



SCB<sup>x</sup>

**3Q24 Financial Results**  
Analyst Meeting Presentation

21 October 2024

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# **Today's agenda**

- 1 Macroeconomic update**
- 2 Key highlights**
- 3 Review of 3Q24 results**





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# Macroeconomic update



# Executive summary



**The global economy is expected to slow in 2024H2, pressured by slowdowns in the US and China.** SCB EIC expects The US economy is on track for a soft landing with lower inflation and a resilient labor market. Meanwhile, China has introduced a major stimulus, hoping to achieve growth of around 5% in 2024.

**The global economy will head toward a soft landing in 2025** and will grow at a slightly higher pace than in 2024. Such acceleration will be driven by lower inflationary pressure in major economies and reduction of policy rates by major central banks.



**SCB EIC projects that Thailand's economy will grow modestly in 2024 and 2025, at rates of 2.5% and 2.6%, respectively.** Exports are expected to grow at a slower pace than in the past, partly due to declining competitiveness. Private investment is projected to contract slightly this year but should resume modest growth next year following a significant increase in Board of Investment (BOI)'s certificate approvals. Private consumption will also slow due to (1) agricultural incomes are expected to contract due to declining prices of key commodities next year (2) weakening consumer credit due to deteriorating credit quality, reflecting low consumer confidence, as seen in the SCB EIC Consumer survey 2024 and (3) increasing tendency for consumers to cut back on non-essential goods and services spending.








**SCB EIC estimates that while the digital wallet scheme involves substantial budget, its economic impact will be temporary and somewhat limited.** Most of the new government's short-term economic policies reflect a continuation of the previous administration's policies, albeit with an increased emphasis on supporting vulnerable households and businesses.



**MPC delivered the first rate cut this October meeting. SCB EIC expects an additional rate cut by Q1/25 to 2%** driven by clear signs of economic downside risks and tight financial conditions.

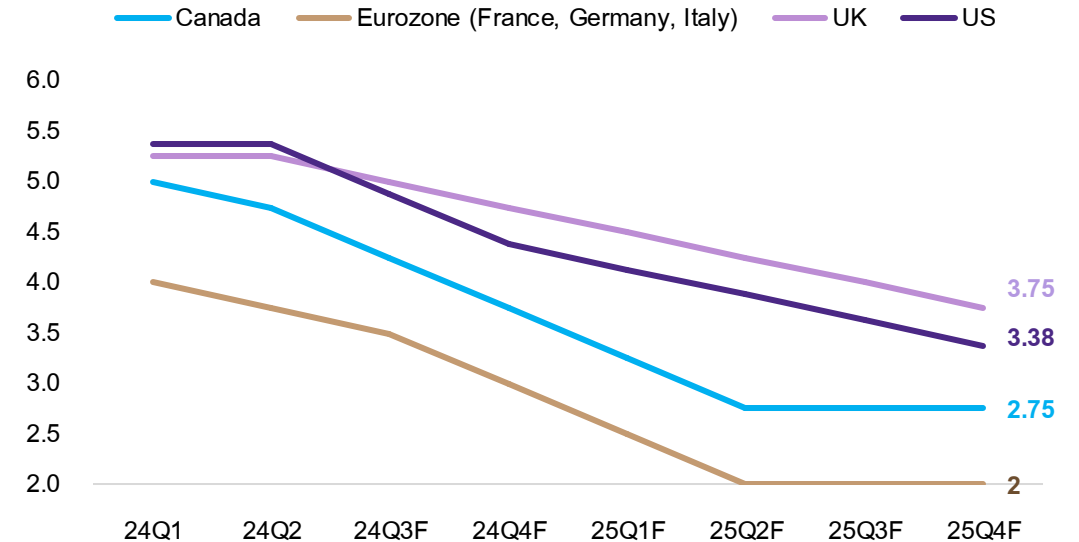
## Global economy is moderating in 2H24 and heading towards a soft landing in 2025, supporting by lower inflationary pressure and lower policy rate environment.

Global economic growth projection by SCB EIC

Global GDP Growth (%YOY)	2023	2024F		2025F	
		As of Jun 24	As of Sep 24	As of Jun 24	As of Sep 24
 <b>Global</b>	2.7%	2.7%	2.7%	2.7%	2.8%
 <b>US</b>	2.5%	2.5%	2.5%	1.9%	1.9%
 <b>Eurozone</b>	0.4%	0.7%	0.8%	1.2%	1.3%
 <b>Japan</b>	1.7%	0.1%	0.1%	1.0%	1.1%
 <b>China</b>	5.2%	5.0%	5.0%	4.4%	4.5%
 <b>India</b>	7.7%	7.1%	7.2%	6.8%	6.8%
 <b>ASEAN-5</b>	4.3%	4.7%	4.9%	5.0%	5.0%

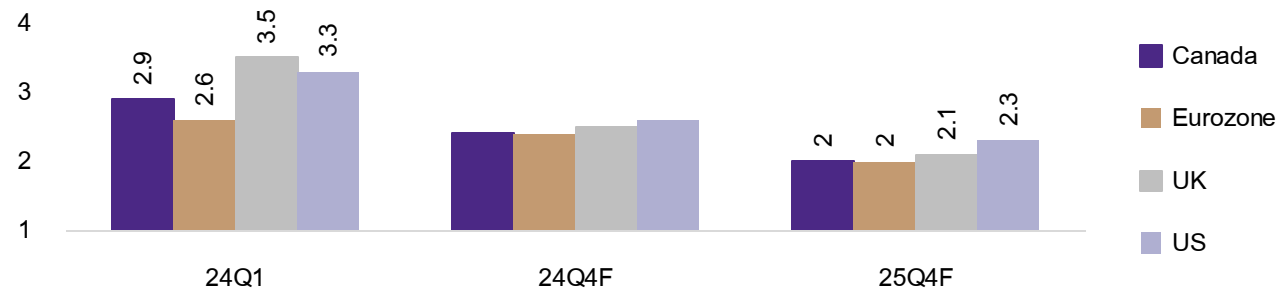
G7 policy rate forecast (excl. Japan) by SCB EIC

Unit: %, mid-point



G7 inflation forecast (excl. Japan) by Bloomberg Median

Unit: %YOY

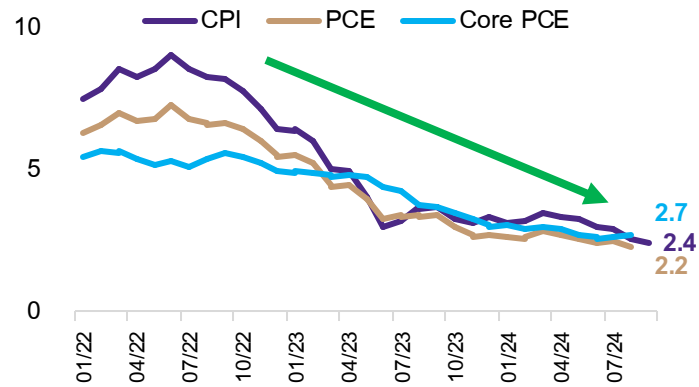


Country	2023	Current rate	2024F	2025F
BOC (Canada)	5	4.25	3.75	2.75
ECB (Eurozone)	4	3.25	3	2
Fed (US)	5.38	4.88	4.38	3.38
BOE (UK)	5.25	5	4.75	3.75
BOJ (Japan)	-0.05	0.25	0.5	0.75

## The US economy is on track for a soft landing with lower inflation and a resilient labor market. Meanwhile, China has launched a major fiscal stimulus to reach its 5% growth target for 2024.

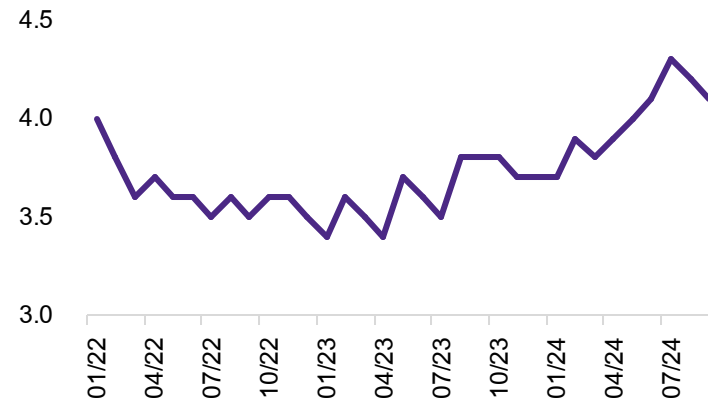
### US inflation was cooling

Unit : %YOY



### US unemployment rate climbed down

Unit : %



**China's stimulus:** The new announcement of fiscal stimulus reflects a pro-growth stance and should help China recover cyclically in Q4 and 2025. However, there have yet to be signs for a consumption stimulus which will better stimulate the economy. In addition, China will still face a structural slowdown among many downside risks, particularly from the US election and new tariffs, resulting in an economic slowdown in the medium-term.

	Key stimulus measures announced in Sep – Oct24
<b>Monetary Policy</b>	Lower the policy rate (7-day reverse repurchase) by 20BPS
	Lower the required reserve ratio by 50 BPS and may be lowered by another 25-50BPS by end year
	Set up monetary policy tools to support the equity market worth CNY800 billion
<b>Real Estate Policy</b>	Lower the down payment ratio on second homes by 10PPT
	Lower the rates on existing mortgages by approximately 50BPS on average
	Increase the amount of liquidity provided to the housing destocking program to 100% of loan value
<b>Fiscal Policy</b>	Increase local government debt ceiling to support the debt swap program
	Increase local government debt issuance by fulfilling this year's quota and an additional CNY 400 billion from previous years' quota. Plus, allowing proceeds from LGSB* to be used to support the property sector.
	Issue additional central government special bond to inject capital into large state-owned banks

## SCB EIC expects subdued growth for the Thai economy in 2024 and 2025. Key components lose their momentums with greater downside risks from domestic and international uncertainties.

Thailand's economic projections by SCB EIC

Economic Forecast (Base case)	Unit	2024F		2025F	
		As of Jun 24	As of Sep 24	As of Jun 24	As of Sep 24
GDP	%YOY	2.5	2.5	2.9	2.6
Private consumption	%YOY	3.2	3.7	2.9	2.4
Public consumption	%YOY	1.4	1.4	3.7	3.7
Private investment	%YOY	3.6	-0.4	4.8	3.8
Public investment	%YOY	-0.5	-0.5	4.2	4.2
Goods exports value	%YOY, USD BOP	2.6	2.6	2.6	2.8
Goods imports value	%YOY, USD BOP	3.8	3.1	3.6	3.6
Foreign tourist arrivals	Million persons	36.2	36.2	40.4	39.4
Headline inflation	%YOY	0.8	0.6	1.0	1.0
Core inflation	%YOY	0.6	0.5	0.9	0.9
Crude Oil Price (Brent)	USD/Bbl.	85.3	83.1	80.1	79.2
Policy rate (Year-end)	%	2.25	2.25	2.00	2.00
Current account balance	% of GDP	1.2	1.8	1.5	2.0

Worst-case scenario in 2025 by SCB EIC

Worse case scenario
<p><b>Global economy is headed for a hard landing</b>, with US recession resulting from delayed monetary policy tightening</p> <ul style="list-style-type: none"> <li>Thai exports may grow slower than this year while Thai investment possibly doesn't return to expansion</li> </ul>
<p><b>Thai politics lacks stability</b> whereas fiscal stimulation is inconsistent</p> <ul style="list-style-type: none"> <li>Thai economy lacks economic stimulating policy, and the budget disbursement is delayed</li> </ul>
<p><b>Monetary sector is highly tightening</b>, causing difficult loan access, which poses greater challenges on the real economy</p> <ul style="list-style-type: none"> <li>Consumption slows down significantly, while investment becomes sluggish, causing recovery to potentially last several years</li> </ul>

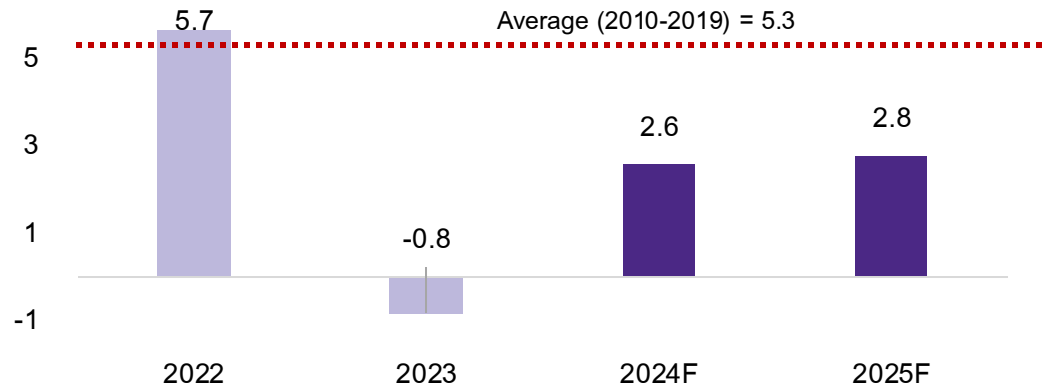
2025F	Real GDP (%YOY)	Policy rate (% End-year)
Worse	1.9	1.5



SCB EIC estimates that 2025 exports values should experience higher growth although at the slower pace than the growth in the past, partly due to diminishing competitiveness.

