

Management Discussion and Analysis for 3rd Quarter 2025

Executive Summary

KTC advances into the third quarter with financial strength and driving organizational growth through digital technology to enhance service efficiency, maintaining solid asset quality amid credit card spending growth that continues to outperform the industry.

For the three and nine month period of 2025, Krungthai Card Public Company Limited and its subsidiaries (“the Group”) reported a net profit of THB 1,951 million and THB 5,707 million, representing an increase of 1.7% (YoY) and 2.8% (YoY), respectively. For the separate financial statements, Krungthai Card Public Company Limited (“KTC” or “the Company”) recorded a net profit of THB 2,065 million in 3Q2025 and THB 5,873 million for 9M2025, growing 8.6% (YoY) and 4.4% (YoY), respectively.

The Group successfully maintained a stable revenue base, with total income of THB 6,906 million in 3Q2025, a slight increase of 0.2% (YoY), mainly supported by interest income growth driven by loan portfolio expansion and higher credit card spending volume.

Total expenses amounted to THB 4,343 million, a 4.0% (YoY) decrease, mainly due to a reduction in expected credit loss (ECL) following strong asset quality management, as well as lower financial costs resulting from efficient funding management aligned with marginal loan portfolio growth. Meanwhile, operating expenses slightly increased, resulting in a cost-to-income ratio of 35.8%, slightly increase from 35.7% in 3Q2024.

Amid global economic headwinds and domestic volatility, the Group’s total loan portfolio stood at THB 106,913 million as of end 3Q2025, a mild 0.7% (YoY) growth. The credit card portfolio grew 0.5% (YoY), with credit card spending rising 3.8% and 4.0% YoY for 9M2025 and 8M2025, respectively, outperforming the industry’s 0.5% (YoY) contraction for 8M2025. The personal loan portfolio also expanded 3.0% YoY. KTC continues to pursue balanced portfolio growth with prudent credit screening under an appropriate risk framework.

On asset quality, the Group demonstrated strong risk management capability, maintaining robust and adequate reserves. As of 3Q2025, the NPL ratio stood at 1.85%, while the NPL coverage ratio was 426.1%. The credit cost was 5.4%, improving from 6.1% in the same period last year.

Following the approval granted at the Extraordinary General Meeting of Shareholders No. 1/2025 (August, 25 2025) to amend the Company’s objectives and Clause 3 of its Memorandum of Association to include non-life and life insurance brokerage businesses, as well as advisory services related to such products, the Company has obtained brokerage licenses for both non-life and life insurance from the Office of Insurance Commission (OIC) and has notified the Bank of Thailand, through Krungthai Bank, of the addition of these business activities.

KTC is currently preparing the necessary operational workstreams and building collaborations with non-life and life insurance partners to offer a broad suite of insurance products through KTC’s various channels. The focus is on leveraging technology and data to meet member needs precisely, elevate advisory quality, and ensure secure customer data management. This initiative is expected to create new business opportunities and grow fee-based income from insurance products. Initial rollouts will target KTC credit card and personal loan members.

KTC has initiated the insurance brokerage business as a new business segment, focusing on gradual and prudent growth in parallel with the continued expansion of the loan portfolio. The Company remains committed to

responsible and fair lending principles, with a clear emphasis on asset-quality control and effective risk management, which together underpin stable and sustainable long-term growth.

Target 2025 vs Actual 9M2025 Performance

Target	2025	Actual 9M2025
Net Profit (MB)	> 7,437	5,707
Total Portfolio Growth (%)	4% - 5%	0.7%
Credit Card Spending Growth (%)	10%	3.8%
KTC PROUD Portfolio Growth (%)	3%	0.8%
New Booking of P BERM Car for Cash (MB)	3,000	1,650
Asset Quality (%NPL)	≤ 2.00%	1.85%

When comparing the Group's performance over the nine-month period, it is evident that KTC continues to maintain a strong and consistent profitability trend, delivering sustainable returns to all stakeholders while preserving solid asset quality. The non-performing loan ratio (%NPL) is expected to remain within the Company's target range. Despite facing challenges in the third quarter from a prolonged economic slowdown carried over from the first half of the year, Thailand's GDP growth is expected to contract further. Additional headwinds include rising tensions between Thailand and Cambodia, ongoing conflicts in the Middle East, and persistent uncertainties surrounding global trade. These risk factors have weighed on consumer confidence and spending sentiment. The Group continues to monitor these developments closely and remains prudent and cautious in its business operations.

