IR News

August 2, 2023

KASIKORNBANK spins off "KASIKORN INVESTURE COMPANY LIMITED" to reduce business costs while bolstering capabilities in financial services for retail customers

Guided by the strategy of long-term business growth, KASIKORNBANK (KBank) has spun off "KASIKORN INVESTURE COMPANY LIMITED" (KIV), with Mr. Patchara Samalapa assuming the position of Group Chairman of KIV. The move is aimed at enhancing flexibility in its expansion of financial services to retail customers, especially by leveraging its business partners' capabilities with KBank's existing infrastructure in order to minimize business cost and credit cost. Currently, there are 14 companies under KIV's structure with a total investment value of around 30 billion Baht.

Ms. Kattiya Indaravijaya, KBank Chief Executive Officer, said that KASIKORN INVESTURE COMPANY LIMITED, or KIV, has been established as a holding company under KASIKORNBANK FINANCIAL CONGLOMERATE in order to invest in other companies with its partners in alignment with KBank's strategy aiming to empower every customer's life and business. KIV will have a vital role in strengthening KBank and its partners through risk-based income generation under appropriate costs.

"The Bank has adjusted KIV's management model – with Mr. Patchara Samalapa assuming the position of Group Chairman of KIV – and spun off KIV to make it more flexible and agile in business operations. KBank has also expanded collaboration with its partners by leveraging the Bank's existing capabilities more efficiently. We are confident that these actions will help enhance our competitiveness in providing financial services to retail customers and generate new revenue streams for KBank, resulting in higher business profit than that managed by the Bank itself, and allowing the Bank to enjoy steady growth in a robust and sustainable manner."

Mr. Patchara Samalapa, Group Chairman of KASIKORN INVESTURE COMPANY LIMITED, said, "KIV's goal is to enhance KBank's capability in providing financial services to retail customers, with an important challenge of reducing operating cost and credit cost to ensure profitability. KIV's business operations focus on the expertise of its partners in diverse fields, along with KBank's existing infrastructure and resources, including over 20 million customers, K PLUS, financial resources, data, IT and a branch network. As a result, KIV has an in-depth understanding of a wide range of customers, allowing it to provide comprehensive financial services that meet the needs of low-income households, small-sized merchants, and customers without regular income, all of whom require financial support to bolster their liquidity. These groups can thus gain improved access to financial services within the system."

Presently, KIV's structure consists of 14 companies, with a total investment value of approximately 30 billion Baht.

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งานแถลงข่าว

จัดตั้งบริษัท กสิกร อินเวสเจอร์ จำกัด

KASIKORN INVESTURE COMPANY LIMITED - KIV

KBank

คุณขัตติยา อินทรวิชัย

ประธานเจ้าหน้าที่บริหาร

ธนาคารกสิกรไทย

KBank
EMPOWER
Every Customer's Life
and Business

KBank

EMPOWER
Every Customer's Life
and Business

Digital Payment	Commercial & Consumer Lending

Data & Technology Capabilities

Investment & Insurance	Regional Market

Accelerate Sustainable Growth to Create Long Term Value

KASIKORN INVESTURE

Game-Changing Opportunity for Banking Services

- Growth Opportunity
- Financial Inclusion
- New Revenue Streams

KASIKORN INVESTURE

คุณพัชร สมะลาภา

Group Chairman

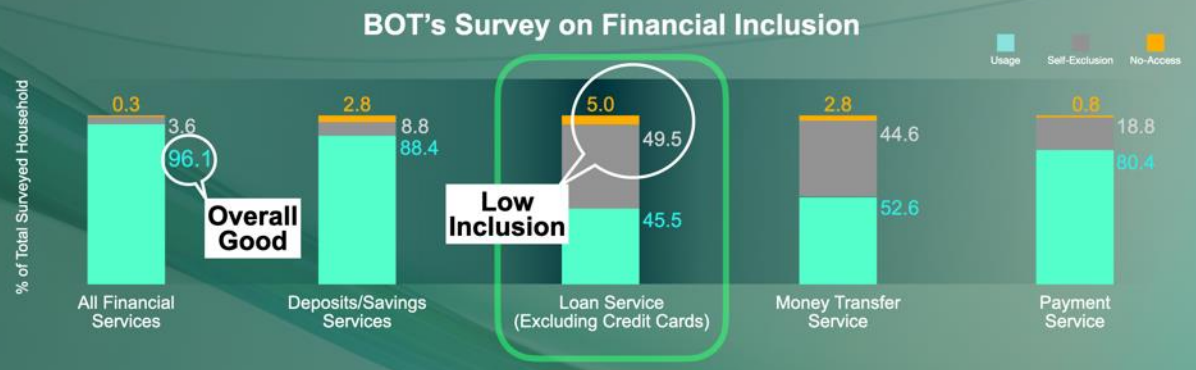
บริษัท กสิกร อินเวสเจอร์ จำกัด

KASIKORN INVESTURE COMPANY LIMITED - KIV

Mass Market = Opportunity to Improve Profitability?