#### Thai exports values growth forecast by SCB EIC

Unit: YOY%



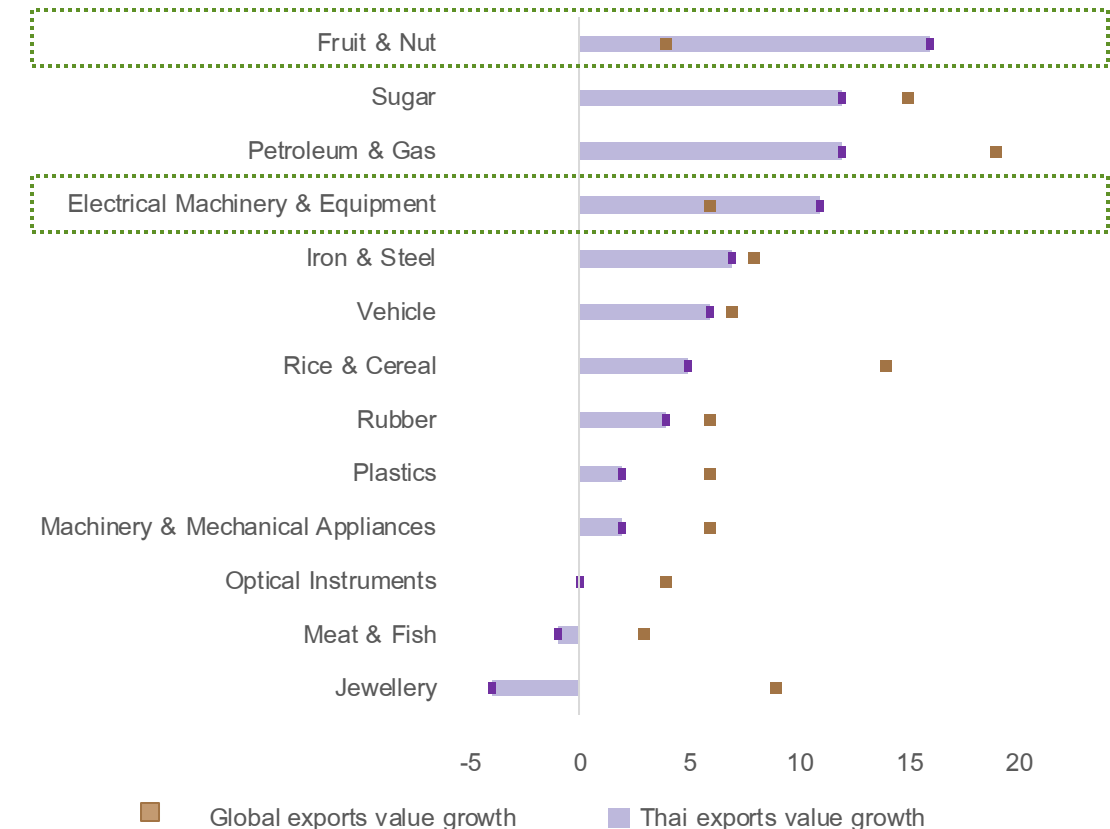
Thai exports is likely to improve gradually, following the recovery of Thai economy and global trade. Nevertheless, several factors which may impact Thai exports should be monitored

- **Thailand's involvement in global supply chain of electronics and electrical appliances declines** from the past, which may prevent Thailand from benefiting from upward cycles of these products
- **Thailand is likely to experience La Nina phenomenon**, which precipitates heavy rains or floods, endangering agricultural areas and yields
- **Risks regarding the economy and global trade** such as geopolitics uncertainties, changes in monetary policy stance of major countries, which may affect exchange rates, and uncertainties towards trade policies of several countries

export product (except electronics and fruits) demonstrate challenges in trade competition.

#### Thai exports value growth of each product compared with global exports value

Unit: YOY%, 2019 – 2013 average with category according to the Harmonized Code 2 Digit



**Private investment is expected to contract this year mainly from weak domestic demand and slow recovery in manufacturing sector with a modest expansion is expected next year.**

### Components of Private Investment Index by BOT

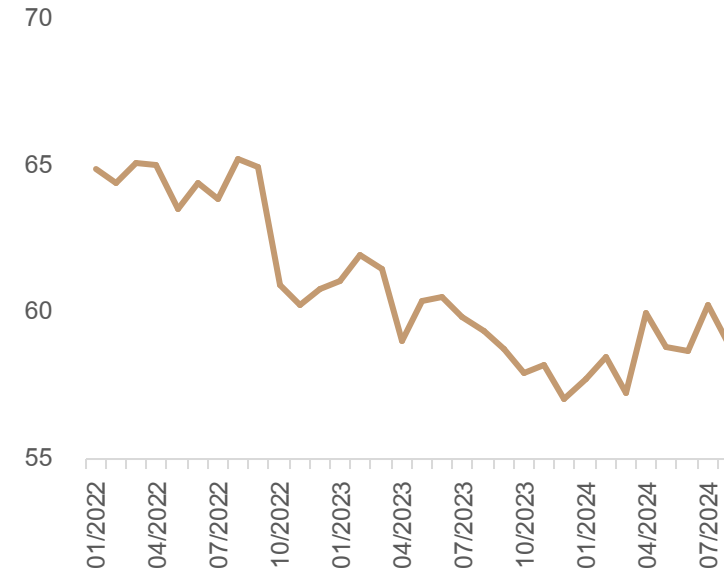
Unit: Index (Avg 2021 = 100), SA



**Private investment declined from construction and motor vehicles for commercial sales** due to weak domestic demand

### Capacity Utilization Rate (CapU)

Unit: %, SA



**The low level of capacity utilization rate in the manufacturing sector remains the key pressure** limiting private investment growth going forward.

### Private investment outlook by SCB EIC

**In 2024, SCB EIC projects private investment to contract slightly.**

**In 2025, SCB EIC expects private investment to modestly return to expansion** mainly drive by the value of investment promotion certificates issued by the Board of Investment (BOI).

However, **the recovery is expected to be highly uneven** as private investments in commercial vehicles and constructions should remain subdued because of weak domestic demand.

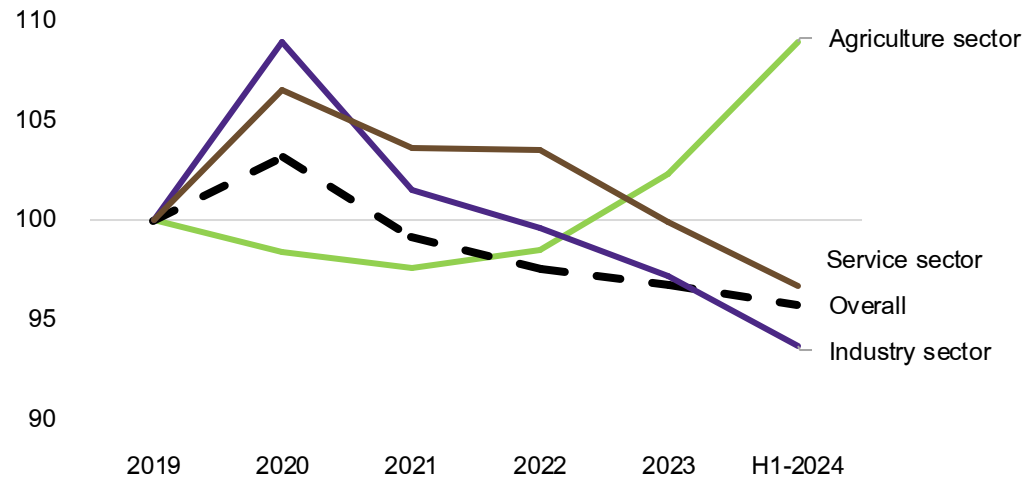


## Real wage continued to decline in industry and some service sectors. Income recovery in agriculture and tourism-related sectors is expected to slow down next year.

### Real wage declined in industry and some service sectors

#### Real wage recovery index by significant sectors

Unit: Index 2019=100



- **Overall, real wage recovery index continues to decline, especially 1) manufacturing sector** e.g. industrial production and construction **2) service sectors** e.g. real estate service, transportation, wholesale and retail.
- **While real wage in agricultural sector and hotel & restaurant sector have been improving**, however, the recovery is expected to slowdown next year due to decline in agricultural prices and weakening domestic demand

### Farm income is expected to decline next year

#### 2025 agricultural sector revenue growth forecast

Unit: %YOY

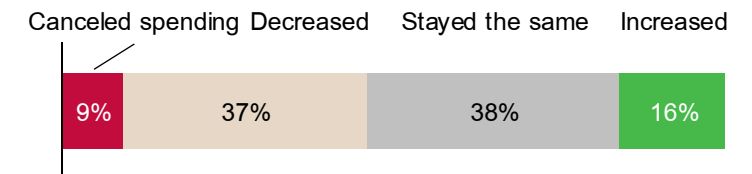
Year	2023	2024E	2025F
Revenue index	-0.7	3.1	-1.3
Price index	-2.1	4.9	-3.0
Production index	1.4	-1.7	1.7

**Revenue in agricultural sector may decline in 2025.** Mainly, agricultural product prices are expected to decrease while the production level should recover

### The fragility of Thai economy continues to weigh on travel spending

Nearly half of Thai tourists have reduced or canceled domestic travel as their overall expenses have increased.

How has the increase in overall expenses affected your travel spending?\*



\*Data from the consumer survey on the Thai economy conducted from August 14–22, 2024.

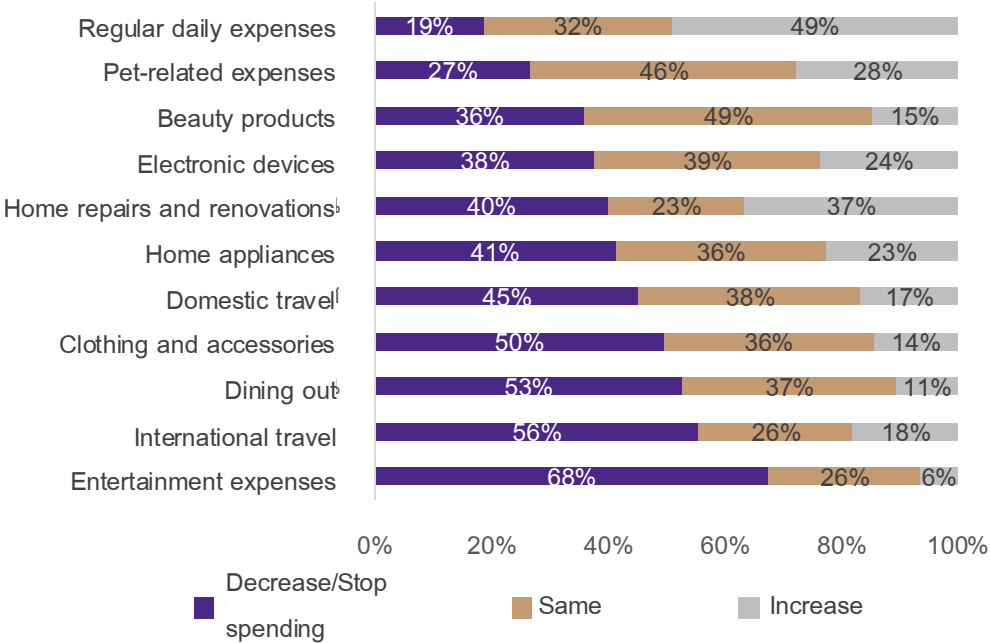
Note: Average wage compose of public employees, state enterprise employees, and private employees.

Source: SCB EIC analysis based on data from the Office of National Statistics, NESDC, the Office of Agricultural Economics, the Ministry of Tourism and Sports, and CEIC.

Slow income recovery will further reduce non-essential consumer spending. Also, concerns on overall economy and household vulnerability are likely to put financial institutions towards stricter lending standards.