Industry Overview

Thai economy in the final quarter of 2025 and throughout 2026 is expected to deteriorate further. According to the latest Monetary Policy Committee (MPC) meeting held on October 8, 2025, Thailand's GDP growth forecast was revised down to 2.2% for 2025 (from 2.3%) and is projected to be 1.6% in 2026 (from 1.7%). The key downside factor is the impact on exports from U.S. trade tariff measures, which have contributed to a contraction in the consumer lending industry amid growing economic uncertainty. Nevertheless, there remain supportive factors for the Thai economic growth, including the strong export performance in the first half of 2025—partly due to accelerated shipments to the U.S. ahead of tariff implementation—as well as a gradual recovery in tourism and sustained private consumption in the second half of the year.

Industry Data	Y2024	8M2024	8M2025
Credit Card Receivables (MB)	522,784	483,947	475,064
Growth (%)	1.8%	1.9%	(1.8%)
KTC Market Share (%)	14.1%	14.2%	14.5%
Number of Credit Card (Cards)	26,691,918	27,101,107	26,797,386
Growth (%)	1.6%	4.1%	(1.1%)
KTC Market Share (%)	10.5%	10.1%	10.7%
Credit Card Spending (MB)	2,229,066	1,462,985	1,456,093
Growth (%)	2.5%	3.6%	(0.5%)
KTC Market Share (%)	13.1%	12.8%	13.4%
Personal Loan Receivables (MB)	858,307	864,747	853,382
Growth (%)	1.3%	5.3%	(1.3%)
KTC Market Share (%)	4.1%	4.0%	4.2%

Source: Industry Data, Bank of Thailand (BOT) as of October 10, 2025

According to the Bank of Thailand (BOT), during 8M2025, credit card receivables in the industry amounted to THB 475,064 million, a 1.8% (YoY) decline. Total credit card spending stood at THB 1,456,093 million, contracting 0.5% (YoY), while personal loans receivables totaled THB 853,382 million, down 1.3% (YoY).

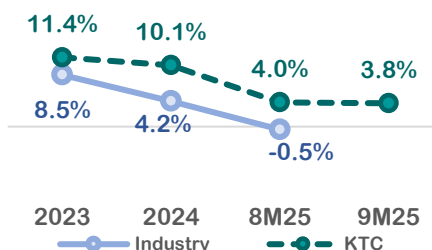
Despite the challenging and uncertain economic environment, KTC continued to deliver solid performance, expanding its market share across all key product segments during 8M2025 compared with the same period last year:

- Credit card receivables: Market share rose to 14.5%, from 14.2%.
- Credit card spending: Market share increased to 13.4%, from 12.8%.
- Personal loan receivables: Market share grew to 4.2%, from 4.0%.

Portfolio Overview

KTC's total credit card spending for 8M2025 amounted to THB 195,272 million, representing a 4.0% (YoY) increase — outperforming the industry, which contracted 0.5% (YoY). For 9M2025, total credit card spending reached THB 219,572 million, up 3.8% (YoY). The company reported a total of 3,608,017 accounts, consisting of 2,903,481 credit card accounts, increasing 5.3% (YoY) and 704,536 personal loan accounts, up 2.5% (YoY).

Credit Card Spending Growth (YoY)



As of the end of 3Q2025, KTC's loans to customers and accrued interest receivables stood at THB 106,913 million, representing a slight 0.7% (YoY) growth. This marginal increase was mainly driven by the expansion of the credit card and personal loan portfolios — the core business segments — partially offset by a decline in lease receivables following the Company's policy to cease new leasing loans and the impact of a sluggish domestic economy and high household debt burden. These factors, together with global uncertainties, affected consumer confidence, borrowing capacity, and overall spending behavior. The loan composition is as follows:

- 1) Credit card receivables amounted to THB 69,451 million, up 0.5% (YoY), reflecting efficient portfolio management amid a slowdown in the Thai economy. Cardholders remained cautious about spending and new borrowing due to concerns over the broader economic outlook.
- 2) Personal loan receivables stood at THB 35,836 million, increasing 3.0% (YoY). Growth was driven by both KTC PROUD and KTC P BERM Car for Cash, supported by robust portfolio quality management and continuous enhancement of member benefits to differentiate from competitors and meet customers' needs — the core strategy behind the expansion of this segment.
- 3) Lease receivables amounted to THB 1,627 million, declined 28.8% (YoY), in line with the Company's policy to suspend new leasing loans since August 2023. The current focus remains on debt collection and maintaining the quality of the existing portfolio.

