

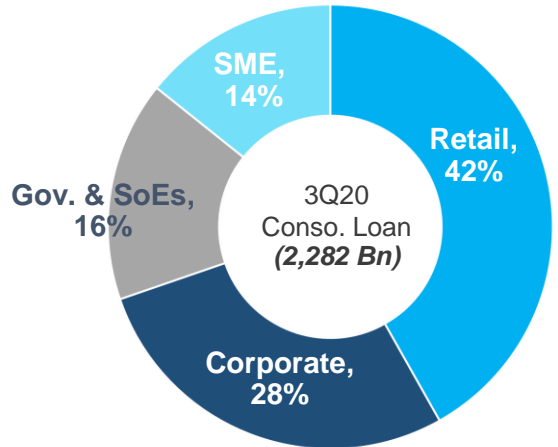


Investor Presentation
3Q2020 & 9M2020 Financial Results

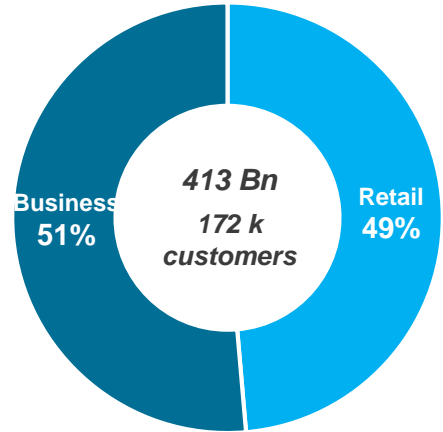
COVID Relief Measures

18% of Loan Under COVID-19 Relief Measures as of Sep20 – a similar level as Jun 20

Loan Breakdown



COVID-19 Relief Measure Loan



Jun 20: 401 Bn or 18% of loan under COVID-19 relief measures

3Q20 Highlights: *Building up Provision with Prudence*

3Q20 Highlights:

- Loan growth (YTD) mainly derived from government and retail customers
- Improving CoF while continuing NIM pressure YoY in the low interest rate environment (5 times rate cut YoY)
- Better NPL ratio (gross) from improved NPL formation together with a change in subsidiary's write-off policy; Stage 2 portion also improved
- Strengthening provision with prudence based on economic slowdown and uncertainties
- Increasing non-fee YoY from share of profit from investments for using equity method (Insurance Business) though decreasing QoQ from gain on sale of properties from sales in 2Q20
- Non-NII contraction QoQ and YoY given gain on sale of properties from sales in 2Q20 and continual challenges on fees due to digital channel migration
- Better OPEX and C/I YoY from lower employees' expenses (provision on employees' benefits in 3Q19) while weakening QoQ from impairment loss on properties for sale; Normalized C/I on a pressure QoQ and YoY during low interest rate environment
- Maintain solid capital level above BOT's requirement

3Q20 Highlights:

Profitability

	3Q20	QoQ	YoY	9M20	YoY
Net profit (THB mn) ⁽¹⁾	3.1	-18.6%	-51.9%	13.3	-39.2%
PPOP (THB mn)	16.6	-17.5%	+16.0%	54.1	+12.4%
ROE ⁽¹⁾	3.59%	-95 bps	-412 bps	5.24%	-386 bps
ROA ⁽¹⁾	0.39%	-9 bps	-50 bps	0.58%	-45 bps
Total income (THB mn)	30.3	-6.7%	-0.5%	93.7	-0.4%
NIM	2.82%	-27 bps	-26 bps	3.09%	-24 bps
<i>NIM⁽²⁾</i>	<i>2.66%</i>	<i>+4 bps</i>	<i>-42 bps</i>	<i>2.88%</i>	<i>-26 bps</i>
Non-NII (THB mn)	8.7	-3.4%	-6.4%	25.7	-2.9%
Cost/income ratio	45.3%	+716 bps	-777 bps	42.2%	-657 bps
<i>Cost/income ratio⁽²⁾</i>	<i>47.2%</i>	<i>+441 bps</i>	<i>+193 bps</i>	<i>44.4%</i>	<i>+153 bps</i>

Asset Quality & Stability

	Sep'20	QoQ	YTD
Loan (THB bn) ⁽³⁾	2,281	-0.2%	+9.2%
NPL ratio (gross)	4.21%	-14 bps	-12 bps
Coverage ratio ⁽⁴⁾	135.6%	+910 bps	+380 bps
CAR	18.83%	-34 bps	-18 bps
Tier 1	15.45%	+9 bps	+27 bps

- (1) Net profit, ROE, ROA represented for equity holders of the bank
(2) Excluding extra items on interest income received from the auction and/or provisions on impairment loss of properties for sale
(3) Loan to customers less deferred revenue under TFRS 9
(4) Coverage ratio = Allowance for expected credit losses (loans, interbank & money market items, loan commitments and financial guarantee contracts) / gross NPLs
As at December 31, 2019, Coverage Ratio = Actual provisioning for loan loss / Gross NPLs