How would you expect your spending in the next year, compared to this year

Unit: %



- **Almost three fifths of the respondents view that Thai economy in 2025 may become worse.**
- **Consumers are likely to reduce spending on unnecessary goods and services in 2025** as more than half of the respondents is likely to reduce expenses in apparels, such as accessories, bags, and shoes, dining out, including social gathering, overseas travels and entertainment, such as cinemas and concerts

	Loan growth (%YOY)		Proportion of NPL (%)	
	Q1-24	Q2-24	Q1-24	Q2-24
Residential estate	1.0	0.8 ↓	3.5	3.7 ↑
Hire purchase	-1.5	-4.8 ↓	2.2	2.3 ↑
Credit cards	1.4	-0.2 ↓	3.2	3.5 ↑
Personal	7.3	5.8 ↓	2.7	2.7

- **Loan for consumer goods is likely to contract.** According to credit conditions survey conducted by BOT in the second quarter, private financial institutions have stricter standards regarding loan issuance for every type of loans, due to concerns regarding overall economic outturns and debt repayment ability of the borrowers.
- **The quality of household loans worsens in every type of loans,** reflected by the increasing proportion of Stage 2 and NPL, corresponding with the vulnerability of households which faces slow income recovery amid greater increase in living expenses.



# The new cabinet's short-term economic policies are a continuation of those implemented by the previous administration, focusing on vulnerable households and businesses.

## Short-term policies announced in the cabinet's statements

Srettha's government	Paetongtarn's government
<b>Digital Wallet</b> 10,000 Baht in one payment	<b>Digital Wallet</b> Prioritizing vulnerable individuals
<b>Reduce burden on energy expenses</b> Electricity, LPG, and Bensin	<b>Lower energy and utilities prices</b> Including skytrain and subway fares fares
<b>Address debt problems</b> in every aspects, including suspending agricultural employees' debts	<b>Advocating systematic debt restructuring</b> mainly households, especially housing and housing and automobile loans, and SMEs and SMEs
<b>Promoting tourism</b> Focusing on convenience and MICE MICE	<b>Promoting tourism</b> Expand on existing policies, develop additional tourist attractions, including Entertainment Complex
<b>Additional urgent policies</b> Some of those include adapting medium-term policies of the previous cabinet as the urgent policies	<b>Supporting SMEs</b> Ensuring fair competition from overseas and overseas and addressing debt issues issues
	<b>Enhance modern agricultural sector</b> Increase value for agricultural products and crop prices
	<b>Induce Informal and Underground economy into tax system</b>

Prioritize households in order to sustain consumption level

Prioritize business that are important to the majority of households

## Progress on the Digital Wallet Scheme (as of 9 Sep 2024)

Details	Phase 1	Phase 2
<b>Recipients</b>	Vulnerable individuals, disabled individuals, and social welfare card holders	The eligible registrant
<b>Method</b>	Direct transfer	Digital wallet (subjected to change)
<b>Received by</b>	Second half of Sep 2024	2025Q1 at the earliest
<b>THB 450,000 million budget</b>	THB 145,000 million from 2024 budget (including additional budget)	THB 305,000 million from 2025 budget (may allocate some for other projects)
<b>SCB EIC views that if the government can implement Digital Wallet scheme by allocating budget into 2 phases according to the latest plan, the Digital Wallet scheme will improve GDP by 0.5 – 0.7% from the base case</b>		
2025F	Real GDP (%YOY)	Policy rate (% End-year)
Baseline	2.6	2.0
Upside from Digital Wallet	3.3	2.0

## Inflation is expected to return to the target range in early Q4 and continue rising. Geopolitical uncertainty, trade protectionism, and climate changes start to play more role in 2025 and onwards.

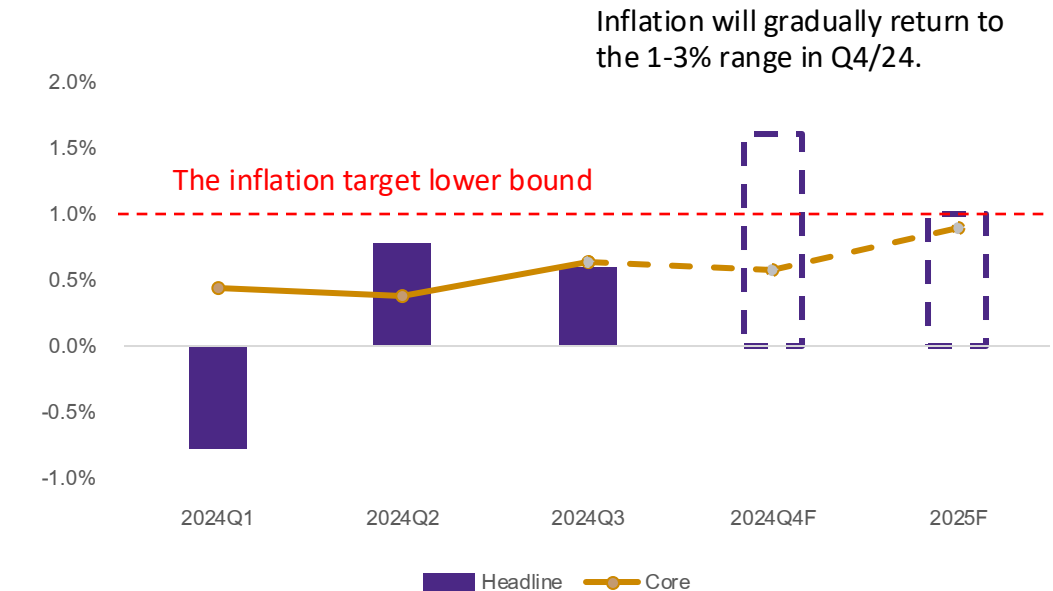
### Headline inflation (by product category)

Unit: %

%YOY	May-24	Jun-24	Jul-24	Aug-24	Sep-24	YTD
<b>Headline consumer price index</b>	1.5%	0.6%	0.8%	0.4%	0.6%	<b>0.2%</b>
<b>Food and non-alcoholic beverages</b>	1.1%	0.5%	1.3%	1.8%	2.3%	<b>0.5%</b>
Fresh produce	1.5%	0.2%	1.1%	1.9%	2.3%	<b>-0.1%</b>
Meat	-8.1%	-7.2%	-5.2%	-2.9%	-2.1%	<b>-9.0%</b>
Food – at home consumption	0.7%	0.7%	1.5%	1.9%	2.1%	<b>1.2%</b>
Food – away from home	0.5%	0.6%	1.6%	1.7%	2.8%	<b>1.1%</b>
<b>Apparel and footwear</b>	-0.4%	-0.5%	-0.5%	-0.6%	-0.7%	<b>-0.4%</b>
<b>Residences</b>	2.1%	-0.8%	-0.8%	-0.9%	0.4%	<b>-0.4%</b>
Electricity, fuel, water, and lighting	8.4%	-3.3%	-3.3%	-3.3%	1.4%	<b>-1.6%</b>
<b>Medical and personal care</b>	0.5%	0.1%	-0.4%	0.0%	-0.1%	<b>0.3%</b>
<b>Transportation and communications</b>	2.4%	2.4%	2.0%	-1.0%	-1.8%	<b>0.1%</b>
<b>Recreation, education, and religion</b>	0.6%	0.7%	0.6%	0.6%	0.6%	<b>0.6%</b>
<b>Tobacco and alcoholic beverages</b>	1.4%	1.5%	1.5%	1.6%	1.3%	<b>1.4%</b>
<b>Core consumer price index</b>	0.4%	0.4%	0.5%	0.6%	0.8%	<b>0.5%</b>

### SCB EIC's 2024-2025 Headline and core inflation forecasts

Unit : %YOY



- **The remaining of this year:** Although the measures which address high costs of living, especially energy costs (such as electricity prices, oil prices, and LPG prices) should be extended until the end of the year, the price level is expected to rise from last year. **SCB EIC estimates that inflation will return to target range and possibly increase by more than 1% in early Q4.**
- **In 2025:** inflation is likely to increase faster within the target range especially during H1/25 from meat and fresh food such as vegetables and fruits, which may become higher than last year
- **In the medium to long term:** Inflation is likely to remain within the target range, around the lower bound of 1%, with geopolitical uncertainty, trade protectionism, and climate change as important drivers.

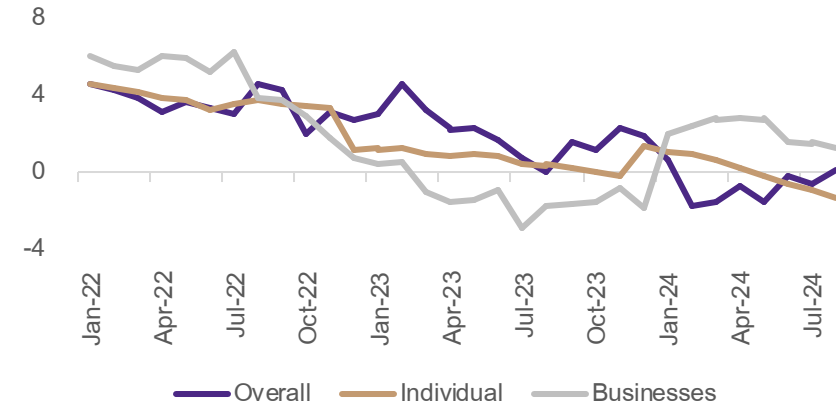


# MPC delivered the first rate cut in the October meeting. SCB EIC expects an additional rate cut by Q1/25 to 2% driven by clear signs of economic downside risks and tight financial conditions.

MPC Oct 24	Within Q1/25
↓ 2.25%	↓ 2.0%
<p><b>MPC's Communication at the October 2024 Meeting</b></p> <p><b>A Cut to Alleviate Debt Burden:</b> The interest rate cut is aimed at alleviating the debt burden, not stimulating the economy.</p> <p><b>Focus on Financial System Stability:</b> Emphasis remains on financial system stability, with concerns that excessively low interest rates could create vulnerabilities in the financial system.</p> <p><b>Monitoring Credit Quality and Economic Implications</b> with concerns about slowing credit growth, particularly among SMEs, and a gradual decline in overall credit quality.</p>	<p><b>SCB EIC expects the MPC to further cut the policy interest rate because:</b></p> <p><b>Deteriorating Credit Situation:</b> The credit situation continues to worsen due to slowing credit growth and declining credit quality.</p> <p><b>Increased Economic Downside Risks</b> due to higher global risks from geopolitical tensions, trade policy uncertainties, and a potentially global economic slowdown.</p> <p><b>Easing Global Financial Conditions</b> in line with the monetary policies of major economies, which supports further policy rate cuts in Thailand.</p>

## Expansion of Commercial Bank Loans

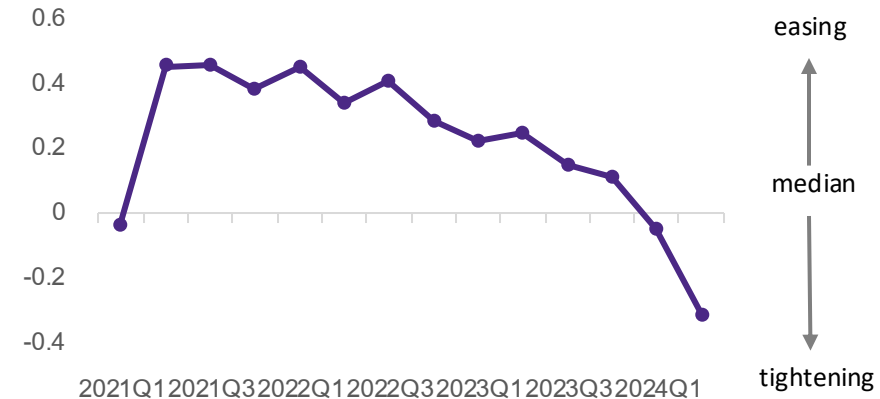
Unit : %YOY



Financial conditions have tightened recently, partly reflecting the continued slowdown in credit growth and the decline in credit quality.

## Lending Standards for Household Loans by Financial Institutions

Unit : Z-score, 4QMA



Financial conditions will continue to be tight due to stricter lending standards, especially for household loans.





# 2

## Key

## highlights



## 3Q24 Highlights – Not as bad as feared

### Continued prudence while looking for signs of recovery

- Net profit improved both qoq and yoy due to lower ECL and positive contributions from Gen 2.
- Wealth management fees grew qoq from enhancing client portfolios with stable products, improved RM productivity and an easing environment.
- Signs of marginal improvement; waiting for indications of a meaningful recovery following the new government transition

### Preserve capital

- PPV sold for Baht 2 billion (Baht 0.4 billion upfront and Baht 1.6 billion performance-based payment).
- Net loss from the sale of Baht 731 million in 3Q24, bringing total impact from PPV divestment to Baht 1.5 billion; no more PPV's losses starting in 4Q24

### Future growth

- Applying for Virtual Bank license with KakaoBank and WeBank; announcement expected by mid-2025.



