



Analyst Meeting Presentation
1Q2021 Financial Results

Economics update

COVID-19 will lead to new normal

Economy



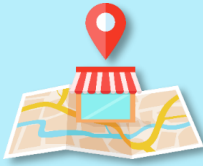
Economy will take a long time just to return to pre-covid level



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

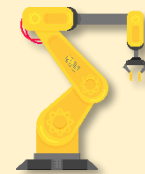
Consumer & Business Behavior



Consumers move to Online Platform



Health and Hygiene will be top of mind

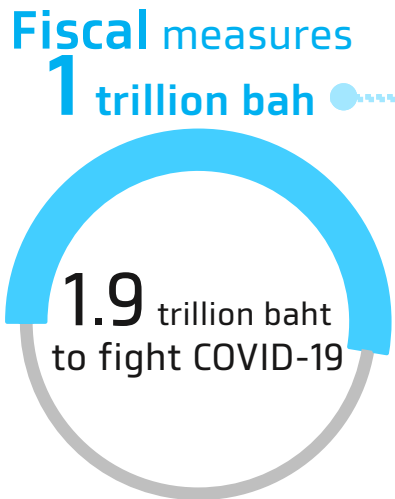


Digital Transformation will accelerate



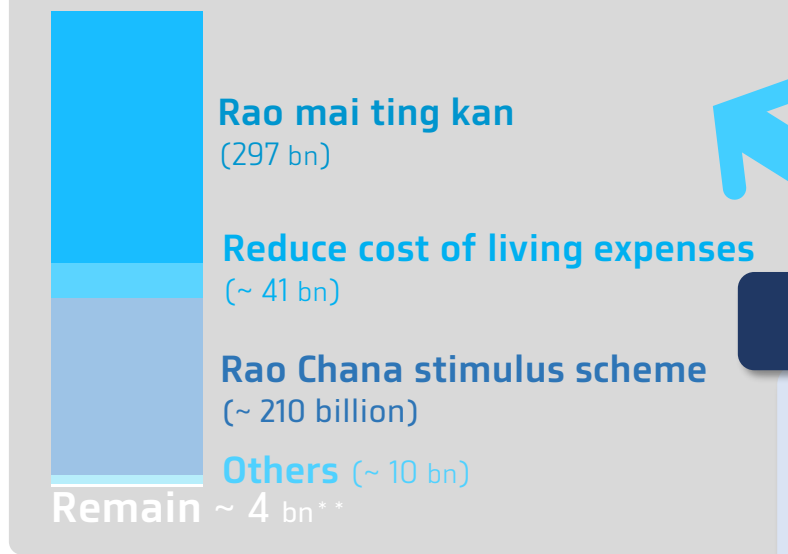
Business will try to diversify from one particular segment or market

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



1 Medical **45** billion baht (Remain ~ 19 bn)

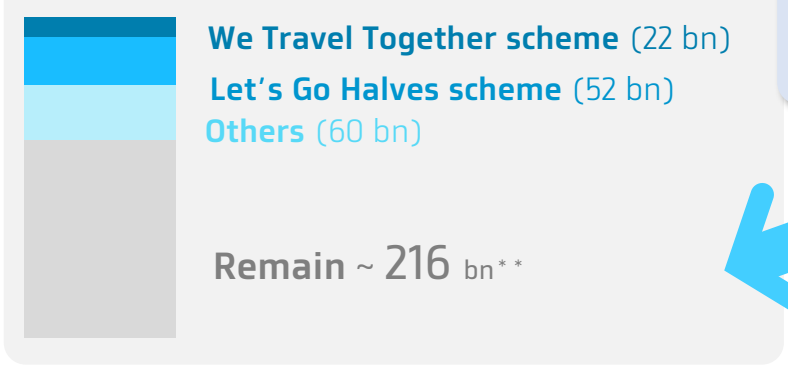
2 Relief measures **0.6** trillion baht



Cabinet meeting/5 May 2021
(235 billion baht)

- Reduce cost of living expenses (10 bn)
- Rao Chana scheme (67 bn)
- Rao Rak gan scheme (18.5 bn)
- Let's Go Halves scheme (93 bn)
- Ying Chai Ying Dai scheme

3 Revitalize measures **0.35** trillion baht



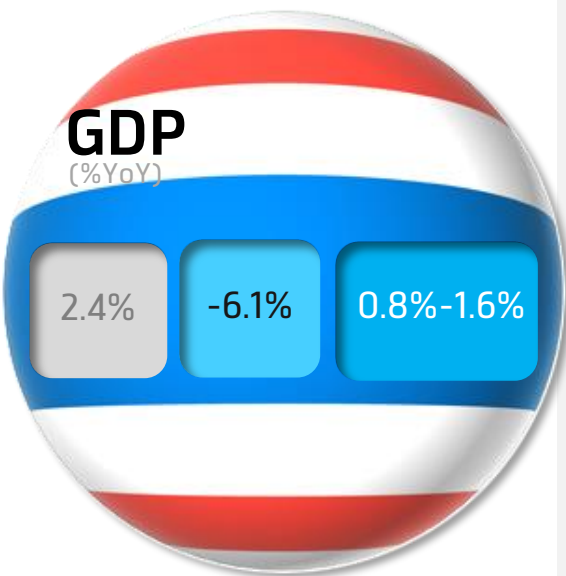
BOT measures
0.9 trillion baht

Soft loan
Budget 500 bn
(Remain 362 bn)*

BSF
Budget 400 bn

Source : BOT NESDC and MOF
 *As of 20 April 2021 ** As of 12 April 2021
 Note : Cabinet approved to transfer 45 billion baht from Revitalize measures to Relief measures

2019 (Actual) 2020 (Actual) 2021F



Key Highlights for 2021

Unit: (%YoY)



4.5% -1.0% 1.0%-2.0%

Private consumption

- Labor markets remain fragile, dampening household spending.
- Fiscal stimulus through various schemes partially supports domestic spending.



