Bank of Ayudhya PCL

June 2020

“Make Life Simple เรื่องเงิน เรื่องง่าย”
Who we are

Key Financials & Development Highlights

Medium-Term Business Plan 2018-2020 Achievements
History of Krungsri

- Officially established: 1945
- Acquisition of GE Capital Auto Lease, subsequently renamed to Krungsri Auto: 2007
- BAY and GE became strategic partners: 2007
- Acquisition of AIG Retail Bank Pcl., AIG Card (Thailand) Co., Ltd., Ngern Tid Lor Co., Ltd., GE Money Thailand: 2008
- Acquisition of GE Capital Auto Lease, subsequently renamed to Krungsri Auto: 2008
- Acquisition of HSBC Thailand’s retail banking businesses: 2009
- MUFG Bank replaced GE as the strategic shareholder of Krungsri: 2008
- Integration of MUFG Bank Bangkok Branch into Krungsri: 2013
- Acquisition of Hattha Kaksekar Limited (HKL): 2015
- Integration of MUFG Bank Bangkok Branch into Krungsri: 2015
- Acquisition of AIG Retail Bank Pcl., AIG Card (Thailand) Co., Ltd., Ngern Tid Lor Co., Ltd., GE Money Thailand: 2008
- Announced a plan to acquire 50% of shares of SB Finance Company Inc. (SBF): 2017
- Established Krungsri Nimble Company Limited: 2017
- Established Krungsri Finnovate Company Limited: 2019
- Recognized as “A Domestic Systemically Important Bank (D-SIB)” by the BOT: 2019

(*On 1 April 2018, BTMU was renamed MUFG Bank)
Fact about Krungsri: Thailand’s 5th largest universal bank with leadership position in consumer finance & Japanese Corporate market

Unique & Strong Krungsri

5th largest universal bank in Thailand

Strong leadership position in consumer finance

Global product offering capabilities

One of the world’s largest comprehensive financial group

Most extensive overseas network with over 3,000 offices in more than 50 markets

The combination of Krungsri’s global capabilities and network as part of the MUFG family, giving us unique strength and enhanced competitiveness.
Subsidiaries and Joint Ventures

Credit Card, Personal Loan & Sale Finance
- Krungsriayudhya Card Co., Ltd (KCC) – 100.00%
- Ayudhya Capital Services Co., Ltd. (AYCAP) – 100.00%
- Tesco Lotus Money Services Ltd. (TMS) – 50.00%
- General Card Services Ltd. (GCS) – 100.00%

Auto Hire Purchase and Leasing
- Ayudhya Capital Auto Lease Plc. (AYCAL) – 100.00%
- Krungsri Leasing Services Co., Ltd (KLS) – 100.00%

Collection Services
- Total Services Solutions Plc. (TSS) – 100.00%

Microfinance
- Ngern Tid Lor Co., Ltd. (NTL) – 50.00%
- Hattha Kaksekar Limited (HKL) – 100.00%
- Krungsri Non-Deposit Taking Microfinance Institution Co., Ltd. (KSM) – 99.99%

Leasing
- Ayudhya Development Leasing Co., Ltd. (ADLC) – 99.99%

Asset Management
- Krungsri Ayudhya AMC Ltd. (KAMC) – 100.00%

Investment Management
- Krungsri Asset Management Co., Ltd. (KSAM) – 76.59%

IT Solutions Hub
- Krungsri Nimble Co., Ltd. (KSN) – 100.00%

Securities
- Krungsri Securities Plc. (KSS) – 99.84%

Support Business
- Siam Realty and Services Security Co., Ltd. (SRS) – 100.00%
- Hattha Services Co., Ltd. (HSL) – 49.00%

Life Insurance
- Krungsri Life Assurance Broker Ltd. (KLAB) – 100.00%
- Tesco Life Assurance Broker Ltd. (TLAB) – 50.00%

Non-life Insurance
- Krungsri General Insurance Broker Ltd. (KGIB) – 100.00%
- Tesco General Insurance Broker Ltd. (TGIB) – 50.00%