# NIM sensitivity to policy rate movement

## NIM sensitivity to 1% rate cut

- **25 to 30 bps**

NIM sensitivity to 1% policy rate cut for the first full year

Notes:

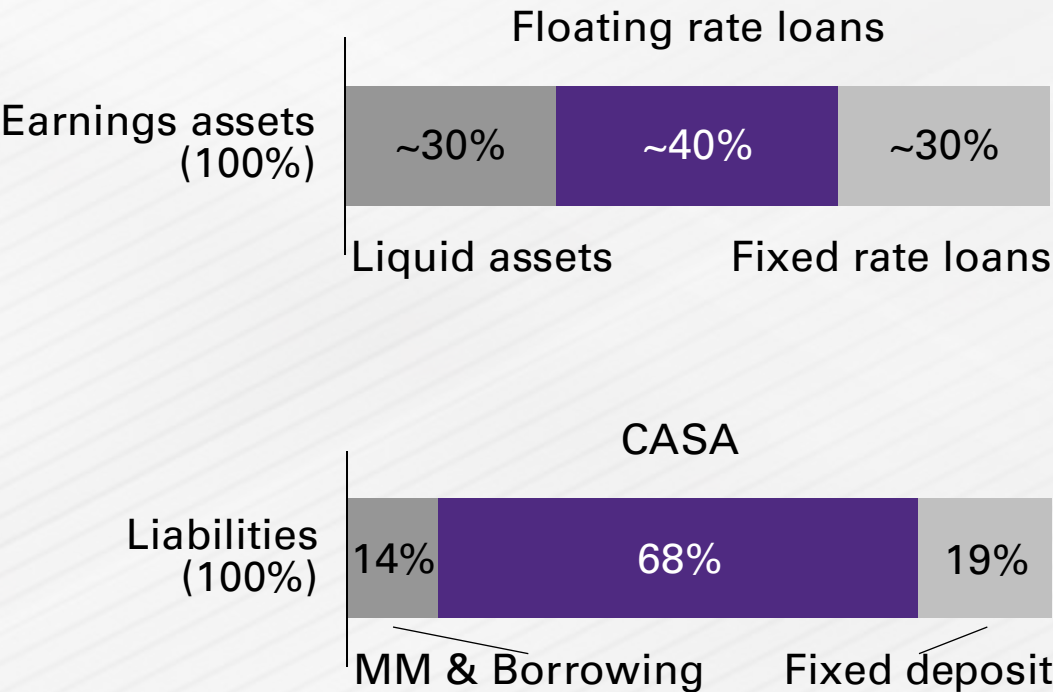
1/ Assumptions for pass-through rates:

- Loan: 60-100%
- Deposit: 20-80%

2/ NIM sensitivity calculated using an internal model with balance sheets as of July 2024

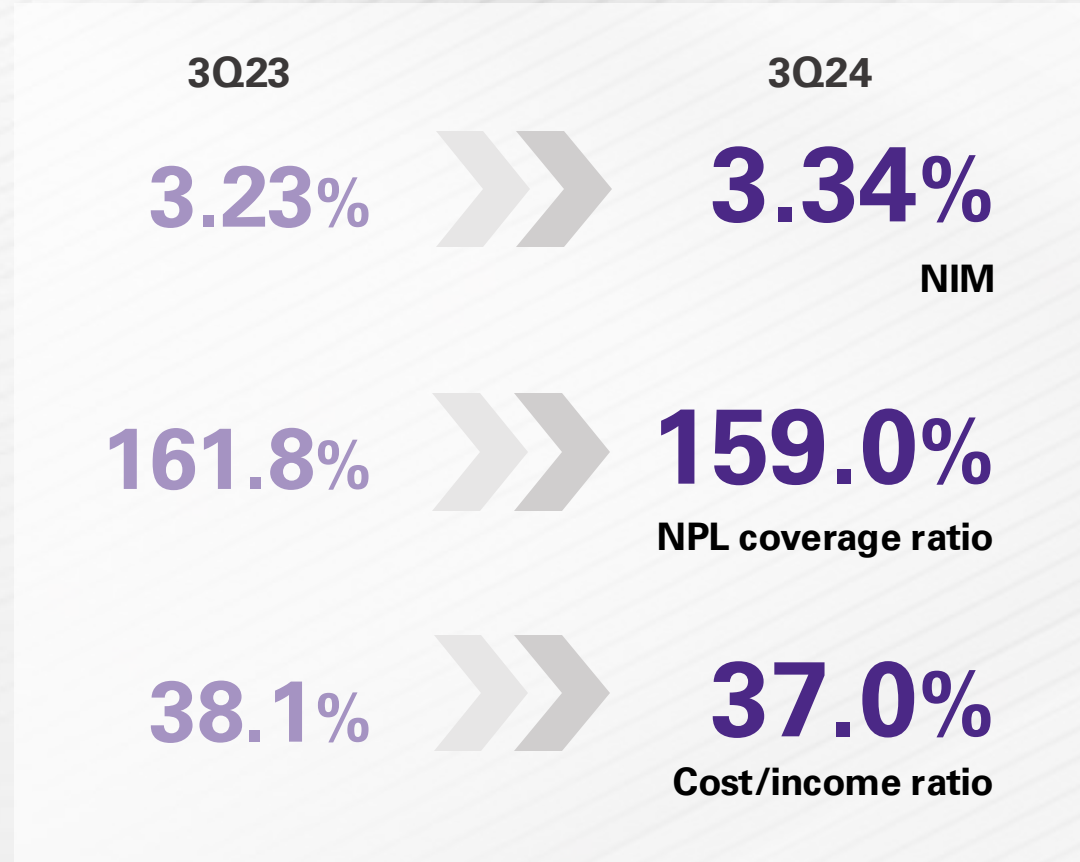
## Balance sheet profile

Indicative only, based on information as of end of July 24

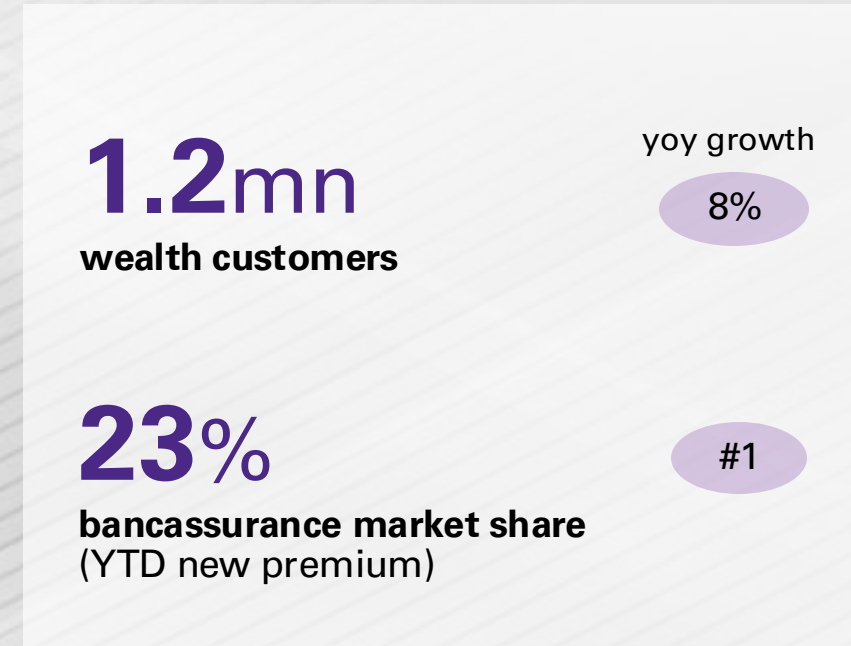


# Gen 1: Continued NIM expansion and improved performance in wealth management

## Core banking business



## Wealth management



Data as of August 2024

## Gen 2: Turned profitable with a focus on asset quality control

CardX

autoX

monix

ABACUS  
digital

ALPHA X

**2.9mn**

**accounts**  
(Cards & Personal loans)

**99bn**

**loan o/s**

THB

**-15%**

yoy

**5.5%**

**NPL** <sup>1,2/</sup>

**2.0k**

**outlets**

**52bn**

**loan o/s**

THB

**97%**

yoy

**1.7%**

**NPL**

**4.8mn**

**registered users**  
(FINNIX App)

**12bn**

**loan o/s**

THB

**37%**

yoy

**2.8%**

**NPL**

**4.1mn**

**registered users**  
(Money Thunder App)

**6.8bn**

**loan o/s**

THB

**11%**

yoy

**3.6%**

**NPL**

**1.5k**

**customers**

**9.3bn**

**loan o/s**

THB

**40%**

yoy

**< 2%**

**NPL**

<sup>1/</sup> Due to one-time technicality of the business transfer whereby NPLs were transferred to CardX AMC, which has no write-off policy (180 days) per specific AMC accounting policy (POCI). As these transferred NPLs are collected, NPL ratio will normalize toward normal trend at 2-3%.

<sup>2/</sup> If excluded CardX AMC, NPL would be 3.2%



## Gen 3: Complete sale of Robinhood; sign of recovery at InnovestX

innovest<sup>x</sup>

SCB iox



**Leader in  
Universal  
Investment  
Super App<sup>1/</sup>**

**1** million customers

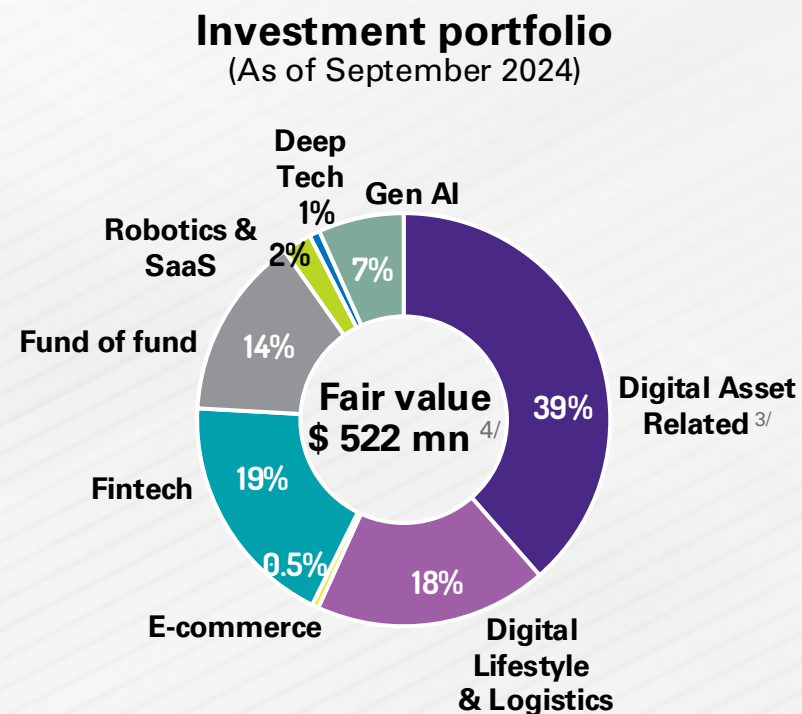
yoy growth

18%

**No.1 NPS<sup>2/</sup>**  
among securities companies

1/ Uniting all assets in one app for trading and single-view portfolio

2/ Net Promotor Score for the period of 1H24



3/ Digital asset related refers to equity investments in companies in the sector, not digital asset itself

4/ Fair value if includes all exits is US\$ 596 mn and fair value as of end of 2Q24 was US\$ 526 mn.

## SCBX's 3Q24 segmental performance

	<b>Gen 1</b> (Banking services)	<b>Gen 2</b> (Consumer & Digital financial services)	<b>Gen 3</b> (Platforms & Digital assets)	Inter transaction and others	<b>Total</b>
(Baht billion)					
<b>Loans</b>	2,305	170	3	(44)	<b>2,434</b>
<b>Total income</b>	35.9	7.2	(1.3)	0.5	<b>42.3</b>
<b>Cost/Income</b> (excl. impact from PPV)	38%	41%	NA	-	<b>40.9%</b>
<b>Credit cost (bps)</b>	130	850	-	-	<b>180</b>
<b>Net profit</b>	12.0	0.5	(2.5)	0.9	<b>10.9</b>

## SCBX's 9M24 segmental performance

	<b>Gen 1</b> (Banking services)	<b>Gen 2</b> (Consumer & Digital financial services)	<b>Gen 3</b> (Platforms & Digital assets)	Inter transaction and others	<b>Total</b>
(Baht billion)					
<b>Loans</b>	2,305	170	3	(44)	<b>2,434</b>
<b>Total income</b>	108.3	21.3	2.4	(3.4)	<b>128.6</b>
<b>Cost/Income</b> (excl. impact from PPV)	38%	44%	221%	-	<b>41.4%</b>
<b>Credit cost (bps)</b>	120	960	-	-	<b>180</b>
<b>Net profit</b>	37.5	0.1	(3.8)	(1.6)	<b>32.2</b>





# 3

## **Review of 3Q24 results**



## 3Q24 results key takeaways

- **NII** increased by 3% yoy from 14bps NIM expansion despite 0.9% yoy decline in loans.
- Despite +24% yoy in wealth management business, **Fee & others** decreased by 7% yoy mainly from a decline in bancassurance and lending related fees.
- Baht 731 million loss from sale of PPV recorded under **Investment & trading income**.
- **OPEX** decreased by 5% yoy primarily due to the Group's focus on cost control measures, **cost to income ratio** (excluding impact from PPV) remained well-managed at 40.9%.
- **Credit cost** decreased qoq to 180 bps mainly from improved credit costs at CardX and other Gen 2 companies.
- **NPL ratio** slightly increased qoq to 3.4% although absolute NPL was largely unchanged.