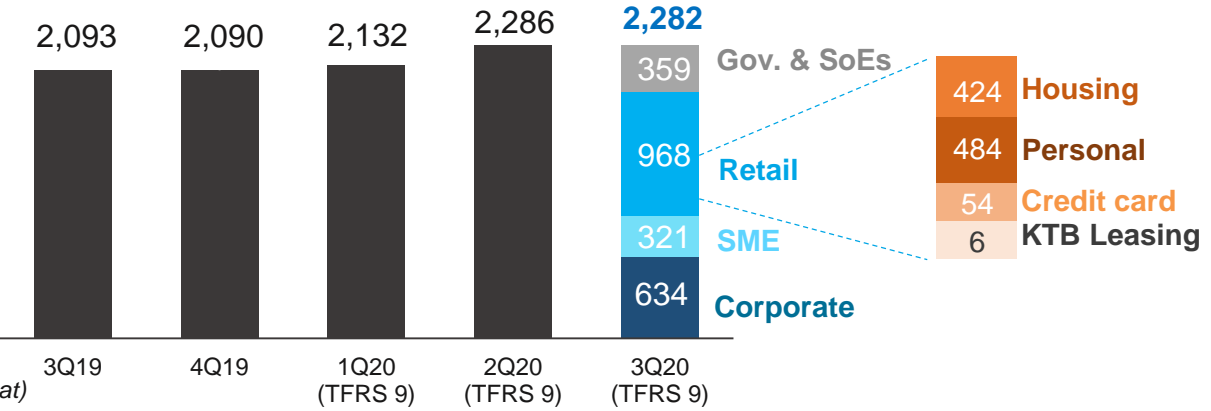
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Loan

Continuing Growth YTD Driven from Government and Retail (Housing & Personal)

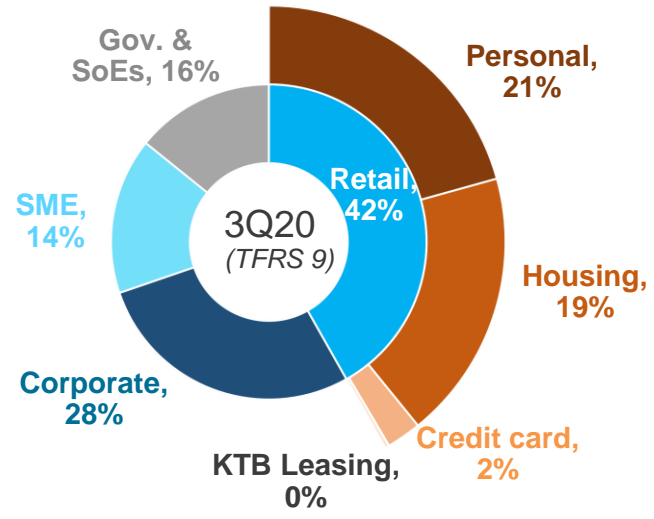
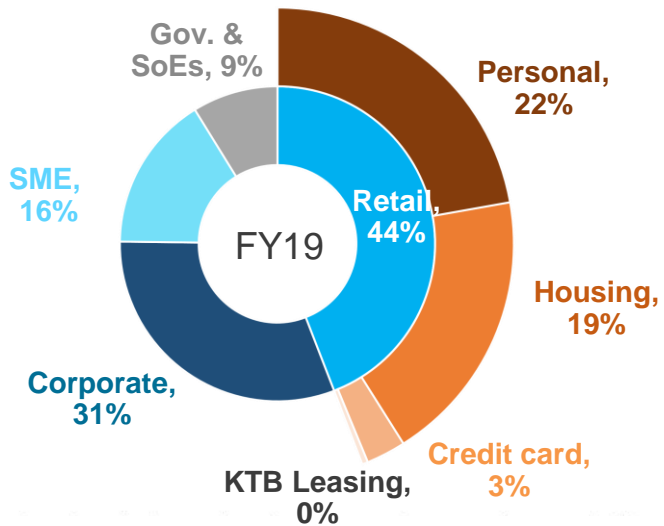
Loan Growth

(THB bn)



Loan Growth by Segment	3Q20 (YTD)
Gov. & SoEs	+95.8%
Retail	+4.7%
Housing	+7.0%
Personal	+4.3%
Credit card	-3.9%
KTB Leasing	-23.1%
SME	-3.4%
Corporate	-2.5%
Total	+9.2%

