

Management Discussion and Analysis for the First Quarter 2026



Executive Summary:

"Despite a deceleration in the Thai economy driven by external factors, KTC's emphasis on risk management and portfolio quality by leveraging in-depth data analytics for proactive asset management has enabled the Company to maintain robust operating performance. Consequently, in the first quarter of 2026, the Group delivered net profit growth compared to the same period last year. This reflects the Company's ability to adapt to challenging market conditions and its organizational readiness to drive sustainable growth."

For the first quarter of 2026, Krungthai Card Public Company Limited ("KTC" or the "Company") and its subsidiaries (the "Group") reported a net profit of THB 2,171 million, a 16.7% (YoY) increase. The Company's separate financial statement recorded a net profit of THB 2,164 million, up 15.3% (YoY).

The Group's total revenue remained stable at THB 6,889 million, representing a slight growth of 0.8% (YoY). Total expenses declined 6.0% (YoY) to THB 4,169 million, primarily driven by a 13.0% decrease in expected credit losses (ECL) due to high portfolio quality, and a 16.1% (YoY) reduction in financial costs from lower costs of new borrowings. While operating expenses increased slightly by 0.5% (YoY), the Group's Cost-to-Income Ratio for 1Q2026 stood at 35.0%, down from 35.1% in the same period last year.

As of 1Q2026, the Group's total loan portfolio reached THB 107,841 million, a slight increase of 0.7% (YoY). This comprises the credit card portfolio, which grew 0.2% (YoY) as a result of disciplined credit quality control and higher customer repayment rates. Meanwhile, credit card spending volume expanded by 3.7%, and the total personal loan portfolio grew by 3.3%.

Regarding asset quality, KTC continues to effectively manage and maintain strong portfolio quality. The NPL coverage ratio in the separate financial statement increased to 469.7% from 454.4% at year-end 2025, while the NPL ratio remained unchanged at 1.57%. At the group level, the NPL coverage ratio declined to 408.3% from 425.0%, while the NPL ratio increased to 1.93% from 1.79% at year-end 2025. For the first quarter of 2026, the Group's credit cost decreased to 5.1% from 6.0% in the prior year.

The Company commenced its insurance brokerage business in late 2025, aiming to establish a solid foundation through strategic partnerships with both non-life and life insurance providers. In this initial phase, the Company targets gradual and stable growth, focusing on business quality to broaden its non-interest income and enhance long-term competitiveness. Moving forward, the Company will further develop its Digital Insurance Roadmap to improve

convenience and deliver personalized offers through a comprehensive end-to-end electronic channel.

2026 Performance Target vs Actual 1Q2026

Target	Y2026	Actual 1Q2026
Net Profit (MB)	> 7,782	2,171
Total Portfolio Growth (%)	1% - 2%	0.7%
Credit Card Spending Growth (%)	5%	3.7%
Personal Loan Portfolio Growth (%)	2%	3.3%
Asset Quality (%NPL)	≤ 2%	1.93%

2026 marks a year of accelerating digital transformation. Despite economic softening driven by supply chain volatility and fragile household purchasing power, the Group remains resilient and well-positioned to adapt to a rapidly changing environment. The Group remains committed to maintaining asset quality through a prudent and cautious approach governed by the principles of responsible and fair business operations. The non-performing loan ratio (%NPL) is managed to remain within the established target threshold while pursuing sustained profit growth. Targets include a 5% growth in card spending and a total loan portfolio expansion of approximately 1%–2%.

The Company believes that the strategy of expanding the credit card and personal loan customer base, coupled with disciplined portfolio screening, will ultimately enable KTC to achieve its established targets.