## 3Q24 financial results – SCBX

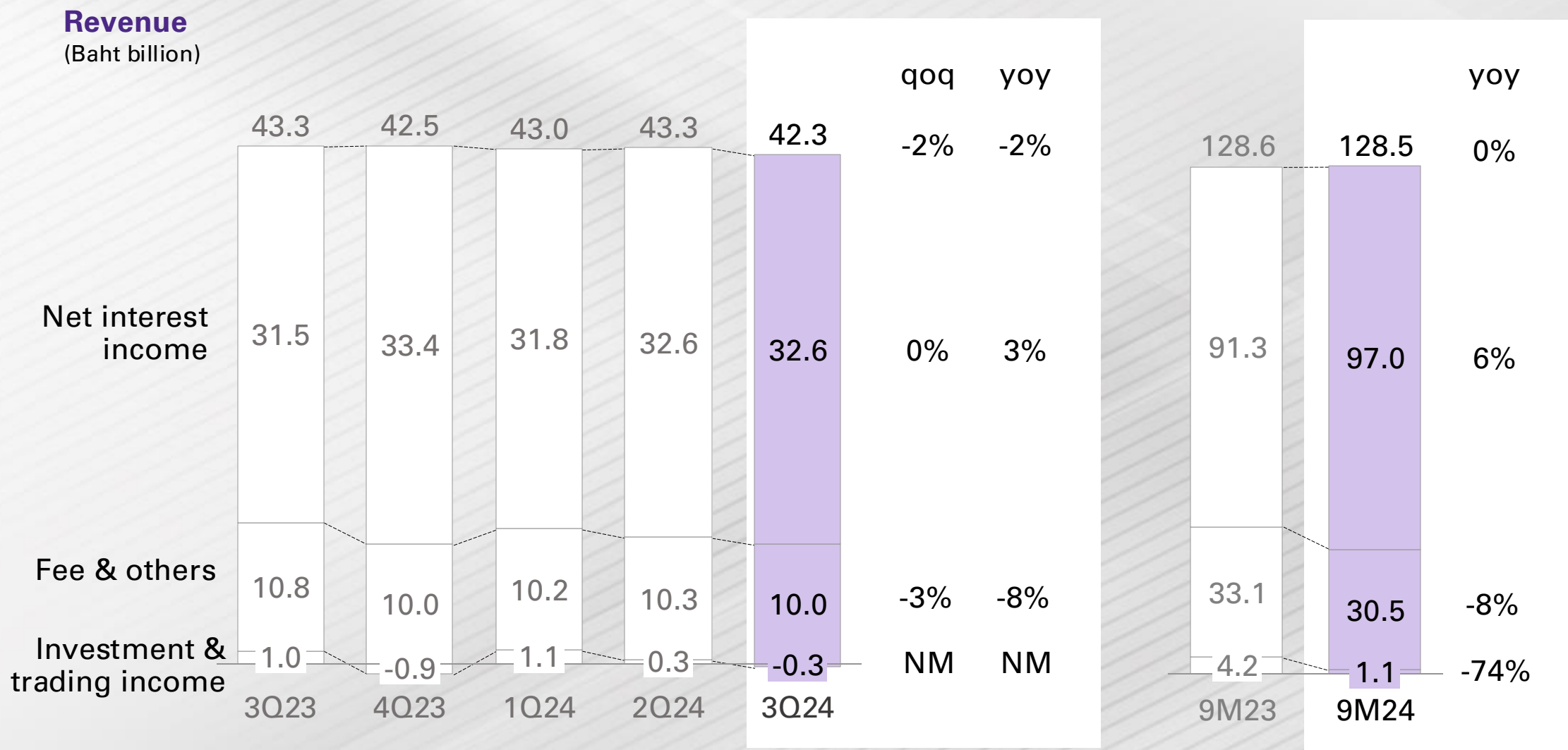
Baht billion (Consolidated)	3Q24	qoq	yoy	9M24	yoy
<b>Total income</b>	<b>42.3</b>	-2%	-2%	<b>128.5</b>	0%
- Net interest income	<b>32.6</b>	0%	3%	<b>97.0</b>	6%
- Fee & others	<b>10.0</b>	-3%	-8%	<b>30.5</b>	-8%
- Investment & trading income <sup>1/</sup>	<b>(0.3)</b>	NM	NM	<b>1.1</b>	-74%
<i>*Baht 731 mn loss from sale of PPV is under investment &amp; trading income</i>					
<b>Operating expenses</b>	<b>17.6</b>	-5%	-5%	<b>54.3</b>	4%
<b>Pre-provision operating profit</b>	<b>24.7</b>	0%	-1%	<b>74.3</b>	-3%
<b>Provisions</b>	<b>11.0</b>	-6%	-10%	<b>32.8</b>	-4%
<b>Net profit</b> (reported)	<b>10.9</b>	9%	13%	<b>32.2</b>	-1%
<b>Net profit</b> (excl. impact from PPV sale)	<b>11.7</b>			<b>33.8</b>	
<b>ROE</b>	<b>9.2%</b>				

<sup>1/</sup> Including gain (loss) on investment, dividend, trading and derivatives

Note: "NM" denotes not meaningful



# Revenue down qoq mainly from loss on sale of PPV and lower fee income



Note: NM denotes "not meaningful"

## NIM growth driven by higher loan yields under strategic focus on loan quality

2,456 2,427 2,449 2,438 2,434

qoq    yoy

# En 1

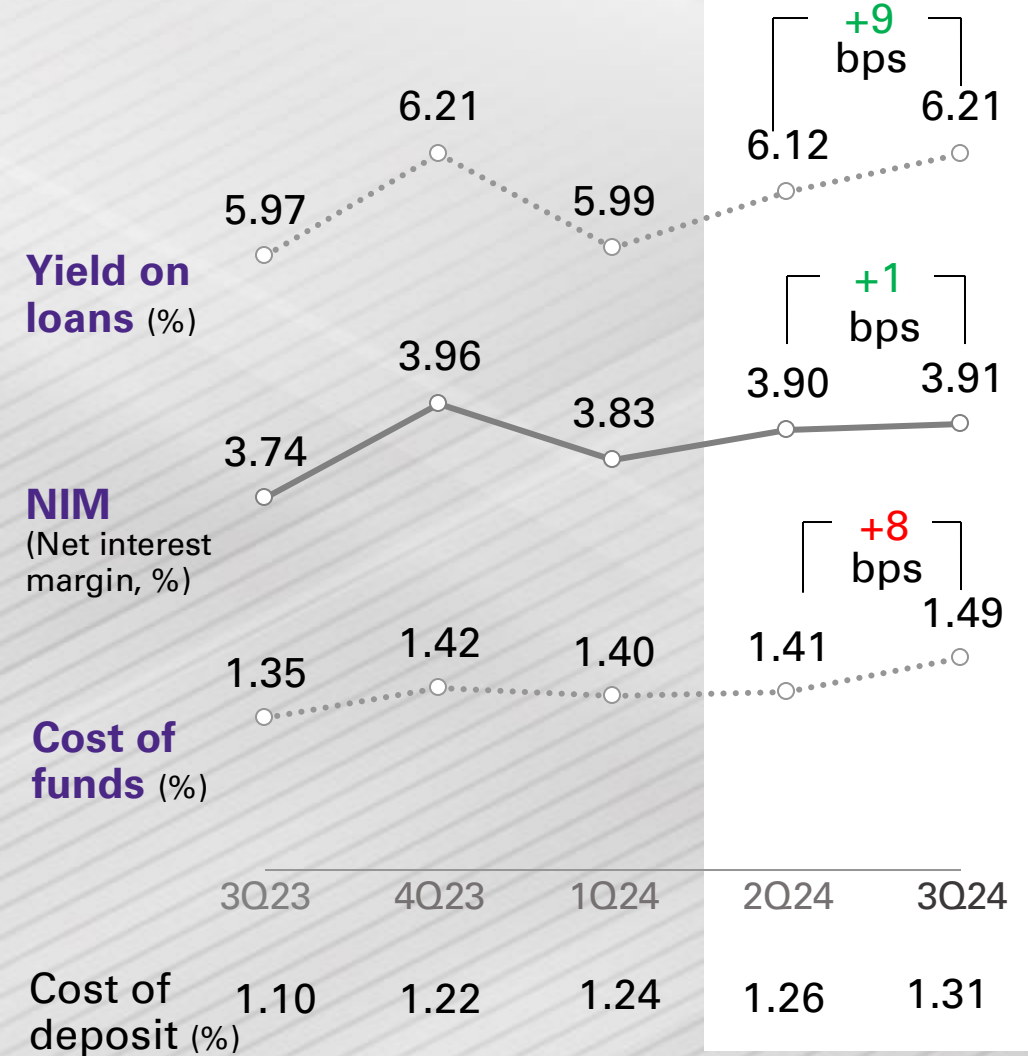
qoq    yoy

Corporate	875	844	872	858	859	0%	-2%
SME	420	413	410	410	410	0%	-2%
Retail	994	996	993	992	985	-1%	-1%
	3Q23	4Q23	1Q24	2Q24	3Q24		

