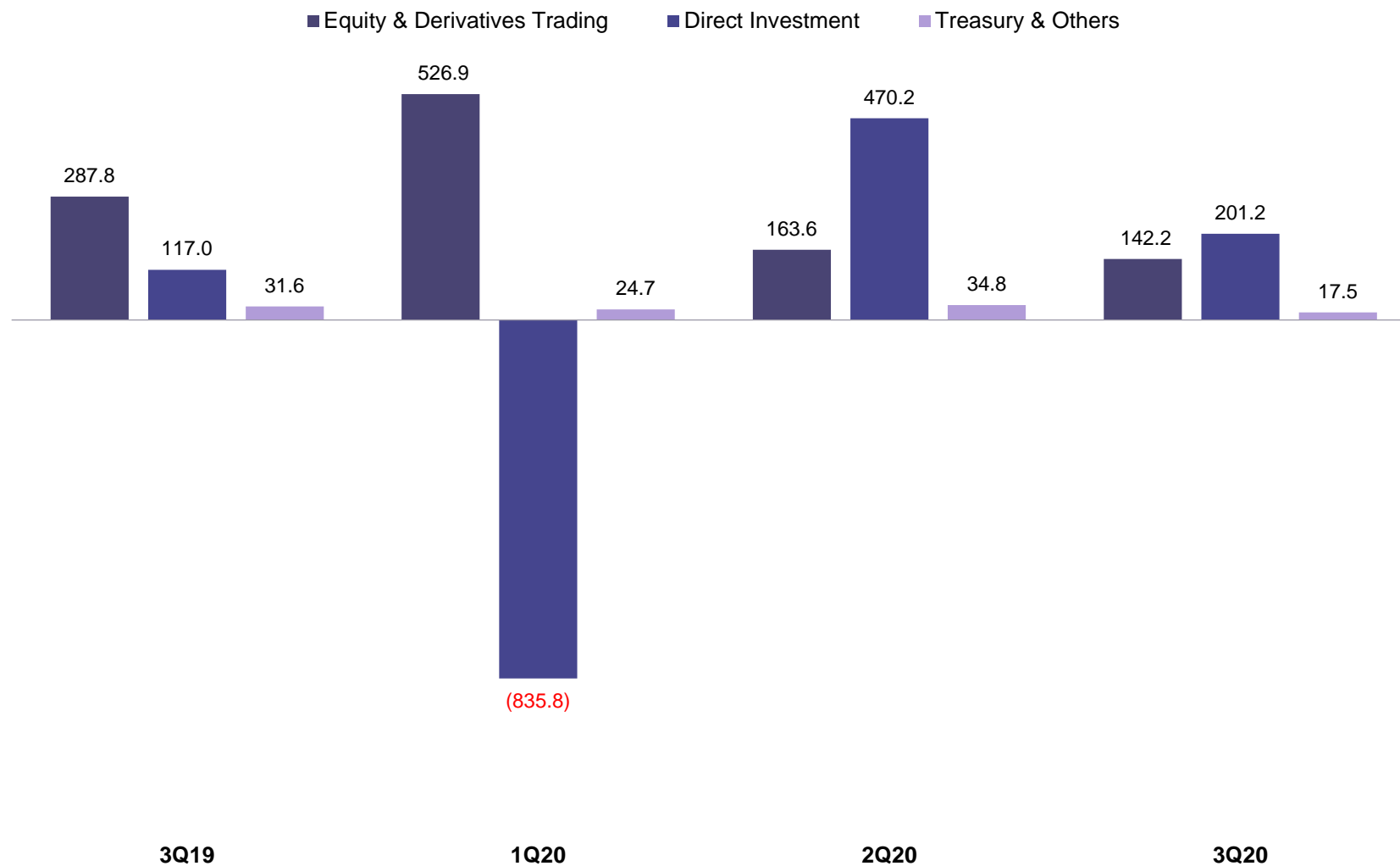
Comprehensive Revenue



* The operations of the Hedge Fund business will be ceased from 1Q19 onwards.