Venture Capital
- Krungsri Finovate Co., Ltd. (KFin) – 100.00%

Krungsri ... full fledged Universal Bank
# Krungsri: Credit Ratings

## International Ratings
(as of June 2020)

<table>
<thead>
<tr>
<th></th>
<th>Fitch Ratings</th>
<th>Moody's</th>
<th>Standard &amp; Poor's</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Foreign currency Long Term Outlook</td>
<td>Foreign Long Term Deposit Outlook</td>
<td>Issuer Credit Rating Long Term Outlook</td>
</tr>
<tr>
<td>Krungsri</td>
<td>BBB+ Stable</td>
<td>Baa1 Stable</td>
<td>BBB+ Stable</td>
</tr>
</tbody>
</table>

## National Ratings

### Fitch Ratings (Thailand)

<table>
<thead>
<tr>
<th></th>
<th>Long Term</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Krungsri</td>
<td>AAA (tha)</td>
<td>Stable</td>
</tr>
<tr>
<td>Krungsri Auto¹</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Krungsri Card²</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Ngern Tid Lor</td>
<td>na</td>
<td>na</td>
</tr>
<tr>
<td>Hattha Kaksekar</td>
<td>na</td>
<td>na</td>
</tr>
</tbody>
</table>

### Tris Rating

<table>
<thead>
<tr>
<th></th>
<th>Company Rating</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Krungsri</td>
<td>AAA Stable</td>
<td></td>
</tr>
<tr>
<td>Krungsri Auto¹</td>
<td>AA+ Stable</td>
<td></td>
</tr>
<tr>
<td>Krungsri Card²</td>
<td>AAA Stable</td>
<td></td>
</tr>
<tr>
<td>Ngern Tid Lor</td>
<td>A- Stable</td>
<td></td>
</tr>
<tr>
<td>Hattha Kaksekar</td>
<td>BBB+ Stable</td>
<td></td>
</tr>
</tbody>
</table>

¹ Ayudhya Capital Auto Lease Plc. (AYCAL)
² Krungsriayudhya Card Co., Ltd. (KCC)
What guides us: Mission, Vision and Values

**Krungsri MISSION**

“To be a leading regional financial institution with global reach, committed responsibly to meeting the needs of our customers and serving society through sustainable growth.”

**Krungsri VISION**

“Highly qualified team of professionals providing innovative products and services, dedicated to becoming our customers’ number one preferred financial group.”

**Krungsri VALUES**

Customer Centricity
Team Spirit
Integrity
Passion for Excellence
Making Innovative Changes
Global Awareness
Krungsri’s Mission

“To be a leading regional financial institution with global reach, committed responsibly to meeting needs of our customers and serving society through sustainable growth”

- Materials
- Water consumption
- Energy saving

- Responsible lending
- Product suitability

- Customer privacy
- Corporate Governance
  - ethics and integrity
  - anti-corruption
- Economic performance
- Risk management under ESG framework
- Cybersecurity

- Customer satisfaction
- Fair labor practices
- Local economy, micro-finance, nano-finance financial inclusion
- Local community
- Indirect economic impacts

- Innovation
- Digitalization
Krungsri and SDG 2030

SUSTAINABLE DEVELOPMENT GOALS

1. No Poverty
   Responsible Lending and Product Suitability

2. Zero Hunger
   through improvement of living quality

3. Good Health and Well-being

4. Quality Education
   through opportunity for education

5. Decent Work and Economic Growth
   Local Community Engagement

6. Innovation and Management

7. Sustainable Cities and Communities
   Support Loan for Clean Energy

8. Partnerships for the Goals

9. Industry, Innovation, and Infrastructure

10. Climate Action

11. Peace, Justice, and Strong Institutions

12. Collaboration and Networking

Material, Water, and Energy Consumption

Source: https://sustainabledevelopment.un.org
Krungsri Group Profile

Shareholding Structure
(as of 11 June 2020)