Loan Breakdown

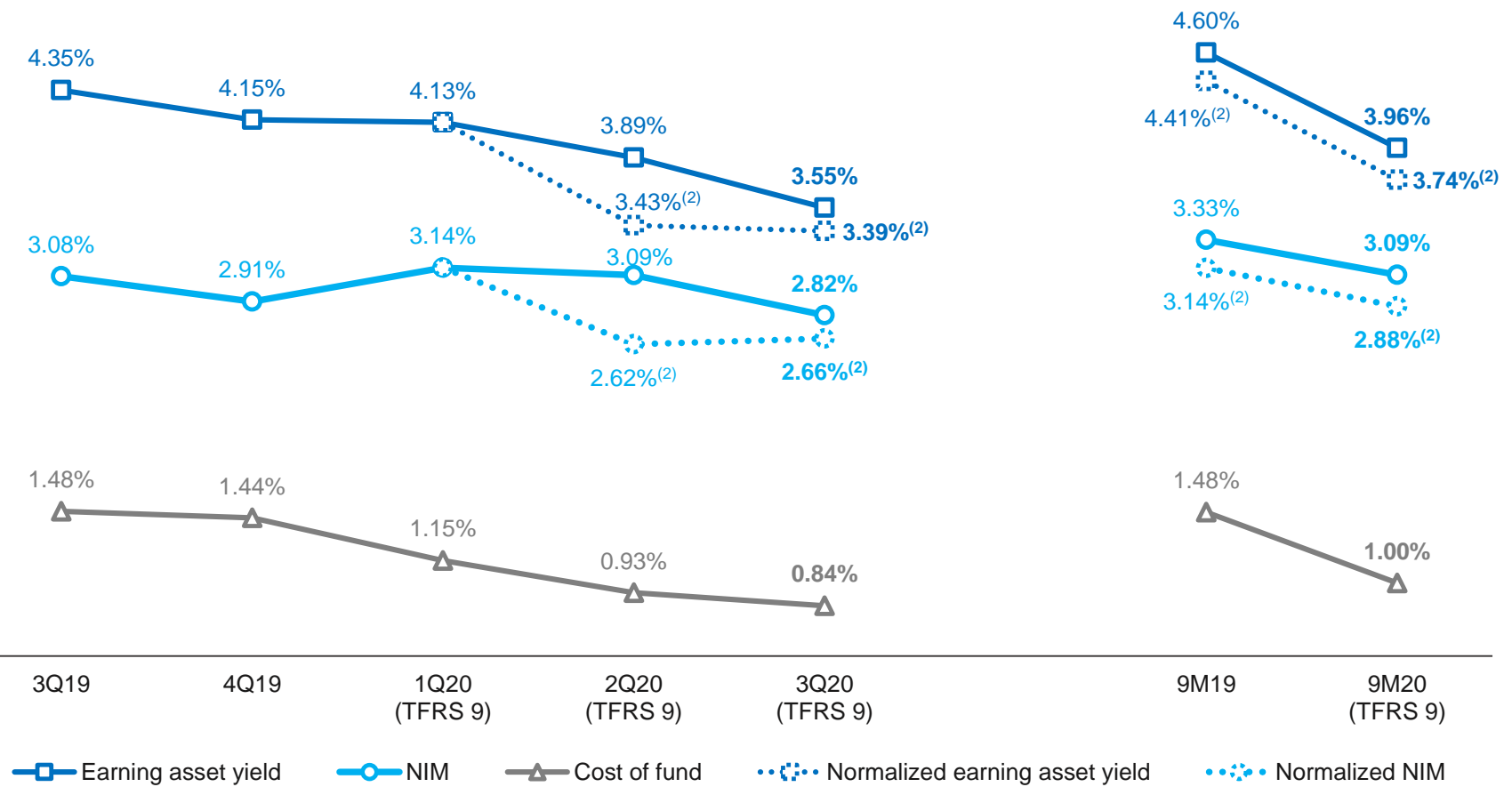


Net Interest Income

Improving CoF Amid Full-quarter Impact of Rate Cut on NIM in 3Q20

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Yield, NIM and CoF



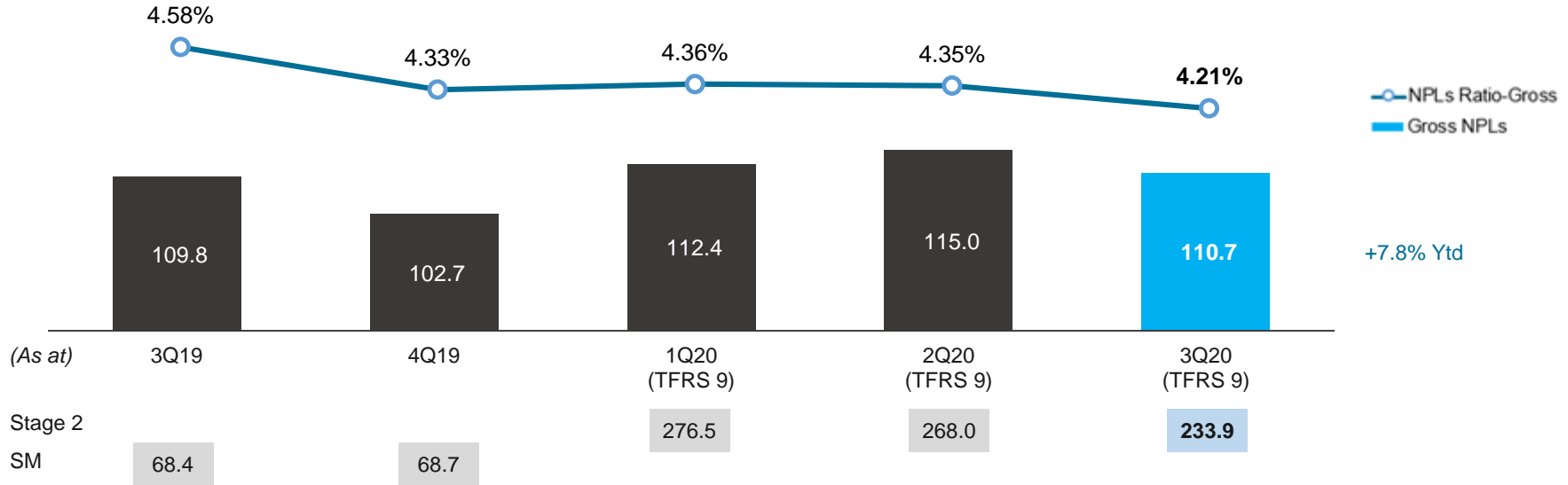
(1) Including extraordinary item: interest income due to the partial payment from the auction of mortgaged guarantee assets amounted Baht 3,899 mn in 1Q19, Baht 3,524 mn in 2Q20 and Baht 1,223 mn in 3Q20.
 (2) Excluding extraordinary item: interest income due to the partial payment from the auction of mortgaged guarantee assets amounted Baht 3,899 mn in 1Q19, Baht 3,524 mn in 2Q20 and Baht 1,223 mn in 3Q20.
 (3) If excluding extraordinary item, net interest income in 3Q20 decreased 3.7% YoY but increased 2.2% QoQ while 9M20 decreased 0.7% YoY.