Loan with Bank on Credit History	15 M Has NCB	25 M No NCB

- 60% Difficult to Assess Ability to Pay



10% of Household Lending is Under Grey Market = Non-Banks Unsecured

KIV Business Model - Profitably Servicing the Mass Market (Inclusive of Underbanked)
Bank's + Partner's Capabilities = Cost Down

Major Financial Services Categories	Deposit / Saving / Source of Fund	Payment / Channels	Non-Corp Loans	Investment
	• e-Wallet Infrastructure • Group-Savings	• e-Wallet • Payment Gateway • Loyalty Points	• Asset-Based • Credit Scored • Value-Chain Based	• Insurance Brokerage • P2P Borrow-Lend • Foreign Currency Deposit Wallet
	LINE BK, T2P, KGP, KAPTURE ONE		LINE BK, iwin, kbao, JK	LINE BK, T2P
	Over 15 Million Users		Over 10 Billion Baht	To Be Launched

Key KBank's Capabilities

- 20 Million
- K+ Sales & Service Channel (Selling / KYC)
- Data
- Core IT Back-End
- Funding

Over 20 Million Users

KASIKORN INVESTURE

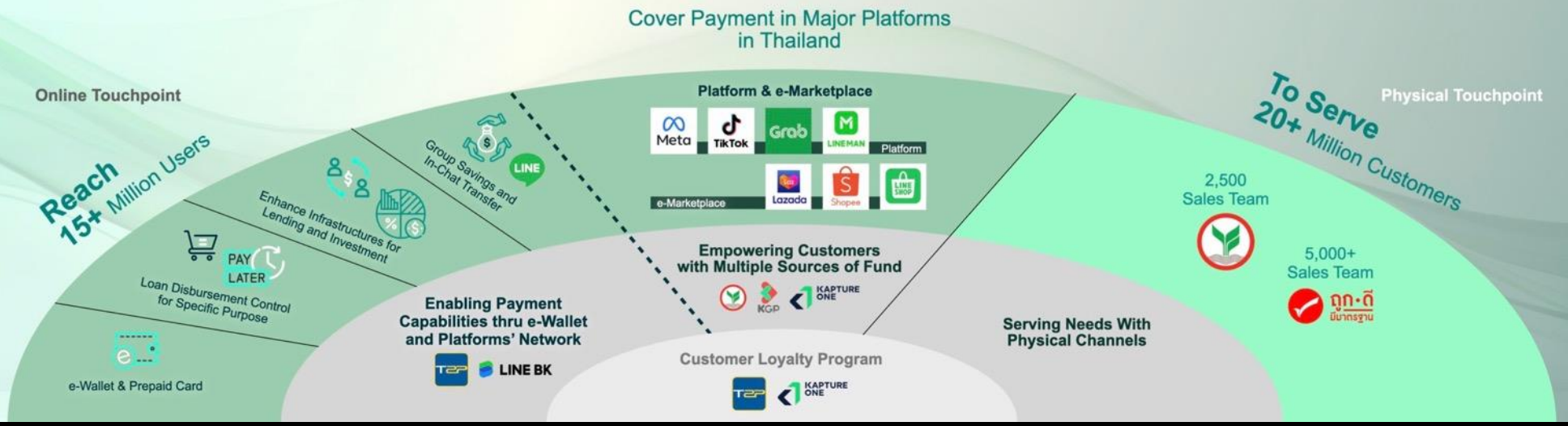
คุณชลารัตน์ พินิจเบญจพล

Executive Chairman

บริษัท กสิกร อินเวสเจอร์ จำกัด

KASIKORN INVESTURE COMPANY LIMITED - KIV

Key Success Factors - As Many Touchpoints per Customer as Possible



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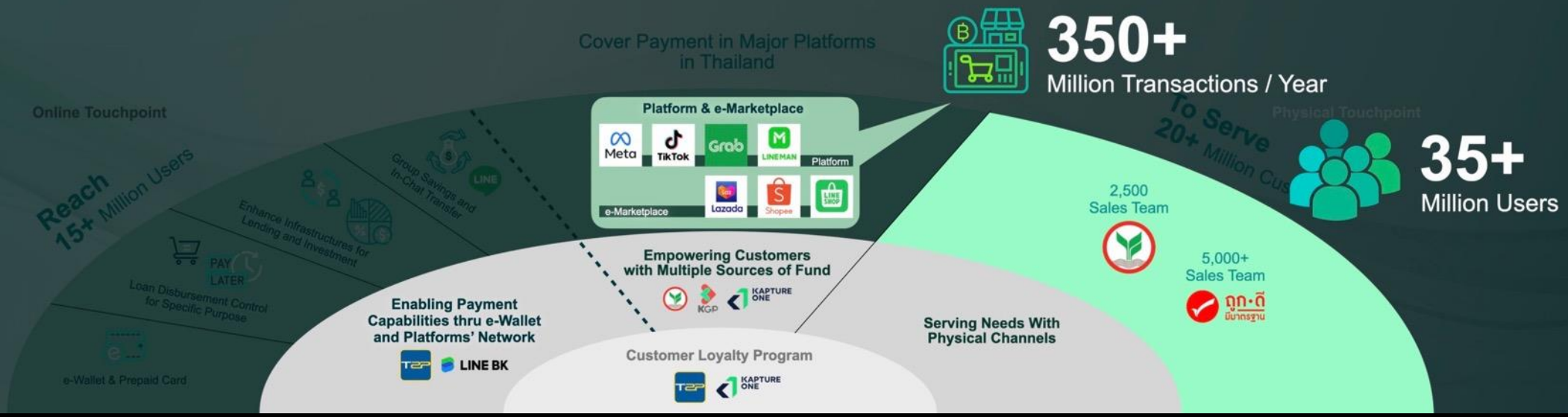


Solve 91% Household Debt by Lending Working Capital to Underserved