MUFG Bank
Ratanarak Group & Others
76.88% 23.12%

Krungsri Group
• Auto HP Ayudhya Capital Auto Lease Plc. (AYCAL)
Krungsri Leasing Services Co., Ltd. (KLS)
Ngern Tid Lor Co., Ltd. (NTL)
Hattha Kasekar Limited (HKL)
Krungsri Non-Deposit Taking Microfinance Institution Co., Ltd. (KSM)
Krungsri Securities Plc. (KSS)
• Securities
• Investment Krungsri Asset Management Co., Ltd. (KSAM)
• Leasing Ayudhya Development Leasing Co., Ltd. (ADLC)
• IT Services Krungsri Nimble Co., Ltd. (KSN)
• Asset Mgmt. Krungsri Ayudhya AMC Ltd. (KAMC)
• Credit Card, Microfinance Krungsriayudhya Card Co., Ltd. (KCC)
• Personal Loan Ayudhya Capital Services Co., Ltd. (AYCAP)
& Sales Finance Tesco Lotus Money Services Ltd. (TMS)
General Card Services Ltd. (GCS)
• Debt Collection Total Services Solutions Plc. (TSS)
• Support Siam Realty and Services Security Co., Ltd. (SRS)
• Life Insurance Hattha Services Co., Ltd. (HSL)
• Broker Krungsri Life Assurance Broker Ltd. (KLAB)
• Non-Life Insurance Broker Tesco Life Assurance Broker Ltd. (TLAB)
• Venture Capital Krungsri Fintech Limited (KFIN)

International Ratings

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National Ratings

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<th>TRIS Rating</th>
</tr>
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<tr>
<td>AAA (tha)</td>
<td>AAA</td>
</tr>
</tbody>
</table>

Workforce: Krungsri Group 33,282 / BAY 15,083

Extensive Franchise: 33,461 Service Outlets

<table>
<thead>
<tr>
<th></th>
<th>As of June 2020</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Domestic Branches</strong></td>
<td></td>
<td>683 *</td>
</tr>
<tr>
<td><strong>Overseas Branches</strong></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td><strong>Representative Office</strong></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td><strong>ATMs</strong></td>
<td></td>
<td>6,638</td>
</tr>
<tr>
<td><strong>Exchange Booths</strong></td>
<td></td>
<td>82</td>
</tr>
<tr>
<td><strong>Krungsri Exclusive / Krungsri The Advisory</strong></td>
<td></td>
<td>42 / 5</td>
</tr>
<tr>
<td><strong>Krungsri Business Centers</strong></td>
<td></td>
<td>62</td>
</tr>
</tbody>
</table>

Leadership Position

<table>
<thead>
<tr>
<th></th>
<th>As of June 2020</th>
<th>Market Position</th>
<th>% Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal Loan</td>
<td>1</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>Credit Card</td>
<td>1</td>
<td>16%</td>
<td></td>
</tr>
<tr>
<td>Auto (HP)</td>
<td>1</td>
<td>29%</td>
<td></td>
</tr>
<tr>
<td>SME</td>
<td>5</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Corporate</td>
<td>5</td>
<td>12%</td>
<td></td>
</tr>
</tbody>
</table>

First Choice Branches
+ Dealers
Krungsri Auto Dealers
Microfinance Branches
Microfinance Overseas Branches (HKL)
EDC Machines
Banking Agents Touch Points **

* Krungsri domestic branches = 683 branches, of which 643 are Banking Branches and 40 are Auto Business Branches
** Banking agents’ touch points: Thai Post Offices, Boonterm Kiosks, Counter Service 7-11, Max Mart in PT gas stations, Bank of Agriculture and Agricultural Cooperatives, and Big C
Who we are

Key Financials & Development Highlights

Medium-Term Business Plan 2018-2020 Achievements
2Q 2020 Key Financial Highlights