1.4% 0.8% 3.0%-5.0%

Public consumption

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



-3.2% -6.0% 7.5%-9.5%

Export *

- Exports are projected to recover in line with global economic momentum.
- In addition to downside risk, export growth remains cautious due to a containers' shortage.



2.8% -8.4% 3.0%-5.0%

Private investment

- Private investment recovery is likely to be gradual amid uncertainty.
- Diminishing uncertainty will support expansion of private investment in 2021.



0.2% 5.7% 9.0%-11.0%

Public investment

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



-4.7% -13.5% 12.0%-14.0%

Import *

- Imports are expected to improve in line with global economic activities and domestic investment sentiment.

Remark: * Customs basis, Value in USD



THB/USD **

(End of Period)

30.0 30.0 30.2

- Baht tends to slightly depreciate in line with growing concern over spread of COVID-19.
- Capital flows to developed markets strengthen US Dollar.



Inflation Rate

(%YoY)

0.7% -0.8% 1.0%-1.2%

- Headline inflation is expected to gradually recover in line with economic recovery.



Domestic Tourists

(millions)

166.0 99.0 72.6-81.2

- Authorities impose new COVID-19 control amid new wave of pandemic, hampering domestic tourists activities.
- With strict entry policy on foreign travelers, number of foreign 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.

1Q21 Financial Results

1Q21 Highlights: *Continuing growth with strengthened buffer*

1Q21 Highlights:

- **Loan growth** (YTD) derived from private corporates and retail customers, focused on quality growth.
- Continuing **lowered CoF** controlled cost of deposit and maintained high CASA.
- **Lower NPL ratio (gross)** from asset quality management while continued strengthening coverage ratio given the economy of high uncertainties due to the pandemic
- **Non-NII expansion** due to continuing effort on fee income growth from wealth management products amid digital channel migration
- **Controlled OPEX and C/I** from effective cost management on key operating expenses during low interest rate environment
- **Maintain resilient capital level** strengthened capital position coupling with Additional Tier I issuance to prepare for growth opportunity as well as to withstand any uncertainties

1Q21 Highlights:

Consolidated



Profitability



	1Q21	QoQ	YoY
Total income (THB bn)	28.7	+0.4%	-7.4%
NII (THB bn)	20.0	-1.7%	-13.0%
Non-NII (THB bn)	8.7	+5.5%	+8.8%
Opex (THB bn)	12.7	-9.0%	-5.8%
Cost/income ratio	44.3%	-453 bps	+76 bps
PPOP (THB bn)	16.0	+9.2%	-8.6%
Net profit (THB bn) ⁽¹⁾	5.6	+61.6%	-13.7%

Key Ratio



ROE ⁽¹⁾	6.61%	+258 bps	-120 bps
ROA ⁽¹⁾	0.68%	+25 bps	-16 bps

Loan & Asset Quality



	1Q21	QoQ
Loan (THB bn) ⁽²⁾	2,360	+1.1%
NIM	2.50%	-9 bps
NPL ratio (gross)	3.66%	-15 bps
Coverage ratio ⁽³⁾	153.9%	+660bps

