



## Management Discussion and Analysis

### For the 4th Quarter and the Fiscal Year Ended February 28, 2026

AEON Thana Sinsap (Thailand) Public Company Limited (“the Company”) has submitted its financial statements for the fiscal year ended February 28, 2026, which were audited by Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. The Company's performance can be summarized as follows:

#### Overview

Gross Domestic Product (GDP) in the 4Q2025 grew by 2.5% year-over-year (YoY), an improvement from 1.2% growth, primarily supported by the recovery of domestic demand. This resulted in the overall Thai economy expanding by 2.4% for the entire year of 2025.

Private consumption expenditure continued to grow at 3.3% (YoY), reflecting improved household confidence, driven by a high public investment growth of 13.3% (YoY) and private investment growth of 6.5% (YoY).

In the export sector, the value of goods and services exports grew by 5.6% (YoY), a slower rate compared to the previous quarter, partly due to a decrease in the number of foreign tourists. The manufacturing sector showed improvement, especially in non-agricultural industries and services. Overall, for the year 2025, the Thai economy grew by 2.4%, indicating a gradual recovery. However, key factors to monitor include the high level of household debt, which may deter consumer spending, and global economic uncertainties that could impact production costs, exports, and tourism in the future.

In the fourth quarter of the fiscal year 2025, private consumption was supported by the government's economic stimulus measures through the 'Half-Half Plus' project, coupled with the nationwide general election. This resulted in a significant expansion of credit card spending. Furthermore, loan demand continued to grow, while annual bonus payments served as a key positive factor that improved customers' debt-servicing ability, leading to an enhancement in collection performance.

Financial Highlights	FY2025	FY2024	%Y-Y
(Unit: Million Baht)	Feb 28, 2026	Feb 28, 2025	
<b>Financial Performance</b>			
Total Revenues	21,775	22,102	(1.5%)
Total Expenses	17,855	18,254	(2.2%)
<b>Net Profit</b>			
Attributable to the Owner of Parent	3,094	2,860	8.2%
<b>Asset Quality</b>			
	FY2025	FY2024	%YTD
	Feb 28, 2026	Feb 28, 2025	
Accounts Receivable	86,176	88,948	(3.1%)
NPL	5.6%	5.2%	-
<b>Allowance to</b>			
Accounts Receivable	9.4%	8.0%	-
<b>Highlights Ratios</b>			
	FY2025	FY2024	%YTD
	Feb 28, 2026	Feb 28, 2025	
D/E (Times)	2.1	2.4	-
BVPS (Baht)	109.38	104.20	-
ROE	11.6%	11.3%	-
ROA	3.4%	3.1%	-

#### Milestones & Developments in 4Q25 (December 1, 2025 - February 28, 2026)

- On February 20, 2026, the Company launched the AEON Petster Visa Platinum credit card, the first credit card designed specifically for pet lovers. It caters to the lifestyle of the "Pet Parent" demographic, who prioritize comprehensive pet care, making spending on pet-related goods and services more convenient.

## Summary of Consolidated Financial Results

### 1. Profit and Loss

Profit and Loss Statement Unit : Million Baht	Quarterly					Fiscal Year End		
	4Q2025	4Q2024	%YoY	3Q2025	%QoQ	FY2025	FY2024	%YoY
Credit card income	1,643	1,749	(6.1%)	1,705	(3.7%)	6,764	7,361	(8.1%)
Loan income	2,275	2,356	(3.5%)	2,317	(1.8%)	9,348	9,739	(4.0%)
Hire-purchase income	379	354	7.1%	364	4.0%	1,475	1,269	16.2%
Other income	1,262	896	40.9%	964	30.9%	4,188	3,732	12.2%
<b>Total Revenues</b>	<b>5,559</b>	<b>5,354</b>	<b>3.8%</b>	<b>5,350</b>	<b>3.9%</b>	<b>21,775</b>	<b>22,102</b>	<b>(1.5%)</b>
Operating and admin. expenses	2,164	2,266	(4.5%)	2,081	4.0%	8,342	8,772	(4.9%)
Expected credit loss	1,784	1,356	31.5%	1,981	(10.0%)	7,439	7,233	2.8%
Finance costs	478	529	(9.7%)	502	(4.9%)	2,054	2,245	(8.5%)
Other expenses	14	0.3	-	0.2	-	20	4	-
<b>Total Expenses</b>	<b>4,440</b>	<b>4,151</b>	<b>6.9%</b>	<b>4,564</b>	<b>(2.7%)</b>	<b>17,855</b>	<b>18,254</b>	<b>(2.2%)</b>
Profit before tax income	1,119	1,203	(7.0%)	786	42.4%	3,920	3,848	1.9%
Income tax expenses	224	444	(49.4%)	143	56.5%	790	897	(12.0%)
<b>Net profit Attribute to Owner of the Parent</b>	<b>912</b>	<b>725</b>	<b>25.8%</b>	<b>618</b>	<b>47.6%</b>	<b>3,094</b>	<b>2,860</b>	<b>8.2%</b>
<b>Earnings Per Share (Baht per share)</b>	<b>3.68</b>	<b>2.90</b>	<b>26.9%</b>	<b>2.49</b>	<b>47.8%</b>	<b>12.44</b>	<b>11.44</b>	<b>8.7%</b>

