ธนาคารทหารไทยธนชาต จำกัด (มหาชน)
TMBThanachart Bank Public Company Limited

Management Discussion and Analysis

For the 3rd quarter and 9-month period ended 30 September 2024

(Reviewed financial statements)

TMBThanachart Bank Public Company Limited

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Management Discussion and Analysis

Executive summary: Economic review & outlook

Thai economy in the third quarter of 2024: Thai economy showed slightly improvement from the previous quarter, which was attributed to the average monthly foreign tourist arrivals during July and August of 3.03 million persons, compared to 2.71 million persons in the previous quarter. Meanwhile, private consumption indicators marked divergent recovery across sectors. With respect to living costs, headline inflation in this quarter stood at 0.6% decreased from the preceding period of 0.78%, which mainly due to lower energy inflation, driven by both the decline in gasoline prices in line with global oil prices and high base effect from last year. However, core inflation increased by 0.64%, compared to previous quarter of 0.38%. Government spending marked significantly recovered, driven by both current and investment expenditures which showed cumulative budget disbursement of 81.7% of total fiscal budget in August, compared to 69.5% in June. Additional, merchandise exports in July and August expanded remarkably at 11.0% (YoY), improving from an annualized rate of 4.5% expansion in the previous quarter following the expansion in industrial products in tandem with the global product cycle and global manufacturing sectors, as well as temporarily improvement of gold export. The main agricultural exports growth remained solid as high crop production. As a result, the average monthly value of merchandise exports for the first two months of this quarter was at 26.0 billion US dollar per month.

Financial market & banking industry: The Monetary Policy Committee (MPC) decided to maintain the policy rate at 2.5% in the fourth meeting of the year in August 2024. The decision based on the assessment that the Thai economy is projected to expand as anticipated, driven by tourism and domestic demand, while overall exports are gradually recovering. Inflation is expected to return to the target range by the end of 2024. Most of the Committee deems that the current policy interest rate is consistent with the economy converging to its potential, as well as conducive to safeguarding macro-financial stability. However, it is essential to monitor deterioration in credit quality that could impact overall financial conditions and the economy. Regarding domestic commercial banking, total loans in the end of July 2024 slightly improved by 0.2% (YoY) contraction, compared to an annualized of 0.5% contraction in June. Meanwhile, deposit grew by 2.5% (YoY), improving from a 1.9% expansion (YoY) in June. Regarding Thai baht in the third quarter of 2024, it was on an average of 34.80 baht per US dollar, down from the previous quarter's 36.71, representing an appreciation of 5.2% (QoQ) and remaining depreciated of 1.8% compared to the end of 2023. The Thai baht's appreciation in the last quarter was mainly driven by the dollar's decline, as investors increased their expectations for the U.S. Federal Reserve to lower interest rates after weak economic data, especially in non-farm payrolls. At the same time, the yen gained strength as investors unwound their short yen positions due to unexpectedly rising policy rates and hawkish signals from the Bank of Japan. Additionally, the baht faced downward pressure from a surge in gold prices, which reached a new all-time high.

Economic outlook for 4Q24: Thai economy would continue to expand continuously from preceding quarter as mainly support from domestic consumption, which is expected to rebound in tandem with incoming of high-seasonal tourism period as well as results of consumption stimulus package. Moreover, overall investment projected to recover with an accelerating pace due to improving economic activities and low-base effect. As such, ttb analytics maintained Thai economic growth figure of 2024 that it would be at 2.6%, and it was assessed that Thai economy remains under high uncertainties from both domestic and external factors in the periods ahead. In terms of inflation, headline inflation during fourth quarter would reach the target of the Bank of Thailand, but in this year would slightly below the lower-bound inflation target. Regarding tourism sector, it is projected that the number of foreign tourist arrivals would be at 35 million persons in 2024. Meanwhile, value of merchandise exports would gradually recover with the estimated value in 2024 expanding at 1.7% (YoY). With respect to financial market, MPC would decline the policy rate of 0.25% to 2.25% at the year-end in accordance with sign of weak economic growth and significantly low inflation pressure. Meantime, Thai baht in the fourth quarter of 2024 would move within the range of 33.00-34.00 baht per US dollar.

Research by ttb | analytics

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Summary of TMBThanachart's operating performance

The macro-economic headwinds and structural issue continued to overcloud business growth. TMBThanachart (TTB) has become more retail-oriented business after the post-merger so it posted challenging environment to operate under unfavorable market condition. To maintain profitability, TTB pursued prudent business direction by selectively growing new loans, optimizing asset-liability structure, and efficiently managing funding costs and risk appetite. As a result, 9M24 performance remained on tracked with net profit of THB15,919 million (+17% YoY) supported by improving NIM, well-controlled funding and operating costs, and manageable asset quality. Besides loan and deposit portfolio optimization initiatives, TTB also adjusted investment portfolio as well as debt and borrowings amid changing interest rates underpinning NIM 9M24 improvement. For fee income, the Bank saw recovery trend in non-loan related fee incomes such as mutual fund fee and credit card fee. Despite loan contraction, the high-yield retail loan products continued to grow aligned with loan mix shift plan while a decrease in deposit was a part of liquidity and funding cost strategy to strike balance with loan side. Asset quality was still in control while the coverage ratio posted at a robust level of 149%. For long term growth, TTB keeps improving digital capabilities and moving towards digital-first business model to equip the Bank with infrastructure to boost new revenue streams once the uncertainty unwinds and enhance business efficiency for sustainable returns to all stakeholders.

Reiterating selective loan growth strategy while recycling liquidity towards targeted high-yield retail lending: TTB maintains the direction of a prudently growing quality portfolio and re-deploying the liquidity towards the high-yield retail segments for better risk-adjusted returns. Hence, the asset quality would not be compromised as we leverage our core expertise, and the existing customers bases to grow the targeted loan products. As of Sep-24, total loans to customers stood at THB1,253 billion, declining by -6% YTD with the well-progressing shift in loan mix. Despite the contraction of total loan, the targeted retail loans grew on track: Cash Your Car (CYC) +6% YTD, Cash Your Home (CYH) +10% YTD and personal loans +9% YTD. Commercial loan and SME decreased following repayment, reducing low-yield towards secured higher-yield retail loan space and de-risking weak loan initiatives.

Optimizing deposit volume balancing with loan growth direction: With a sizable deposit growth in 4Q23 placing us with strong liquidity position with LDR lower than 100%, the Bank has rooms to manage a level of deposit balancing with loan growth side while efficiently managing funding costs. As a result, as of Sep-24, total deposits reported at THB1,296 billion, declining by -7% YTD aligned with such strategy. In 3Q24, TD remained our tactical product, but we started to shift the TD product offerings were shifted from long duration to shorter duration TD such as TD Quick 12M. Under potential interest rate cut environment, the Bank grew TD at a slower pace (-2% QoQ, +10% YTD) as well as CASA declined mainly due to high-cost saving product reduction. However, the deposit growth momentum was in line with the Bank's guidance, and we will continue to leverage our digital platform and ecosystem play initiatives to ensure overall margin and profitability remain intact.

Topline was pressured by soft fee income, despite stable NII: TTB's NII showed a stabilizing trend despite the cost of fund pressure and the prudent loan growth momentum against unfavorable environment. 9M24 net interest income was reported at THB42,643 million, rose by +1% YoY. NIM rose by 6 bps to 3.27% from improving yield on earnings assets thanks to the liquidity utilization plan together with the well-executed shift in loan mix. However, in terms of cost of fund, the Bank's deposit and debt and borrowing management initiatives would help control funding cost going forwards. Fee income for 9M24 remained soft mainly from loan-related fee products such as auto-Bancassurance but non-loan related fees in the focus areas such as credit card and mutual fund showed improving trend. In sum, total operating income for 9M24 marginally decreased by -1% YoY to THB52,266 million.

Continuing to show successful cost management: For 9M24, TTB reported OPEX at THB22,075 million, a decline of -4% YoY, mainly due to ongoing efforts of costs discipline and transforming business towards digital first business model which gradually helps drive cost to serve down. Moreover, TTB continues to improve digital capability to enhance revenue stream and, in all, operational efficiency. Thus, the cost-to-income ratio could improve to 42% in 9M24 compared to 43% in 9M23. As a result, pre-provision operating profit (PPOP) increased by +1% YoY to THB30,134 million in 9M24.