Capital



CAR	19.50%	+39 bps
Tier 1	16.24%	+45 bps

(1) Net profit, ROE, ROA represented for equity holders of the bank

(2) Loan to customers less deferred revenue under TFRS 9

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

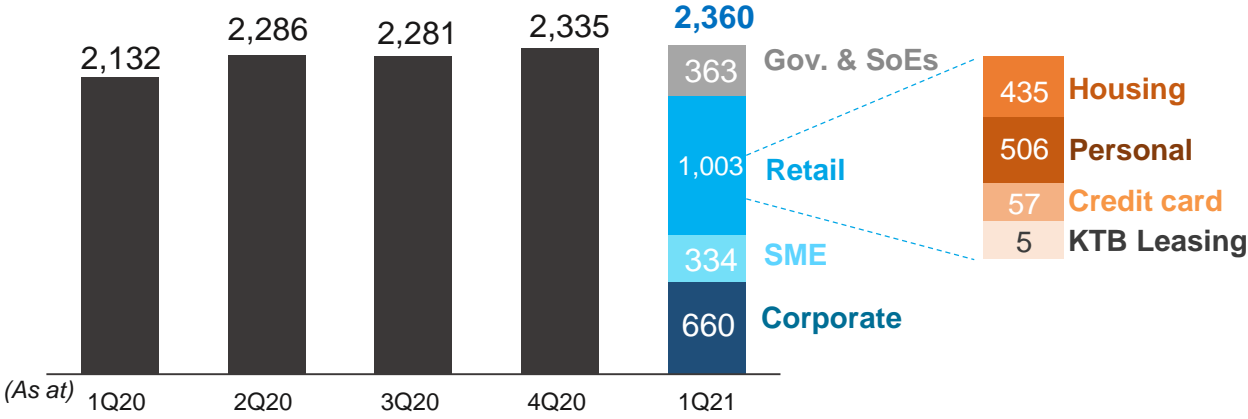
Loan

Growth Driven from Private Corporates and Retail

Consolidated

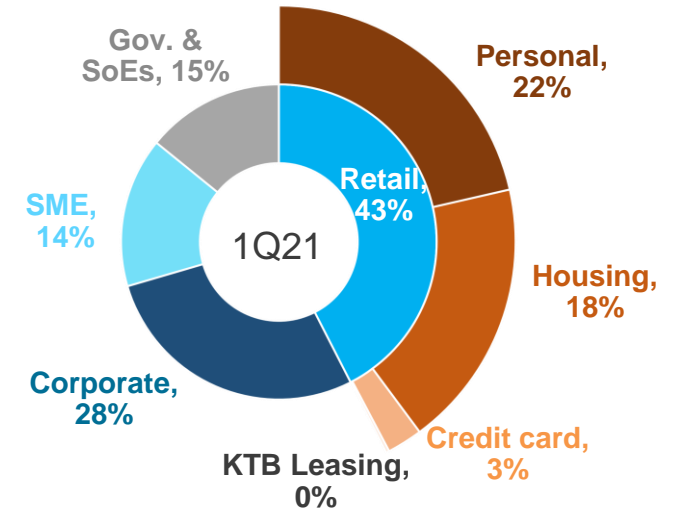
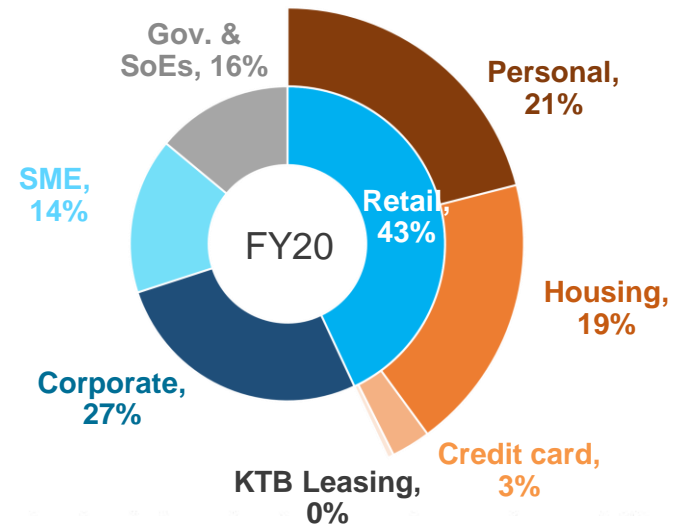
Loan Growth

(THB bn)



Loan Growth by Segment	1Q21 (YTD)
Corporate	+3.2%
Retail	+1.1%
Housing	+1.0%
Personal	+2.0%
Credit card	-4.7%
KTB Leasing	-5.8%
SME	-0.5%
Gov. & SoEs	-1.2%
Total	+1.1%

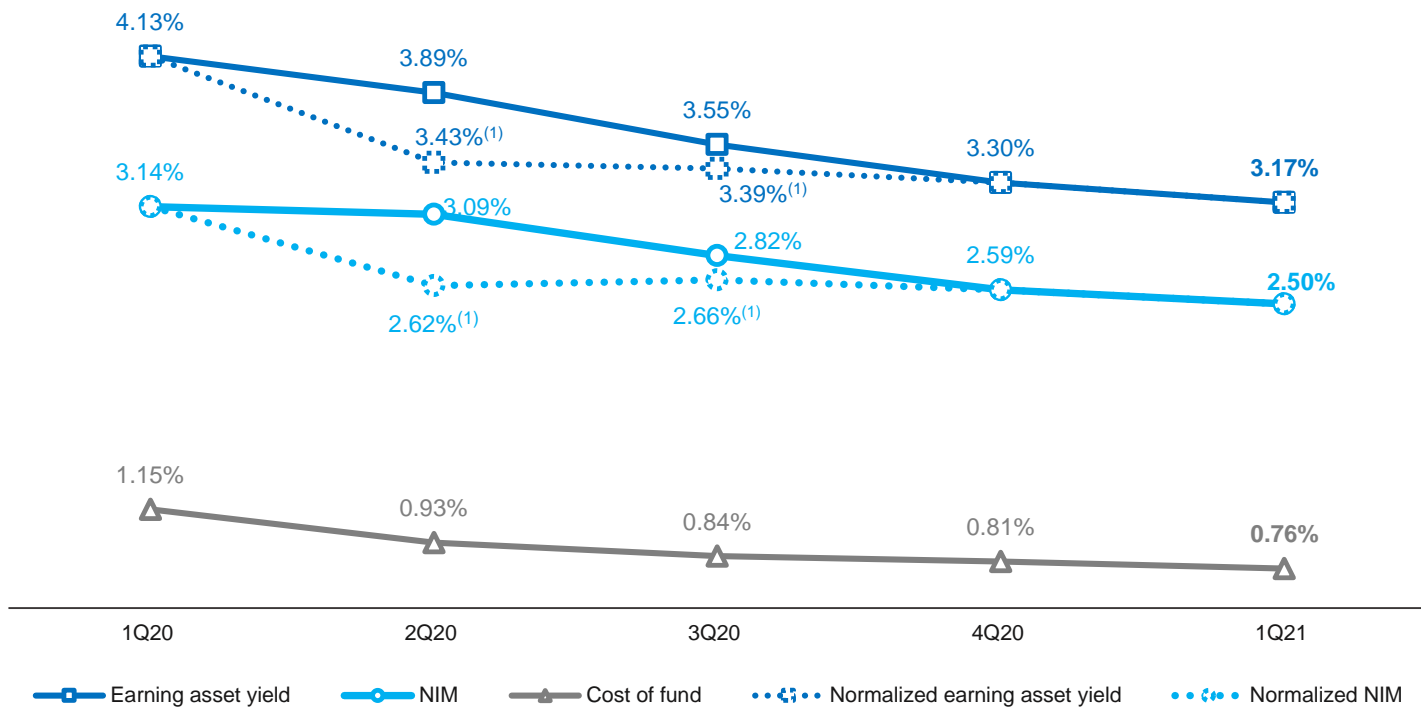
Loan Breakdown



Profitability Trend

Lowering Cost of Fund Alleviated impact to NIM

Yield, NIM and CoF



(1) Excluding extraordinary item: interest income due to the partial payment from the auction of mortgaged guarantee assets amounted Baht 3,524 mn in 2Q20 and Baht 1,223 mn in 3Q20.