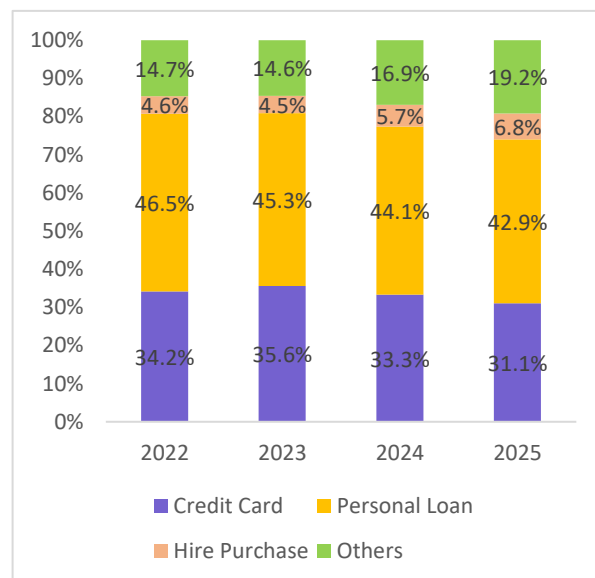
### Revenues

For the fiscal year 2025, the company had a total revenue of 21,775 million baht, decrease of 1.5% compared to the previous year. Meanwhile, the total revenue for 4Q2025 was 5,559 million baht, an increase of 3.9% from the previous quarter and an increase of 3.8% from the same period last year.

The main factor contributing to the slowdown in total revenue was the decrease in revenue from the credit card and personal loan groups. However, revenue from the hire-purchase business improved.

As for other income, especially income from the recovery of bad debts, it continued to expand by 14.7% in the 2025 fiscal year. To enhance long-term financial strength and stability, the company has emphasized increasing the proportion of income from other sources. As of the end of the latest quarter, the proportion of other income was 19.2% of the total revenue.

### Revenue Structure





#### Credit Card

For 4Q2025, the credit card business generated revenue of 1,643 million baht, a decrease of 6.1% compared to the same period last year and a decrease of 3.7% from the preceding quarter. This resulted in a total revenue from this segment for the entire 2025 fiscal year of 6,764 million baht, or a decrease of 8.1% from the prior year, due to a contraction in the credit card loan portfolio. This reflects the implementation of a strategy that emphasizes managing the quality of the customer base and focusing on strategic customers to create long-term value for the business. However, the company continues to improve its core credit card products and enhance card benefits to meet the specific lifestyle needs of each customer segment. This includes the launch of the new "AEON Petster Visa Platinum" credit card this quarter, specifically designed for pet lovers and the high-growth pet market. These efforts have enabled the company to maintain a satisfactory yield from its credit card business. As of the end of the 2025 fiscal year, revenue from credit cards accounted for 31.1% of the company's total revenue.

#### Personal Loan

In 4Q2025, the company had revenue from loans amounting to 2,275 million baht, decreasing 3.5% from the previous year and a 1.8% decrease from the preceding quarter. This resulted in a total loan revenue of 9,348 million baht for the entire fiscal year, decreased 4.0% from the prior year. The decrease is mainly due to the slowdown of the loan portfolio, which reflects the cycle of a stagnant economy and persistently high household debt. For its part, the company has focused on managing the quality of its loan portfolio while assisting existing customers through debt restructuring and debt mediation programs. However, the company remains committed to helping customers manage their debt sustainably by introducing the plan for new "One Loan" product. This is a loan product that facilitates customers in consolidating their various debts in one place, with suitable repayment terms and interest rates, to increase liquidity and build good long-term financial discipline for customers. As of the end of the 2025 fiscal year, revenue from the loan accounted for 42.9% of total revenue.