Asset quality remained in control: On top of our quality growth strategy and tightening underwriting criteria, we were stringent in risk management and proactively de-risk weak loans thru NPL resolution activities to mitigate downside risks for unforeseen future. As of Sep-24, NPLs totaled THB40,224 million, which declined -2% from Dec-23, and the NPL ratio was well-contained at 2.73%, remaining within the target guidance. With our financial flexibility in 2024, the Bank strengthened the risk absorption buffer to limit future downside risks from economic uncertainties by setting aside additional provisions on top of the normal provision level, resulting in an increase level of ECL for 9-month period and bringing up the coverage ratio to a robust level of 149%. Therefore, if excluded such an extra provision, 9M24 normal ECL level equaled to THB13,319 million, or equivalent to a credit cost of 137 bps. The current ECL level has reflected our stringent ECL model, and we maintain risk cost target.

After provision and tax benefit, TTB reported THB15,919 million of net profit in 9M24 which increased by +17% YoY, representing an improving ROE of 9.1% from 8.2% in 9M23.

At the end of September 2024, the Bank still has the remaining tax benefit of THB11.7 billion that can be subsequently recognized within 2028. The recognition will not be on a straight-line basis but will be subject to the estimation of future net profit stream.

Discussion of operating performance

Figure 1: Selected Statement of Comprehensive Income

(THB million)	3Q24	2Q24	% QoQ	3Q23	% YoY	9M24	9M23	% YoY
Interest income	20,664	21,044	-1.8%	20,217	2.2%	62,792	58,134	8.0%
Interest expenses	6,602	6,859	-3.7%	5,552	18.9%	20,149	15,875	26.9%
Net interest income	**14,062**	**14,185**	**-0.9%**	**14,665**	**-4.1%**	**42,643**	**42,259**	**0.9%**
Fees and service income	3,160	3,133	0.8%	3,416	-7.5%	9,707	10,462	-7.2%
Fees and service expenses	917	924	-0.7%	910	0.7%	2,801	2,738	2.3%
Net fees and service income	**2,242**	**2,209**	**1.5%**	**2,505**	**-10.5%**	**6,906**	**7,724**	**-10.6%**
Other operating income	921	978	-5.9%	830	11.0%	2,717	2,646	2.7%
Non-interest income	**3,163**	**3,187**	**-0.8%**	**3,335**	**-5.2%**	**9,623**	**10,370**	**-7.2%**
Total operating income	**17,225**	**17,372**	**-0.8%**	**18,000**	**-4.3%**	**52,266**	**52,630**	**-0.7%**
Total other operating expenses	**7,295**	**7,210**	**1.2%**	**7,777**	**-6.2%**	**22,075**	**22,944**	**-3.8%**
Expected credit loss	4,764	5,281	-9.8%	4,354	9.4%	15,162	12,874	17.8%
Profit before income tax expense	**5,166**	**4,881**	**5.8%**	**5,868**	**-12.0%**	**15,029**	**16,812**	**-10.6%**
Tax expense (income)	-64	-474	N/A	1,133	-105.7%	-890	3,217	-127.7%
Profit for the period	**5,230**	**5,355**	**-2.3%**	**4,735**	**10.5%**	**15,919**	**13,596**	**17.1%**
Profit (loss) to non-controlling interest of subsidiaries	**0.008**	**0.008**	**0.0%**	**0.006**	**33.3%**	**0.024**	**0.017**	**41.2%**
Profit to equity holders of the Bank	**5,230**	**5,355**	**-2.3%**	**4,735**	**10.5%**	**15,919**	**13,596**	**17.1%**
Other comprehensive income	189	-706	N/A	-256	N/A	-108	844	-112.8%
Total comprehensive income	**5,419**	**4,649**	**16.6%**	**4,478**	**21.0%**	**15,811**	**14,440**	**9.5%**
Basic earnings per share (THB/share)	**0.05**	**0.06**	**-16.7%**	**0.05**	**2.2%**	**0.16**	**0.14**	**14.0%**

Note: Consolidated financial statement

Net interest income (NII) and Net interest margin (NIM)

For the 3rd quarter of 2024: TTB recorded THB14,062 million of net interest income (NII) in 3Q24, slightly decreasing by 0.9% compared to the previous quarter (QoQ) and by 4.1% compared to previous year (YoY). Details are as follows:

- Interest income decreased by 1.8% QoQ but increased by 2.2% YoY to THB20,664 million. The QoQ decline came primarily from lower loan yield and selective loan growth strategy to safeguard quality loan portfolio during unfavorable environment while yield on investment continued to improve from our investment portfolio adjustment strategy. However, loan mix shift towards high-yield spaces and investment portfolio management underpinned YoY performance.

- Interest expenses decreased by 3.7% QoQ but increased 18.9% YoY to THB6,602 million. The QoQ change was a result of lower funding cost from bond maturity and partial rollover at lower costs as well as deposit volume contraction as a part of the Bank's liquidity and funding cost management. In turn, YoY change was attributable to higher funding costs following short-term pressure from deposit pre-funding strategy in 4Q23 to secure deposit base against uncertainty in 2024.

For the 9-month of 2024: Net interest income increased by 0.9% YoY to THB42,643 million. Details are as follows:

- Interest income rose 8.0% YoY to THB62,792 million, primarily due to improving yield on earning assets as a result of the liquidity utilization plan and the high interest rate environment amidst the quality growth strategy.

- Interest expenses increased by 26.9% YoY to THB20,149 million, mainly owing to higher funding costs following higher interest rate environment.

NIM was stable QoQ at 3.26% in 3Q24 but declined from 3.34% in 3Q23.

NIM stood at 3.26% in 3Q24 which stable from 2Q24 but decreased by 8 bps from 3.34% in 3Q23. NIM maintained at steady level QoQ primarily due to well-managed funding costs. The short-term pressure on deposit costs from pre-funding deposit acquisition in 4Q23 was in good control. However, loan yield declined by 4 bps following corporate loan repayment and rate pricing competition in car loan market, alleviated by loan mix shift toward retail high-yield product initiative. Meanwhile, the YoY decrease was mainly owing to higher funding costs following interest rate cycle while yield on earnings assets improved as a result of the liquidity utilization plan.

For 9M24, NIM rose by 6 bps to 3.27% from 3.21% in 9M23 thanks to improving earning asset yield against a pressure from funding cost. Going forward, the Bank could slow pace of deposit volume acquisition given LDR remaining below 100% level, plus the end of the rate hike cycle, the funding costs are expected to ease. Moreover, the Bank will continue loan mix shift strategy towards selective high-yield retail loan areas and manage other components such as investment portfolio and borrowing costs during changing interest rate environment to enhance risk-adjusted returns and uphold overall margin.

Figure 2: Net interest income (NII)

(THB million)	3Q24	2Q24	% QoQ	3Q23	% YoY	9M24	9M23	% YoY
Interest income	**20,664**	**21,044**	**-1.8%**	**20,217**	**2.2%**	**62,792**	**58,134**	**8.0%**
Interest on interbank and money market items	1,778	1,835	-3.1%	1,103	61.2%	5,466	3,054	79.0%
Investments and trading transactions	54	39	39.1%	16	249.8%	121	42	191.8%
Investments in debt securities	928	892	4.1%	777	19.5%	2,637	2,100	25.6%
Interest on loans	12,404	12,566	-1.3%	12,596	-1.5%	37,547	35,817	4.8%
Interest on hire purchase and financial lease	5,499	5,713	-3.7%	5,725	-3.9%	17,021	17,121	-0.6%
Others	0.0	0.1	-69.1%	0.3	-91.0%	0.3	1.1	-75.3%
Interest expenses	**6,602**	**6,859**	**-3.7%**	**5,552**	**18.9%**	**20,149**	**15,875**	**26.9%**
Interest on deposits	3,983	4,000	-0.4%	2,827	40.9%	11,808	7,975	48.1%
Interest on interbank and money market items	564	590	-4.5%	479	17.8%	1,747	1,125	55.4%
Contributions to the Deposit Protection Agency	1,578	1,616	-2.3%	1,593	-0.9%	4,808	4,862	-1.1%
Interest on debt issued and borrowings	460	637	-27.8%	639	-28.0%	1,736	1,868	-7.1%
Borrowing fee	3	5	-49.3%	5	-50.7%	13	17	-20.5%
Others	15	11	36.4%	9	63.6%	35	28	28.3%
Net interest income (NII)	**14,062**	**14,185**	**-0.9%**	**14,665**	**-4.1%**	**42,643**	**42,259**	**0.9%**