Loan under COVID-19

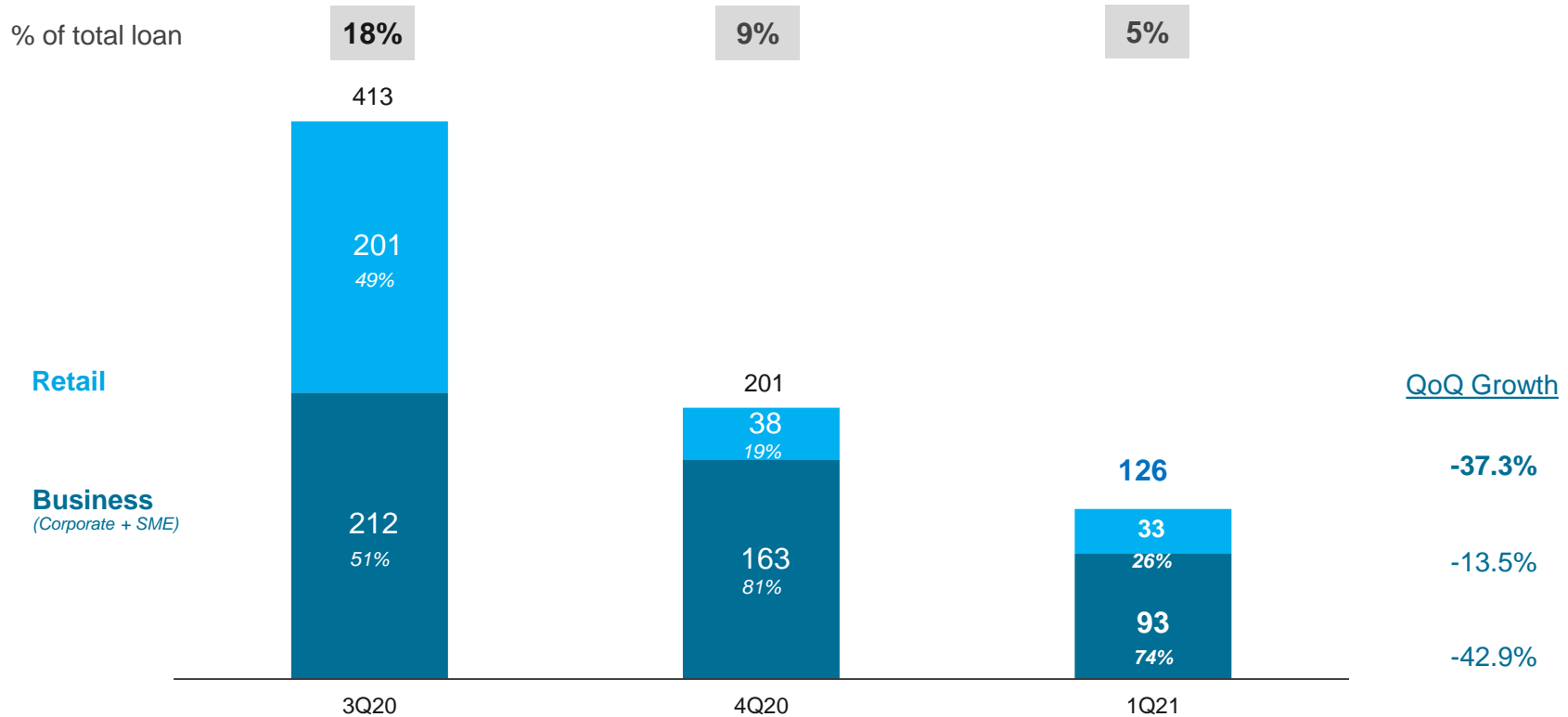
Lesser Loan under BOT's COVID-19 Relief Measure

Consolidated



BOT's COVID-19 Relief Measure Loan

(THB bn)