Loan Growth
-0.8% QoQ / +5.6% YoY

<table>
<thead>
<tr>
<th></th>
<th>Mar 20</th>
<th>Jun 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>CASA</td>
<td>1,870.0</td>
<td>1,854.7</td>
</tr>
</tbody>
</table>

Deposit Growth
+1.9% QoQ / +13.4% YoY

<table>
<thead>
<tr>
<th></th>
<th>Mar 20</th>
<th>Jun 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>NIM</td>
<td>1,667.4</td>
<td>1,698.7</td>
</tr>
</tbody>
</table>

Non-interest Income Growth
-15.6% QoQ / -21.7% YoY

<table>
<thead>
<tr>
<th></th>
<th>1Q/20</th>
<th>2Q/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coverage</td>
<td>8.61</td>
<td>7.27</td>
</tr>
</tbody>
</table>

Cost-to-Income Ratio

<table>
<thead>
<tr>
<th></th>
<th>1Q/20</th>
<th>2Q/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coverage</td>
<td>41.0%</td>
<td>41.8%</td>
</tr>
</tbody>
</table>

CASA
43.9%

NIM
3.51%

NPL Ratio
2.20%

Coverage Ratio
156.2%
Loans by Segments

**Corporate Loan**
- Consolidated (Baht Billion) -2.4%
  - March 20: 707.0
  - June 20: 689.8

**SME Loan**
- +1.4%
  - March 20: 278.5
  - June 20: 282.3

**Retail Loan**
- -0.2%
  - March 20: 884.5
  - June 20: 882.6

March 2020

June 2020

**Thai Corporate**
- 24%
  - THB 1,870.0 bn.

**JPC/MNC**
- 14%

**SME**
- 15%

**Retail**
- 47%

**THB 1,854.7 bn.**

**Retail**
- Auto HP 23%
- Mortgage 15%
- Credit Card Personal Loans 10%

A member of MUFG, a global financial group
5 Years Financial Highlights

**Loans (Billion baht)**
- 2015: 1,303.5
- 2016: 1,440.9
- 2017: 1,550.4
- 2018: 1,672.0
- 2019: 1,817.9 (+8.7%)

**NPL Ratio**
- 2015: 2.2%
- 2016: 2.2%
- 2017: 2.1%
- 2018: 2.1%
- 2019: 2.0%

**Capital Adequacy Ratio**
- 2015: 13.63%
- 2016: 14.16%
- 2017: 15.65%
- 2018: 15.13%
- 2019: 16.56%

**Net Interest Margin (NIM) (Percent)**
- 2015: 4.15%
- 2016: 3.74%
- 2017: 3.74%
- 2018: 3.01%
- 2019: 3.60%

**Fees and Service Income (Billion baht)**
- 2015: 22.67
- 2016: 24.14
- 2017: 26.34
- 2018: 29.00 (+23.3%)
- 2019: 29.65

**Net Profit (Billion baht)**
- 2015: 10.63
- 2016: 21.40
- 2017: 23.21
- 2018: 24.01
- 2019: 32.75 (+32.0%)

1/ Tier 1: Bank only
2/ Attributable to equity holders of the Bank
Thailand Economic Outlook


2020 Key Economic Forecasts

<table>
<thead>
<tr>
<th>% YoY growth unless otherwise stated</th>
<th>2018A</th>
<th>2019A</th>
<th>2020F</th>
</tr>
</thead>
<tbody>
<tr>
<td>GDP</td>
<td>4.2</td>
<td>2.4</td>
<td>-10.3</td>
</tr>
<tr>
<td>Private Consumption</td>
<td>4.6</td>
<td>4.5</td>
<td>-4.2</td>
</tr>
<tr>
<td>Private Investment</td>
<td>4.1</td>
<td>2.8</td>
<td>-14.7</td>
</tr>
<tr>
<td>Exports (in USD term)</td>
<td>7.5</td>
<td>-3.3</td>
<td>-12.5</td>
</tr>
<tr>
<td>Headline Inflation</td>
<td>1.1</td>
<td>0.7</td>
<td>-1.1</td>
</tr>
<tr>
<td>Policy Interest Rate (%) end of period</td>
<td>1.75</td>
<td>1.25</td>
<td>0.50</td>
</tr>
</tbody>
</table>