Industry Overview:

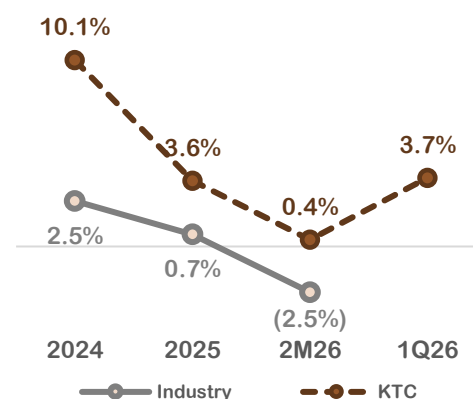
According to the latest press release from the Bank of Thailand (BOT) on April 9, 2026, the BOT revised its 2026 Thai economic growth forecast to a range of 1.3%–1.7% (from the previous estimate of 1.5% late last year). This revision stems from declining competitiveness in the manufacturing sector, the tourism sector's loss of market share to regional competitors, and the continued financial fragility of households and SMEs. Additionally, conflict in the Middle East has driven energy costs higher, resulting in increased inflation and cost of living. Developments affecting the consumer credit outlook remain subject to close monitoring.

Industry Data	Y2025	2M2025	2M2026
Credit Card Receivables (MB)	513,501	492,218	480,582
Growth (%)	(1.9%)	2.5%	(2.4%)
KTC Market Share (%)	14.4%	14.5%	14.5%
Number of Credit Card (Cards)	26,422,810	26,187,777	26,637,251
Growth (%)	1.3%	(0.5%)	1.7%
KTC Market Share (%)	11.2%	10.7%	11.2%
Credit Card Spending (MB)	2,303,754	369,999	360,825
Growth (%)	2.1%	1.1%	(2.5%)
KTC Market Share (%)	13.1%	13.1%	13.4%
Personal Loan Receivables (MB)	860,917	852,363	852,321
Growth (%)	0.3%	(0.2%)	(0.005%)
KTC Market Share (%)	4.2%	4.1%	4.2%

Source: Industry Data, Bank of Thailand (BOT) as of April 10, 2026

Data from the Bank of Thailand as of February 2026 shows industry-wide credit card receivables at THB 480,582 million, a 2.4% (YoY) decline. Industry-wide personal loan receivables remained stable at THB 852,321 million. Total industry credit card spending for the first two months of 2026 reported THB 360,825 million, contracting 2.5% (YoY). In contrast, KTC's credit card spending for the same period stood at THB 48,464 million, a 0.4% (YoY) increase. Furthermore, KTC's card spending in the first quarter of 2026 totaled THB 76,800 million, expanding by 3.7% (YoY).

Credit Card Spending Growth (YoY)



Despite a continuous contraction in the overall consumer finance industry due to economic uncertainty and more stringent lending standards among financial institutions, KTC maintained its market share across all core products. During the first two months of 2026, KTC's market share in credit card receivables held steady at 14.5% (YoY). Market share for card spending volume grew to 13.4% from 13.1% (YoY), while the personal loan receivables market share increased to 4.2% from 4.1% (YoY).

As of the end of the first quarter of 2026, KTC's total membership reached 3,732,625 accounts, comprising 3,019,095 credit cards, up 8.0% (YoY), and 713,530 personal loan accounts, an increase of 3.4% (YoY).

Portfolio Overview:

As of 1Q2026, KTC's portfolio including accrued interest receivable in the separate financial statement stood at THB 106,455 million, a 1.2% (YoY) increase, driven by both core businesses. Meanwhile, the Group's consolidated loan portfolio totaled THB 107,841 million, a slight expansion of 0.7% (YoY), primarily due to the decrease of the lease receivables portfolio following the policy to cease new lending in this segment.