Asset Quality

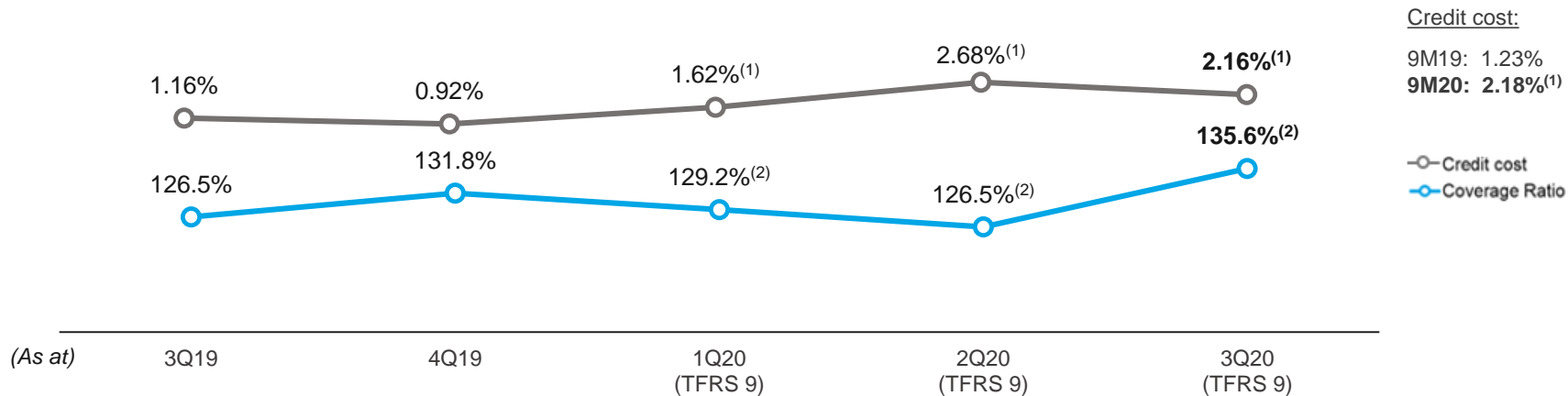
Improved NPL Ratio with Higher Provision Setup in Light of Macro-economic Uncertainties

NPL vs Stage 2

(THB bn)



Provision for Loan Loss and Staging



(1) Credit cost = Expected credit losses (exp) / Average loan to customer less deferred revenue

(2) Coverage ratio = Allowance for expected credit losses (loans, interbank & money market items, loan commitments and financial guarantee contracts) / gross NPLs

Non Interest Income

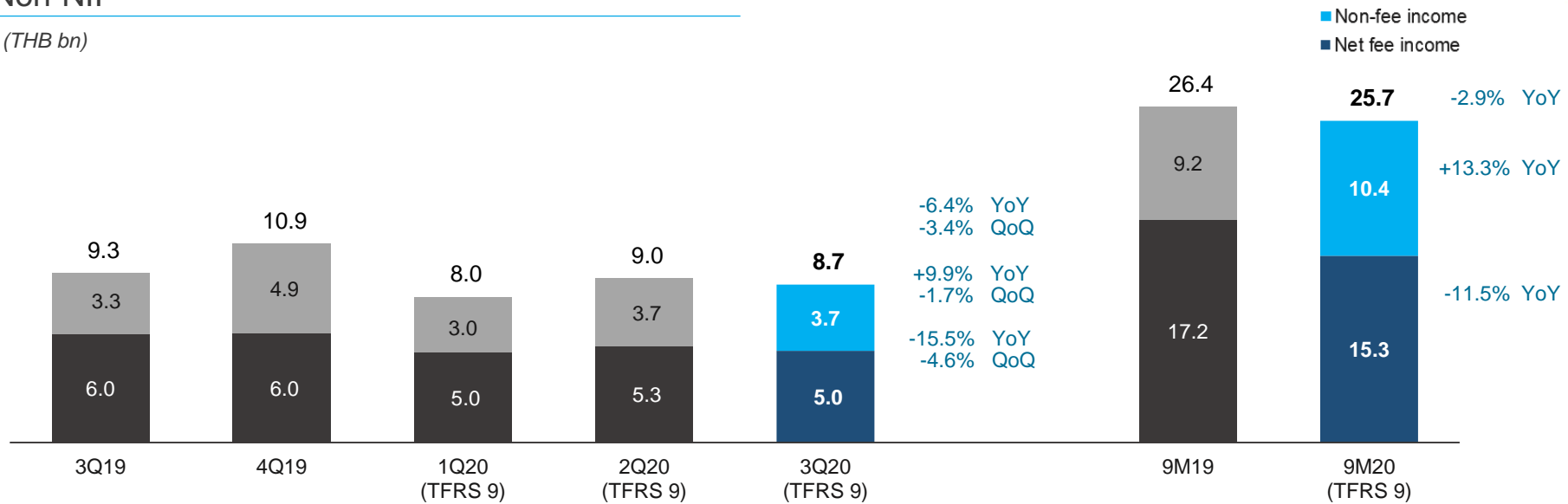
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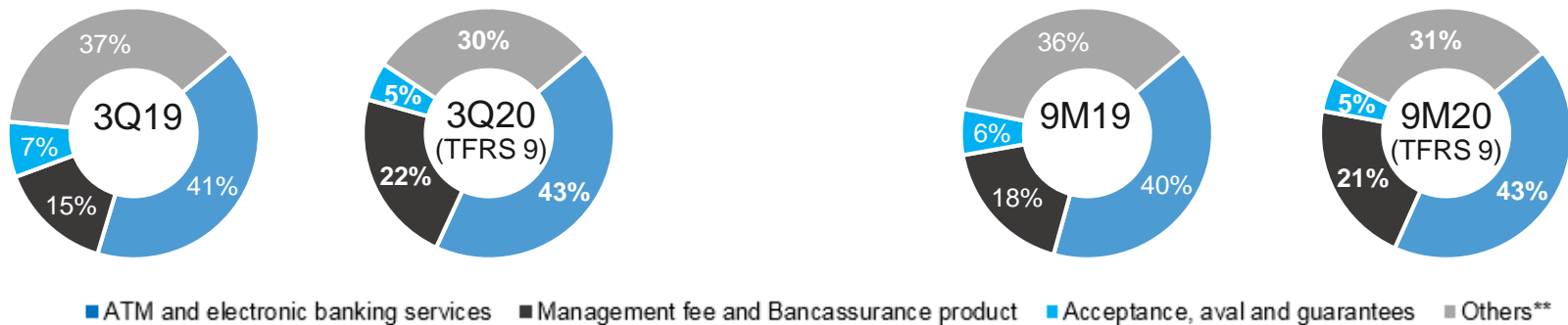
Higher Share of Profit from Investments for Using Equity Method (Insurance Business) YoY
While Management Fee Expanding YoY