Note: 2020 forecast by Krungsri Research

Krungsri Research’s view:

- Thai economic growth is projected at a new low of -10.3% this year, compared to the previous forecast of -5.0%.
- The global pandemic is more severe than previously expected, meaning international travel bans will not be lifted soon. Foreign tourist arrivals could tumble by 83% this year. There is a greater downside risk to the Thai economy due to delayed fiscal stimulus measures and inadequate monetary policy transmission mechanism.

Headwinds

- Impacts of the coronavirus outbreak on tourism, supply disruption (at home and abroad), and income effect
- Global economic recession
- Delays in infrastructure investments
- Worse-than-expected drought
- Downward spiral of lower confidence and weaker growth
- Other risks: rising debts, EU-Vietnam FTA
- Structural problems e.g. labor shortage and eroding competitiveness in some sectors

Tailwinds

- Global massive easing of fiscal and monetary policies
- Domestic stimulus measures worth THB1.9 trn to alleviate COVID-19 impacts
- Thailand’s sound economic fundamentals

Sources: NESDC, MOC, BOT, Krungsri Research
Recent Economic Developments

The COVID-19 pandemic is expected to cause a 17.2 % contraction of 2Q/20 Thai GDP due to the crippled tourism industry and multiplier effect.

- Foreign tourist arrivals fell by 100% in 2Q/20, hit by the coronavirus pandemic.
- Exports were dragged by global lockdown and demand shock.
- Easing lockdown measures helped to nudge up confidence but household consumption and business investment continued to tumble.
- Much weaker labor market might undermine economic recovery in the next period.

Sources: NESDC, BOT, MOTS, Krungsri Research
Recap: MTBP 2018-2020 Core Strategies

Our ASPIRATION: To be a Top Tier Financial Group in Thailand

- Key Themes -
  - *Lead by Innovation. Think “Digital First”*
  - *Enhance Customer Experience to become a Main Bank*
  - *Enhance Retail & Commercial Banking Platform, and achieve Sustainable Growth*

<table>
<thead>
<tr>
<th>Key Measures</th>
<th>Size: Selectively Grow</th>
<th>Profitability: Improve Productivity &amp; Efficiency</th>
<th>Recognition: Top Tier Financial Group by Stakeholders</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
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<td>2</td>
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<td>4</td>
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<tr>
<td>5</td>
<td></td>
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</table>

Core Strategies

1. Enhance Business Competitiveness through HR Platform
2. Build Robust and Smart Technology to Digitize Business & Operations
3. Ensure Safety and Soundness
4. Improve Productivity and Efficiency
5. Accelerate Digital and Innovation Execution
6. Expand Collaboration within Krungsri and Synergy with MUFG & Strategic Partners

Key Measures: Selectively Grow, Improve Productivity & Efficiency, Top Tier Financial Group by Stakeholders
Enhance Customer Experience towards Customer Engagement

**Existing Features**
- Digital Lending
- Cardless
- Thai QR Payment
- Smart Advisor

**New Features in 2019**
- Apply for Credit Card
- Open Mutual fund Account
- Mutual Fund Dollar Cost Average
- Mutual Fund Enhance Subscription Using Credit Card
- Thai QR Cross Border Payment
- KMA Marketplace
- E-Savings Account (for existing customers)

**Timeline**
- JAN
- FEB
- APR
- FB Pay
- JUL
- AUG
- SEP
- OCT
- DEC

**Logos**
- KMA
- Krungsri Mobile App
- SOMPO
- Travel Insurance

**Corporate Affiliation**
A member of MUFG, a global financial group
Enhance Customer Experience towards Customer Engagement (Cont.)