Portfolio growth in 1Q2026 continued to be influenced by Thai economic uncertainty from both internal and external factors. These include incomplete recovery in consumer purchasing power, elevated household debt, and the ongoing conflict in the Middle East. The latter has driven energy prices and the cost of living higher, impacting the domestic economy and inflation, which dampened overall consumer confidence. Nevertheless, KTC consistently maintains a lending policy centered on credit quality. The Group's loan portfolio by business segment is as follows:

- 1) Total Credit Card Receivables Valued at THB 70,443 million, representing a marginal increase of 0.2% (YoY). This follows spending patterns influenced by broader economic concerns, leading members to be more cautious regarding spending and new debt. Additionally, a higher repayment rate contributed to the limited expansion of the portfolio.
- 2) Personal Loan Portfolio Valued at THB 36,012 million, growing 3.3% (YoY). This reflects strong growth in the "KTC P BERM" Car for Cash portfolio alongside the "KTC PROUD" personal loan portfolio, which maintained its growth trajectory. Success was driven by quality receivables management and continuous development of member benefits to differentiate from competitors and meet customer needs, a key strategy propelling overall personal loan expansion.
- 3) Lease Receivables Outstanding value stood at THB 1,387 million, a 29.0% (YoY) decrease. This aligns with the Company's policy to cease new lending in this category since August 2023. Current operations focus solely on debt collection and managing the quality of the existing portfolio.

Loans to customers and accrued interest receivables

(Unit: Million Baht)	1Q2025	1Q2026	%Growth
Credit Card	70,283	70,443	0.2%
Personal Loans (Including KTC P BERM Car for Cash)	34,857	36,012	3.3%
Leasing	1,953	1,387	(29.0%)

The changes in the allowance for expected credit loss as of March 31, 2026

(Unit: Million Baht)	Consolidated Financial Statements: Allowance for expected credit loss				
	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 January 1, 2026	4,334	2,372	1,078	640	8,424
Changes in staging	206	(563)	357	-	-
Changes in risk parameters	(217)	704	1,590	53	2,131
New financial assets originated or purchased	162	-	-	-	162
Financial assets derecognized	(118)	(101)	(680)	(7)	(906)
Written-off	-	-	(1,316)	(46)	(1,361)
Balance as of March 31, 2026	4,367	2,412	1,030	640	8,449

Portfolio Quality:

“Total NPL stood at 1.93%, a slight decrease from 1Q2025, while the NPL Coverage Ratio remained high at 408.3%.”

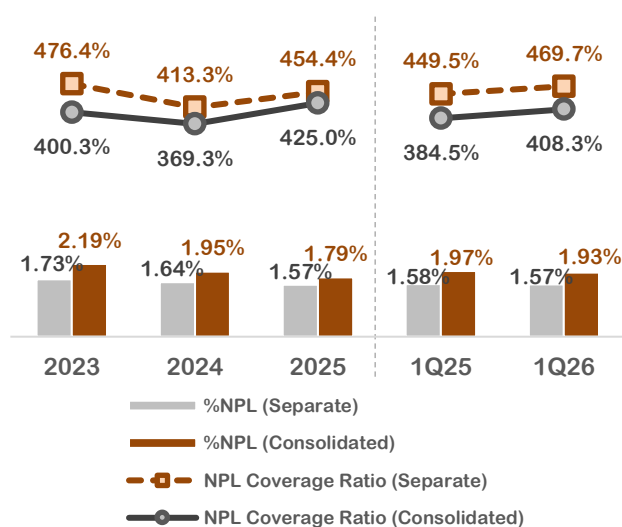
In 1Q2026, the Group’s non-performing loans to total loans ratio (%NPL) stood at 1.93%, a slight decrease from 1.97% in the same period last year. For the separate financial statements, the %NPL remained low at 1.57%, down slightly from 1.58% in 1Q2025, underpinned by continuous asset quality management and the rigorous screening of applicants.

The Group’s NPL Coverage Ratio increased to 408.3% from 384.5%, while the ratio for the separate financial statements rose to 469.7% from 449.5% compared to the first quarter of the previous year, respectively. These high coverage levels reflect a prudent approach to portfolio management and ensure portfolio strength and stability.