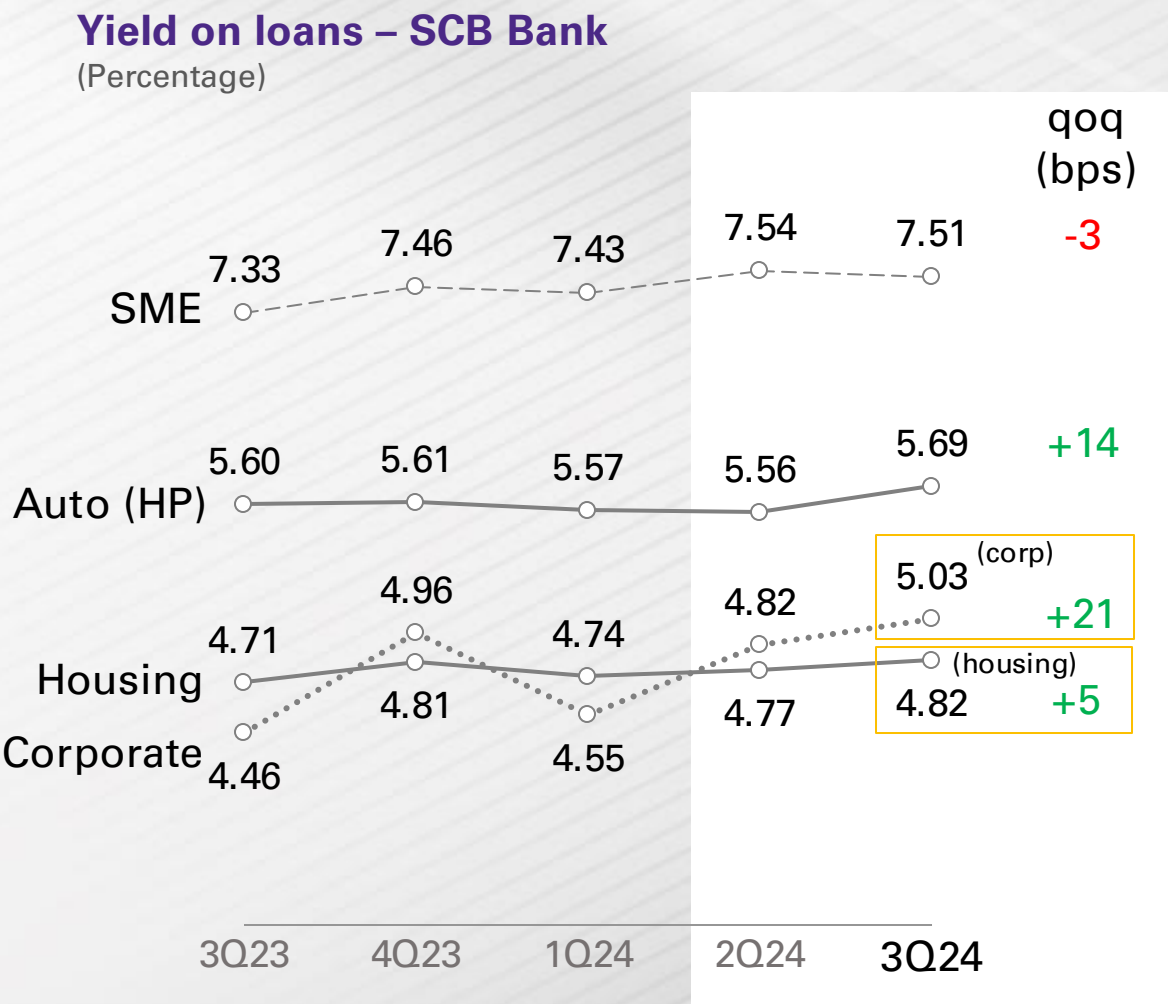
Gen 2 & Gen 3

qoq      yoy

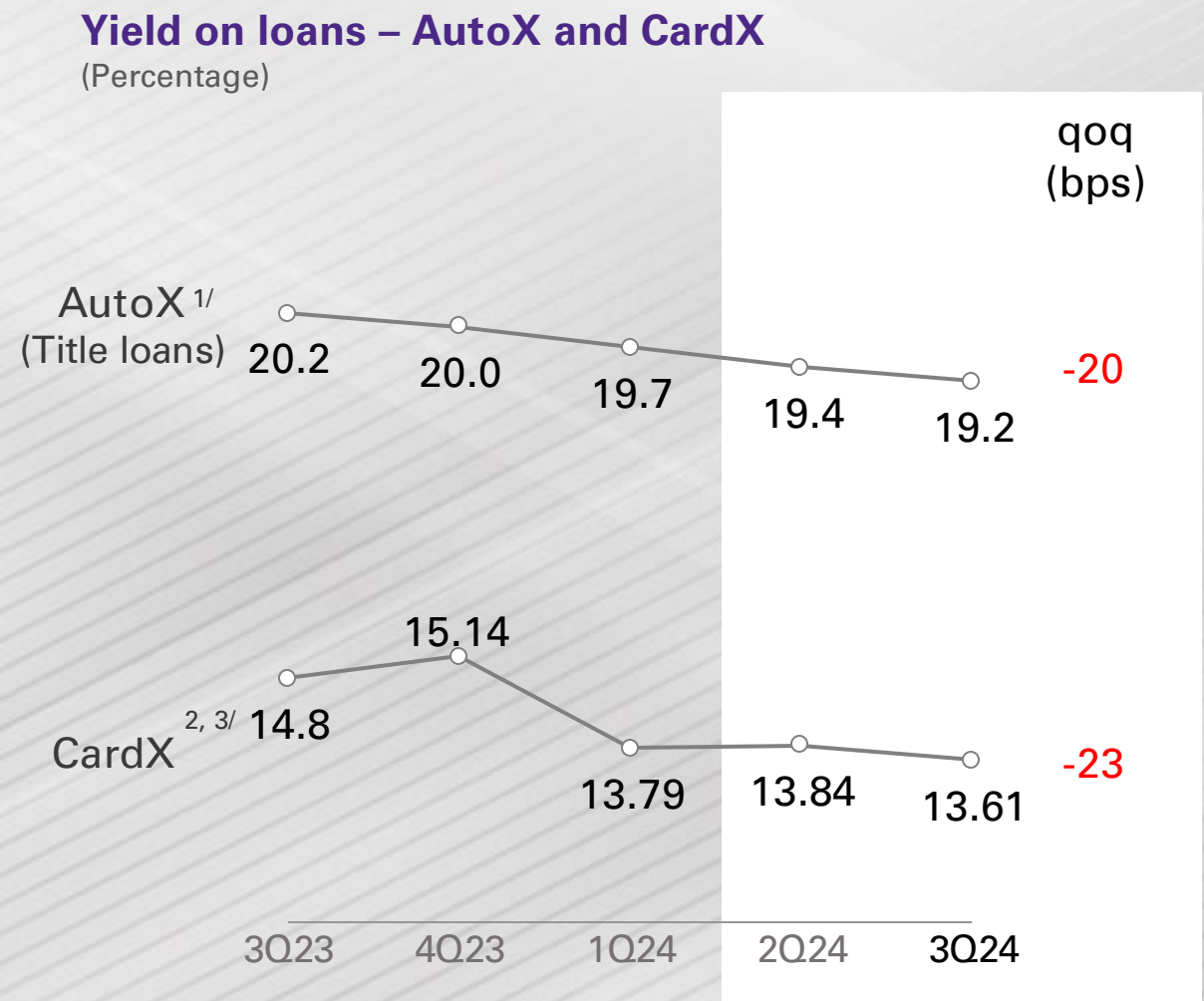
Category	3Q23	4Q23	1Q24	2Q24	3Q24	QoQ	YoY
Others	24	25	25			0%	27%
AutoX	26	34	41	48	52	9%	97%
CardX	116	115	107	103	99	-4%	-15%



# Solid yields across segments, especially early repayment from corporate clients in CDR program at SCB bank



Note: Hire Purchase (HP)

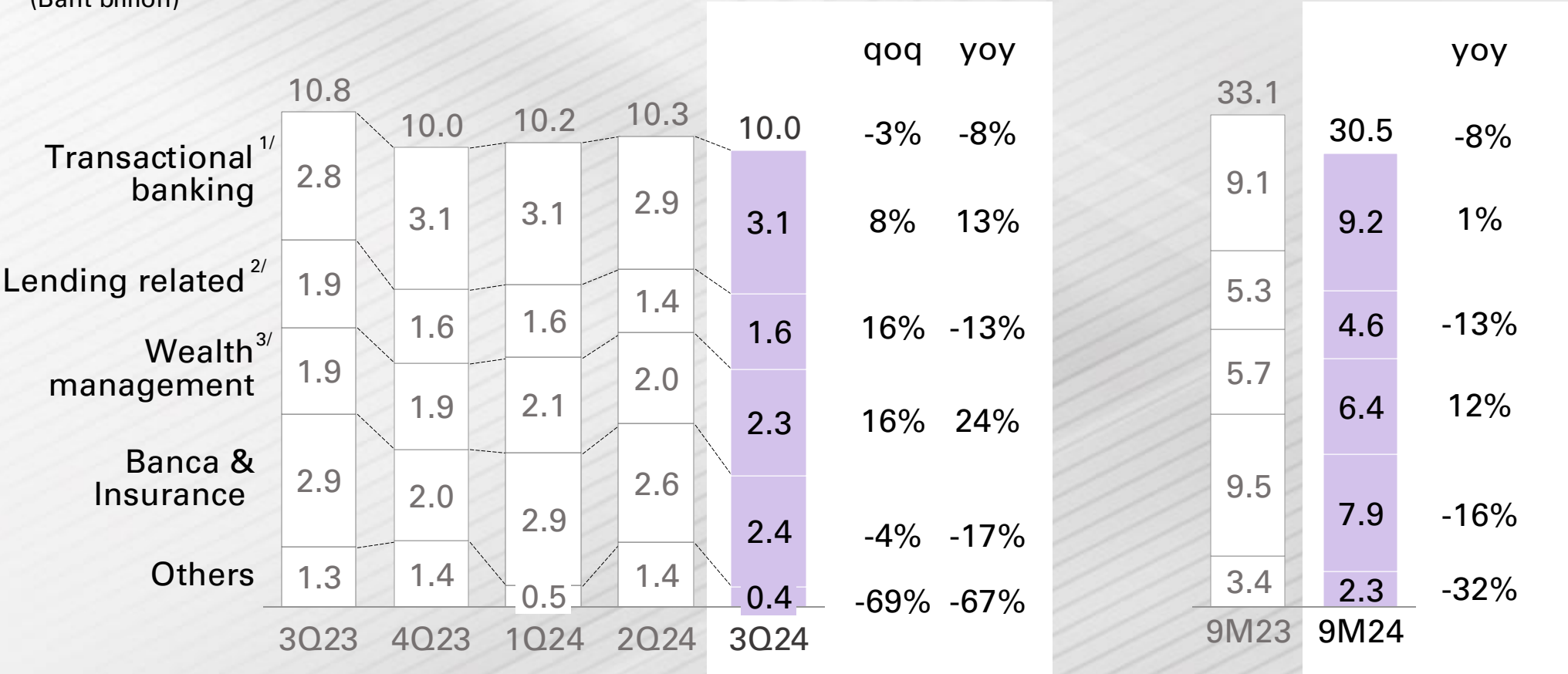


1/ Daily average data  
2/ Including Cards, personal loans, and AMC  
3/ Retroactively adjust previous quarters and net profit neutral



# Fee income declined qoq but wealth management performance thrived from wealth strategy revamp at the Bank and improved investment sentiment

Fee & others  
(Baht billion)



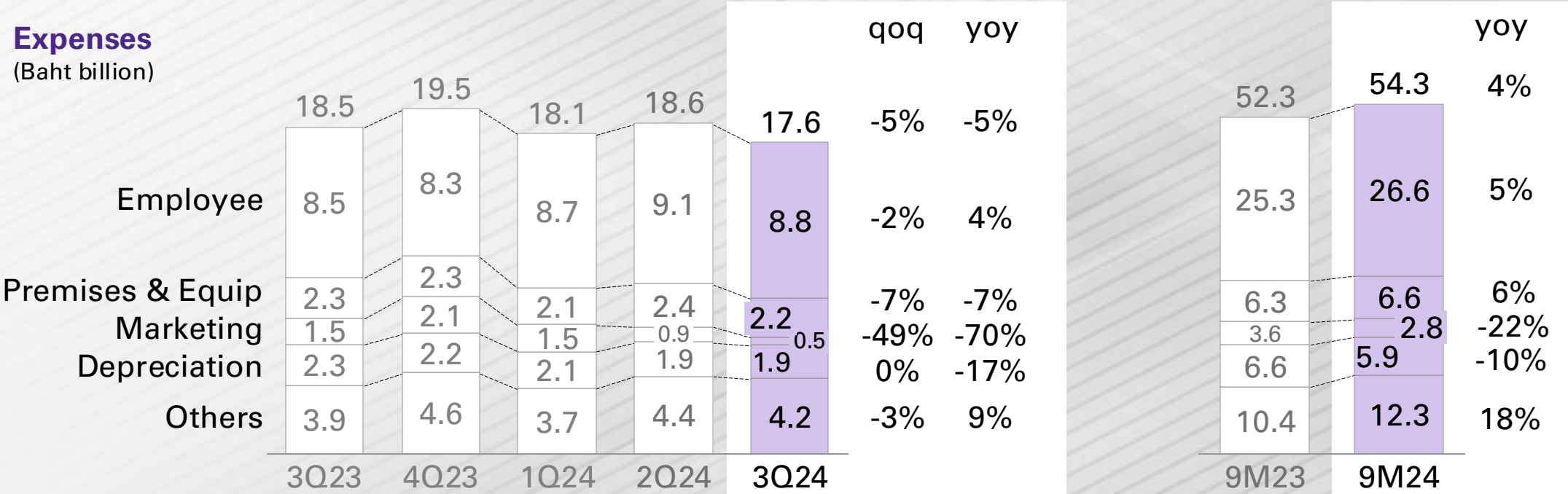
1/ Including transactional fees, trades, and fx income  
 2/ Including loan-related and credit card fees  
 3/ Including income from fund management, securities business and others

# OPEX and C/I well under control from stringent cost discipline

**Cost/Income**  
(Percentage)



**Expenses**  
(Baht billion)



(in thousand)

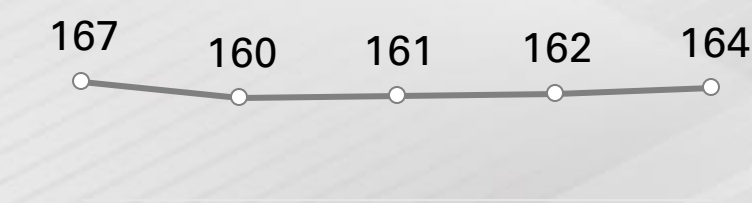
SCBX Group (FTEs)	31.4	32.5
SCB Bank (FTEs)	20.1	19.6

# Provisions down qoq mainly from improvement at CardX

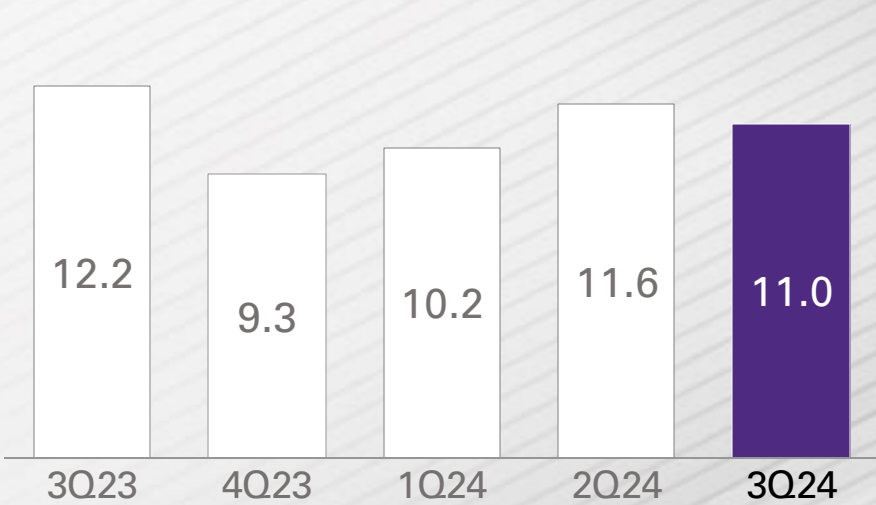
**Total allowance**  
(Baht billion)