1Q23 Household Debt Composition

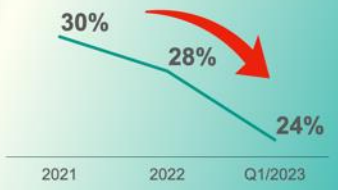
- Limited Access, Specific Groups - Mostly are Loans with Collateral.
- Mostly are Housing Loan, Hire Purchase, Secured Personal Loan.
  - Personal Loan and Credit Card 7%
- Mostly are Unsecured Loan and Mixed-Use for Personal and Business.

25% Interest Rate Not High; Even for Listed Non-Bank, If We are Competing with Grey Market Lender

1Q/23 Outstanding

Non-Bank 1.85 Trillion Baht

Top 10 - Net Income Margin



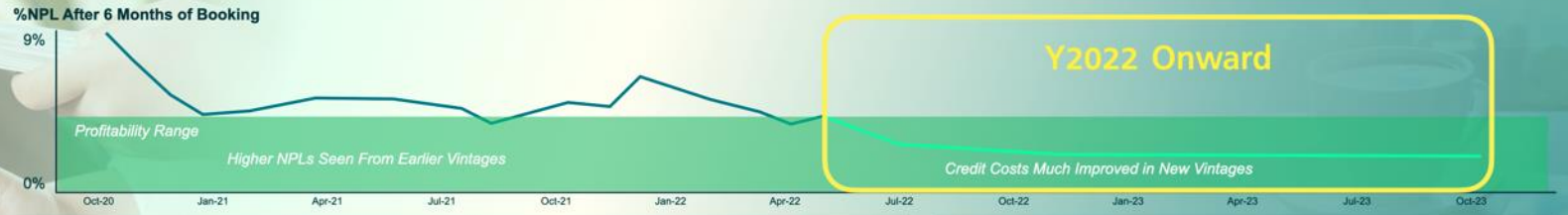
Loan < Interest **25%**
1 Year Tenor

Spread **18%**
If No Bad Debt

7 YEARS
Interest Collected to Cover Principle

To Improve
Profitability
To Reduce
Operation &
Credit Cost

Fixed On-Boarding and Credit Decision to Bring Down Credit Cost From 2021 Level



On Boarding

Offline

Sales Staff Shop Owner

Online

Customer Self-Onboard

AS IS Pain

- High Fraud From Purely Digital Onboarding
- High Cost to Serve From Offline Channel

TO BE

- Partial Staff Assist
- Verify Identification, Domicile, Residence, Reference Person

Credit Decision

- **Multiple Underwriting Policies**

Rule-based Criteria

- Score
- Asset Base
- Control Disbursement

- **Optimal Loan-To Value and Risk-Based Offering: Pricing, Limit, Tenor, Ask for Guarantor**