Loans to customers and accrued interest receivables

(Unit: Million Baht)	3Q2024	3Q2025	%Growth
Credit Card	69,093	69,451	0.5%
Personal Loans (Including KTC P BERM Car for Cash)	34,806	35,836	3.0%
Leasing	2,284	1,627	(28.8%)

The changes in the allowance for expected credit loss as of September 30, 2025 are as follows.

(Unit: Million Baht)	Consolidated Financial Statements				
	Financial assets where there has not been a significant increase in credit risk (Stage 1)	Financial assets where there has been a significant increase in credit risk (Stage 2)	Financial assets that are credit-impaired (Stage 3)	Financial assets where applied simplified approach to calculate lifetime expected credit loss	Total
Balance as of December 31, 2024	3,780	2,442	1,119	626	7,966
Changes in staging	539	(517)	(22)	-	-
Changes in risk parameters	(467)	1,272	4,876	202	5,884
New financial assets originated or purchased	620	-	-	-	620
Financial assets derecognized	(246)	(748)	(912)	(36)	(1,942)
Written-off	-	-	(4,016)	(157)	(4,173)
Balance as of September 30, 2025	4,226	2,449	1,045	635	8,354

“Portfolio quality remained strong, with an NPL ratio of 1.85% and a high NPL coverage ratio of 426.1%.”

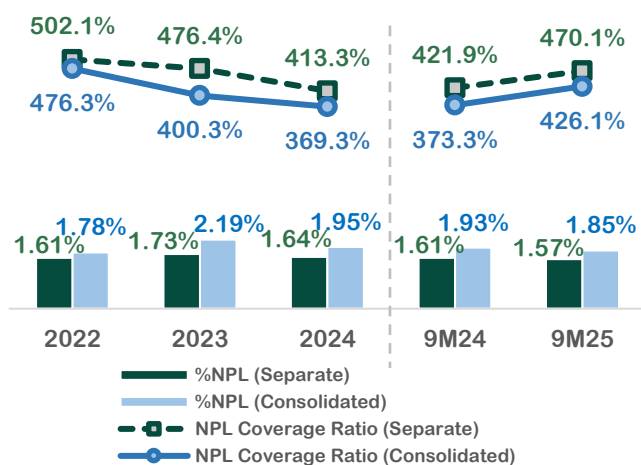
The Group continued to demonstrate effective asset quality management, as reflected by the improved credit risk indicators as follows:

The non-performing loan ratio (%NPL) of the Group decreased to 1.85% as of the end of 3Q2025, compared to 1.93% in the same period last year. For the Separate Financial Statement, the NPL ratio also remained low at 1.57%, down from 1.61% in the previous year, driven by disciplined debt management that resulted in improvement to the overall portfolio quality.

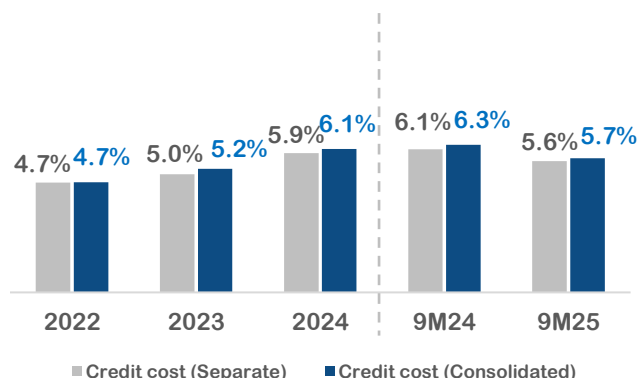
In terms of provisioning, the NPL Coverage Ratio increased to 426.1% from 373.3% in the previous year. For the Separate Financial Statement, the ratio rose further to 470.1% from 421.9%, reflecting the Group’s prudent approach in maintaining sufficient reserves to strengthen financial stability.