#### Hire Purchase

For the fiscal year 2025, the hire purchase generated a total revenue of 1,475 million baht, a growth of 16.2% from the small size of portfolio in the previous year. In 4Q2025, revenue was 379 million baht, an increase of 7.1% compared to the same period of the prior year. This was the result of effectively expanding the network of business partners in both the automobile and motorcycle sectors, leading to continued strong growth in new loans for this group. Furthermore, since December 2025, the hire purchase business has been operating under the full regulatory supervision of the Bank of Thailand, which focuses on fair treatment of customers (Market Conduct). The company has strictly adhered to these requirements. As of the end of the 2025 fiscal year, revenue from the hire purchase business accounted for 6.8% of total revenue. However, in the fiscal year 2026, the Company will adjust its approval criteria to align with industry risks.

#### Others

In the 2025 fiscal year, the company had other income totaling 4,188 million baht, 12.2% year-on-year. In 4Q2025, this amounted to 1,262 million baht, which accounted for 19.2% of total revenue. The main component of other income comes from bad debt recovery, reached 677.4 million baht in 4Q2025, a growth of 30.9% compared to the same period of the previous year. This growth reflects the efficiency of the credit risk management process throughout the entire cycle, from loan approval and debt collection to legal enforcement. Additionally, the company has income from the insurance brokerage business, which is another



important part, generating 169.4 million baht in revenue this quarter. Furthermore, in 4Q2025, the company recorded revenue from the sale of receivables amounting to 193.4 million baht.

## Expenses

The company's main expenses consist of operating and administrative expenses, expected credit losses, and financial costs. For the 2025 fiscal year, the company's total expenses amounted to 17,855 million baht, and for 4Q2025, they were 4,440 million baht. The details of the various expenses are as follows:

### Operating and Administrative Expenses

For the fiscal year 2025, the company's operating and administrative expenses (which include remuneration for directors and executives) totaled 8,342 million baht, a decrease of 4.9% compared to the previous year. In 4Q2025, these expenses amounted to 2,164 million baht. The decrease in expenses was a result of successfully implementing effective cost control and management policies. The main factors were the adjustment of marketing strategies to align with the current situation and increased efficiency in branch management. As a result, the Cost-to-Income Ratio for the 2025 fiscal year was 38.4% in the consolidated financial statements and 37.1% in the separate financial statements, reflecting the company's excellent ability to manage expenses.

### Expected Credit Loss (ECL)

In the 2025 fiscal year, the company provisioned a total of 7,439 million baht for expected credit losses (ECL), an increase of 2.8% compared to the previous year. In 4Q2025, a provision of 1,784 million baht was set aside. This increase in provisioning was to accommodate economic volatility in Cambodia and the energy crisis stemming from the conflict in the Strait of Hormuz, which affects domestic energy prices, reflecting the company's prudent credit risk management approach.

### Finance Cost

For the 2025 fiscal year, the company had total financial costs of 2,054 million baht, a decrease of 8.5% compared to the previous year. In 4Q2025, financial costs amounted to 478 million baht. The main factors contributing to the decrease in financial costs were the management of new loan extensions in line with economic conditions, a reduction in the policy interest rate, and the procurement of diverse and appropriate funding sources. The company continues to prioritize the management of its capital structure to maintain a balance between strong liquidity and the continuous, efficient control of financial costs.

## Net Profit

In the 2025 fiscal year, the company reported a net profit attributable to the parent company totaling 3,094 million baht, equivalent to earnings per share of 12.44 baht, which represents an 8.2% growth from the previous year. For 4Q2025, the net profit attributable to the parent company was 912 million baht, an increase of 25.8% from the same period last year and an increase of 47.6% from the previous quarter. The growth in net profit was a result of effective cost management across all areas. This net profit includes the operating results from the group's subsidiaries, both domestic and international.

## 1. Balance Sheet

Statement of Financial Position	February 28, 2026	February 28, 2025	Change
Unit : Million Baht			%YTD
Accounts Receivable	86,176	88,948	(3.1%)
Total Assets	88,307	91,464	(3.5%)
Total Borrowing	53,676	58,921	(8.9%)
Total Liabilities	60,178	64,410	(6.6%)
Equity Attributable to Owners of the Parent	27,195	26,051	4.4%
ROE (attributable to owners of the parent)	11.6%	11.3%	-
ROA	3.4%	3.1%	-
D/E Ratio	2.1 times	2.4 times	-