Improve Recovery = Lower Credit Cost

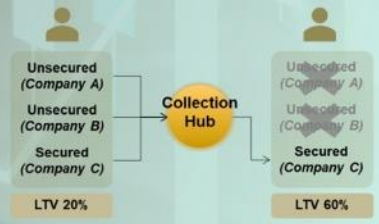
Further Improvements

- Voice Analytics and AI to Improve Agent Productivity and Solve Agent Shortage
- Debt Consolidation Across Banks

Ability to Collect Cash

90.7Bn	Bad Loan
3.7%	Year1 Cash Collected
4-5	Years Break Even
10%	ROE for Year1

Debt Consolidation



One call solves multiple bills

Significantly Increase KBank's Corporate Values

KASIKORN INVESTURE

- Faster Speed and Efficiency of Business Operations
- More Accessibility in Ecosystems
- Better Cost Effectiveness
- A Crucial Role to Boost KBank's ROE Performance in the Next 3-5 Years

KIV's Economic Profits

	2022	2023	2026
KIV's Investment Value	21,500	25,000-30,000	65,000-70,000
No. of Investments	6	14	14
Loan Book	37,000	40,000-45,000	75,000-80,000

*** Economic Profits = Profit Sharing of Companies Under KIV + Net Interest Income from Loan to Companies Under KIV + Additional Sale and Service for KBank
Investment Value = Capital Injection + Accumulated Profit Sharing of Companies Under KIV + Realized and Unrealized Gains (Losses) on Investment

KASIKORN INVESTURE

KASIKORN INVESTURE

Reinventing Financial Services Ecosystem

บริษัท กสิกร อินเวสเจอร์ จำกัด (KIV)

บริษัทโฮลดิ้งภายใต้กลุ่มธุรกิจทางการเงิน
ของธนาคารกสิกรไทย เพื่อลงทุนในบริษัท
ร่วมกับพันธมิตร

โครงสร้างการลงทุน

มูลค่ารวม ประมาณ **30,000** ล้านบาท

ประกอบด้วย

14 บริษัท

KASIKORN INVESTURE

KASIKORN LINE

- บริษัท กสิกร ไลน์ จำกัด (JV)
- บริษัท กสิกร ไลน์ อินชัวร์รันส์ โบรกเกอร์ จำกัด

ให้บริการสินเชื่อบุคคลและประกอบธุรกิจตัวแทนและนายหน้าประกันบนช่องทางของ LINE

kbao / ตะวันแดง TD

- บริษัท กสิกร คาราบาว จำกัด (JV)

ธุรกิจให้บริการสินเชื่อและบริการทางการเงินแก่กลุ่มลูกค้าถูกดี และบริษัทในกลุ่มธุรกิจคาราบาว

- บริษัท ทีดี ตะวันแดง จำกัด (ลงทุน)

ธุรกิจบริหารจัดการร้านค้าปลีกภายใต้ชื่อร้านถูกดี มีมาตรฐาน

T2P HOLDINGS / THINKERFINT

- บริษัท ทีทูพี โฮลดิ้ง จำกัด และบริษัทในเครือ*

ให้บริการ e-Wallet เพื่อเป็นโซลูชันธุรกรรมการเงินและบริการสินเชื่อผู้ประกอบการรายย่อย

- บริษัท ธิงเกอร์ฟินท์ จำกัด (ลงทุน)

ให้บริการพัฒนาระบบช่วยตัดสินใจในการอนุมัติสินเชื่อ

เงินให้ใจ / CAR HERO

- บริษัท เงินให้ใจ จำกัด (ลงทุน)
- บริษัท คาร์ ฮีโร่ จำกัด*

ให้บริการธุรกิจสินเชื่อรถยนต์

KAPTURE ONE / BUZZEBEES

- บริษัท แคปเชอร์วัน จำกัด (JV)
- บริษัท บัซซี่บีส์ จำกัด (ลงทุน)

ให้บริการเกี่ยวกับเทคโนโลยีสารสนเทศ CRM Solution Platform

JK / jam

- บริษัท บริหารสินทรัพย์ เจเค จำกัด (JV)
- บริษัท บริหารสินทรัพย์ เจ จำกัด (ลงทุน)

ประกอบธุรกิจบริหารหนี้เสียที่มีและไม่มีหลักประกัน (ติดตามหนี้)

KGP

บริษัท กสิกร โกลบอล เพย์เมนต์ จำกัด*

ให้บริการระบบชำระเงินดิจิทัล (Payment Gateway)

Travel Ecosystem

Travel Ecosystem Platform*

ให้บริการธุรกิจออนไลน์แพลตฟอร์ม

Grab

Grab Holdings Limited (ลงทุน)

แพลตฟอร์มดิจิทัลเรียกใช้บริการตามต้องการ

*อยู่ระหว่างดำเนินการจัดโครงสร้าง