Investment Business

Revenues breakdown by quarter

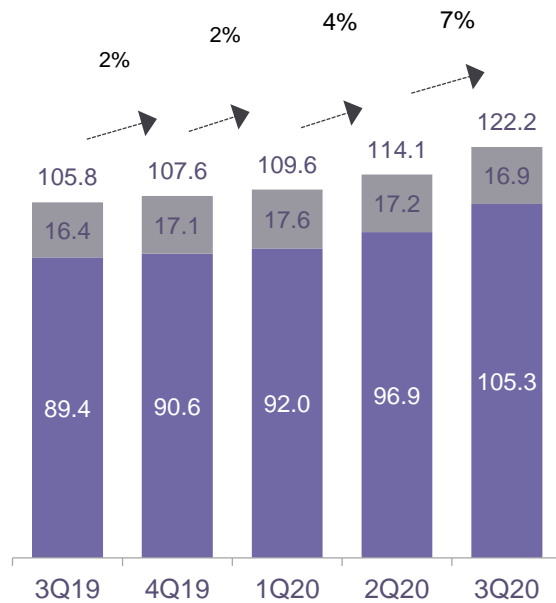


APPENDIX

Loans

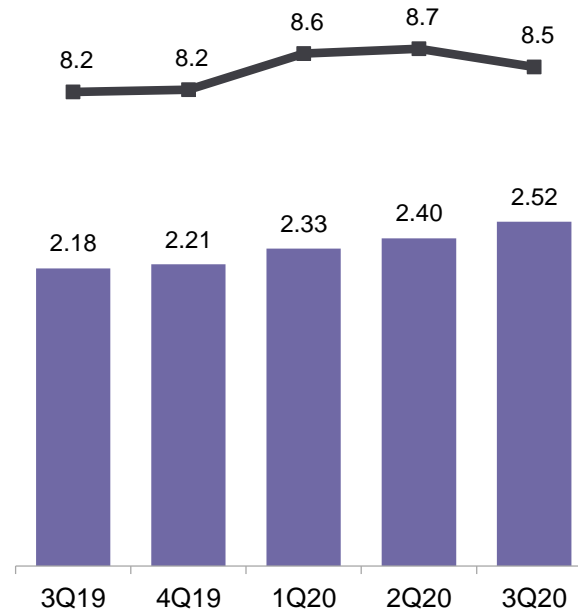
Baht in billion

■ New & Used ■ CQC ■ % loan growth



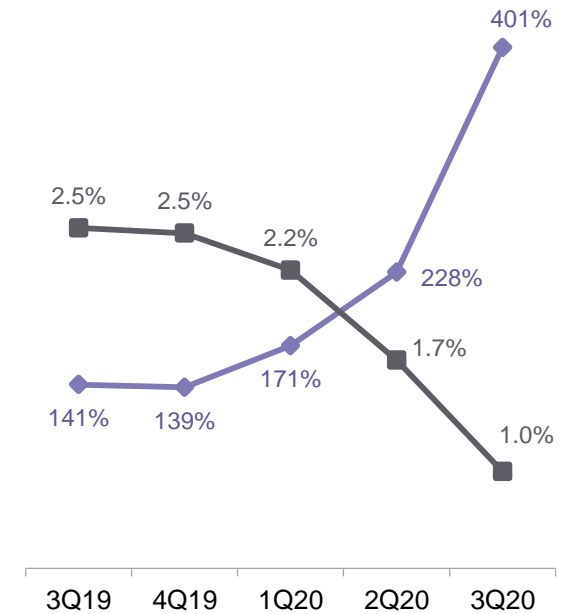
Loan Yield

Baht in billion



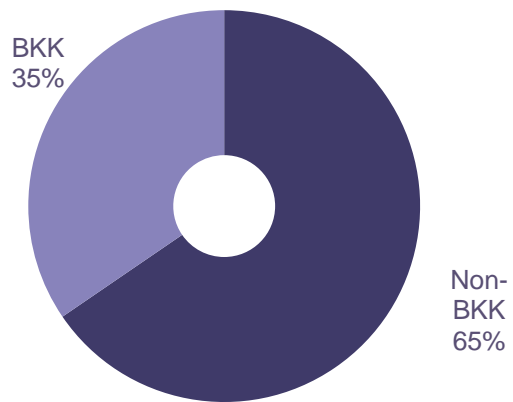
Portfolio Quality

◆ % Coverage ratio ■ % Classified loans

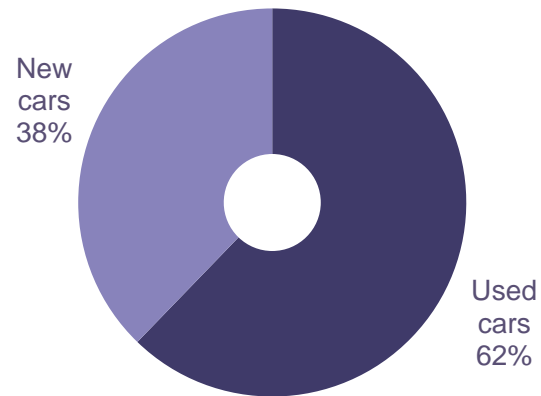


HP portfolio breakdown