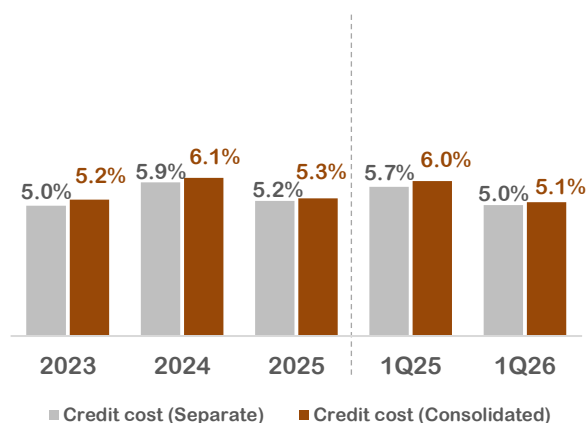
The Group’s total Credit Cost for 1Q2026 was 5.1%, down from 6.0%, while that of the separate financial statements was 5.0%, down from 5.7%, compared to the same period in 2025, respectively. This reflects the successful management of overall asset quality in accordance with established targets.

NPL	1Q2025		4Q2025		1Q2026	
	MB	%NPL	MB	%NPL	MB	%NPL
Total NPL	2,099	1.97%	1,982	1.79%	2,069	1.93%
NPL – Credit Card	844	1.21%	802	1.09%	784	1.12%
NPL – Personal Loan	807	2.35%	911	2.55%	879	2.47%
NPL – Leasing	448	22.94%	269	17.86%	407	29.33%

%NPL and %NPL Coverage Ratio



Credit Cost (%)



The outstanding balances of loans to customers and accrued interest receivables classified by type of business and stage as of March 31, 2026

(Unit: Million Baht)	Consolidated Financial Statements			
	Credit Card	Personal Loan	Leasing	Total
Stage 1	63,357	29,416	-	92,773
Stage 2	6,012	5,272	-	11,284
Stage 3	784	879	-	1,663
Financial assets where applied simplified approach to calculate lifetime expected credit losses	-	-	1,387	1,387
Total loans to customers	70,153	35,566	1,387	107,106
Add Accrued interest receivables and undue interest receivables	291	445	-	736
Total loan to customers and accrued interest receivables	70,443	36,012	1,387	107,841
Less Allowance for expected credit loss	(4,059)	(3,750)	(640)	(8,449)
Total loans to customers and accrued interest receivables, net	66,384	32,262	747	99,392

Borrowing:

“The Group continues to emphasize strong financial discipline, reflected by a debt-to-equity (D/E) ratio of 1.30 times and remaining available credit lines of THB 25,550 million.”

As of 1Q2026, the Group maintained a stable capital structure with diversified funding sources. Total borrowings (including lease liabilities) amounted to THB 51,518 million, comprising 56% long-term borrowings and 44% short-term borrowings (including the portion of loans and debentures due within one year). KTC utilizes comprehensive funding channels, including Thai commercial banks, securities companies, insurance companies, and various funds. This consists of short-term borrowings from Krungthai Bank and related parties totaling THB 1,690 million, short-term borrowings from other financial institutions of THB 4,530 million, long-term borrowings from Krungthai Bank of THB 10,000 million, and debentures of THB 35,130 million. Debentures account for approximately 68% of total borrowings, underscoring strong investor confidence and the Company's effective access to debt capital markets.

Apart from capital structure management, the Group remains committed to disciplined financial oversight. The D/E ratio as of 1Q2026 declined to 1.30 times, significantly lower than the 1.58 times recorded in the same period last year. This decrease was primarily driven by two factors: 1) strong profit accumulation, which strengthened the equity base, and 2) a reduction in borrowings aligned with cautious portfolio expansion amid the economic slowdown, which mitigated the need for additional funding. Furthermore, the current D/E ratio remains well below the debt covenant of 10 times, demonstrating high financial flexibility to expand the business or absorb future economic volatility.