Note: Consolidated financial statements

Figure 3: Yields and cost

(Annualized percentage)	3Q24	2Q24	1Q24	4Q23	3Q23	9M24	9M23
Yield on loans	5.59%	5.63%	5.60%	5.53%	5.33%	5.62%	5.18%
Yield on earning assets	4.80%	4.84%	4.80%	4.77%	4.60%	4.82%	4.41%
Cost of deposit	1.66%	1.65%	1.58%	1.40%	1.28%	1.64%	1.24%
Cost of funds	1.79%	1.83%	1.76%	1.59%	1.46%	1.80%	1.39%
Net interest margin (NIM)	3.26%	3.26%	3.28%	3.39%	3.34%	3.27%	3.21%

Note: Consolidated financial statements

Non-interest income (Non-NII)

For the 3rd quarter of 2024: The Bank posted THB3,163 million of non-interest income in 3Q24, which declined marginally by 0.8% QoQ and 5.2% YoY mainly due to lower gain on investment and dividend income while net fees and service income shown recovery pace QoQ. Details are as follows:

- Net fees and service income was reported at THB2,242 million which increased by 1.5% QoQ but dropped 10.5% YoY. Such a QoQ increase was largely due to the key strategic fees like mutual fund fees and Bancassurance fees (BA).

  Under challenging environment, we saw that loan-linked fee products remained soften in line with new loan booking growth while non-loan related fees regained growth paces. In details, mutual fund continued to show positive momentum as the Bank churned wealth customers who held TTB bond maturities in June 2024 to invest in MF products, specifically structured notes and interest rate-linked notes, catering to risk-averse customers during market volatility. For BA fees, non-loan related BA fees such as life and non-life bancassurance fees were improved while loan-linked BA fees remained soft following the slowdown of HP and mortgage new booking loans. The new key fee engine namely, credit card fees, was quite flat QoQ due to seasonality. Amid unfavorable market condition, full recovery of retail fees remains challenging.

  The YoY decline mainly came from retail fees particularly Bancassurance fee (BA) offset by mutual fund and credit card fees. The YoY performance of BA fees also softened partially from the change in accounting estimation of deferred revenue amortization since 1Q24 and a slowdown in new HP loan bookings in line with overall domestic car sales.

- Gain on financial instruments measured at fair value through profit or loss was THB473 million which rose by 22.1% QoQ and 25.2% YoY. Meanwhile, the FX fee improved in this quarter following new FX hedging solutions offering to wealth customers.

- Share of profit from investment using equity method increased by 8.8% QoQ but decreased by 19.7% YoY recorded at THB65 million.

- Changes in dividend income QoQ and YoY were due mainly to seasonality in dividend revenue streams.

For the 9-month of 2024: Non-NII reported at THB9,623 million, declining by 7.2% YoY due to net fees and service income. Key items are as follows:

- Net fees and service income decreased by 10.6% YoY to THB6,906 million, mainly due to soft auto-BA fees aligned with unfavorable car market condition. Having said that, credit card fees continued to show positive growth pace following the Banks' consumer lending focus supporting the overall fee income, while MF gradually recovered YoY.

- Gain on financial instruments measured at fair value through profit or loss increased by 3.4% YoY to THB1,318 million. The key FX fees showed improving momentum due to business model development to cross-sell hedging solutions to our core corporate customers such as in car and home industries.

- Share of profit from investment using equity method decreased by 6.2% YoY to THB195 million.

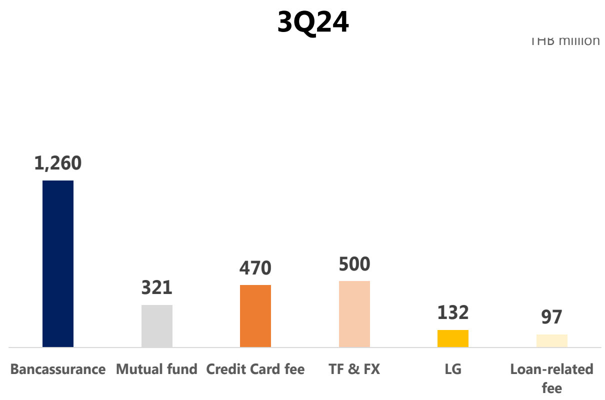
- Dividend income increased by 32.8% YoY mainly from business performance of strategic investments.

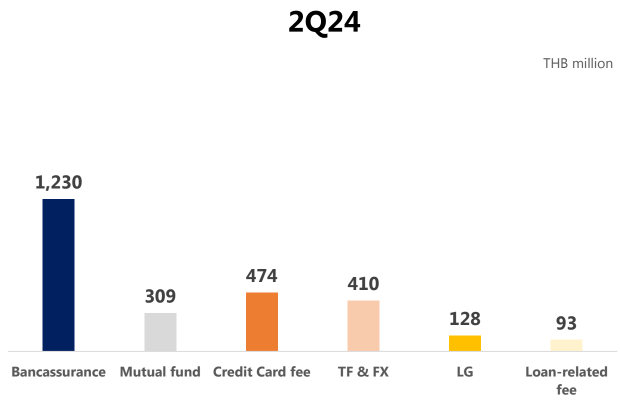
Figure 4: Non-interest income (Non-NII)

(THB million)	3Q24	2Q24	% QoQ	3Q23	% YoY	9M24	9M23	% YoY
Fees and service income	**3,160**	**3,133**	**0.8%**	**3,416**	**-7.5%**	**9,707**	**10,462**	**-7.2%**
Acceptance, Aval & Guarantee	136	133	2.2%	141	-3.0%	404	426	-5.3%
Other fee and service income	3,023	3,000	0.8%	3,275	-7.7%	9,303	10,035	-7.3%
Fees and service expenses	**917**	**924**	**-0.7%**	**910**	**0.7%**	**2,801**	**2,738**	**2.3%**
Net fees and service income	**2,242**	**2,209**	**1.5%**	**2,505**	**-10.5%**	**6,906**	**7,724**	**-10.6%**
Gain on financial instrument measured at fair value through profit or loss	473	388	22.1%	378	25.2%	1,318	1,275	3.4%
Gain (loss) on investments, net	48	69	-30.8%	13	264.5%	164	52	217.3%
Share of profit from investment using equity method	65	60	8.8%	81	-19.7%	195	208	-6.2%
Gain on sale of properties foreclosed, assets & other assets	39	77	-49.5%	89	-55.9%	156	233	-33.2%
Dividend income	85	188	-54.8%	0.038	224564.6%	272	205	32.8%
Others	210	196	7.2%	268	-21.6%	612	674	-9.2%
Non-interest income	**3,163**	**3,187**	**-0.8%**	**3,335**	**-5.2%**	**9,623**	**10,370**	**-7.2%**

Note: Consolidated financial statements

Figure 5: Strategic non-interest income





Note: Consolidated financial statements, gross income.
**Bancassuarance is included fees from TMBThanachart Broker, or ttb broker, our fully owned subsidiary and operating non-life brokerage business, is becoming an important role to auto car insurance. TTB has moved car insurance renewal to service at ttb broker and improve sale efficiency in branch staff.*

Non-interest expenses

For the 3rd quarter of 2024: The Bank recorded THB7,295 million of total non-interest expenses which rose by 1.2% QoQ but declined 6.2% YoY. Key items are as follows:

- Employee expenses slightly increased by 0.1% QoQ but dropped by 9.8% YoY to THB3,785 million. The changes were in line with HR management plan to achieve optimal efficiency.

- Premises and equipment expenses decreased by 5.9% QoQ and 8.1% YoY to THB1,090 million. Such declines were from lower rental and depreciation expenses as a part of premise management.

- Other expenses recorded at THB1,924 million, increasing by 6.5% QoQ and 1.9% YoY. Such increase was mainly due to software offset with selling and marketing expenses.

For the 9-month of 2024: Non-interest expenses decreased by 3.8% YoY to THB22,075 million. Key factors are as follows:

- Employee expenses dropped by 6.6% YoY to THB11,695 million due to HR management plan to ensure business efficiency and natural attrition.

- Premises and equipment expenses decreased by 3.8% YoY to THB3,446 million, resulting from premise management.

- Other expenses increased by 1.4% YoY to THB5,454 million, owing to software expenses in line with digital transformation initiatives offset with selling and marketing expenses.