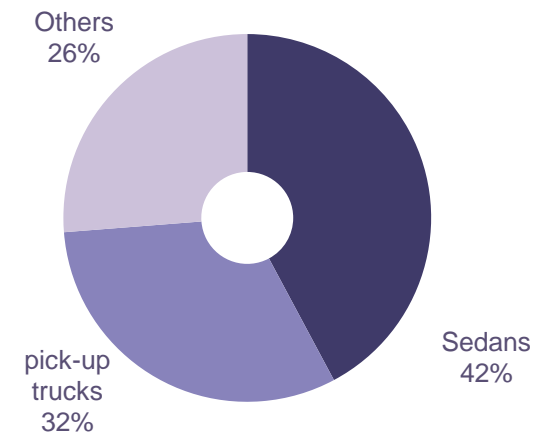
by location



by class



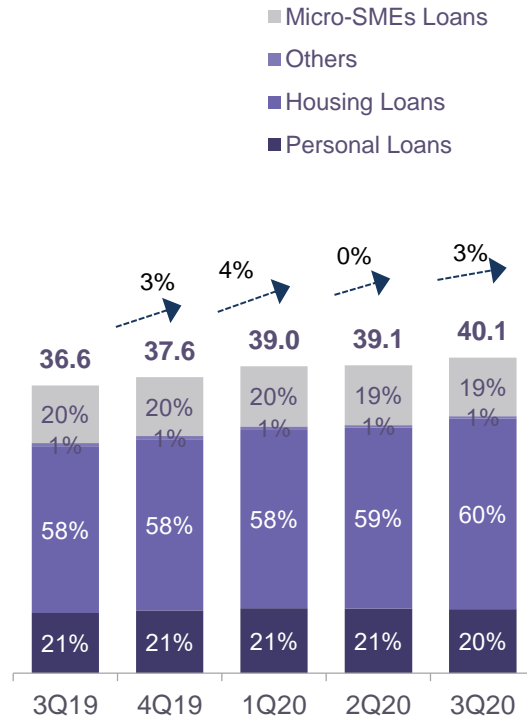
by car type



Other Retail Loans

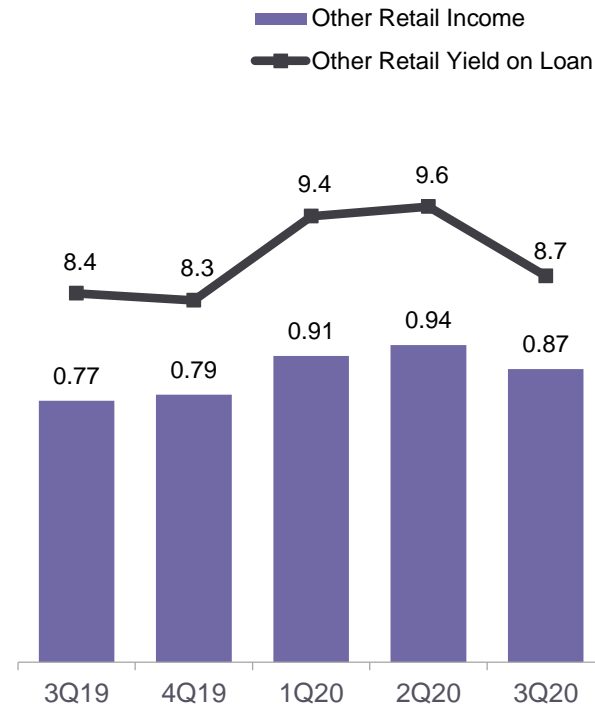
Loans

Baht in billion



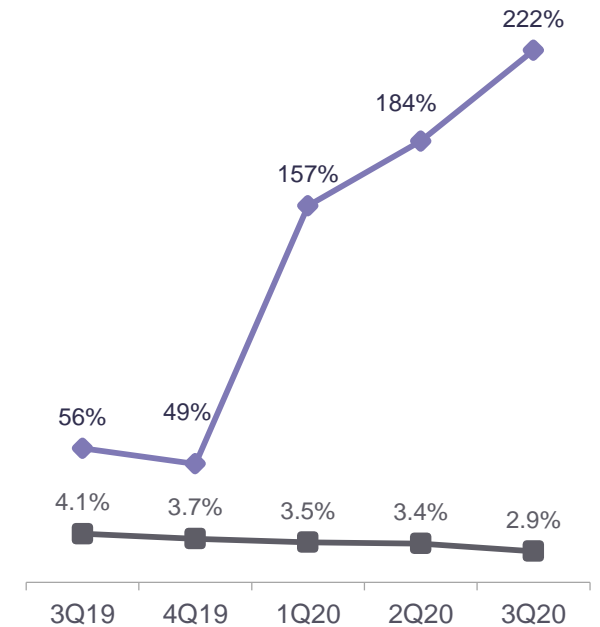
Loan Yield

Baht in billion



Portfolio Quality

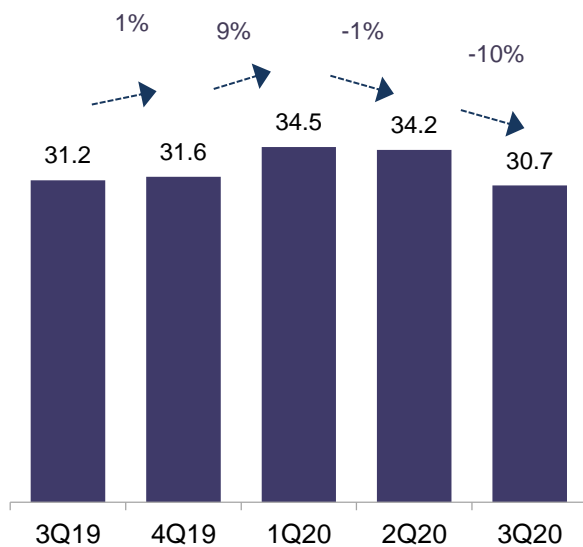
% Coverage ratio (blue line with diamond markers), Classified loans (black line with square markers)



Real Estate Development (RE)