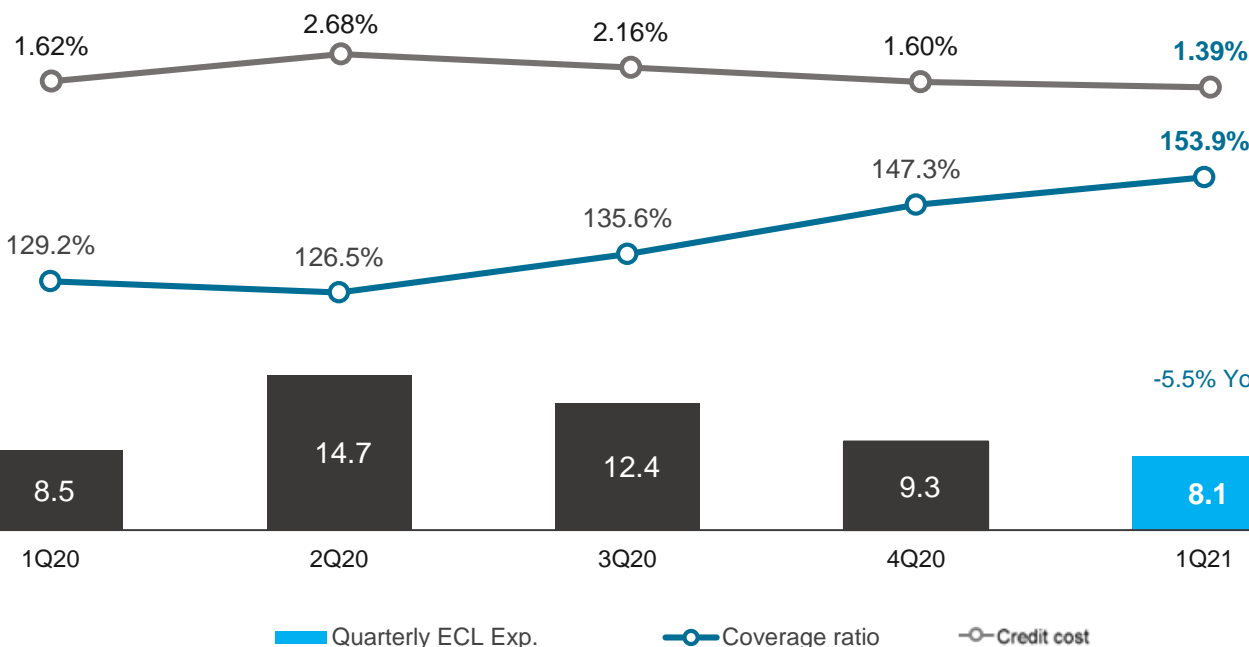
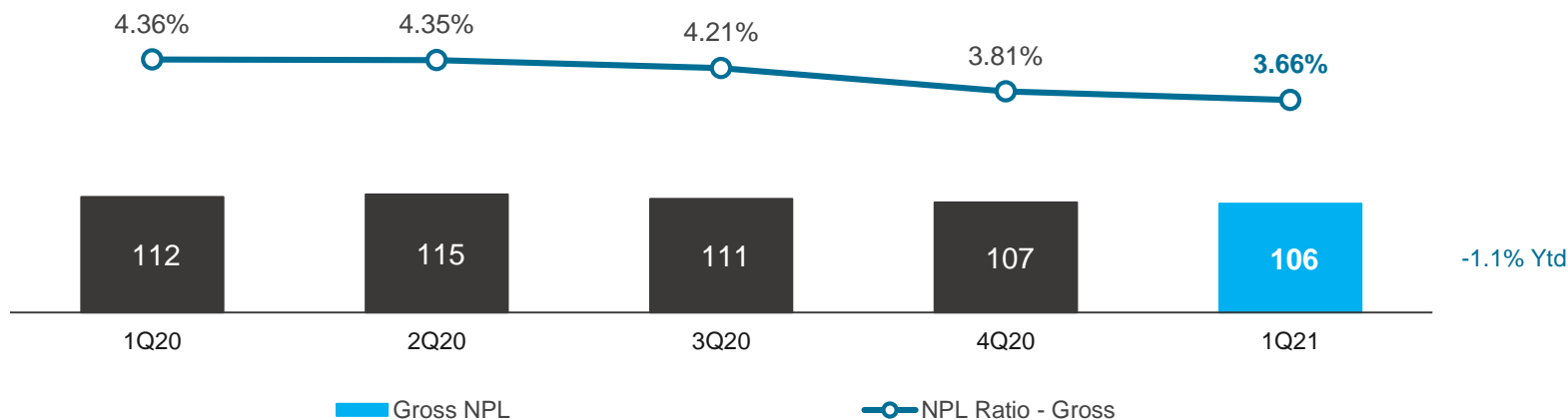
* Including BOT & GSB soft loans of 17 bn as at 3Q20 and 18 bn as at 4Q20

Asset Quality

Preparing Coverage Ratio for Uncertainty Despite Controllable Asset Quality

NPL

(THB bn)



(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

(As at)