Liquidity:

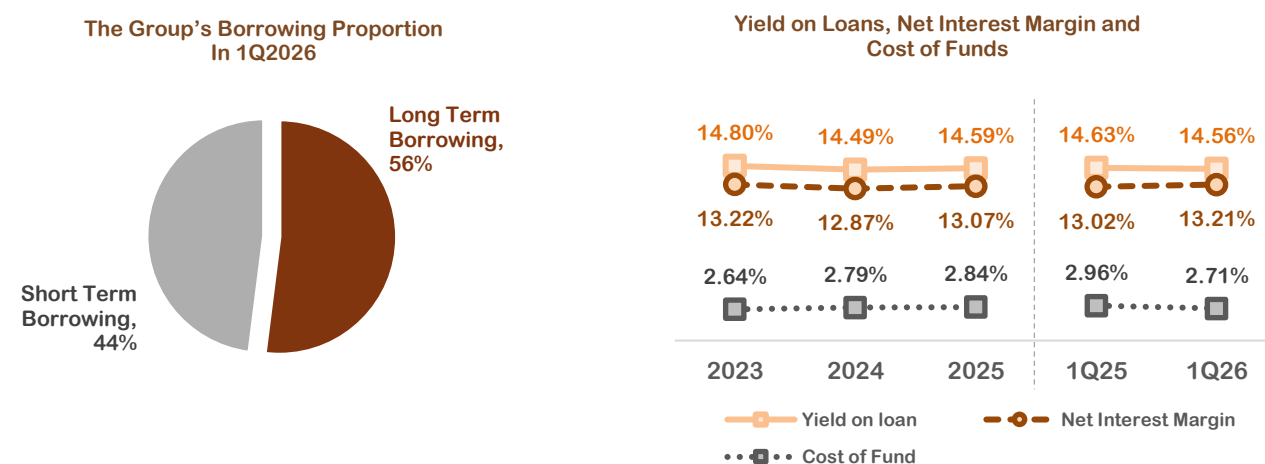
As of 1Q2026, the Group maintained available credit lines totaling THB 25,550 million. Concurrently, debentures and long-term borrowings maturing within the remainder of 2026 amounted to THB 15,330 million. The Company's liquidity significantly exceeds its upcoming debt obligations, underscoring a robust liquidity position and minimal short-term default risk.

Cost of Fund:

The Group's cost of funds for 1Q2026 was 2.71%, down from 2.96% in the same period last year. This improvement was driven by lower new borrowing costs following a downward trend in market interest rates, coupled with a reduced borrowing in line with portfolio expansion. Consequently, financial expense amounted to 369 million baht, a 16.1% decrease compared to the same period last year.

Yield on Loan and Net Interest Margin:

Sustained interest income, coupled with effective portfolio quality control and customer support measures in alignment with Bank of Thailand guidelines, resulted in a 1Q2026 yield on loans of 14.56%, a slight decrease from 14.63% in the previous year. Meanwhile, Net Interest Margin (NIM) improved to 13.21% from 13.02% (YoY), primarily driven by reduced financial costs and optimized portfolio composition that continues to drive sustained profitability.



Revenue & Expense:

(Unit: Million Baht)	Consolidated Financial Statements		
	1Q2025	1Q2026	Growth (%YoY)
Total Revenues	6,832	6,889	0.8%
Bad Debt Recovery	997	979	(1.8%)
Total Operating Expenses	2,400	2,413	0.5%
Finance Costs	439	369	(16.1%)
Profit before Expected Credit Loss	3,992	4,108	2.9%
Expected Credit Loss	1,594	1,387	(13.0%)
Bad Debt	1,489	1,333	(10.5%)
Doubtful Accounts	105	56	(48.4%)
Profit before Income Tax	2,398	2,721	13.4%
Net Profit	1,828	2,173	18.9%
Total Comprehensive Income (Loss) Owners of the parent	1,861	2,171	16.7%
Earning per Shares (Baht)	0.72	0.84	16.7%
Book Value per Share (Baht)	16.18	17.92	10.7%

Total Revenue:

“Total revenue for 1Q2026 amounted to THB 6,889 million, maintaining a stable revenue base.”