Figure 6: Non-interest expenses

(THB million)	3Q24	2Q24	% QoQ	3Q23	% YoY	9M24	9M23	% YoY
Employee expenses	3,785	3,781	0.1%	4,199	-9.8%	11,695	12,525	-6.6%
Directors' remuneration	24	26	-7.6%	22	10.2%	78	99	-21.9%
Premises and equipment expenses	1,090	1,159	-5.9%	1,186	-8.1%	3,446	3,581	-3.8%
Taxes and duties	472	439	7.5%	482	-2.1%	1,403	1,361	3.1%
Other expenses	1,924	1,806	6.5%	1,889	1.9%	5,454	5,377	1.4%
Non-interest expenses	**7,295**	**7,210**	**1.2%**	**7,777**	**-6.2%**	**22,075**	**22,944**	**-3.8%**

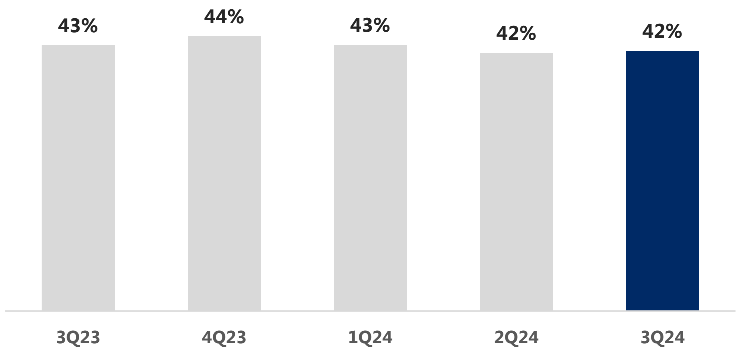
Note: Consolidated financial statement

3Q24 Cost to income ratio was at 42%, stable from the previous quarter while improving from the same period last year.

In 3Q24, the cost-to-income ratio (C/I ratio) was at 42%, stable from 2Q24 and decreased from 43% in 3Q23. The cost discipline is one of our priorities. Hence, we ensure that cost savings are aligned with revenue enhancement, resulting in the level of C/I ratio keep improving sustainably. Moreover, the effort to transform to digital-first business model and cross-selling strategy thru digital platform gradually underpin operational efficiency improvement, resulting in a well-managed level of C/I ratio within the range of 42-43%.

For 9M24, C/I ratio was at 42%, improving from 43% in 9M23. While keeping focus on prudent cost control, the Bank continues to improve digital capability and initiate new business models utilizing our core competency and mobile application to enhance revenue streams. HR and branch management along with digital-first business transformation also help drive cost to serve down further. In all, the Bank aims to achieve the aspirational target of low-40s C/I within 2026.

Figure 7: **Cost to income ratio**

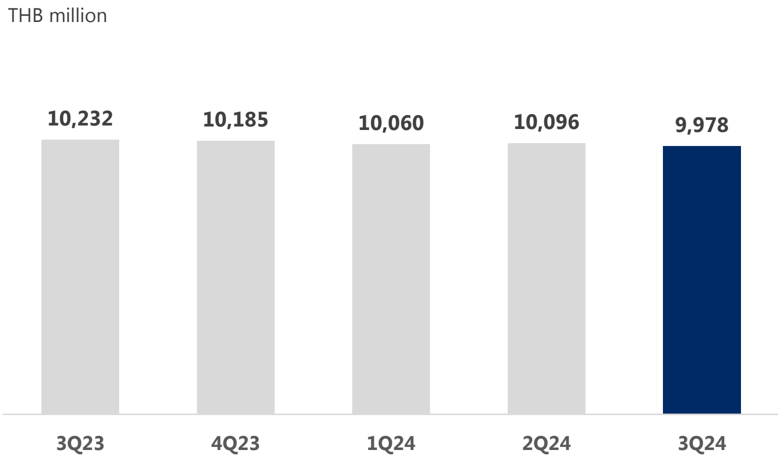


Note: Consolidated financial statements

Operating profit and Expected Credit Loss

Pre-provision operating profit (PPOP): PPOP amounted to THB9,978 million in 3Q24, decreased by 1.2% QoQ and 2.5% YoY. PPOP for the 9-month of 2024 was at THB30,134 million, growing by 1.3% YoY.

Figure 8: **Pre-provision operating profit (PPOP)**



Note: Consolidated financial statements

Setting aside 3Q24 ECL of THB4,764 million including extra provision under prudent ECL model.

Expected Credit Loss (ECL): Asset quality management remained one of our priorities amid this uncertain economic recovery. The Bank has maintained a prudent approach and closely monitored asset quality with a prudent ECL model and considered forward-looking risks through Management Overlay.

Amid economic uncertainty, TTB remains vigilant and tries to keep quality loan portfolio with ongoing de-risking weak loan initiatives and proactive NPL resolution activities as well as tightening underwriting criteria for new quality loans. As of 3Q24, the quality of loan portfolio was in control resulting in total ECL overall amounted to THB4,764 million, a decrease of 9.8% compared to 2Q24, or equivalent to 149 bps in terms of credit cost. In details, with our financial flexibility, we continued to set aside extra management overlay (MO) by THB154 million as a risk buffer for unforeseen future event. Meanwhile, the normal risk cost equaled THB4,610 million, or equivalent to a credit cost of 144 bps. The normal provision increased from 2Q24 from sales and write-off activities.

For the 9-month period of 2024, ECL amounted to THB15,162 million, an increase of 17.8% YoY, equivalent to 156 bps in terms of credit cost. The increase was due mainly to extra MO. The normal risk cost equaled THB13,319 million, or equivalent to a credit cost of 137 bps. The current ECL level has reflected our stringent ECL model and we maintain our risk cost target. In addition, the coverage ratio remained robust at 149% at the end of September 2024.

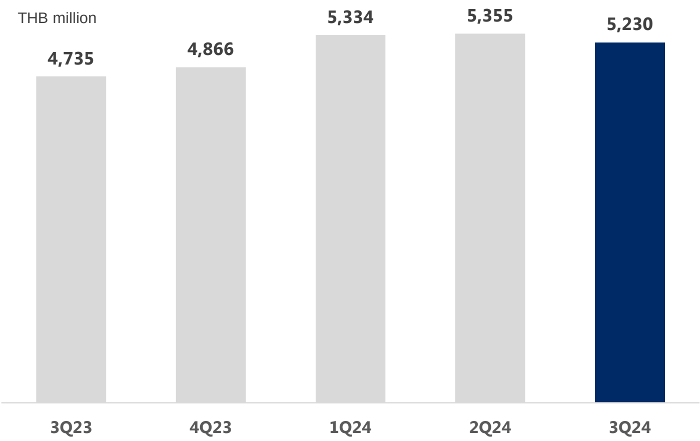
Figure 9: Expected Credit Loss (ECL) and credit cost

(THB million)	3Q24	2Q24	% QoQ	3Q23	% YoY	9M24	9M23	% YoY
Expected credit loss	**4,764**	5,281	-9.8%	4,354	9.4%	**15,162**	12,874	17.8%
Credit cost (bps) - annualized	**149**	163		127		**156**	126	

Note: Consolidated financial statements

Net profit: After provision and tax benefit, net profit in 3Q24 was THB5,230 million which decreased by 2.3% QoQ but increased 10.5% from the same period last year. It represented an ROE of 8.9%, lower than from 2Q24 at 9.2% but improving from 8.4% in 3Q23. For the 9-month period of 2024, net profit equaled THB15,919 million, representing an ROE of 9.1%.