Krungsri Mobile Banking (KMA)

**Number of Users**
(Million Users)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.2</td>
<td>2.5</td>
<td>3.8</td>
</tr>
</tbody>
</table>

**CAGR 75.7%**

**Number of Transactions**
(Million Transactions)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>500</td>
<td>1,000</td>
<td>1,500</td>
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</tbody>
</table>

**CAGR 95.7%**

**Krungsri Mobile Transactions**

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>70%</td>
<td>80%</td>
<td>87%</td>
</tr>
</tbody>
</table>

**Krungsri Auto**

**Market Share***

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>26%</td>
<td>28%</td>
</tr>
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</table>

**Loan Outstanding**
(Billion Baht)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>322</td>
<td>368</td>
<td>418</td>
</tr>
</tbody>
</table>

**Rank #1**

**Krungsri Consumer**

**Number of Transactions**
(Million Transactions)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>144</td>
<td>154</td>
<td>169</td>
</tr>
</tbody>
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**Loan Outstanding**
(Billion Baht)

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
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<tr>
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<td>144</td>
<td>154</td>
<td>169</td>
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**+10%**

Remark*: Based on NEA of 6 major banks
Upgrade Advisory Capabilities & Service Quality of Retail Banking

**Upgrade Advisory Capabilities**
- The Advisory

**Distribution Network**
- New Branch Model
  - Smart Branch
  - Partnership Branch

**Mobile Application**
- Exclusive Menu on KMA
- Krungsri Prime Application

**New Banking Agent**
- ‘The first time in Thailand that a financial institution appointed another one as its banking agent’
  - Bank for Agriculture and Agricultural Cooperatives (BAAC)
  - Max Mart in PT gas stations
  - Counter Service at 7-11

---

A member of MUFG, a global financial group
Grow SME Banking through Digital & Innovation Capabilities

**Krungsri Blockchain Interledger**

- A real-time international funds transfer service

**Krungsri Supply Chain on Blockchain**

- Dealer
- Sub-Dealer

AI Deep Learning technology of supply chain system
1. Adopted a business and platform strategy to transform Corporate Banking to become a “Trusted Banking Partner”
   - Conducted in-depth analysis of Corporate Banking opportunities and challenges
   - Created a roadmap to transform Corporate Banking in stages under each key pillar
   - Implemented strategic initiatives to strengthen the Corporate Banking foundation

2. Executing the business strategy, in parallel with expediting platform transformation to build competitive edges in becoming “Trusted Banking Partner”
   - Play to our strengths as a leading Thai bank with global network, strong local franchise, and a full suite of products and services
   - Enhance business origination process to improve productivity
   - Re-design future business process to optimize customer experience
Strengthen Product Capability to Offer Financial Solutions

- Enhanced portfolio profitability and quality
- Proactively advised solutions that best fit corporate customers
- Raised the operating foundation to keep up with the competitive banking landscape

Achievements of Our Total Solutions

- Provided bridge loan and bond to finance Glow Group’s acquisition deal
- Provided real estate investment trust (REIT) advisory and underwriting services
- Provided merger and acquisition advisory Services in acquisition of KT Restaurant Co., Ltd.

Fees from IB

<table>
<thead>
<tr>
<th>Year</th>
<th>Fees (Million Baht)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>259</td>
</tr>
<tr>
<td>2018</td>
<td>285</td>
</tr>
<tr>
<td>2019</td>
<td>385</td>
</tr>
</tbody>
</table>

CAGR 12.3%

Fees from Transaction Banking*

<table>
<thead>
<tr>
<th>Year</th>
<th>Fees (Million Baht)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>452</td>
</tr>
<tr>
<td>2018</td>
<td>446</td>
</tr>
<tr>
<td>2019</td>
<td>465</td>
</tr>
</tbody>
</table>

CAGR 1.3%

* Cash Management, Export and Import
Expand Collaboration within Krungsri & Synergies with MUFG & Strategic Partners