Non Interest Income

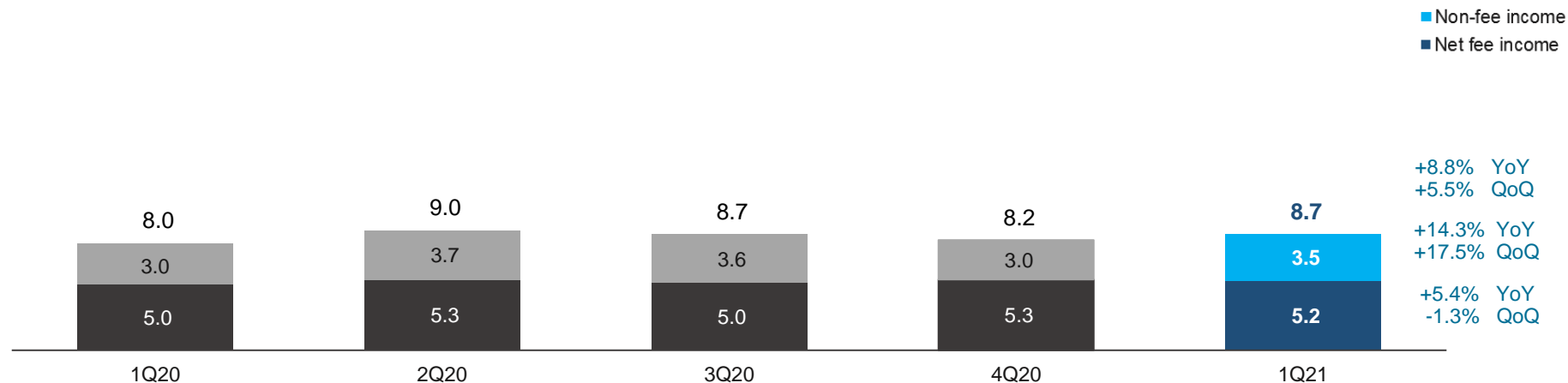
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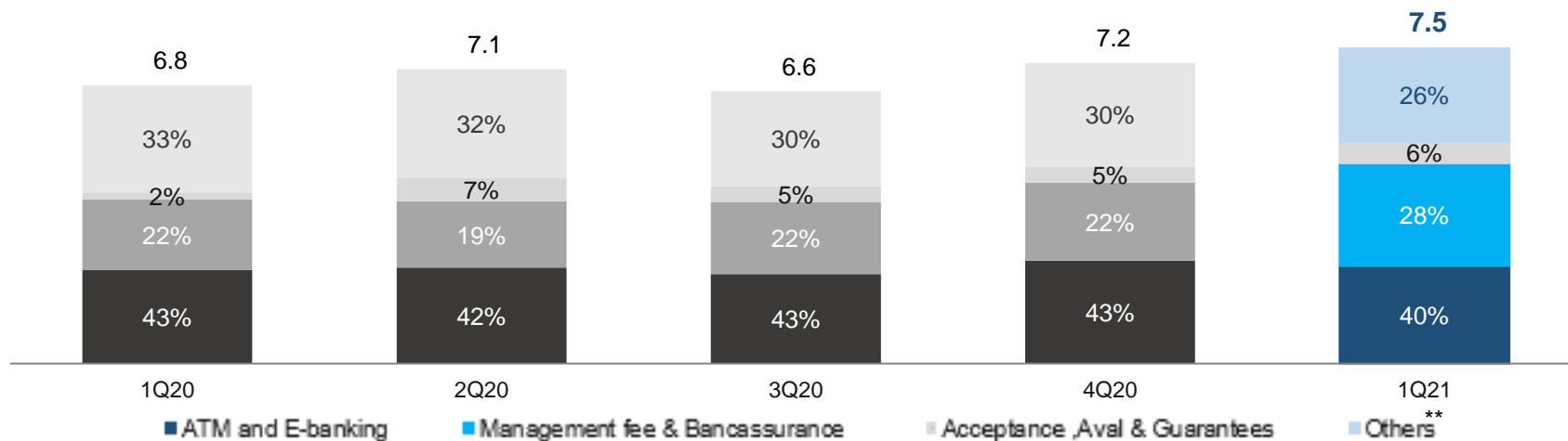
Fee Income mainly driven by wealth management products and non-interest income grew from gain on FVTPL

Non Interest Income

(THB bn)