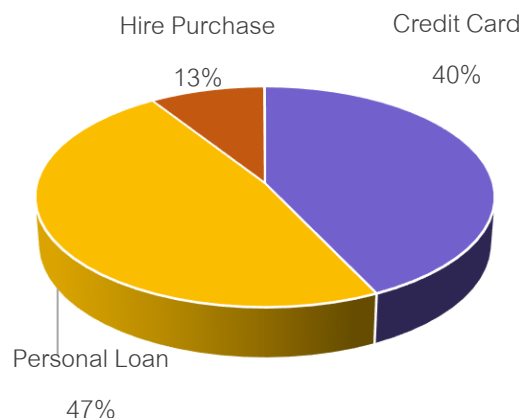
### Total Assets

As of February 28, 2026, the company's total consolidated assets stood at 88,307 million baht, a 3.5% decrease from February 28, 2025. The majority of assets consist of net accounts receivable, accounting for approximately 88.4% of total assets.

### Accounts Receivable

As of the fiscal year-end on February 28, 2026, the company's consolidated accounts receivable portfolio was 86,176 million baht, a decrease of 3.1% compared to the beginning of the fiscal year. The decrease was caused by the credit card portfolio, which amounted to 34,100 million baht (down 8.5% from the start of the fiscal year), and the personal loan portfolio, which stood at 40,892 million baht (down 3.9%). The contraction of both these segments is in line with industry trends and reflects the company's continued stringent risk management policies. However, the hire purchase portfolio continued to grow, with an outstanding balance of 11,125 million baht, an increase of 22.8% from the start of the fiscal year, which was a result of the successful and continuous expansion of its business partner network.

### Accounts Receivable Segmentation



### Allowance for expected credit loss

At the fiscal year-end on February 28, 2026, the company's consolidated allowance for expected credit loss was 8,089 million baht, an increase of 13.3% from the start of the year. This resulted from an additional management overlay provision to accommodate economic volatility in Cambodia and potential fluctuations from the energy crisis that was deemed appropriate.

In terms of portfolio quality, the Stage 2 loan ratio remained stable at 2.7%, while the Non-Performing Loan (NPL) ratio was 5.6% on a consolidated basis and 5.1% on a separate financial statements. This resulted in a strong Coverage Ratio of 169% and an allowance to total receivables ratio of 9.4%, reflecting an adequate and prudent level of provisioning consistent with the company's cautious business approach.



### Liabilities

As of February 28, 2026, the company had total consolidated liabilities of 60,178 million baht, a decrease of 6.6% from the previous year-end. The company's interest-bearing liabilities totaled 53,676 million baht, down 8.9% from the end of the prior fiscal year. Of this, long-term interest-bearing liabilities amounted to 30,224 million baht, or 56% of total borrowings. To manage risks that may arise from foreign exchange rate fluctuations, the company has entered into cross-currency interest rate swap agreements to hedge its liabilities.

### Debentures, Solvency and Liquidity Management

As of February 28, 2026, the Company had long-term, unsubordinated, and unsecured debentures with maturities within one year, totaling 1,416 million baht. The Company has been able to maintain the financial ratios and other requirements as stipulated in the agreements.

Furthermore, the Company has remaining revolving credit facilities totaling 10,910 million baht and another 3,000 million baht in committed revolving credit facilities with several domestic financial institutions. Cash and cash equivalents amount to 3,682 million baht, which is sufficient for the Company's operations and debt repayment. The Debt Service Coverage Ratio (DSCR) is 0.30 times.

### Credit Ratings

The company has received a corporate credit rating and arranges for a review of this rating every year, conducted by a credit rating agency, Fitch Ratings. In addition, in terms of ESG, the company has been rated 'A' by MSCI ESG Rating and SET ESG, passed the evaluation by FTSE ESG, and received an “Excellent” score from the assessment of good corporate governance of Thai listed companies by the Thai Institute of Directors Association (IOD), as summarized below:

Credit Rating Agency	Credit Ratings
Fitch Ratings	A-/Stable
MSCI ESG Rating	A
FTSE ESG / SET ESG	Pass / A
CGR	Excellence

### Shareholders' Equity

As of February 28, 2026, the equity attributable to the parent company was 27,195 million baht, an increase of 4.4% from February 28, 2025. The book value (equity of the parent company) as of February 28, 2026, was 109.38 baht per share, an increase from 104.20 baht per share as of February 28, 2025.

### Dividend Payment

The Board of Directors has resolved to pay a final dividend at the rate of 2.95 baht per share. As the company already paid an interim dividend on November 6, 2025, at the rate of 2.55 baht per share, the total dividend for the year will be 5.50 baht per share, representing 44% of the net profit. The record date for shareholders entitled to receive the dividend is set for April 28, 2026, and the dividend payment is scheduled for July 17, 2026. The payment will be made after receiving approval from the 1/2026 Annual General Meeting of Shareholders via electronic media (E-AGM) on June 23, 2026.