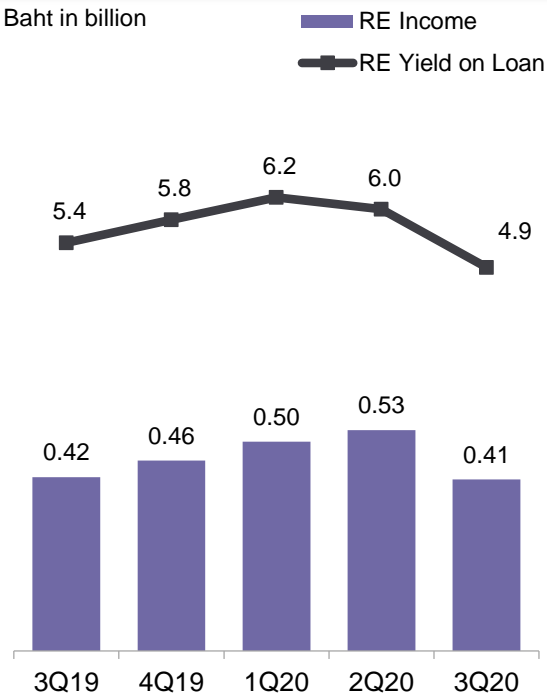
Loans

Baht in billion



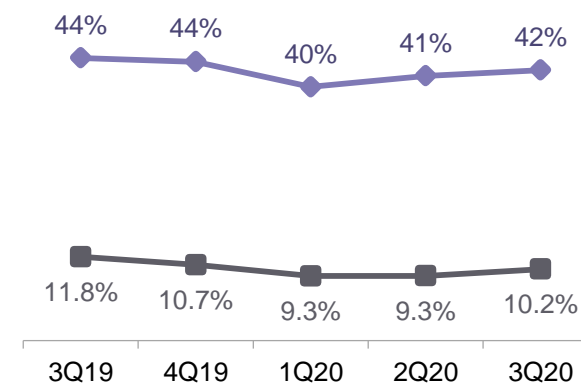
Loan Yield

Baht in billion



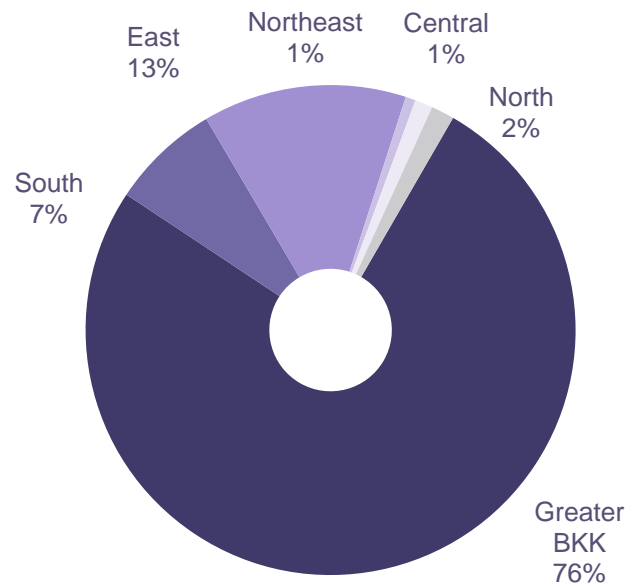
Portfolio Quality

% Coverage ratio % Classified loans

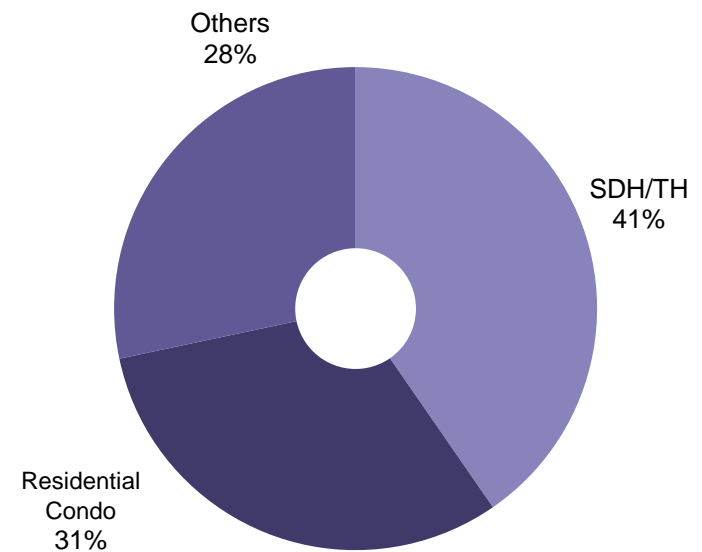


RE portfolio breakdown

by location



by class

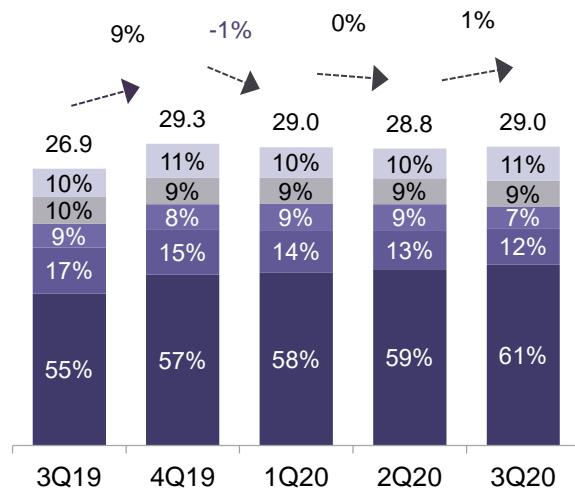


SME

Loans

Baht in billion

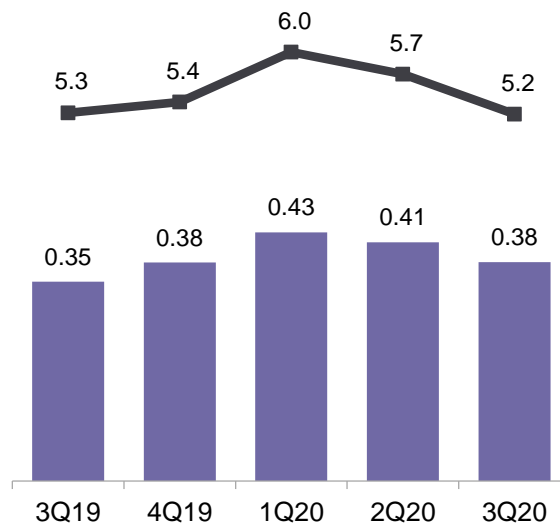
- Construction & Machinery
- CI1
- CI2
- Logistics
- Apartment and Hotel