Non-NII

(THB bn)



Fee Breakdown (Gross)*



* Classification per notes to F/S disclosure

** Including fee from KTC, Global Market, and other services

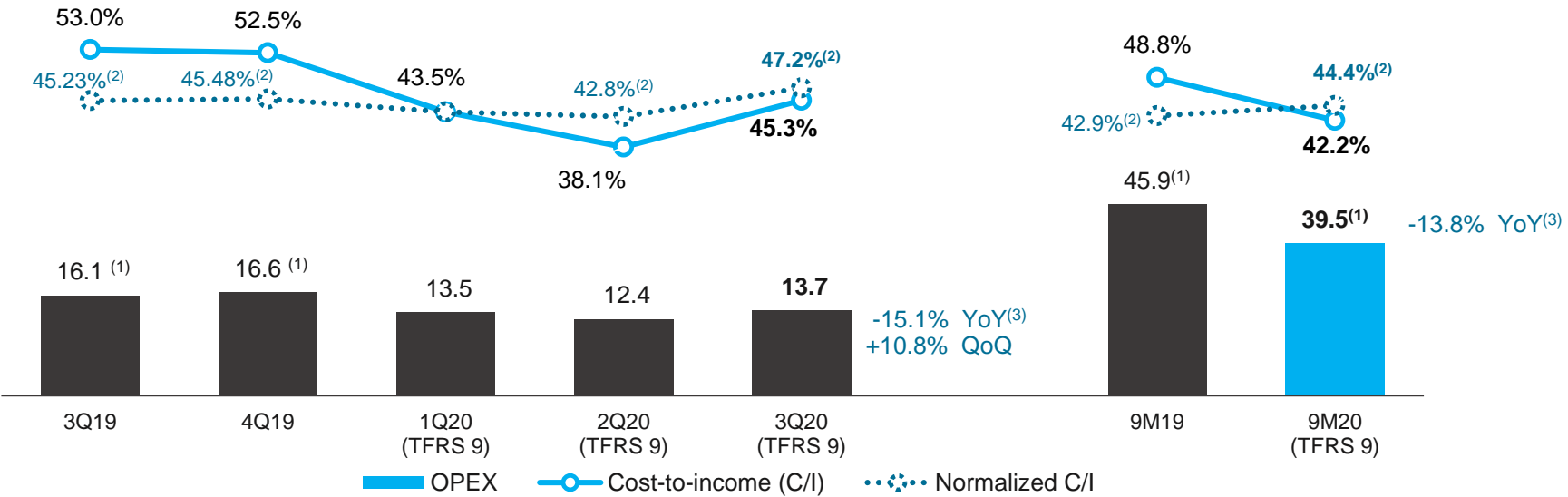
OPEX

Normalized C/I ratio on a Pressure during this Low Interest Rate Environment with Economic Uncertainties

Consolidated

Operating Expense

(THB bn)



OPEX Breakdown



(1) Including extraordinary items i.e. provision on impairment of properties for sale in 1Q19, 2Q19 and 4Q19; provision on employees' benefits in 3Q19; and interest income from loan in relation to partial payment from the auction of mortgaged guarantee assets of Baht 3,899 mn in 1Q19, of Baht 3,524 mn in 2Q20 and of Baht 1,223 mn in 3Q20.

(2) Excluding extraordinary items i.e. provision on impairment of properties for sale in 1Q19, 2Q19 and 4Q19; provision on employees' benefits in 3Q19; and interest income from loan in relation to partial payment from the auction of mortgaged guarantee assets of Baht 3,899 mn in 1Q19, of Baht 3,524 mn in 2Q20 and of Baht 1,223 mn in 3Q20.