The credit cost for the Group stood at 5.4% for 3Q2025, down from 6.1% (YoY), and 5.7% for 9M2025, down from 6.3% (YoY). For the Separate Financial Statement, the credit cost decreased to 5.4% in 3Q2025 from 5.8% (YoY) and 5.6% in 9M2025 from 6.1% (YoY), reflecting effective management of overall asset quality in line with established targets.

%NPL and %NPL Coverage Ratio



Credit Cost (%)



NPL

Separate
1.57%

Consolidated
1.85%

	3Q2024		2Q2025		3Q2025	
	MB	%NPL	MB	%NPL	MB	%NPL
Total NPL	2,039	1.93%	1,952	1.83%	1,960	1.85%
NPL – Credit Card	895	1.30%	791	1.14%	793	1.15%
NPL – Personal Loan	762	2.21%	812	2.32%	850	2.40%
NPL – Leasing	382	16.71%	349	19.58%	318	19.57%

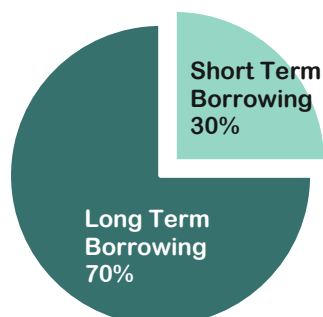
The outstanding balances of loans to customers and accrued interest receivables classified by type of business and stage as of September 30, 2025 are as follows:

(Unit: Million Baht)	Consolidated Financial Statements			
	Credit Card	Personal Loan	Leasing	Total
Stage 1	62,010	29,207	-	91,217
Stage 2	6,366	5,355	-	11,720
Stage 3	793	850	-	1,642
Financial assets where applied simplified approach to calculate lifetime expected credit losses	-	-	1,627	1,627
Total loans to customers	69,168	35,411	1,627	106,206
Add Accrued interest receivables and undue interest receivables	282	425	-	707
Total loan to customers and accrued interest receivables	69,451	35,836	1,627	106,913
Less Allowance for expected credit loss	(4,149)	(3,570)	(635)	(8,354)
Total loans to customers and accrued interest receivables, net	65,302	32,265	992	98,559

Borrowing

The Group continued to emphasize strong financial discipline, as reflected by D/E ratio of 1.51 times and maintained available credit line totaling THB 25,990 million”

Borrowing Proportion



As of 3Q2025

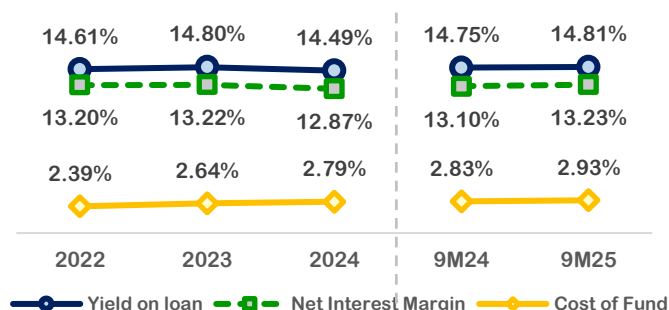
D/E Ratio
(Times) | **1.51**

As of the end of 3Q2025, the Group maintained a strong capital structure with well-diversified funding sources, totaling THB 55,655 million in borrowings (including lease liabilities). Long-term borrowings accounted for 70% of total borrowing, while short-term borrowings (including short-term loans and debentures due within one year) represented 30%. KTC's funding sources remained well-diversified across Thai commercial banks, securities companies, insurance firms, and investment funds. This comprised short-term borrowing from Krungthai Bank and related parties of THB 380 million, short-term borrowing from other financial institutions of THB 5,400 million, long-term loans from Krungthai Bank totaling THB 11,500 million, and debentures of THB 38,094 million. Debentures accounted for approximately 68% of total borrowings, reflecting strong investor confidence and KTC's solid access to the domestic bond market.