**Supply Chain Financing**
- Provided end-to-end solutions from Supplier Financing, Dealer Financing, to Hire Purchase

**Business Matching**
- Krungsri and MUFG jointly organized the Business Matching Fair for the seventh time in Thailand

**Thai-JPC/MNC Joint Venture**
- Supported project finances for JVs between Thai developers and JPC/MNC developers

**Transaction Banking**
- Leveraged products and process know-how from MUFG to close market product gaps

**Investment Banking**
- Enhanced cross-selling of investment banking products, by leveraging MUFG’s global product capabilities

**Cross-border Business**
- Utilized MUFG’s global network to support Thai corporates going abroad

**Payroll Account Acquisition**
- Acquired more than 80,000 payroll accounts & promoted cross-selling of retail banking services

**Cross-border QR Code Payment**
- This service provides greater payment convenience and security for Thai tourists visiting Japan
Accelerate Digital and Innovation Execution

**Krungsri Corporate / SME**
- Krungsri Blockchain Interledger
- Krungsri Cashless Chain
- Krungsri Supply Chain on Blockchain

**Krungsri Auto**
- Digital Lending
  - PromptStart
- E-Consent
- Insurance Online

**Krungsri Consumer**
- Al Manow: The AI Virtual Agent
  - Tablet Application
  - Krungsri First Choice
- UChoose Application

**Mortgage Loan**
- Di Sales

**Number of Users**
- (Million Users)
  - 2017: 1
  - 2019: 4.3

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Krungsri Finnovate

‘The collaboration between startups and Krungsri Group’

Corporate Venture Capital

Krungsri RISE

Series A
AI & Data Analytics for FIs

Series A+
POS & CRM Platform for Business

Baânia*
Series B
AI & Big Data systems and Platform to expand the B2B customer base

SILOT

Krungsri NIMBLE

Ms. Saisunee Hanprathueangsil
Managing Director

A new subsidiary ‘Krungsri Nimble’, an IT solutions hub established to enhance Krungsri’s financial technology and innovation development.

Note: * The first investment in Baania was the series-A investment, the first big-data for real estate in 2018.
Regional Footprint Expansion
Krungsri to enter the Philippines through strategic alliance with Security Bank

Myanmar
• Krungsri Representative Office
• BTMU branch in Yangon

Cambodia
Hattha Kaksekar Limited (HKL)

Lao PDR
2 Branches in Vientiane and Savannakhet

Vietnam
• 2 of MUFG Bank Branches in Ho Chi Minh City and Hanoi
• Collaborating with VietinBank

Philippines
Joint venture business with Security Bank Corporation (SBC)

Krungsri Leasing Services Co., Ltd. (KLS)
Outstanding Loans (Million Baht)

<table>
<thead>
<tr>
<th>Year</th>
<th>Pre-Transaction</th>
<th>Post-Transaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>18,853</td>
<td>4,387</td>
</tr>
<tr>
<td>2018</td>
<td>24,575</td>
<td>6,001</td>
</tr>
<tr>
<td>2019</td>
<td>31,690</td>
<td>5,791</td>
</tr>
</tbody>
</table>

Outstanding Loans (Million Baht)

- 2017: 18,853
- 2018: 24,575
- 2019: 31,690

Pre-Transaction
- MUFG: 76.88%
- Security Bank: 20%
- SB Finance: 50%

Post-Transaction
- MUFG: 76.88%
- Security Bank: 20%
- SB Finance: 50%
Sustainable Banking Priority
ESG Excellence & Financial Inclusion

ESG Awards and Recognition

• Asia’s Best CEO
• Best Investor Relations Professional
• Asia’s Best CFO
• Best Environmental Responsibility
• Sustainability Disclosure Award
• Thailand Sustainability Investment (THSI)

Social Bond

• First private-sector “gender” bond in the Asia Pacific region and the first social bond issuance in Asian emerging markets

Memorandum of Understanding

• MOU on “Sustainable Banking Guidelines – Responsible Lending”
• MOU with Social Enterprise Thailand Association (SETH)
2020 Business Initiatives