Loan Yield

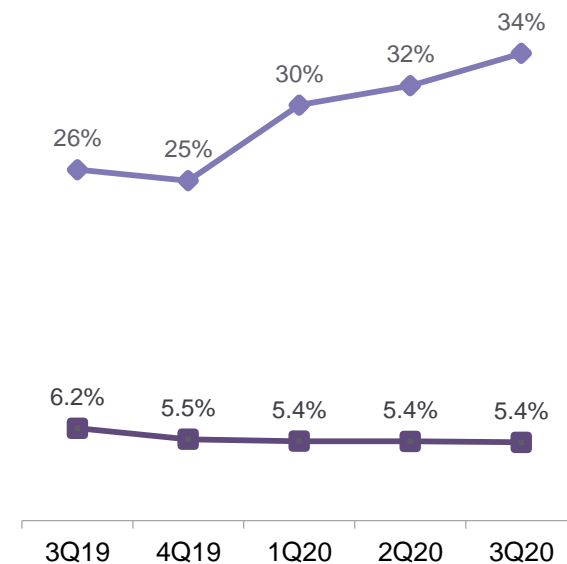
Baht in billion

- Income
- Yield on Loan



Portfolio Quality

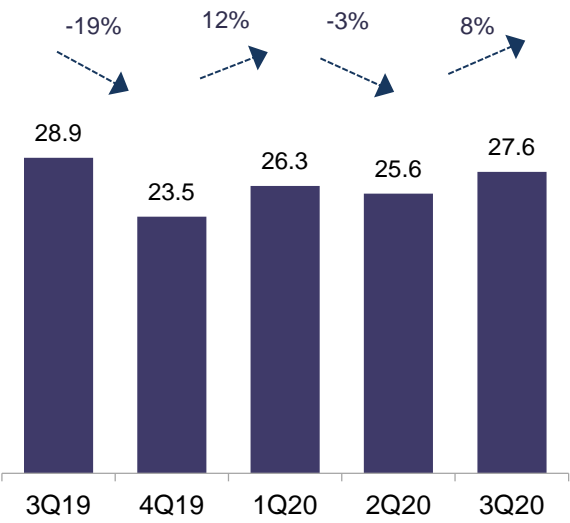
- % Coverage ratio
- % Classified loans



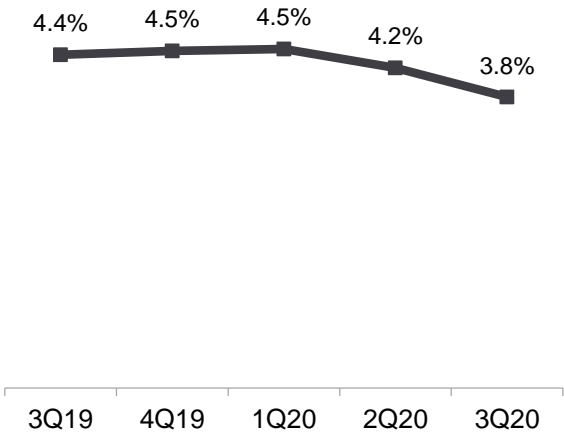
Corporate

Loans

Baht in billion

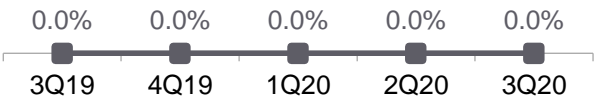


Loan Yield



Portfolio Quality

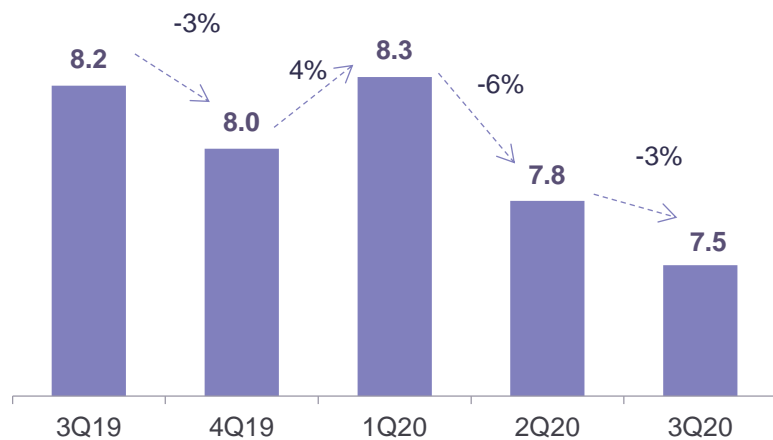
■ %Classified loans



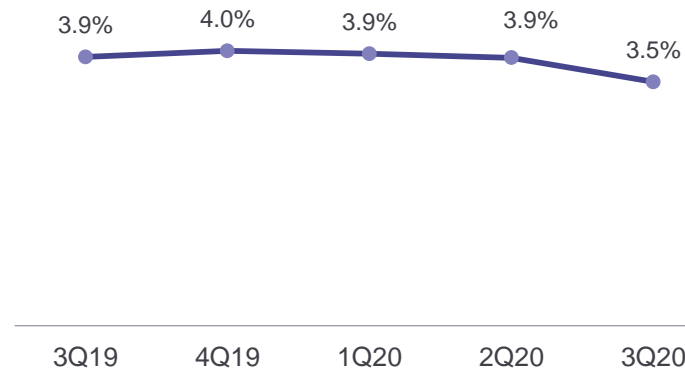
Lombard Loan

Loans

Baht in billion



Loan Yield



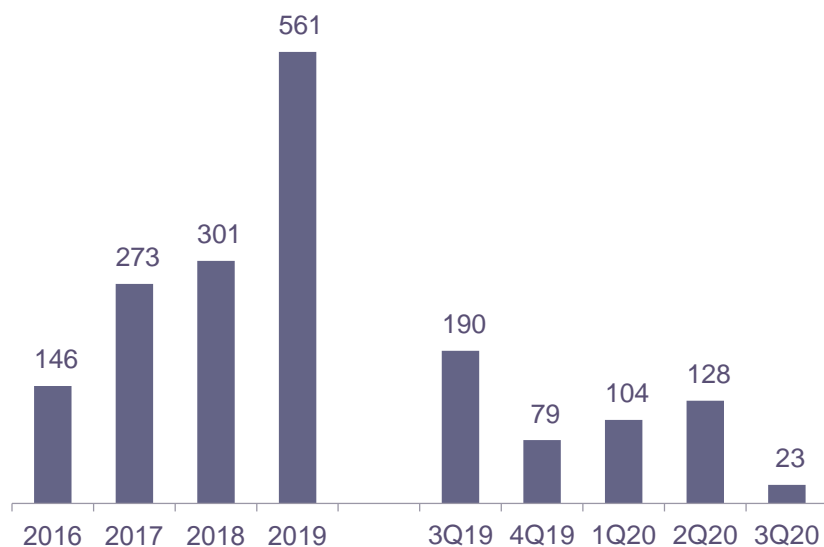