In addition to managing its capital structure, the Group continued to uphold strong financial discipline, as reflected by a low debt-to-equity (D/E) ratio of 1.51 times, a significant decline from 1.64 times in 2Q2025 and 1.78 times in 3Q2024. The improvement was mainly attributed to two key factors: 1) consistent profit accumulation, which strengthened shareholders' equity; and 2) the economic slowdown resulted in slower portfolio expansion, lowering the need for additional borrowings to support new loans. However, the current D/E ratio remains well below the debt covenant of 10 times, underscoring KTC's high financial flexibility to support future business expansion and withstand potential economic volatility.

In terms of liquidity, as of the end of 3Q2025, the Group maintained a strong liquidity position with available credit lines totaling THB 25,990 million. Meanwhile, the total amount of debentures and long-term borrowings maturing in 4Q2025 stood at THB 4,000 million. This demonstrates that the Group's available liquidity far exceeds its near-term debt obligations, reflecting a solid liquidity position and minimal short-term default risk.

Yield on Loans, Net Interest Margin and Cost of Funds



For 9M2025, the Group's cost of fund stood at 2.93%, higher than 2.83% in the same period last year. The increase was primarily contributed by a smaller borrowing base, in line with the slower expansion of the loan portfolio.

However, despite the higher cost of fund, finance costs decreased to THB 1,294 million, compared to THB 1,352 million in the same period last year.

The yield on loan remained strong, driven by an increasing contribution from personal loan interest income to total interest income. The yield on loan for 9M2025 was 14.81%, up from 14.75% in the same period last year. As a result, the Net Interest Margin (NIM) expanded slightly to 13.23%, compared to 13.10% in 9M2024. This improvement was supported by lower finance costs and prudent portfolio mix management, which helped sustain and further strengthen the Company's profitability over time.

Revenues & Expenses

(Unit: Million Baht)	Consolidated Financial Statements					
	9M2024	9M2025	Growth (%YoY)	3Q2024	3Q2025	Growth (%YoY)
Total Revenues	20,434	20,550	0.6%	6,890	6,906	0.2%
Bad Debt Recovery	3,086	3,004	(2.7%)	1,030	1,015	(1.4%)
Total Operating Expenses	7,187	7,261	1.0%	2,460	2,475	0.6%
Finance Costs	1,352	1,294	(4.2%)	453	423	(6.6%)
Profit before Expected Credit Loss	11,895	11,995	0.8%	3,977	4,008	0.8%
Expected Credit Loss	4,985	4,561	(8.5%)	1,611	1,445	(10.3%)
Bad Debt	7,139	4,173	(41.5%)	1,526	1,284	(15.8%)
Doubtful Accounts	(2,154)	388	(118.0%)	86	161	87.6%
Profit before Income Tax	6,910	7,434	7.6%	2,366	2,564	8.4%
Net Profit	5,503	5,598	1.7%	1,895	1,913	0.9%
Total Comprehensive Income (Loss) Owners of the parent	5,549	5,707	2.8%	1,919	1,951	1.7%
Earning per Shares (Baht)	2.15	2.21	2.8%	0.74	0.76	2.7%
Book Value per Share (Baht)	14.8	16.3	10.6%	14.8	16.3	10.6%

Total Revenues 3Q2025

6,906 | ▲ 0.2%
(Million Baht) (YoY)

Total interest income increase

▲ 0.6% YoY

In 3Q2025, the Group recorded total revenue of THB 6,906 million, a slight increase of 0.2% (YoY). The main contributor was interest income, totaling THB 4,099 million, which grew slightly by 0.6% (YoY), driven primarily by personal loan interest income, which increased by 2.7% (YoY) following the portfolio expansion of both the personal loan and KTC P BERM Car for Cash

Meanwhile, fee income amounted to THB 1,569 million, declining slightly by 0.8% (YoY).

Bad debt recovery was THB 1,015 million, a minor decrease of 1.4% (YoY), but an improvement of 2.3% QoQ, reflecting the Group's ability to maintain strong debt collection efficiency despite the challenging macroeconomic environment.