(3) If excluding extraordinary items, operating expenses in 3Q20 decreased 0.4% YoY while 9M20 increased 2.2% YoY.

(4) Others including directors' remuneration.

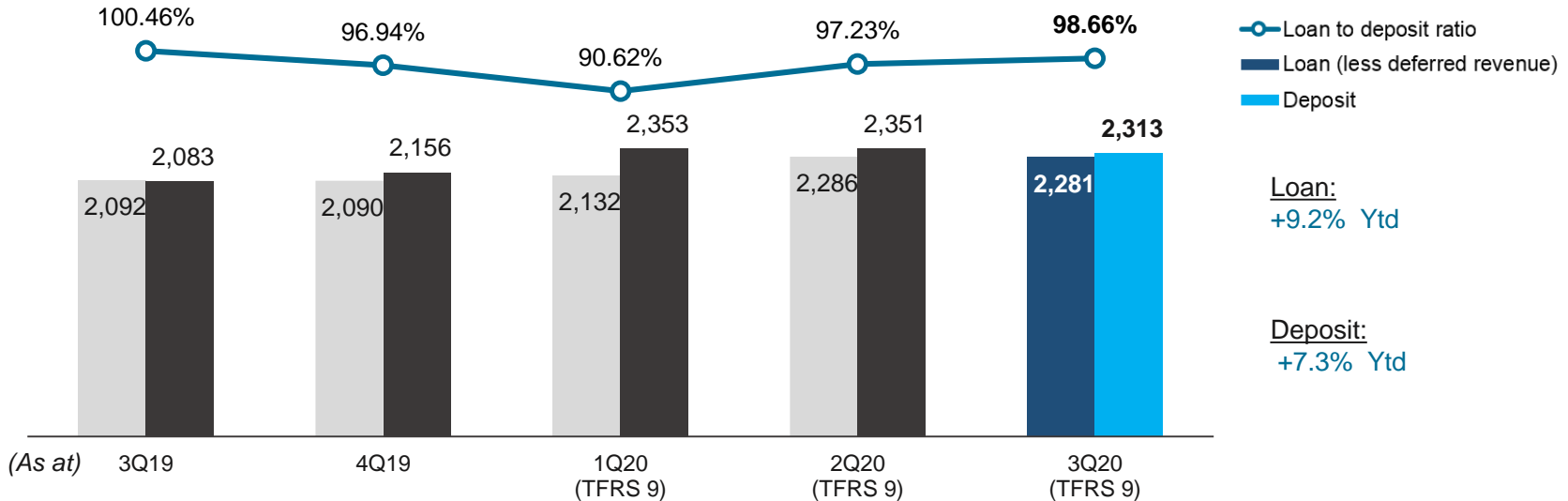
Liquidity

Higher Loan to Deposit Lever amid Strong Loan Growth YTD

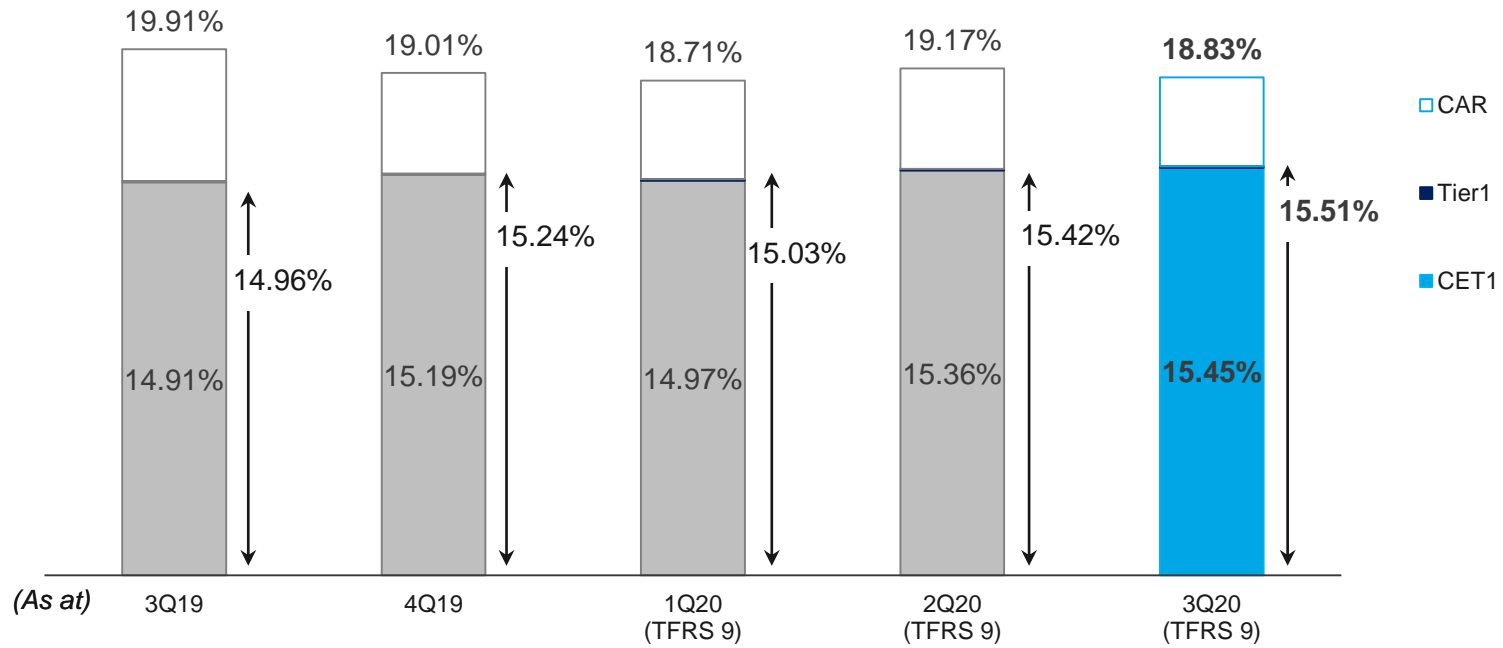
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Loan vs Deposit (L/D ratio)