Highlights

- Multi-purpose credit facility for Wealth Management clients using financial assets as collateral

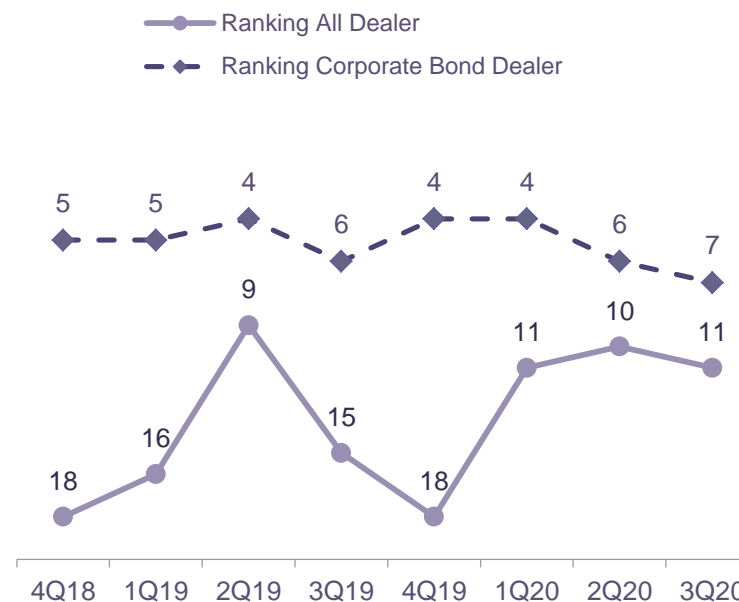
Financial Markets

Revenue

Baht in million



Ranking



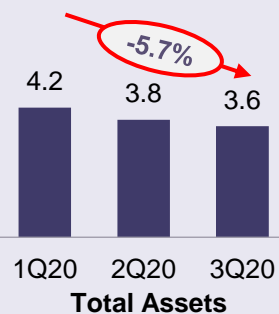
Highlights

- Offering more comprehensive banking products and services
- Focus on collaborations within the business group to expand KKP wholesale banking business

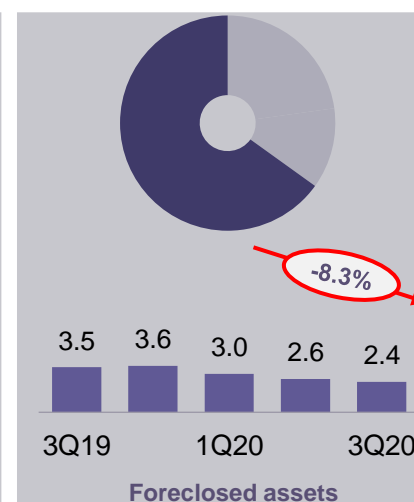
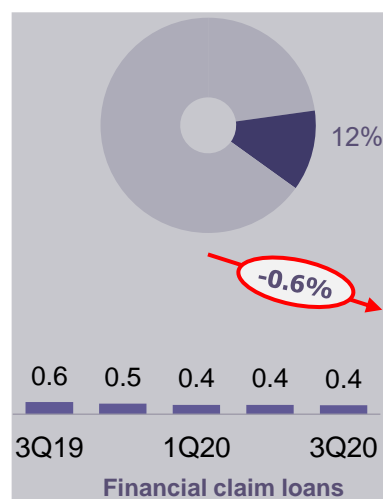
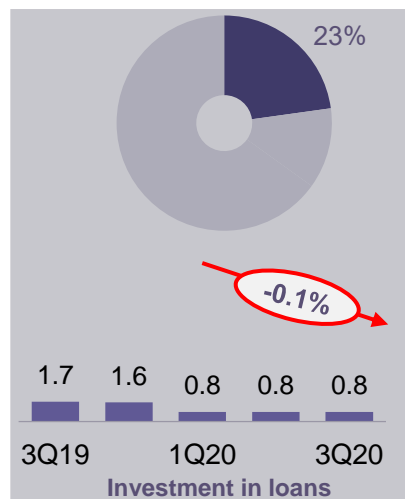
SAM