## Key Financial Ratios

Key Financial Ratio	FY2025	FY2024	FY2023
Book Value per Share (attributable to owners of the parent) (Baht)	109.38	104.20	97.89
EPS (Baht)	12.44	11.44	13.04
EBIT margin (%)	28.7%	27.6%	28.8%
D/E (times)	2.1	2.4	2.7
DSCR (times)	0.30	0.27	0.33
ROA (%)	3.4%	3.1%	3.5%
ROE (%)	11.6%	11.3%	13.8%
Allowance for doubtful account to total receivables (%)	9.4%	8.0%	9.1%
Coverage Ratio (%)	169%	154%	183%
NPL (%)	5.6%	5.2%	5.0%
Stage 2 Ratio	2.7%	2.7%	3.3%

## 2. Sustainability Development

The AFS Group recognizes the importance of driving business growth in parallel with sustainable social development. AFS Group prioritise participation in environmental conservation initiatives and activities that enhance societal well-being. Furthermore, to elevate the Group's position as an integral part of the infrastructure that plays a vital role in society, both in Japan and internationally, we are committed to integrating economic and social value through sustainability-focused management.

AEON Thana Sinsap (Thailand) Public Company Limited, a local subsidiary of AEON Financial Service Co., Ltd., aligns its sustainability practices with the overarching principles of the AFS Group. The Company has appointed both a dedicated sustainability working group and a formal sustainability committee.

The Company operates the business with awareness of environmental, social and governance and bring the Sustainable Development Goals; SDGs as the part of organization driven continuously to respond client and all stakeholders needs and to consecutively operate the business under the challenging situation. Moreover, the company received an ESG rating of 'A' from MSCI ESG Rating and SET ESG. Additionally, the company also passed the FTSE ESG assessment in the latest results announced in December 2025.

### Environmental

The Company places a significant emphasis on cultivating a sustainable relationship between society and the environment through the implementation of an Environmental Management System (ISO14001) across the entire organization. The Company has joined as a member in Greenhouse Gas Reduction workforce in AEON Financial Services Group, Japan, in which established goals and, short-term and long-term action plans to



reduce greenhouse gas emissions to Zero CO2 Society, with the goal to reduce GHG emission by 30% within the year 2034.

The Company has implemented environmental development through strategic plans. Digitalization Roadmap since 2017 and implementation of resource management in business operations, which are;

1. Reducing the use of paper and plastic;
2. Waste management; and
3. Management of electrical energy, water, and fuel energy.

In addition, the Company has successfully completed the verification of its 2024 greenhouse gas emissions by an external verifier, reaffirming its strong commitment to environmental management.

## Social

The Company conducts business in accordance to human rights principles, based on its philosophy which places importance to peace, human beings and society, which aims to conduct business with responsibility to both customers; via the development of financial products and services regularly to enhance the financial service accessibility and the use of financial services with safety and fairness, and employees; via our Human Resources Management policy to treat employees equally through recruiting, providing a safe working environment and good occupational healthy environment, performance appraisal, employee development, layoffs, and retirement processes.

In addition, the Company also supports various social projects through AEON Thailand Foundation with the following objectives:

1. Promote and support forest conservation;
2. Promote education, including granting scholarships and/or donations to students and/or schools;
3. Develop Thai society and promote and support general public interest;
4. Conduct or cooperate with other charitable organizations for public benefit; and
5. Do not engage in any political activities.

## Governance

The Company is aware of the industry risks, therefore, we place importance to technology development and management as well as financial innovations in response to customer's needs by focusing on providing personal loan services responsibly and customer satisfaction. In addition, the Company develops corporate governance and risk management continuously to maintain credibility and trust of all stakeholders. Besides operating under the supervision of the SEC/SET, Bank of Thailand, related laws and regulations, the Company also complies ISO world-class standards to control various operational processes and using international standard such as COSO, J-SOX and ISO31000 as risk management framework and reporting standard to ensure that the Company conducts business with transparency and fairness for stakeholders' confidence. Moreover, the Company received the "Excellent" rating in CGR assessment by Thailand's IOD.



Details of governance performance results in detail can be viewed in the Sustainability Report and 56-1 One Report, Section 2, Corporate Governance and environmental, social and economic performance in detail can be viewed in the Sustainability Report and Report 56-1 One Report, topic: Driving Business for Sustainability.