(THB bn)



CET1 vs CAR Ratios



Appendix

COVID-19 will lead to new normal

Economy



Economy will take a long time just to return to pre-covid level



Gov't will be key driver, using its balance sheet, generating business opportunity



High debt burden will be a challenge to economic recovery



Deglobalization may happen, resulting in reorganizing of supply chain

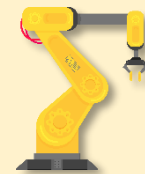
Consumer & Business Behavior



Consumers move to Online Platform



Health and Hygiene will be top of mind



Digital Transformation will accelerate



Business will try to diversify from one particular segment or market

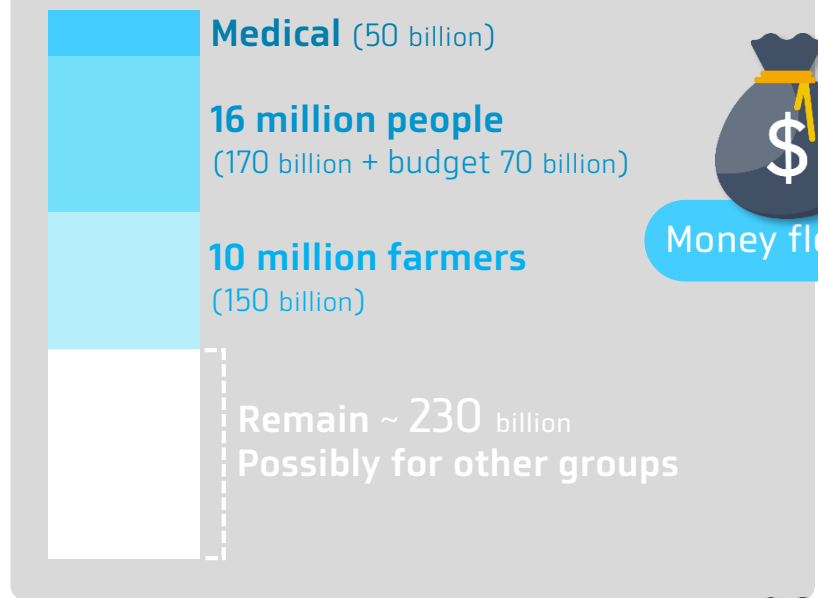
Gov't to step in as key driver opening up business opportunity

Fiscal measures
1 trillion baht

1.9 trillion baht
to fight COVID-19

BOT measures
0.9 trillion baht

Relief measures **0.6 trillion baht**

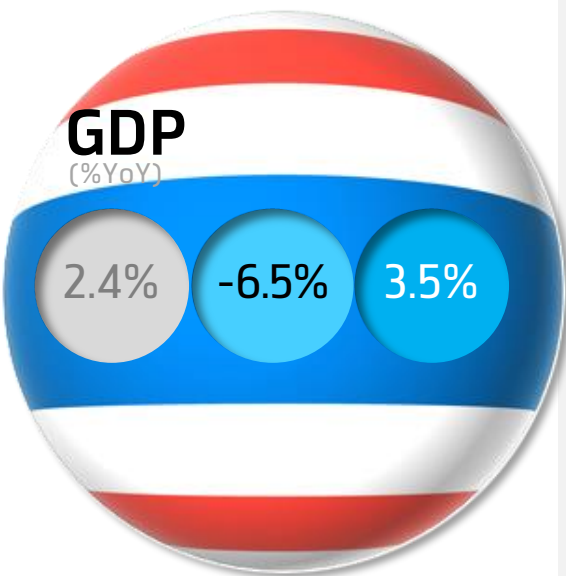


Revitalize measures **0.4 trillion baht**

- Prepare for new normal
- Revitalize local economy and job creation



2019 (Actual) 2020F 2021F



Key Highlights for 2020 and 2021

Unit: (%YoY)



4.6% -1.3% 2.0%

Private consumption

- Labor markets still fragile, dampening household spending.
- Fiscal stimulus through co-payment and local tourism packages partially supports domestic spending.



1.4% 3.0% 3.5%

Public consumption

- Public consumption tends to improve in parallel with regular budget disbursement.



-3.2% -8.2% 4.5%

Export *

- Export is projected to recover in line with global economic momentum.
- However, export growth remains cautious due to downside risks, particularly second wave of pandemic



2.8% -11.5% 5.3%

Private investment

- Private investment subdued amid excess capacity and uncertainty.
- Diminishing uncertainty to support expansion of private investment in 2021.



0.2% 10.8% 7.0%

Public investment

- Public investment is expected to be a key driver of economic recovery.



-4.7% -13.0% 6.9%

Import *

- A sharp decrease in domestic demand, and crude oil price primarily dragged down the import value.