Assets

Baht in billion

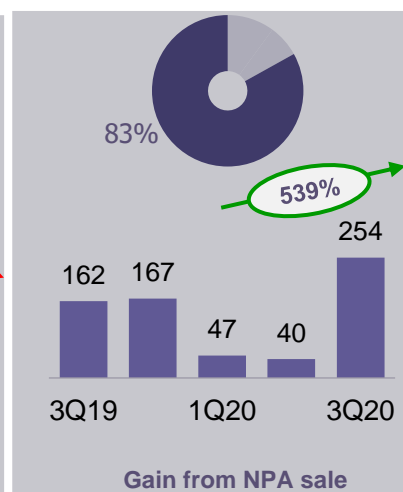
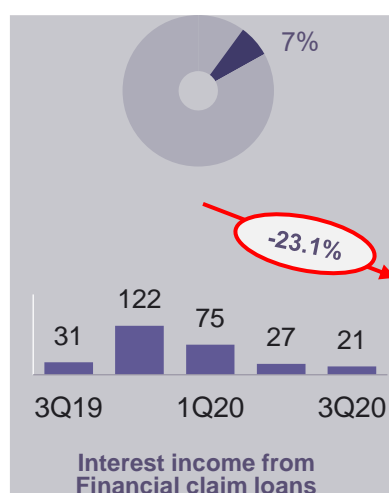
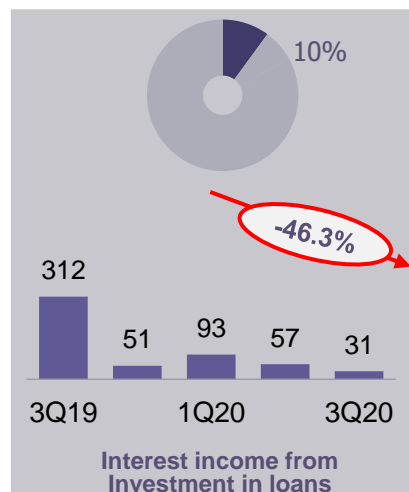
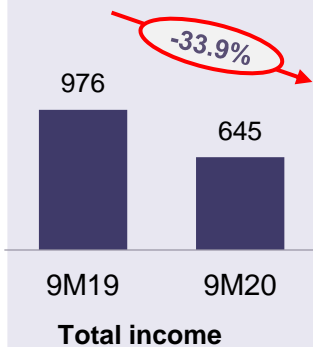


* Excluded POCI Assets



Income

Baht in million



- After implementation of TFRS 9, investment in loans have been classified under Purchased or originated credit impaired (POCI) loans

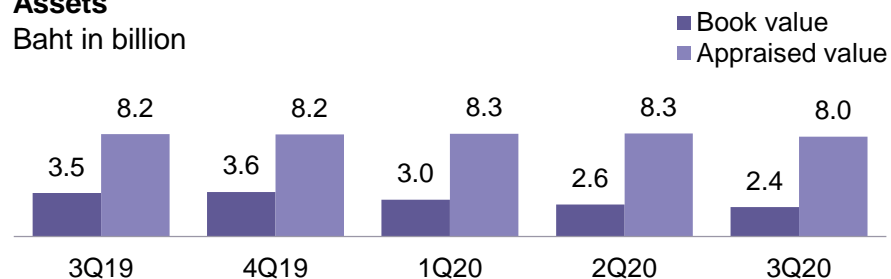
SAM: foreclosed assets

Trend and Outlook

Foreclosed assets (including RE)

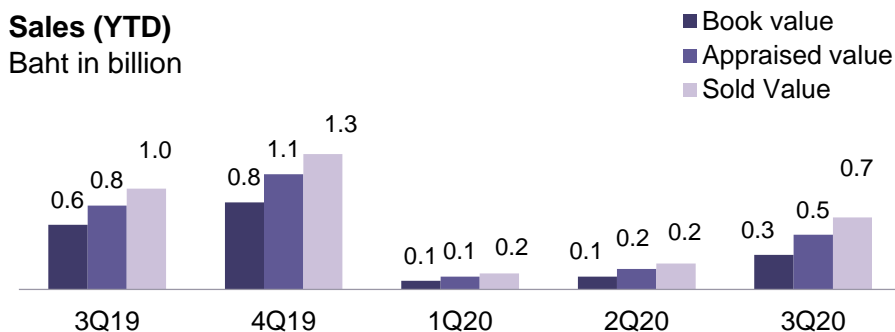
Assets

Baht in billion



Sales (YTD)