Figure 10: Net Profit (to equity holder of the Bank)



Note: Consolidated financial statements

(Please see the next session for the discussion of financial position)

Discussion of financial position

Figure 11: Selected financial position (Consolidated)

(THB million)	Sep-24	Jun-24	%QoQ	Dec-23	%YTD
Cash	12,463	13,050	-4.5%	15,487	-19.5%
Interbank and money market items, net	253,607	256,815	-1.2%	267,486	-5.2%
Financial assets measured at fair value through profit or loss	12,581	9,657	30.3%	2,470	409.3%
Derivative assets	15,456	7,085	118.1%	7,236	113.6%
Investments, net	165,924	179,588	-7.6%	179,088	-7.4%
Investments in subsidiaries and associate, net	8,523	8,585	-0.7%	8,614	-1.1%
Total loans to customers	1,252,917	1,296,705	-3.4%	1,327,964	-5.7%
Add accrued interest receivables and undue interest receivables*	8,382	8,522	-1.6%	8,674	-3.4%
Less allowance for expected credit loss	60,069	60,815	-1.2%	63,502	-5.4%
Total loans to customers and accrued interest receivables, net	1,201,230	1,244,412	-3.5%	1,273,136	-5.6%
Properties for sale, net	15,321	13,446	13.9%	12,312	24.4%
Premises and equipment, net	16,423	18,782	-12.6%	20,859	-21.3%
Goodwill and other intangible assets, net	24,523	23,585	4.0%	23,434	4.6%
Deferred tax assets	2,587	2,530	2.3%	1,560	65.9%
Other assets, net	13,971	13,497	3.5%	12,751	9.6%
Total Assets	**1,742,609**	**1,791,034**	**-2.7%**	**1,824,434**	**-4.5%**
Deposits	1,296,436	1,365,452	-5.1%	1,386,581	-6.5%
Interbank and money market items	93,370	88,967	4.9%	87,794	6.4%
Financial liabilities measured at fair value through profit or loss	5,890	3,963	48.6%	1,816	224.3%
Debts issued and borrowings, net	40,375	45,421	-11.1%	59,531	-32.2%
Other liabilities	72,762	52,595	38.3%	59,364	22.6%
Total Liabilities	**1,508,834**	**1,556,399**	**-3.1%**	**1,595,087**	**-5.4%**
Equity attributable to equity holders of the Bank	233,775	234,635	-0.4%	229,347	1.9%
Non-controlling interest	0	0	16.0%	0	34.9%
Total equity	**233,775**	**234,635**	**-0.4%**	**229,347**	**1.9%**
Total liabilities and equity	**1,742,609**	**1,791,034**	**-2.7%**	**1,824,434**	**-4.5%**
Book value per share (Baht)	2.40	2.41	-0.4%	2.36	1.7%

Note: Consolidated financial statements

** For credit impaired loans to customers and accrued interest are presented net from allowances for expected credit loss*

Assets

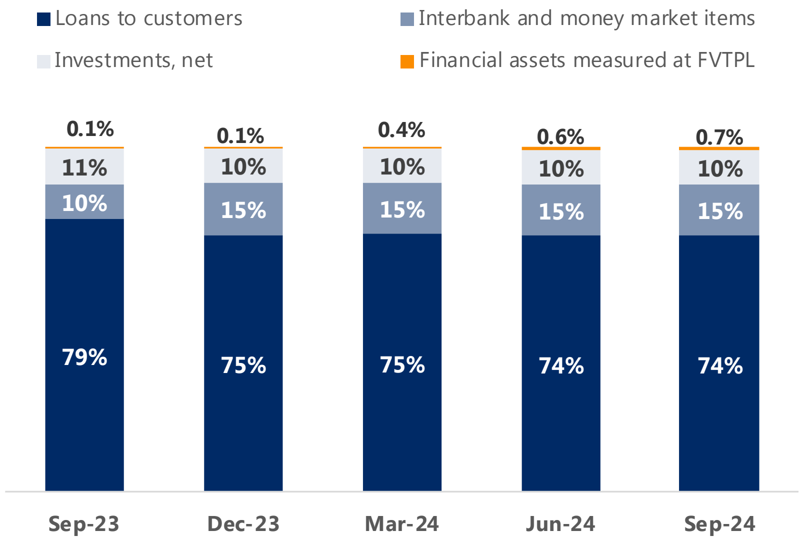
As of 30 September 2024, total assets on a consolidated basis were THB1,742,609 million, decreasing by 2.7% QoQ and 4.5% YTD. Key items are as follows:

- Total loans to customers and accrued interest receivables net declined by 3.5% QoQ and 5.6% YTD to THB1,201,230 million. (Details in the following section).
- Net interbank and money market items decreased by 1.2% QoQ and 5.2% YTD to THB253,607 million. Such a decrease was aligned with our liquidity management.

- Net investments and financial asset measured at fair value through profit or loss dropped by 5.7% QoQ and 1.7% YTD to THB178,505 million, mainly due to portfolio adjustment of government and corporate bonds following market expectations towards interest rate cuts.

After the merger, loans to customers were still the largest portion of earning assets. As of 30 September 2024, loans to customers represented 74.4% of earning assets. This was followed by interbank and money market of 15.1%, investments of 9.8%, and financial assets measured at fair value through profit or loss of 0.7%, respectively.

Figure 12: Earning assets



Note: Consolidated financial statements

Investment Classification

Under TFRS9, investment items are classified into 3 categories; fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) and measured at amortized cost. As of 30 September 2024, investments were classified as follows:

(THB million)	30 Sep 2024	30 Jun 2024
Financial assets measured at FVTPL	**12,581**	**9,657**
Investments in debt securities measured at amortized cost	59,836	59,844
Investments in debt securities measured at FVOCI	104,408	118,092
Investments in equity securities measured at FVOCI	1,680	1,652
Net Investment*	**165,924**	**179,588**
Total Investment	**178,505**	**189,245**

Note: Consolidated financial statements

* *Net investments comprised of investments measured at amortized cost and measured at FVOCI*

Total loans to customers and accrued interest receivables

As of 30 September 2024, TTB recorded total loans to customers and accrued interest receivables-net on a consolidated basis of THB1,201 billion, decreasing by 3.5% from June 2024 (QoQ) and 5.6% from December 2023 (YTD). In terms of total loans to customers on a consolidated basis (excluding accrued interest receivables and allowance for ECL), the figure amounted to THB1,253 billion, which declined by 3.4% QoQ and 5.7% YTD.

As economic situation remained uncertain, the Bank reaffirmed the prudent direction to selectively grow quality portfolios and efficiently optimize liquidity utilization with justified risk-adjusted returns, consistently with leveraging core strength and expertise in business operations. Details are as follows:

- Retail lending on a consolidated basis declined by 2.3% QoQ and 5.1% YTD, mainly attributable to secured portfolios both hire purchase and mortgage lending. Meanwhile, the targeted segments of top-up loans, including Cash Your Car (CYC) and Cash Your Home (CYH), and Personal loan remained positively on track.

  Given our prudent growth policy and vigilance in underwriting criteria due to ongoing challenges in the domestic car market, the overall hire purchase portfolio slowed down by 3.7% QoQ and 8.4% YTD mainly from both new car and used car segments. As such, we have continued to offer higher-yield product and leverage quality existing customers to improve risk-adjusted returns, resulting in continued expansion in Cash Your Car (CYC) by 0.8% QoQ and 6.3% YTD.

  Similarly with the mortgage area, the Bank remained cautious in credit underwriting amid a modest demand in the housing market during the peak interest rate environment. Overall, mortgage lending declined by 0.8% QoQ and 2.2% YTD. In details, new home loan shown slow growth while the targeted home top-up loans, Cash Your Home (CYH), remained on the positive trajectory, growing steadily by 2.9% QoQ and 10.0% YTD.

  With our continuous effort in building up a more fair share in the consumer loans area through ttb consumer, personal loan portfolio expanded further by 2.0% QoQ and 9.0% YTD. Meanwhile, credit card loans slightly declined by 0.2% QoQ and by 1.3% YTD.

- Corporate lending on a consolidated basis decreased by 5.7% QoQ and 6.1% YTD, mainly from the repayment in term loans, coupled with our strategic move in freeing-up liquidity from low-yield portfolio to selectively grow towards secured higher-yield loan space. Meanwhile, we saw marginal increment in demand for trade finance during the quarter.

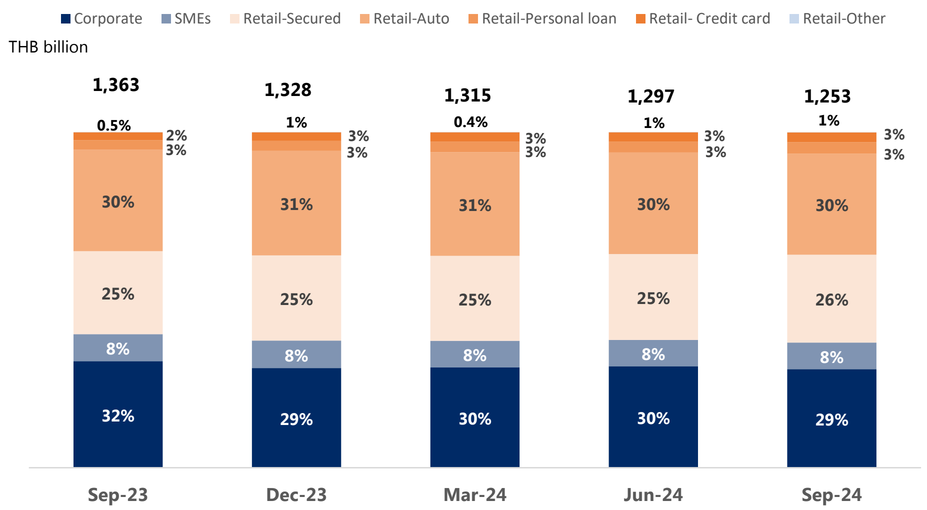
- SME segment (Small and Medium SME) continued to drop by 3.0% QoQ and 8.6% YTD, consistently with our strategy to de-risk from SME lending and maintain a conservative position.