Fee Breakdown (Gross)*



* Classification per notes to F/S disclosure

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

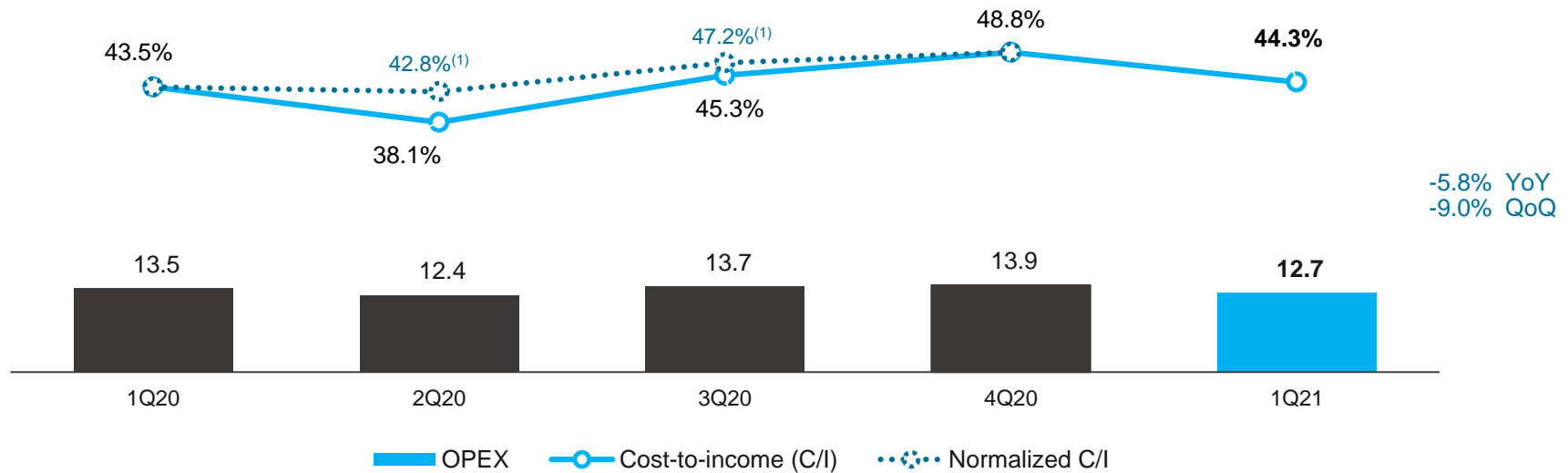
OPEX

Tightened OPEX and Cost to Income Ratio

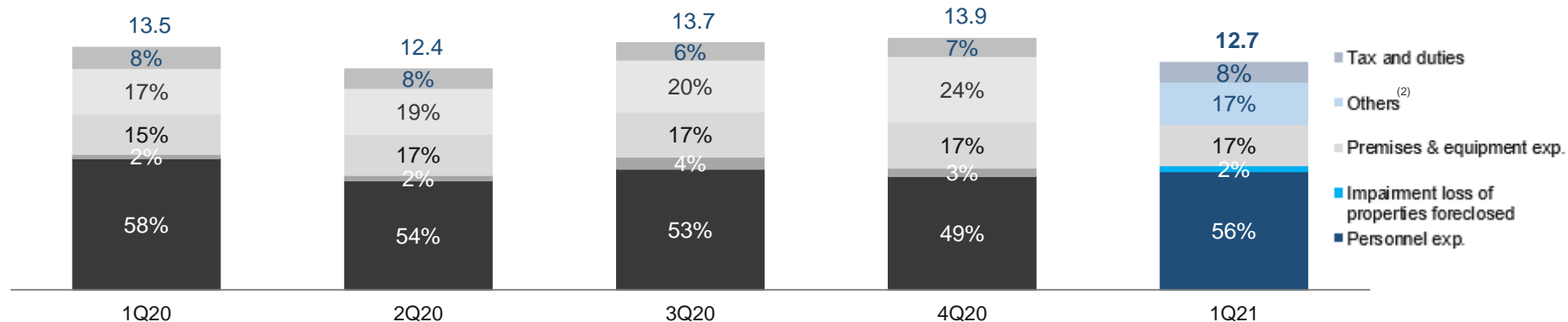
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Operating Expense

(THB bn)



OPEX Breakdown



(1) Excluding extraordinary items i.e interest income from loan in relation to partial payment from the auction of mortgaged guarantee assets of Baht 3,524 mn in 2Q20 and of Baht 1,223 mn in 3Q20.

(2) Others including directors' remuneration.

Asset-Liability Management and Funding

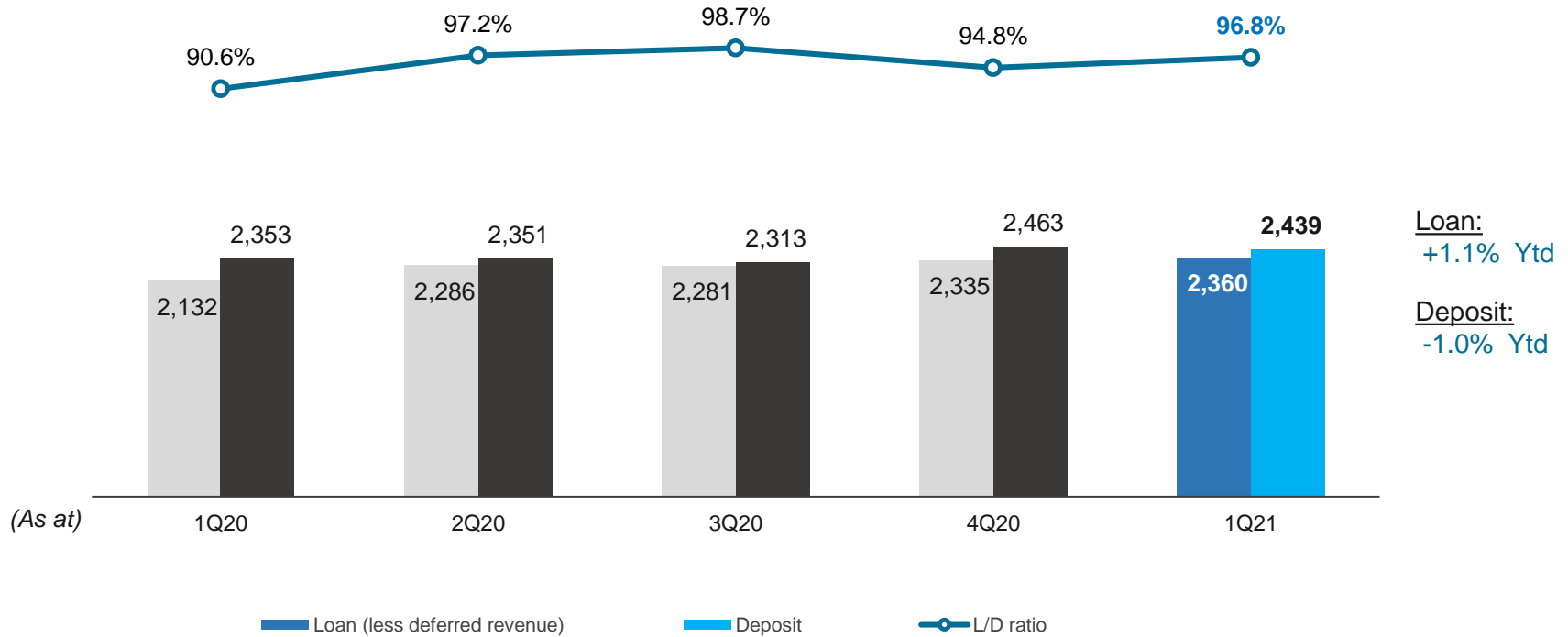
Maintain L/D Ratio level with High CASA



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Loan vs Deposit (L/D ratio)