 Interest Income 4,099 MB ▲ 0.6% (YoY)					
	3Q2024	%Total Revenue	3Q2025	%Total Revenue	%Growth
Credit Card	1,970	28.6%	1,962	28.4%	(0.4%)
Personal Loan	2,058	29.9%	2,113	30.6%	2.7%
Leasing	46	0.7%	23	0.3%	(50.2%)

 Fee Income 1,569 MB ▼ 0.8% (YoY)					
	3Q2024	%Total Revenue	3Q2025	%Total Revenue	%Growth
Fee income	1,582	23.0%	1,569	22.7%	(0.8%)

Total Expenses 3Q2025

4,343
(Million Baht) ▼ 4.0%
(YoY)

In 3Q2025, the Group managed its overall expenses efficiently, with operating expenses amounting to THB 2,475 million, a slight increase of only 0.6% (YoY), mainly due to higher marketing expenses related to new customer acquisition. Nevertheless, the Cost-to-Income Ratio stood at 35.8%, up marginally from 35.7% in the same period last year.

Cost-to-Income Ratio 3Q2025

 **35.8%**

At the same time, expected credit losses (ECL) amounted to THB 1,445 million, representing a 10.3% (YoY) decrease, reflecting the Group's effective credit risk management, portfolio quality control, and strong collection performance.

Meanwhile, finance costs declined by 6.6% (YoY) to THB 423 million, mainly due to lower interest expenses and borrowing costs, following a reduction in market interest rates and the Group's efficient funding management in line with the pace of loan portfolio expansion.



Total Operating Expense

2,475 MB ▲ 0.6% (YoY)

	3Q2024	%Total Revenue	3Q2025	%Total Revenue	%Growth
Personal expense	728	10.6%	696	10.1%	(4.3%)
Marketing expense	250	3.6%	291	4.2%	16.5%
Fee and service expense	879	12.8%	877	12.7%	(0.3%)
Other administrative expense	602	8.7%	610	8.8%	1.4%



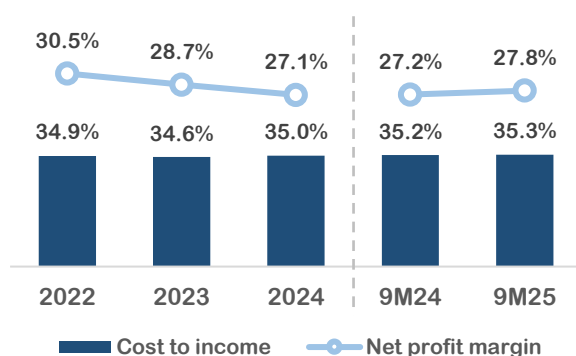
Expected Credit Loss (ECL)

1,445 MB ▼ 10.3% (YoY)

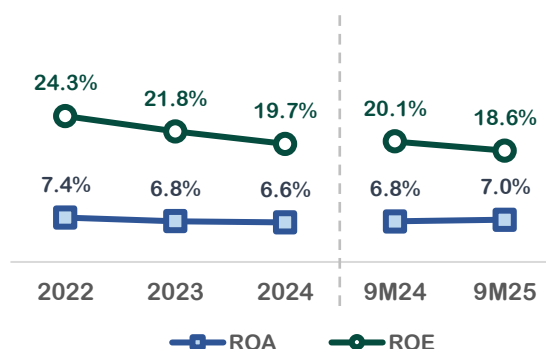
	3Q2024	%Total Revenue	3Q2025	%Total Revenue	%Growth
ECL - Credit Card	792	11.5%	672	9.7%	(15.2%)
ECL - Personal loan	708	10.3%	746	10.8%	5.3%
ECL - Leasing	112	1.6%	27	0.4%	(75.7%)

Key Financial Ratios

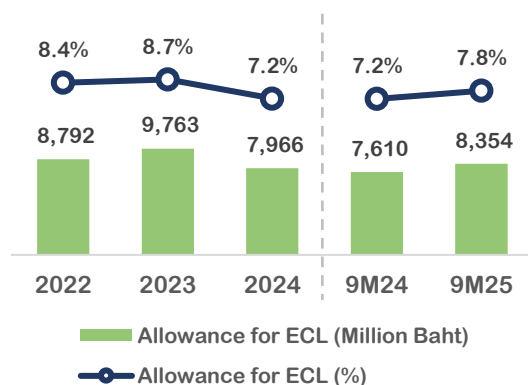
Net Profit Margin and Cost to Income Ratio