Internal Process Improvement

Products / Services Processes Applying RPA
- Increasing operational efficiency
- Reducing manual operations
- Improving services to customers

New Products Launch

Green & ESG Bonds

Kept by Krungsri

Strategic alliance with Grab

Krungsri Finnovate – New Investment

Business Acquisition - SBF

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2020 Key Focus
2020 Key Focus

ENHANCE CUSTOMER EXPERIENCE

Digital Transformation
- Digital Lending
- Digital Bank
- Digitized customer onboarding process
- Digitized FX Products
- Digitized Corporate / Industry Solutions

Elevate Human Touch Experience
- Financial advisory capabilities for suitable investment and lending solutions

Omni Channel
- Smart Branch
- Enhance KMA/KOL/KBOL
- Digitized Call Center Service
2020 Key Focus

- Build customer empathy in all segments / niche markets
- Improve Productivity and Efficiency
  - Digitized operations through AI/ML and RPA
- Proactive Risk Management through AI/DATA Intelligence
2020 Key Focus

PARTNERSHIP STRATEGY

• Expanding partnership network to create value-added ecosystem to customers.
2020 Key Focus

OVERSEAS BUSINESS EXPANSION AND COLLABORATION

Collaboration with Partner Banks

- Business Expansion
- Co-development on cross-border transaction products

Collaboration with MUFG

- Technology development and investment
- Leverage MUFG Network and Capabilities to serve Thai customers
- Further deepen and expand Business Matching, cross-border investment and lending products
2020 Key Focus

**Sustainable Banking Priority**

- Transition to low carbon economy

**Organization**

- Low carbon organization
- 75th Anniversary: 7.5 Million kgCO2e Less

**Products & Services**

- Responsible Financing and Investment
- Reference & alignment to international best practices / standards

**Society**

- Green & Sustainable CSR programs
## 2020 Financial Targets

<table>
<thead>
<tr>
<th></th>
<th>2019A</th>
<th>1H/2020A</th>
<th>2020F (Original)</th>
<th>Current Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loan Growth</strong></td>
<td>8.7%</td>
<td>2.0%</td>
<td>5-7%</td>
<td>Moderating from original target given the ongoing global pandemic</td>
</tr>
<tr>
<td><strong>Loan Mix: Retail</strong></td>
<td>49%</td>
<td>48%</td>
<td>~ 50%</td>
<td></td>
</tr>
<tr>
<td><strong>NIM</strong></td>
<td>3.6%</td>
<td>3.74%</td>
<td>3.4-3.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Non-Interest Income Growth (%YoY)</strong></td>
<td>6.7% *</td>
<td>-11.7%**</td>
<td>-3% to 3% **</td>
<td>Downside risks from original target due to sharp downturn in consumer spending and business activities</td>
</tr>
<tr>
<td><strong>Cost to Income Ratio</strong></td>
<td>45.1%***</td>
<td>41.4%</td>
<td>&lt; 50%</td>
<td></td>
</tr>
<tr>
<td><strong>Provisions</strong></td>
<td>156 bps</td>
<td>188 bps</td>
<td>130-150 bps</td>
<td>Elevated from original target to reflect higher ECL</td>
</tr>
<tr>
<td><strong>NPL Ratio</strong></td>
<td>1.98%</td>
<td>2.20%</td>
<td>&lt; 2.5%</td>
<td></td>
</tr>
<tr>
<td><strong>Loan Loss Coverage Ratio</strong></td>
<td>164%</td>
<td>156%</td>
<td>140-150%</td>
<td></td>
</tr>
</tbody>
</table>

* Normalized non-interest income growth which excluded the one-time gains on investments from NTL transaction in 1Q/2019.
  Incorporating the one-time gains on investment from NTL transaction, the non-interest income increased by 31.9% from 2018.

** Based on the normalized growth rate in 2019.

*** Normalized cost to income ratio (excluding one-time items)
Best Sustainable Bank in Thailand

First time FinanceAsia has bestowed this award in Thailand

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