Remark: * Customs basis, Value in USD



THB/USD **

31.0 31.15 30.1

- Current account remains in surplus, owing to trade surplus.
- Capital flow returning to emerging markets tends to pressure US dollar to be weaken.

** Annual average



Headline inflation

(%YoY)

0.7% -0.9% 1.0%

- Sharp drop in energy price and purchasing power dampen CPI in 2020.
- Headline inflation is expected to gradually recover in line with economic recovery.



Tourist arrival

(million)

39.8 6.8 7.6

- Ongoing outbreak overseas and strict entry policy discourage foreigners from travelling to Thailand.
- With still strict entry policy on foreign travelers, number of tourists may be limited in 2021.



Policy rate

(%) (End-year)

1.25% 0.50% 0.50%

- MPC kept their policy rate at historically low to further ease borrowing cost for households and business.
- MPC could possibly trim the benchmark rate if economic faces more severe shocks.

KTB's COVID-19 Relief Measures



Phase I

Individual clients

**KTB's
Measure:
Retail loan**

Personal loan under supervision & Housing loan (≤ 3 MB)

- Payment holiday on principal & interest: **4-month**
- Lower interest rate 0.25% (existing): **4-month**

For Personal loan & Housing loan (*reduced income proof*)

- Payment holiday on principal: **6-month**
- Lower interest rate 0.25% (existing): **6-month**

Corporate clients

**KTB's
Measure:
Business
loan**

Business loan ≤ 100 MB (*Automatically*)

- Payment holiday on principal & interest: **6-month**

Business loan (medium-size or higher) (*reduced income proof*)

- Payment holiday on principal: **up to 12-month**
- Payment extension (P/N & Trade Finance): **up to 6-month**

**KTB's
Measure:
Soft loan**

Business loan ≤ 500 MB

- Credit limit: **up to 20%** (of 31 Dec'19 outstanding loan)
- Interest: **2.0% first 2-year** ; Debt payment holiday on principal: **up to 12-month** ; No interest payment: **6-month** (*First 6-month interest - subsidize by government*)

Other Measures

**BOT's
Measure:**

- Series of policy rate cut
- Pre-emptive measures on loan classification
- Provisioning: ECL based on drawn portion
- FIDF fee reduction from 0.46% to 0.23% (consequently, lowering on lending rates)

Phase II

Individual clients

**BOT's
Additional
Measures:**

For Credit card and Personal loan under supervision:

- Reduction on interest rate ceilings, service, fees, and penalties (interest effective 1 Aug'20 onwards):
 - Credit card: 18% to 16%
 - Personal loan – revolving credit, installment payment: 28% to 25%
 - Personal loan – auto title loan: 28% to 24%
- Credit limit extension from 1.5x to 2.0x of average monthly income for good customers with monthly income less than THB 30,000 (till 31 Dec'21)

For retail customers impacted from COVID-19:

- Credit card: convert into 48 installments or as appropriate per debtor's capability; interest rate $\leq 12\%$ / annum
- Personal loan under supervision: reduce min. payment or convert into 48 installments or as appropriate per debtor's capability; interest rate $\leq 22\%$ / annum
- Personal loan – installment & hire purchase (automotive): reduce installment at least 30%; interest rate $\leq 22\%$ / annum
- Hire purchase: 3-month debt payment holiday (principal & interest) or reduce installment by extending payment period
- Housing loan or Home for Cash: 3-month debt payment holiday (principal & interest) or lower interest rate as appropriate or reduce installment by extending payment period

For SME customer impacted from COVID-10 (post 22 Oct'20):

- Debt restructuring based on SME repayment capability; to maintain debtor's asset classification till 31 Dec'20 or to provide assistance of payment holiday on principal and/ or interest for up to 6 month from end-2020 depending on the condition

Extending soft loan application period of financial institution to BOT for another 6 month; including company in MAI as eligible soft loan borrower

KTB's COVID-19 Relief Measures (Continued)

Other Measures

BOT's Additional Measures:

Effective 18 Jun'20, BOT had requested commercial banks on:

- No interim dividend payment base on 2020 performance
- No share repurchase
- Capital plan for next 1-3 years

- BOT had launched DR BIZ program: a one-stop service mechanism for businesses of multi-creditors to manage debt restructuring based on debtor's capability
- Debt consolidation for debtors with repayment potentials: a practice of consolidating loans on housing and other retail loans (such as credit card, personal loan under supervision and hire purchase) while utilizing the remaining value of housing loans' collateral

• BOT had announced guidelines on:

1. Interest calculation on amount overdue based on only the overdue principal excluding the principal of future installments not yet due (effective 1 Apr'21)
 2. Interest rate on amount overdue based on contractual interest plus no more than 3% per annum (effective 1 Jul'21)
 3. The sequence of debt repayment by first repaying the fee & interest and principal of longest overdue (effective 1 Jul'21)
- Additional waive or leniency of overdue interest could be considered for the overdue prior to April 1, 2021

Disclaimer

Information contained in our presentation is intended solely for your reference. Such information is subject to change without notice, its accuracy is not guaranteed and it may not contain all material information concerning the company.

In addition, the information contains projections and forward-looking statements that reflect the company's current views with respect to future events and financial performance.

These views are based on assumptions subject to various risks. No assurance can be given that future events will occur, that projections will be achieved, or that the company's assumptions are correct.

Actual results may differ materially from those projected.

Thank you

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