In terms of loan breakdown by customer segments, the loan portfolio has diversified and shifted to the retail segment since the merger. As of 30 September 2024, retail loans accounted for 63% while corporate loans were 29% and SMEs were 8% of total portfolio.

In terms of key products, 30% of total loan was hire purchase, followed by mortgage of 26%, term loan of 16%, working capital (OD&RPN) of 15%, unsecured & credit card of 6%, trade finance of 6%, and others 1%, respectively.

As of 30 September 2024, HP portfolio consisted of new car of 64%, Cash Your Car (CYC) of 21%, used car of 14%, and Cash Your Book (CYB) of 1%, respectively.

Figure 13: Total loan to customers breakdown by customer segment

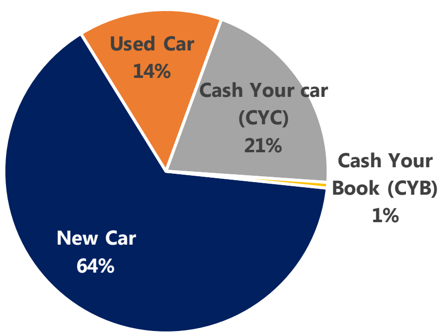


Note: Consolidated financial statements

There was the reclassification of retail-other to mortgage loan in Jan 2023 after internal annual review loan portfolio and, for comparison purpose, we reclassified retrospectively.

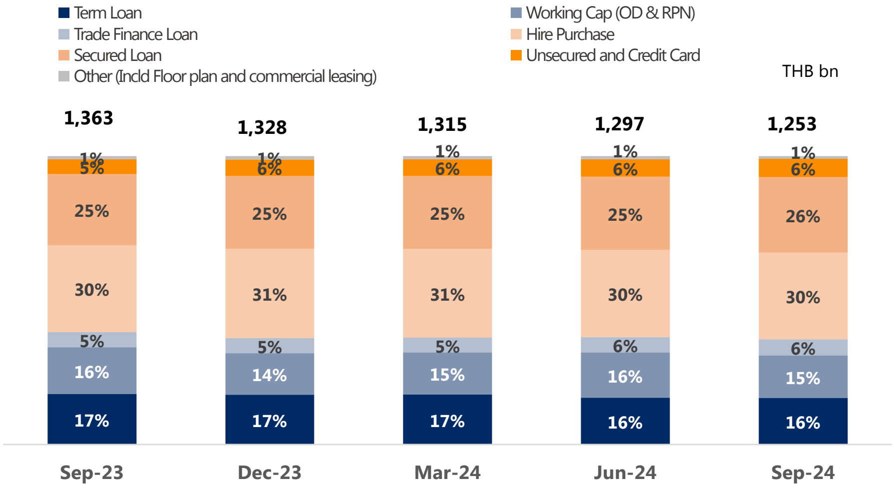
Segment definition:
Corporate: customers with annual sales volume more than THB400 million
SME: small and medium SME customers with annual sales volume up to THB400 million, including owner operators

Figure 14: Hire purchase breakdown



Note: Consolidated financial statements

Figure 15: Total loan to customer breakdown by product



Note: Consolidated financial statements

Asset Quality

Under TFRS9, loans are classified into 3 stages based on changes in credit quality identified since initial recognition. The expected credit loss (ECL) framework is based on the requirements of the Thai Financial Reporting Standard No. 9 Financial Instruments (TFRS 9) which became effective on January 1, 2020 onwards.

The Bank calculated and reported impairment based on our ECL model-based calculation which is a probability-weighted estimate of credit loss over the expected life of financial instruments, adjusted with forward-looking assumptions to take into account the expectation of future macro-economic outlook and potential impacts on our loan portfolio.

As of 30 September 2024, Loans and allowance for expected credit loss were classified as follows:

Figure 16: Loan and accrued interest receivables classification and allowance for expected credit loss*

	30 Sep 2024	
(THB million)	**Loans to customer and accrued interest receivables**	**Allowance for expected credit Loss**
Stage 1 (Performing)	1,102,969	15,022
Stage 2 (Under-performing)	118,106	28,243
Stage 3 (Non-performing)	40,224	16,804
Total	**1,261,299**	**60,069**

	31 Dec 2023	
(THB million)	**Loans to customer and accrued interest receivables**	**Allowance for expected credit Loss**
Stage 1 (Performing)	1,174,852	15,602
Stage 2 (Under-performing)	120,780	28,195
Stage 3 (Non-performing)	41,006	19,705
Total	**1,336,638**	**63,502**

Note: Consolidated financial statement, Loan and accrued interest receivable of stage 3 is presented on a net basis

Stage 3 loans (Non-performing loan) and NPL ratio, excluded accrued interest receivables

According to the new accounting standard under TFRS9 which was implemented on 1 January 2020, non-performing loans is classified as stage 3.

Overall prospects for business and banking sector remained in a challenging environment given a slower pace of economic recovery in both global and domestic levels as well as ongoing structural challenges facing Thai economy such as elevated household debt that further limits deleveraging capabilities especially for those in vulnerable groups.

Having said that, the Bank has reaffirmed a clear direction and strategic focus aiming at safeguarding the Bank's financial position and portfolio quality. Given our focus on quality growth strategy and stringent risk management principles, the overall portfolio quality of the Bank remained manageable. As such, the pace of NPL formation and loan slippage remained under control. In the periods ahead, the Bank will continue in prudent direction and precautionary approaches in managing loan modification to mitigate future downside risks and ensure B/S healthiness.

In addition, we have continued to proactively de-risk and resolve weak loans to ensure our portfolio quality and limit future downside risks through NPL sales and write-off activities. In this quarter, the Bank and its subsidiaries wrote off NPLs amounting to approximately THB5.5 billion, decreasing from THB7.0 billion in 2Q24, and sold THB0.9 billion of NPLs compared to THB0.5 billion the previous quarter.

As a result, as of 30 September 2024, Stage 3 loans (NPLs) on a consolidated basis, were reported at THB40,224 million, relatively stable when compared to THB40,105 million at the end of June 2024 and reduced from THB41,006 million at the end of December 2023.

Stage 3 loans (NPLs) on a bank-only basis amounted to THB36,955 million, relatively stable from THB36,430 million in June 2024 and THB36,347 million in December 2023.

As of 30 September 2024, NPL ratio on a consolidated basis was recorded at 2.73%, slightly increased from 2.64% at the end of June 2024 and 2.62% at the end of December 2023 mainly due to loan contraction. Likewise, NPL ratio on a bank-only basis stood at 2.51%, which rose from 2.41% as of June 2024 and 2.33% as of December 2023.

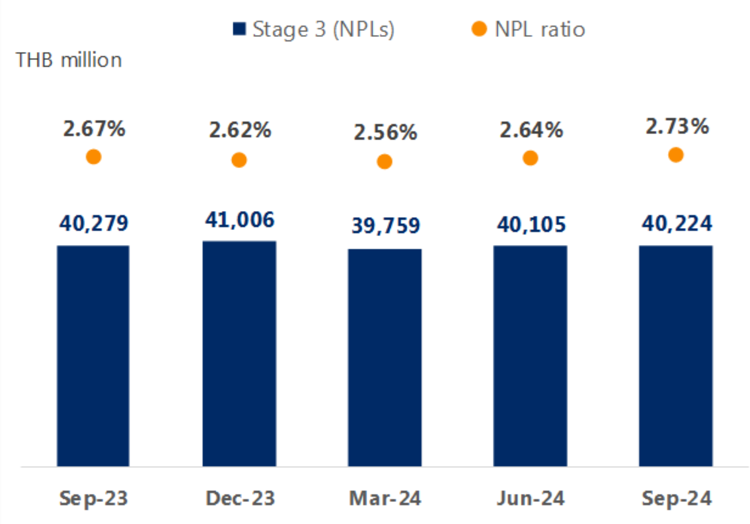
In sum, the asset quality of the Bank remained at a manageable level, reaffirming the quality growth strategy and proactive NPL resolution. In addition, with our prudent risk management, stage 3 ratio remained in-line with the target guidance of ≤2.9%.