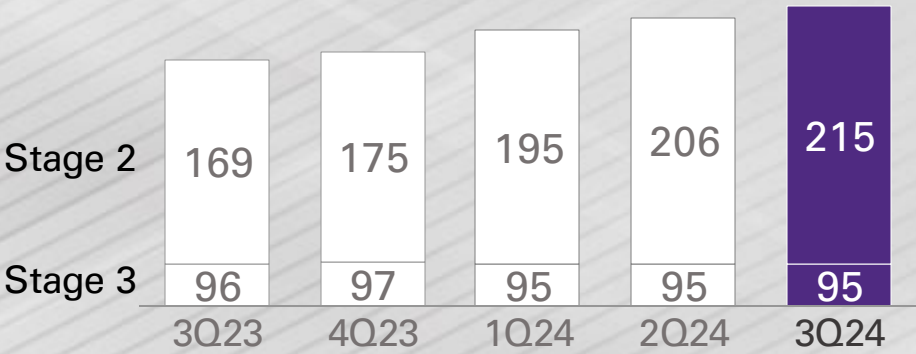
**NPL coverage ratio**  
(Percentage)



**Provisions**  
(Baht billion)



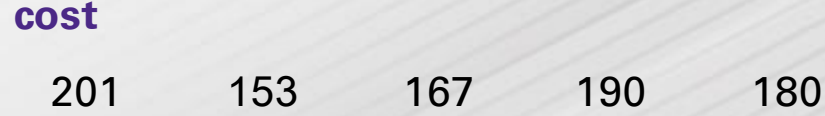
**Loans under stage 2 & 3**  
(Baht billion)



**NPL**  
(Percentage)

3.30 3.44 3.52 3.34 3.38

**Credit cost**  
(bps)

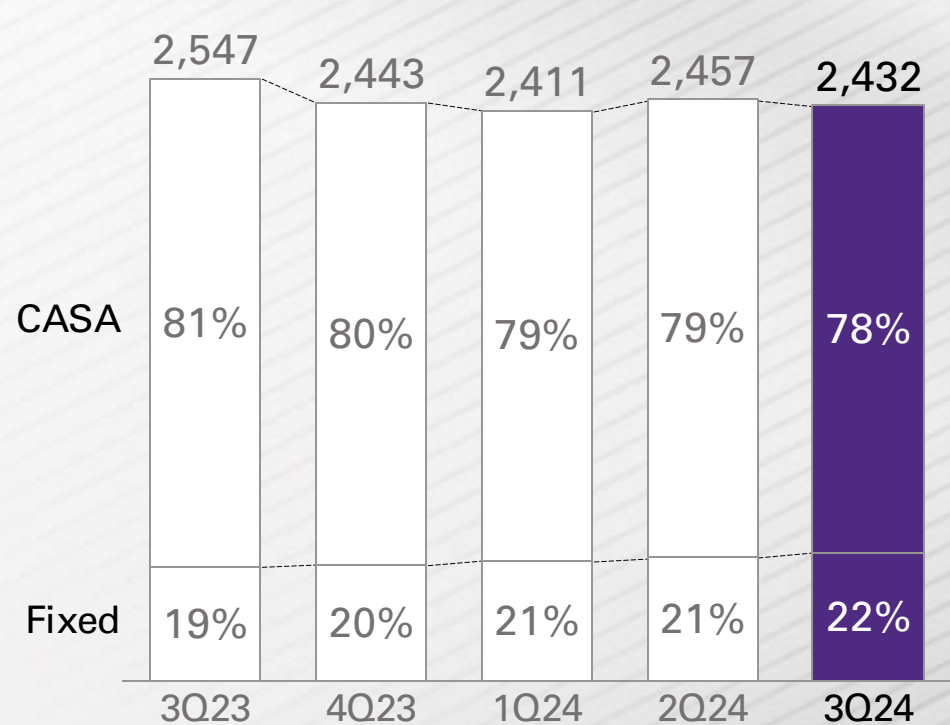


NPL sales Write-off	(Baht billion)				
	4.2	2.4	1.5	1.8	3.7
	7.7	13.9	11.5	10.7	7.8

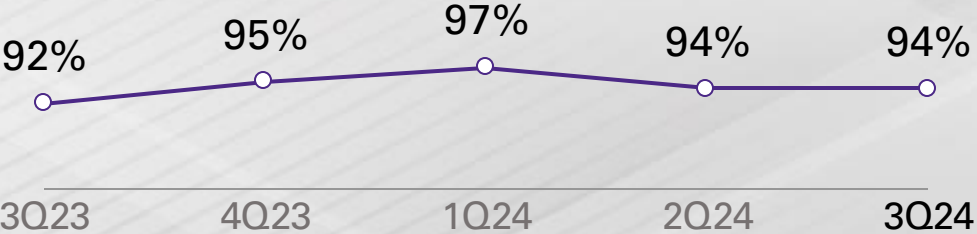


# Dynamically manage deposits and L/D ratio for prudence

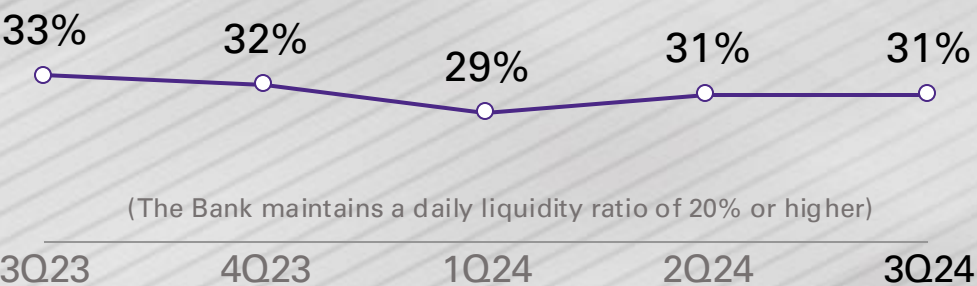
Total deposits  
(Baht billion)



Loan-to-deposit (L/D) ratio – Bank only



Liquidity ratio<sup>1/</sup> – Bank only



<sup>1/</sup> Liquid assets primarily comprise cash, bank’s deposits, net interbank, bilateral repo with the Bank of Thailand and investment in government securities

# Modest signs of macro recovery; loan growth and fee growth still at risk



SCBX Group Consolidated			
	2023 actual	2024 target	9M24 results
Total loan growth (yoy)	2%	3-5%	0.3%
Net interest margin (Simple avg.)	3.73%	3.7-3.9%	3.89%
Net fee income growth (yoy)	-4.0%	Low-mid single digit	-7.8%
Cost/Income	42%	43-45%	41.4% <sup>1/</sup> (excl. impact from PPV)
Credit cost (bps)	182	160-180	180

<sup>1/</sup> If including impact from PPV, the cost/income ratio was 42.2%.  
 Note: assuming no change to policy rate throughout the year  
 IMPORTANT DISCLAIMER: The above financial targets are subject to change due to economic uncertainties and have not reflected new business opportunities.



# Click the image or scan QR code for details on SCBX and its portfolio companies

## SCBX



### Strategy Presentation





### Strategy Paper





### 2025 Financial Outlook





### Strategy Day (website)



### Basel III Pillar 3 Market Disclosure



### Annual Report 2023



Dec 23

## Portfolio companies (strategy presentations)

### CardX



### AutoX



### MONIX



### ABACUS digital



### SCB 10X



### InnovestX



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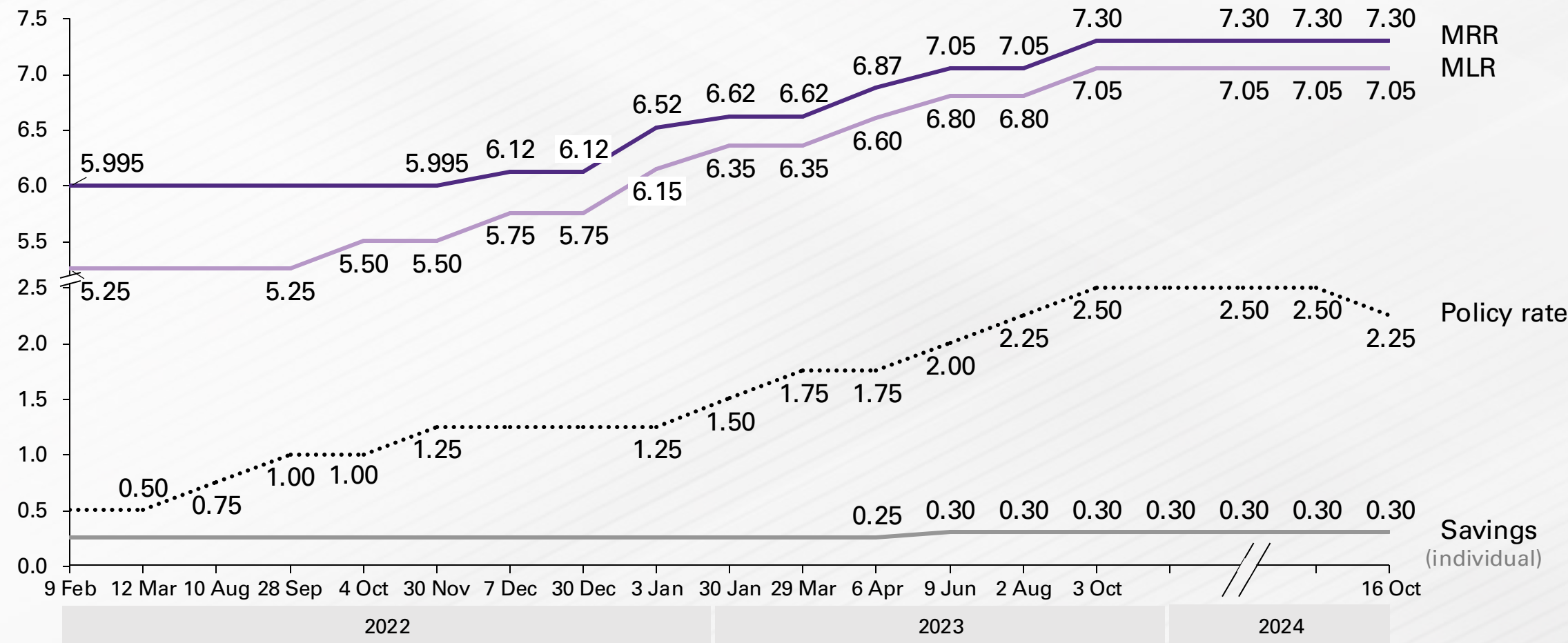




# Appendix

# SCB's interest rates and Thailand's policy rate

SCB's interest rates  
(percentage)