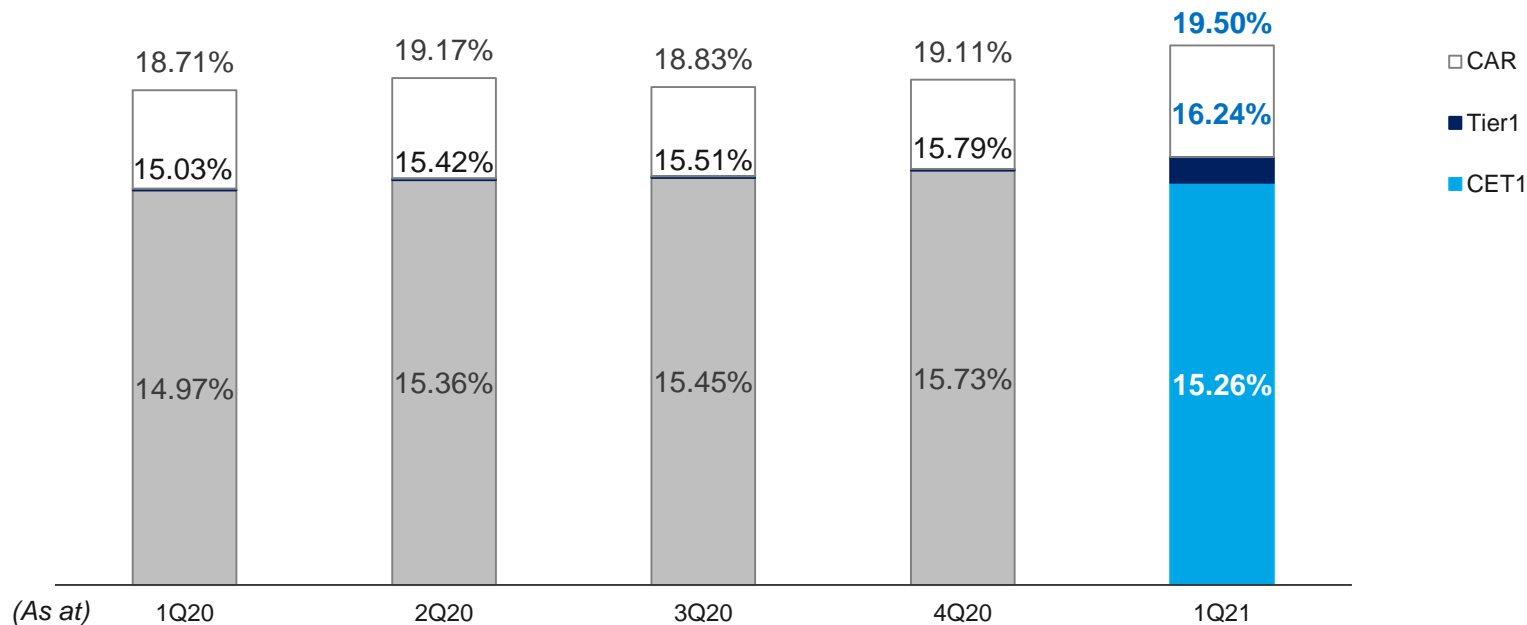
(THB bn)



Capital

Resilient Capital Level to be Ready for Growth Opportunity and to Withstand Uncertainties

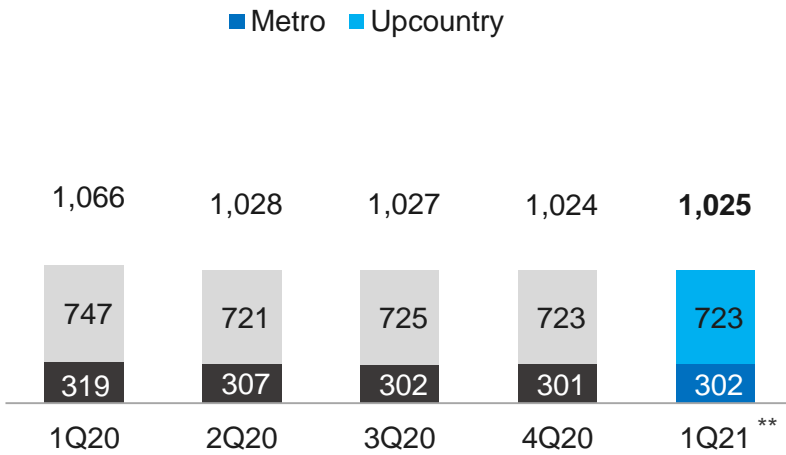
CET1 vs CAR Ratios



Appendix

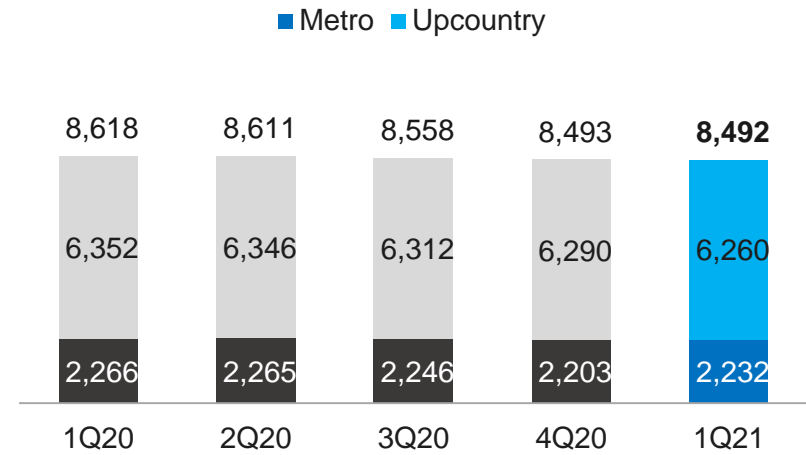
Branches*

(unit: branches)



ATMs

(unit: machines)



* Including Head Office

** Including 5 offsite bank temporary service points

Disclaimer

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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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