Allowance for expected credit loss

Given the current unfavorable economic conditions and unforeseen risks, the Bank remains prudent in provision setting, proactively reviews, and sets aside management overlay (MO) to cover both the Probability of default (PD) and Loss given default (LGD) shift. Furthermore, the Bank has closely monitored customers' debt serviceability in order to reflect real behavior in the ECL model and offered further assistance to those in need in a timely manner. Thus, the allowance for expected credit loss was set at the prudent level, preparing for future uncertainties.

As of 30 September 2024, the Bank and its subsidiaries reported the allowance for expected credit loss at THB60,069 million, which decreased by 1.2% QoQ and 5.4% YTD. Such declines were in part of write-off activities to keep the portfolio clean. We have proactively de-risked the weak portfolio while prudently classifying and maintaining the loan loss buffer by setting aside additional provisions on top of the normal provision level as an extra cushion for future economic uncertainties, to ensure that our asset quality has been kept in check. In addition, the coverage ratio remained robust at 149%.

Figure 17: Stage 3 loan (NPLs) and NPL ratio



Note: Consolidated financial statement, non-performing loans classified as stage 3

Liabilities and Equity

As of 30 September 2024, total liabilities and equity on a consolidated basis was reported at THB1,742,609 million, decreasing by 2.7% QoQ and 4.5% from the end of December 2023.

Total consolidated liabilities were THB1,508,834 million, declining by 3.1% QoQ and 5.4% from the end of December 2023. Details of key figures are as follows;

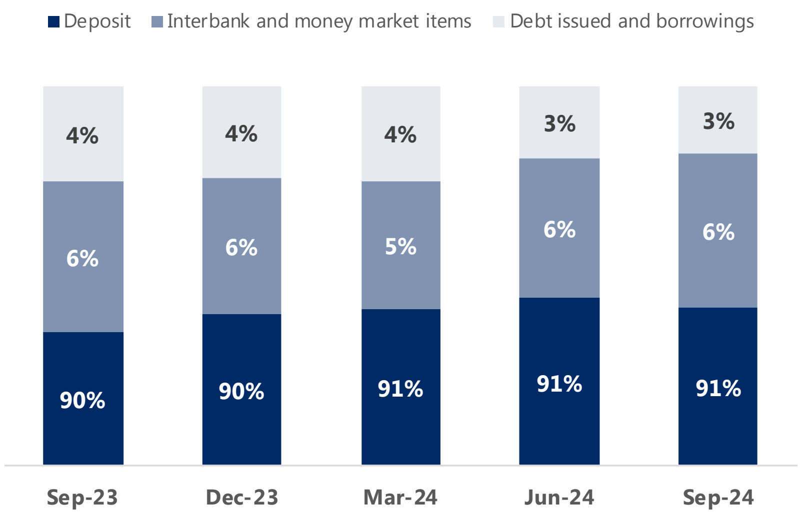
- Total deposits were THB1,296,436 million, which dropped by 5.1% QoQ and 6.5% YTD. (see details in the following section)
- Interbank and money market items amounted to THB93,370 million which increased by 4.9% QoQ and 6.4% YTD, mainly due to the Bank's liquidity management.

- Borrowings were recorded at THB40,375 million which decreased by 11.1% QoQ and 32.2% YTD. (see details in the following section)

The consolidated equity was THB233,775 million, decreasing by 0.4% QoQ but increasing by 1.9% YTD. Such QoQ decrease was mainly due to dividend payment offset with the accumulation of the net profit.

The deposit was the largest composition of interest-bearing liabilities. As of 30 September 2024, deposits represented 91% of interest-bearing liabilities. This was followed by interbank and money market items of 6% and debt issued and borrowings of 3%.

Figure 18: Interest-bearing liabilities breakdown



Note: Consolidated financial statement

Deposits

As of 30 September 2024, the Bank and its subsidiaries reported total deposits on a consolidated basis of THB1,296,436 million which declined by 5.1% QoQ and 6.5% from the end of 2023. Such contractions were aligned with the Bank's balance sheet management and funding cost strategy to pre-emptively manage deposit costs when the peak interest rate cycle anticipated to nearly end.

Deposit breakdown by products

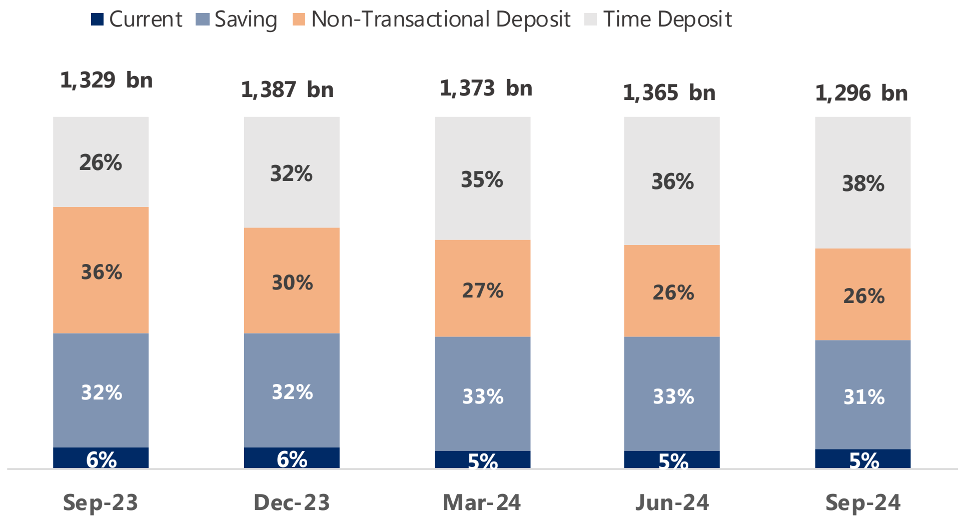
After we acquired sizable deposit thru TD-long duration during 4Q23 in preparation for 2024 which placed us at strong liquidity position with LDR lower than 100%, the Bank saw less pressure on deposit acquisition passing the first half of 2024 and has continued to strategically optimize the deposit level to align with loan growth momentum as well as efficiently manage the cost of funds under such interest rate environment.

For the deposit structure, term deposits were still used as tactical products and become the biggest portion in deposit mix (38%), but the product offerings were shifted from TD-long duration to shorter duration TD such as TD Quick 12M amid the potential interest rate cut. As a result, TD grew at slower pace and declined 2.3% QoQ but expanded by 10.3% YTD. During high interest rate cycle, hybrid products such as No-Fixed (-5.7% QoQ/-19.0% YTD) and ME (-2.8% QoQ/-6.5% YTD) continued to see outflow to higher yield deposits and alternative investments. CASA declined by 7.5% QoQ and 11.5% YTD mainly from reducing high-cost saving portion. However, transactional flagship product, namely ttb all free, still grew by 2.2% QoQ and 1.3% YTD.

The overall YTD deposit momentum was still in-line with the Bank's target guidance and asset-liability and liquidity management. In addition, given the current level of Loan-to-Deposit ratio (LDR) of 97%, we anticipate lower pressure on deposit acquisition and funding costs for the rest of 2024. However, we continue to use TD products to deepen relationship with customers and cross-selling products together with leverage our digital platform and ecosystem play initiatives to ensure overall margin and profitability remain intact.

As of September 2024, retail deposit proportion represented 76% and commercial deposit represented 24% of total deposits. In terms of deposit structure, the ratio of non-transactional deposit to total deposit was reported at 26% while transactional deposit (CASA-excluded No-Fixed and ME Save) accounted for 36%, Time Deposit accounted for 38%, respectively.

Figure 19: Deposit structure by products



Note: Consolidated financial statement

Remark: "TTB No Fixed" and "ME" are classified as savings account as they are not required to maintain minimum balance and have no restriction to term of deposit, presented in this graph as non-transactional deposit.