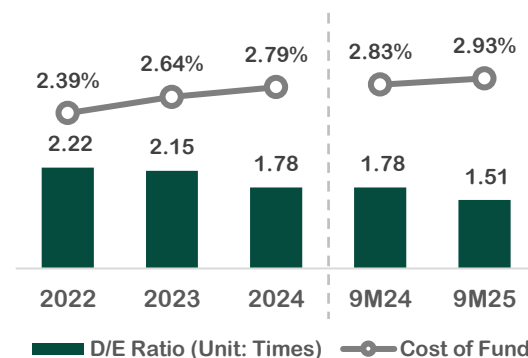
Return on Asset (ROA) and Return on Equity (ROE)



Allowance for ECL to Total Port



Debt to Equity (D/E) Ratio and Cost of Fund



BOT's Sustainable Household Debt Solution Program and Potential Impacts

KTC continues to implement long-term debt relief measures in line with the Bank of Thailand's (BOT) Notification No.3/2025 on Responsible Lending, which aims to strengthen the role of lenders in responsibly supporting customers throughout the debt cycle. KTC considers each borrower's repayment capacity carefully to ensure that repayment terms remain appropriate and do not impose an excessive debt burden. Examples of these assistance measures include converting credit card debt into long-term personal loans, providing interest credit refunds, extending repayment periods, and reducing installment amounts, among others. Further details on KTC's debt relief programs are available at: <https://www.ktc.co.th/about/news/measure>

In addition, as a non-bank financial institution under the Krungthai Bank Group, KTC has cooperated with the Bank of Thailand in participating in the "You Fight, We Help" program, both Phase 1 and Phase 2, to support vulnerable borrowers with the potential to recover and resume regular debt repayment. Once borrowers regain their income, they are able to fully settle their debts under the program. The registration for this program closed on September 30, 2025.

The Company assesses that these debt relief measures will not have any material impact on the overall operating performance of the Group.

KTC's Strategy Incorporating Sustainability Development



KTC has integrated sustainability into its core strategy, aligning it with responsible business practices and a commitment to continuous organizational development. The Company aims to serve the interests of all stakeholders and contribute to the resilience of Thailand's financial sector, thereby supporting the country's sustainable development. KTC's sustainability strategy is structured around three key dimensions:

Economic Dimension (Better Products and Services)

KTC operates with transparency and fairness, in line with principles of good corporate governance. The Company emphasizes responsible business conduct and appropriate risk management, while leveraging technology, digital innovation, and artificial intelligence (AI) to enhance product and service efficiency. Alongside this, the Company ensures strong security and privacy standards and offers a wide range of member benefits to maximize satisfaction and deliver exceptional customer experience.

Social Dimension (Better Quality of Life)

KTC develops a broad range of financial products and services to provide customers with suitable options that align with their needs, thereby promoting inclusive and equitable access to financial services. The

Company also plays an active role in advancing financial literacy to improve the quality of life for Thai people. Internally, KTC invests in employee development to enhance capabilities and operational efficiency, while also promoting respect for human rights in society.

Environmental Dimension (Better Climate)

KTC conducts its business with a focus on environmental responsibility, contributing to the transition toward a low-carbon society. The Company develops and delivers environmentally conscious financial products and services as part of its commitment to sustainability.

KTC supports the United Nations Sustainable Development Goals (SDGs). Further details can be found at: <https://www.ktc.co.th/sustainability-development>. Interested parties can follow the Company's updates via the Investor Relations website: <https://www.ktc.co.th/investor-relations>

KTC regularly hosts investor relations activities for both equity and debt investors, as well as analysts, fund managers, and others interested in the Company's progress. These activities include direct meetings with executives, during which KTC provides updates on its business operations, industry landscape, key influencing factors, strategic goals, and growth plans. These sessions are held every quarter throughout the year. For 3Q2025, KTC will participate in the Opportunity Day hosted by the Stock Exchange of Thailand on Thursday, November 13, 2025, from 10.15-11.00 hrs., which will be broadcast through the SET's official communication channels as follows:

 SET Opportunity Day  SET Thailand  SET Application