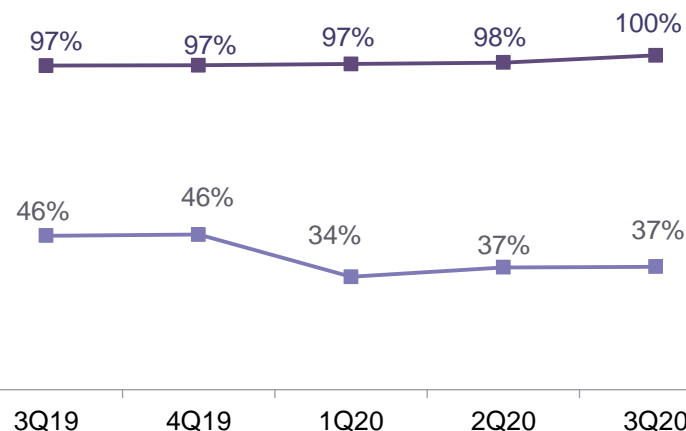
Baht in billion



Financial claim loans

Portfolio Quality

— % Coverage ratio
— % Classified loans



Highlights

- Appraised value of foreclosed assets significantly higher than book value; this is reconfirmed by the sales value being consistently higher than book value of assets sold

Foreclosed assets* sold and appraised value

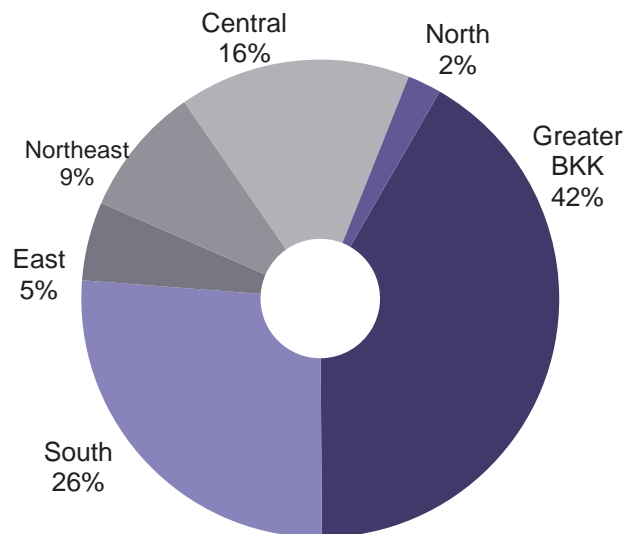
Baht in million

Year	Assets sold	Appraised value	Sold/Appraised
2000	192	212	91%
2001	458	405	113%
2002	1,521	1,340	114%
2003	2,819	2,839	99%
2004	878	913	96%
2005	593	617	96%
2006	738	685	108%
2007	1,960	1,850	106%
2008	2,973	2,686	111%
2009	2,959	2,970	100%
2010	3,958	3,957	100%
2011	3,175	2,955	107%
2012	3,209	2,875	112%
2013	2,777	2,535	108%
2014	2,222	2,088	106%
2015	1,599	1,308	122%
2016	2,633	2,375	111%
2017	987	763	129%
2018	1,378	1,111	124%
2019	1,297	1,102	118%
1Q20	153	124	123%
2Q20	250	197	127%
3Q20	689	526	131%
Total	39,417	36,433	108%

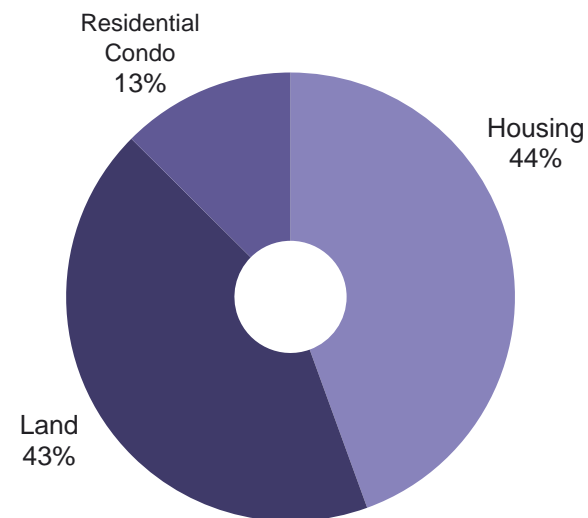
*Includes foreclosed assets from RE business

Foreclosed assets breakdown

by location



by class



Investor Relations

Kiatnakin Phatra Financial Group

KIATNAKIN PHATRA BANK PUBLIC COMPANY LIMITED

209, KKP Tower A, 9th Floor

Sukhumvit 21 (Asoke)

Klongtoey-nua, Wattana

Bangkok 10110

Tel. (662) 495-1366

Fax: (662) 495-1253

E-mail : investor_relations@kkpfg.com

<http://www.kkpfg.com>

Disclaimer: This presentation contains some information from other sources, Kiatnakin Phatra Financial Group cannot confirm, in all cases, the accuracy and completeness of such data, particularly where the data sourced from outside the Group. In addition, any forward looking statements are subject to change as a result of market conditions and the final result may be different to that indicated. The Group makes no representation or warranty of any type whatsoever on the accuracy or completion of the information contained herein.