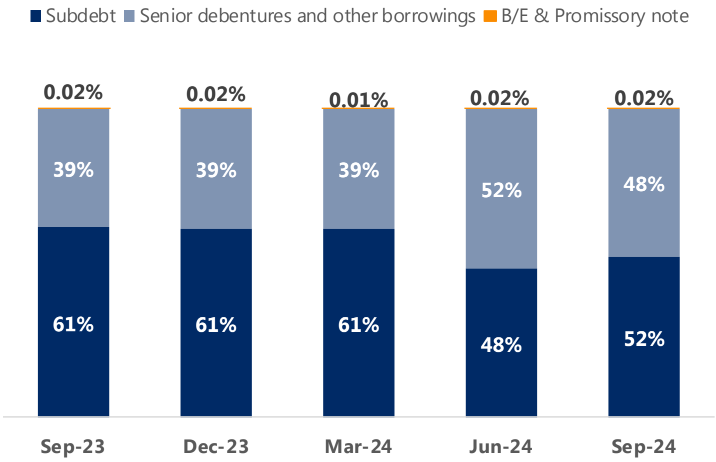
Borrowings

Borrowing decreased by 11.1% QoQ mainly due to exchange rate and the redemption of PAMCO bond.

As of 30 September 2024, total borrowings of the Bank and its subsidiaries recorded at THB40,375 million which decreased by 11.1% QoQ and 32.2% YTD. Such QoQ declines were mainly due to gain on exchange rate on offshore borrowings following the appreciation of Thai Baht and the redemption of PAMCO bond offset with lower renewal amount. The changes in QoQ and YoY were a part of funding cost management amid current market interest rate situation underpinned well-managed funding costs of 9M24.

In terms of borrowing structure, 52% was sub-debt. This was followed by senior debentures and other borrowings of 48% and BE of 0.02%.

Figure 20: Borrowings breakdown



Note: Consolidated financial statements

Liquidity and loan-to-deposit ratio

TTB has a strong liquidity position and has maintained a high proportion of liquid and low-risk assets.

As of 30 September 2024, on a consolidated basis, total liquid assets represented 17.9% of the total assets. The liquid assets consisted of cash (0.7%), interbank & money market items (14.6%), short-term investment (2.0%), and short-term financial assets measured at FVTPL (0.7%).

In terms of loan-to-deposit ratio (LDR), on a consolidated basis was at 97%, marginally higher than 95% as of June 2024 but improving from 102% as of September 2023.

With the Bank's funding strategy to diversify funding sources through debt issued and borrowings, Loan to deposit and debt issue and borrowings was recorded at 94% as of September 2024.

Figure 21: Liquid asset allocation and loan to deposit ratio

Liquid assets	Sep-24	Jun-24	Mar-24	Dec-23	Sep-23
Cash	0.7%	0.7%	0.7%	0.8%	0.8%
Interbank and money market	14.6%	14.3%	14.7%	14.7%	9.6%
Short-term investment	2.0%	2.3%	2.8%	3.4%	3.5%
Short-term financial assets at FVTPL	0.7%	0.5%	0.3%	0.1%	0.03%
Liquid assets/Total assets	**17.9%**	**17.9%**	**18.6%**	**19.0%**	**13.9%**
Loan to deposit ratio (LDR)	**97%**	**95%**	**96%**	**96%**	**102%**

Note: Consolidated financial statement

Capital Adequacy

Maintain high capital ratios under Basel III

The Bank consistently ensures a robust capital base. As of 30 September 2024, Capital Adequacy Ratio (CAR) on a consolidated basis under Basel III calculation was at 19.7%, while Tier 1 ratio and CET 1 ratio stayed at 17.3% and 16.8%, respectively. Such levels were well above the Bank of Thailand's minimum requirement (including conservation buffer and the D-SIBs buffer) of 12.0%, 9.5%, and 8.0% of CAR, Tier 1 ratio, and Core Tier 1 ratio, respectively.

Figure 22: Capital adequacy ratio (CAR) and Tier 1 capital under BASEL III

(as % to risk-weighted assets)	Sep-24	Jun-24	Mar-24	Dec-23	Sep-23
Capital Adequacy Ratio (CAR)	**19.7%**	19.5%	20.8%	20.7%	19.9%
Tier I Ratio (Tier 1)	**17.3%**	17.1%	17.0%	17.0%	16.3%
Core Tier 1 Ratio (CET1)	**16.8%**	16.6%	16.7%	16.7%	16.1%

Note: Consolidated financial statement

TTB's Financial Summary

(THB million)	3Q24	% QoQ	% YoY	9M24	% YoY
Net interest income (NII)	**14,062**	-0.9%	-4.1%	**42,643**	0.9%
Non-interest income (Non-NII)	**3,163**	-0.8%	-5.2%	**9,623**	-7.2%
Non-interest expenses	**7,295**	1.2%	-6.2%	**22,075**	-3.8%
Pre-provision operating profit (PPOP)	**9,978**	-1.2%	-2.5%	**30,134**	1.3%
Expected credit loss (ECL)	**4,764**	-9.8%	9.4%	**15,162**	17.8%
Net profit to equity holders of the Bank	**5,230**	-2.3%	10.5%	**15,919**	17.1%

(THB million)	30-Sep-24	30-Jun-24	%QoQ	31-Dec-23	% YTD
Total loan to customers	**1,252,917**	1,296,705	-3.4%	1,327,964	-5.7%
Total assets	**1,742,609**	1,791.034	-2.7%	1,824,434	-4.5%
Deposit	**1,296,436**	1,365,452	-5.1%	1,386,581	-6.5%
Debt issued and borrowings, net	**40,375**	45,421	-11.1%	59,531	-32.2%
Total liabilities	**1,508,834**	1,556,399	-3.1%	1,595,087	-5.4%
Total equity	**233,775**	234,635	-0.4%	229,347	1.9%

Key ratios	3Q24	2Q24	3Q23	9M24	9M23
Net interest margin (NIM)	**3.26%**	3.26%	3.34%	**3.27%**	3.21%
Non-interest income to total assets	**0.71%**	0.71%	0.74%	**0.72%**	0.77%
Cost to income ratio	**42.0%**	41.7%	42.9%	**42.2%**	43.3%
Return on equity (ROE)	**8.9%**	9.2%	8.4%	**9.1%**	8.2%
Return on asset (ROA)	**1.2%**	1.2%	1.1%	**1.2%**	1.0%
NPL / Stage 3 (THB mn)	**40,224**	40,105	40,279	**40,224**	40,279
NPL / Stage 3 ratio	**2.73%**	2.64%	2.67%	**2.73%**	2.67%
Credit cost (bps) - annualized	**149**	163	127	**156**	126
Loan to deposit ratio (LDR)	**97%**	95%	102%	**97%**	102%
LDR + Debt issued & borrowings to deposit	**94%**	92%	98%	**94%**	98%
Capital adequacy ratio (CAR)	**19.7%**	19.5%	19.9%	**19.7%**	19.9%
Tier 1 capital ratio (Tier 1)	**17.3%**	17.1%	16.3%	**17.3%**	16.3%
Core tier 1 capital ratio (CET 1)	**16.8%**	16.6%	16.1%	**16.8%**	16.1%
TTB Bank's employees	**13,810**	13,965	14,401	**13,810**	14,401
Group's employees	**14,770**	14,939	15,365	**14,770**	15,365
Domestic branches	**477**	488	537	**477**	537
ATMs, ADMs and All-in-One	**2,514**	2,612	3,246	**2,514**	3,246

Note: Consolidated financial statements

Additional Information: Credit rating profile

Moody's		
	International rating	**Outlook**
Bank Deposits	Baa1/P-2	Stable
Baseline Credit Assessments (BCAs)	baa3	
Senior Unsecured	(P)Baa1	

Latest Changes: June 2020, Moody's has affirmed long-term rating and revised outlook to stable.

Standard & Poor's		
	International rating	**Outlook**
Long-Term Counterparty	BBB-	Stable
Short-Term Counterparty	A-3	
Senior Unsecured	BBB-	
Stand-Alone Credit Profile (SACP)	bb	

Latest Changes: March 2022, Standard & Poor's has downgraded long-term rating and revised outlook to stable.

Fitch Ratings		
	International rating	**Outlook**
Long-Term IDR	BBB	Stable
Short-Term IDR	F2	
Senior Unsecured	BBB	
Viability Rating	bbb-	
Support Rating Floor	BBB	
Support Rating	2	
	National Rating	
Long-Term	AA+ (tha)	
Short-Term	F1+(tha)	
Subordinated Debt	A (tha)	

Latest Changes: September 2021, Fitch Ratings has upgraded long-term IDR and Support rating floor with stable outlook.

ttb | Make **REAL** Change

Disclaimer

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