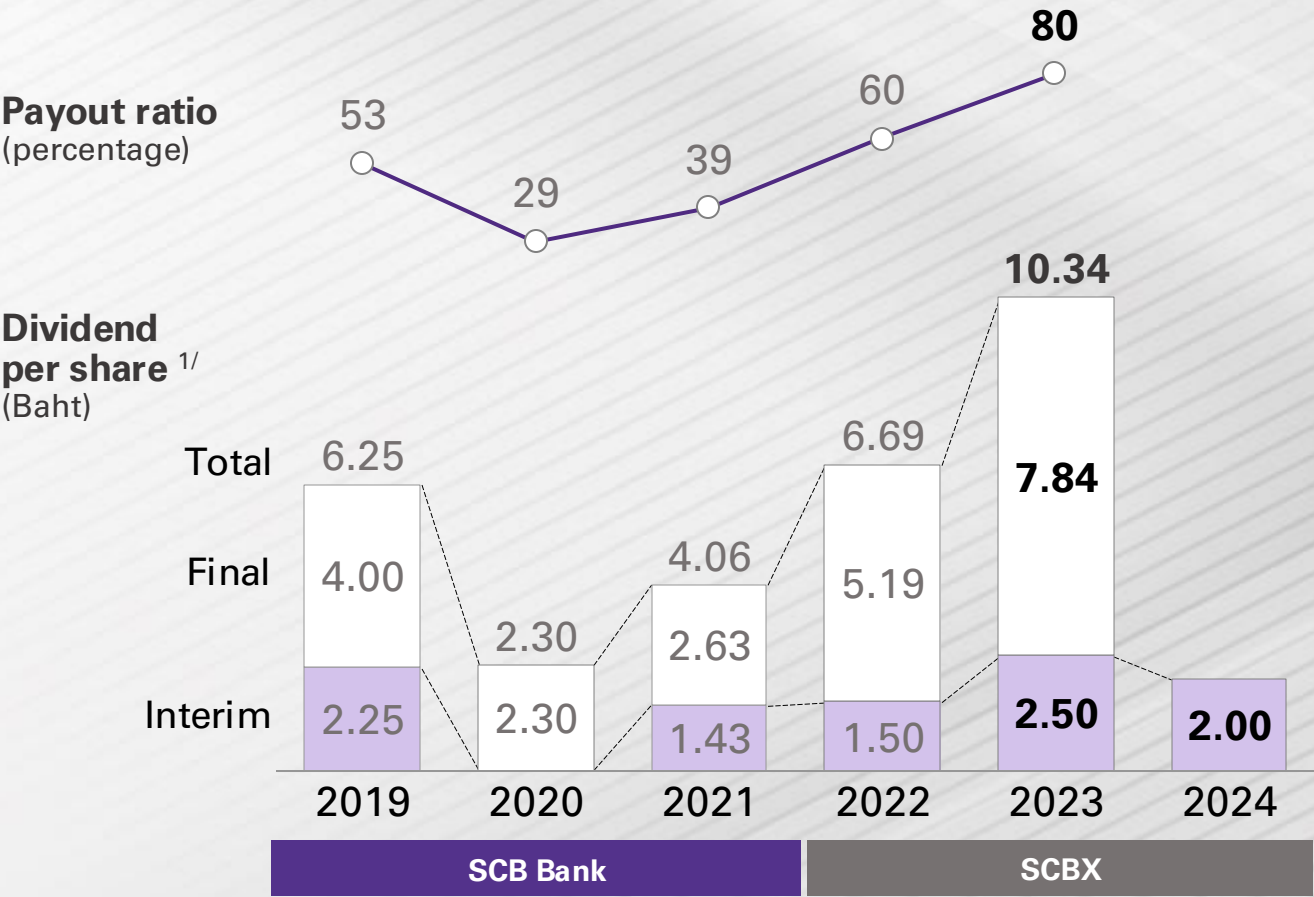


Notes: 1. MLR (Minimum Loan Rate) and MRR (Minimum Retail Rate)  
2. FIDF waiver (23 bps) expired in 2022.

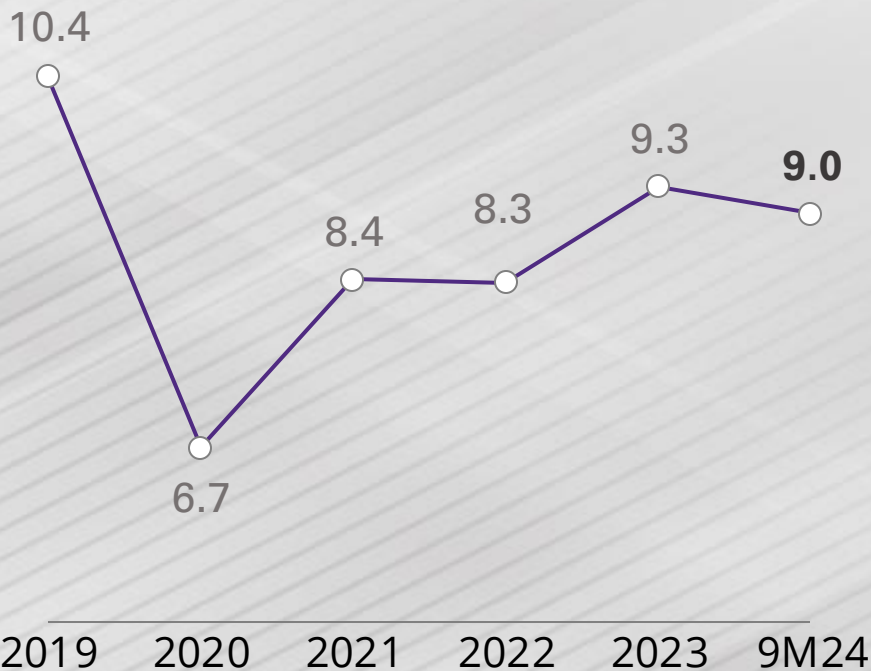


# SCBX is committed to delivering double-digit ROE in the medium term

## Dividend history



## ROE (Percentage)

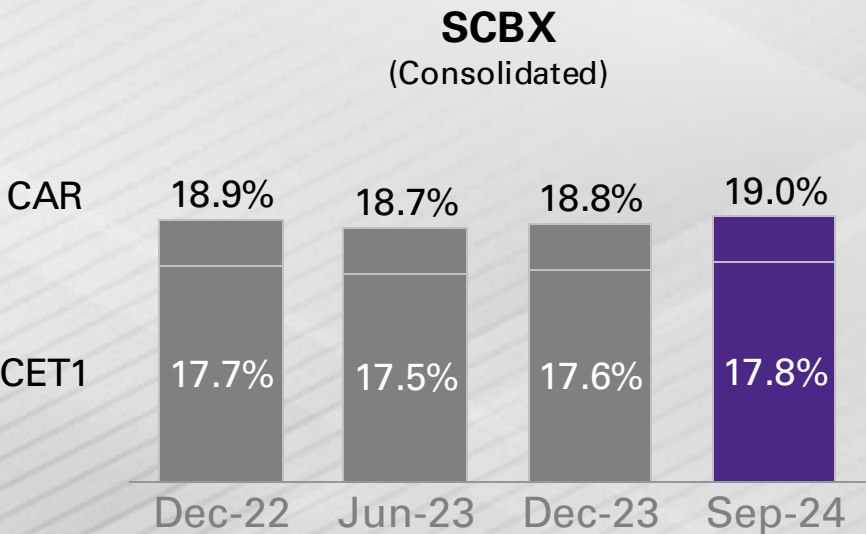
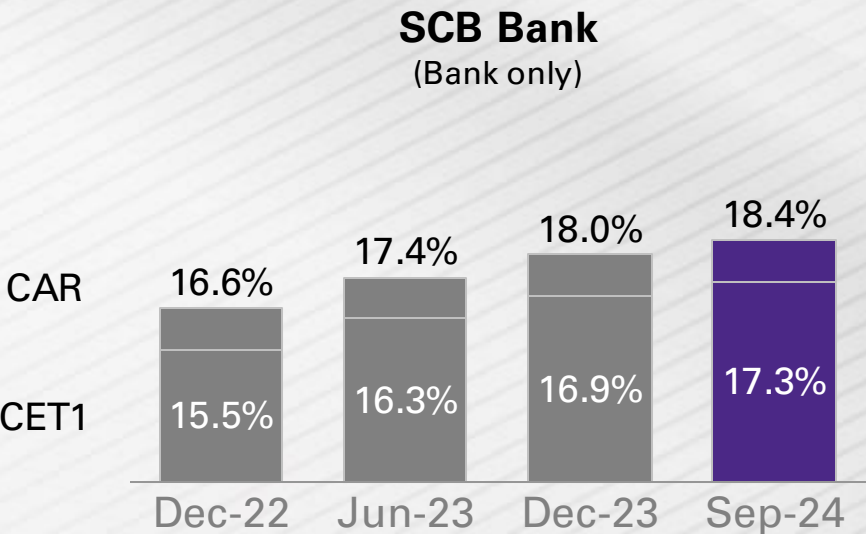


<sup>1/</sup> Excluding dividend paid by SCB Bank in September 2022 due to business restructuring



# Robust capital strength and stability at the bank and consolidated level

## Capital Adequacy Ratio<sup>1/ 2/</sup> (percentage)



## Total capital (Baht billion)



## Risk-weighted assets (Baht billion)



## Total capital (Baht billion)



## Risk-weighted assets (Baht billion)

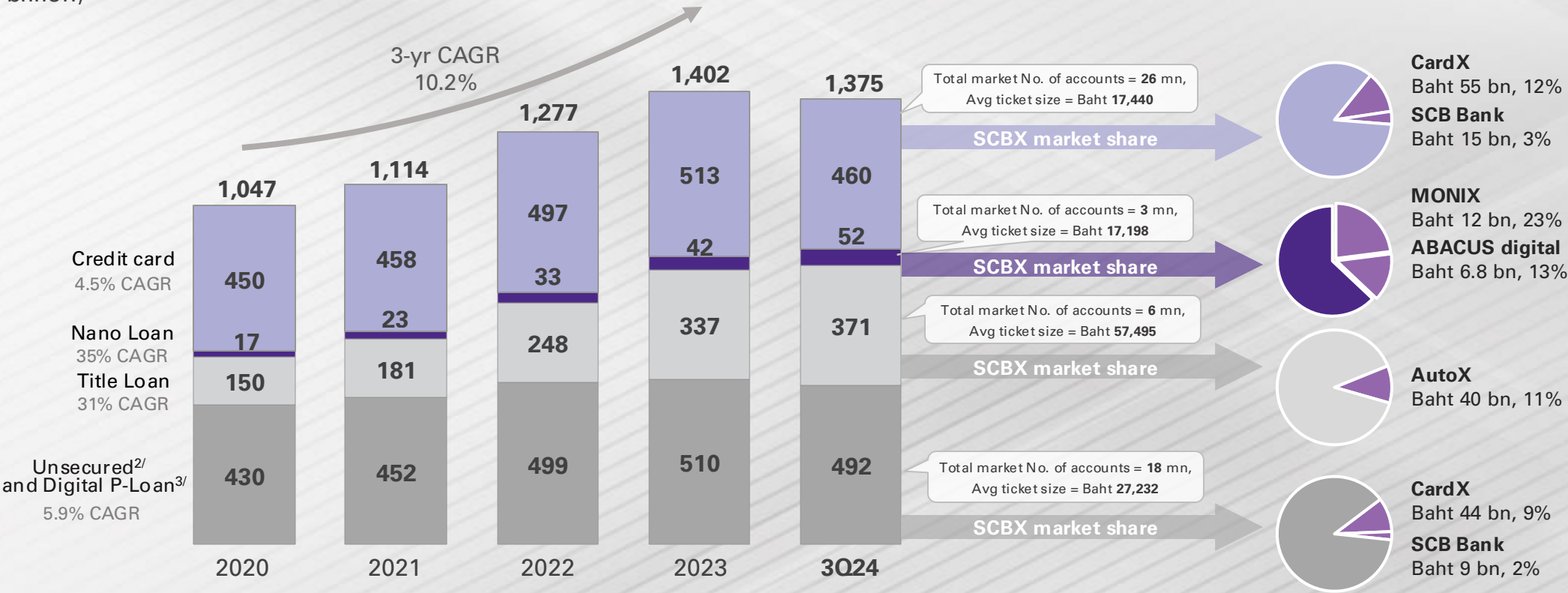


<sup>1/</sup> Appropriation of net profit and its inclusion in CET1 occurs once a year, following approval at the AGM in April.

<sup>2/</sup> Minimum regulatory requirement: 8% for CET1 and 12% for CAR

# Thailand's consumer finance market <sup>1/</sup>




## Total market (Baht billion)



1/ Including bon and non-bank players under Bank of Thailand's supervision  
2/ Credit limit ≤ 1.5x of monthly income ( < Baht 30,000): credit limit ≤ 5x of monthly income ( ≥ Baht 30,000 )  
3/ Credit limit ≤ Baht 20,000

Source: Bank of Thailand

# Impact of the new government policies on SCBX's business operations

	Policy	Status	Impact
 <p><b>Paetongtarn's urgent economic policies</b></p>	<b>Stimulating Economy:</b>		
	• Digital wallet	1 <sup>st</sup> phase cash handout in Sep 2024	○
	• Lower energy and utilities prices	Planning	○
	• Systematic debt restructuring (including national AMCs agenda)	Planning	●
	• Minimum wage	Planning	○
	• Supporting SMEs	Planning	●
	<b>Promoting tourism:</b> VISA Free and promotion of tourist attractions and man-made destinations e.g. entertainment complex	Planning	○
 <p><b>Paetongtarn's medium-term economic policies</b></p>	<b>Promoting agriculture:</b> price protection, agri-tech and food-tech promotion etc.	Planning	○
	<b>Enhancing competitiveness:</b>	Planning	
	• Infrastructure investment, services of the future, digital economy and open trade promotion	Planning	●
	• Energy cost reform	Planning	○
	<b>Environmental policies:</b> Renewable energy, carbon neutrality, carbon credit market, and environment restoration	Planning	○
	<b>Promoting income equality:</b> Negative income tax	Planning	○
 <p><b>Measures by the Bank of Thailand</b></p>	<b>Flood Relief Measure Package (2024 flood)</b>	Valid (since 30 Aug 2024)	●
	<b>Responsible lending</b>	Valid (since 1 Jan 2024)	●
	<b>Extension of relief measures for credit card and household debt</b> (8% min pay extension, Debt Consolidation and Persistent Debt)	Valid	●

● Direct impact    ○ Indirect impact