In 1Q2026, the Group’s total revenue reached THB 6,889 million, an 0.8% (YoY) increase, primarily driven by a 1.0% rise in fee income from interchange and merchant fees. Meanwhile, interest income for the quarter stood at THB 3,993 million, remaining stable compared to the previous year. Bad debt recovery in 1Q2026 was THB 979 million, a 1.8% (YoY) decrease. The Company continues to maintain effective debt collection efficiency despite challenging economic conditions.

Interest Income (Unit : Million Baht)	1Q2025	%Total Revenue	1Q2026	%Total Revenue	%Growth
Credit Card	1,921	28.1%	1,904	27.6%	(0.9%)
Personal Loan	2,037	29.8%	2,069	30.0%	1.6%
Leasing	34	0.5%	20	0.3%	(41.2%)

Fee Income (Unit : Million Baht)	1Q2025	%Total Revenue	1Q2026	%Total Revenue	%Growth
Fee Income	1,656	24.2%	1,672	24.3%	1.0%

Total Expense:

“Total expenses for 1Q2026 amounted to THB 4,169 million, decreased 6.0% (YoY)

With Cost-to-Income Ratio totaling 35.0%”

The Group’s operating expenses stood at THB 2,413 million, a 0.5% (YoY) increase due to marketing activities and new customer acquisition. Nevertheless, the Cost-to-Income Ratio remained stable at 35.0%, compared to 35.1% in 1Q2025, reflecting effective expense management alongside revenue growth.

Total Operating Expense (Unit : Million Baht)	1Q2025	%Total Revenue	1Q2026	%Total Revenue	%Growth
Personal expense	698	10.2%	723	10.5%	3.6%
Marketing expense	215	3.1%	224	3.2%	4.3%
Fee and service expense	920	13.5%	856	12.4%	(6.9%)
Other administrative expense	568	8.3%	610	8.9%	7.4%

Meanwhile, the Group’s Expected Credit Loss (ECL) was 1,387 million baht, a 13.0% decrease (YoY), primarily driven by rigorous and consistent applicant screening. This has resulted in higher

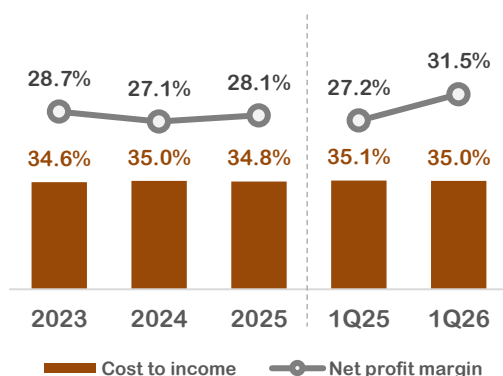
quality across the majority of the new loan portfolio, reflecting the effectiveness of the Group's credit risk management.

Expected Credit Loss (Unit : Million Baht)	1Q2025	%Total Revenue	1Q2026	%Total Revenue	%Growth
ECL - Credit Card	755	11.0%	599	8.7%	(20.6%)
ECL - Personal loan	753	11.0%	742	10.8%	(1.6%)
ECL - Leasing	86	1.3%	46	0.7%	(45.8%)

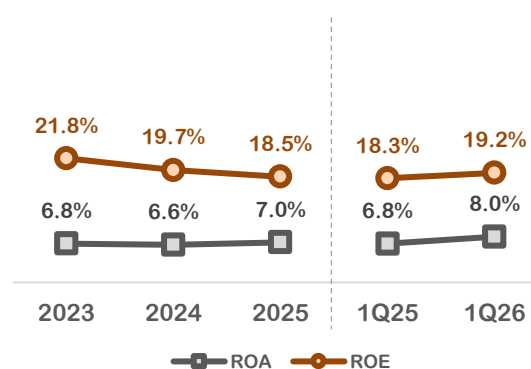


Key Financial Ratio:

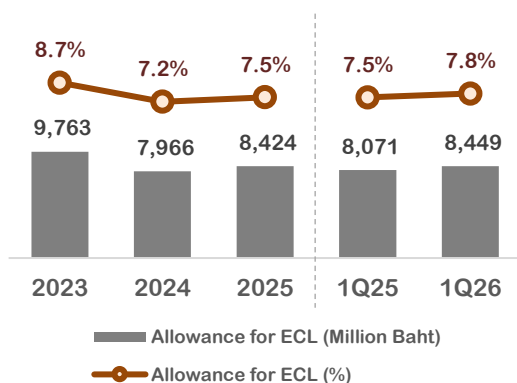
Net Profit Margin & Cost to Income Ratio



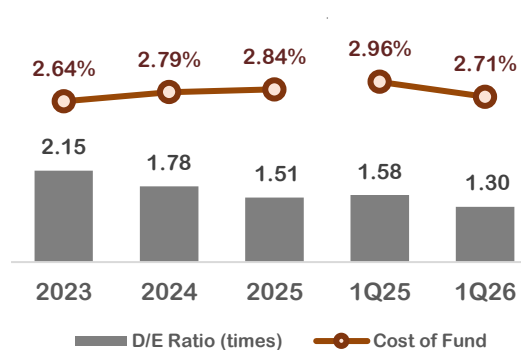
Return on Asset (ROA) & Return on Equity (ROE)



Allowance for ECL & Allowance for ECL to Total Port



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





BOT's Sustainable Household Debt Solution Program and Potential Impacts:

KTC consistently implements long-term customer assistance measures in accordance with BOT Notification No. 3/2025 regarding Responsible Lending. These measures aim to strengthen the role of service providers in managing customers throughout the entire debt cycle. KTC approves loans based on individual debt-serviceability to ensure that customers do not face an unreasonable increase in their total debt burden. Key assistance measures include reducing minimum payment rates, converting credit card debt into long-term personal loans, financial burden relief through interest credits, assistance for customers in Severe Persistent Debt (SPD), extending grace periods, and installment reductions.

Furthermore, KTC collaborated with the Bank of Thailand on the "You Fight, We Help" program to support vulnerable customers in returning to normal repayment status, a program which concluded in September 2025. This includes participation in the "Debt Cleared, Move Forward" program, involving the transfer of unsecured non-performing loans (NPLs) overdue by more than 90 days. Based on the debt status as of September 30, 2025, eligible customers with total NPLs across all financial providers and loan types not exceeding THB 100,000 per person were transferred to Sukhumvit Asset Management Co., Ltd. (SAM) for debt restructuring and burden reduction. Ownership of these qualifying debts was transferred to SAM effective January 1, 2026.

The Company assesses that the implementation of these programs and assistance measures will not have a significant impact on the Group's overall performance. Additionally, the Company has already maintained full provisioning for expected credit losses.

Detailed information on customer assistance guidelines can be found at: <https://www.ktc.co.th/about/news/measure>



KTC's Strategy Incorporating Sustainability Development

KTC has integrated sustainability across economic, social, and environmental dimensions into its business operations, with a commitment to conducting business responsibly, fairly, and transparently. The Company focuses on advancing innovation and digital technology to develop products and services that create value for all stakeholders while effectively reducing environmental and social impacts. This commitment aims to guide both the organization and Thailand toward sustainable growth, reflected through three sustainability pillars: Better Products & Services, Better Quality of Life, and Better Climate, under five strategic frameworks:

Governance Excellence

KTC elevates corporate governance standards to ensure transparency, accountability, and adherence to business ethics. The Company strengthens its risk management and data management systems to support operations and high-quality reporting, thereby building confidence among all stakeholders.

Green Growth

The Company pursues business growth alongside environmental stewardship through initiatives to reduce greenhouse gas emissions, enhance resource efficiency, and promote environmentally responsible behavior across the organization and its supply chain through its products and services. These efforts support national policies aimed at advancing a low-carbon economy and achieving Net Zero greenhouse gas emissions by 2050.

Responsible & Inclusive Finance

KTC develops and delivers financial products and services that enhance the quality of life for all customer segments through fair and equitable access. The Company promotes financial literacy to improve social well-being, while strengthening workforce capabilities as a key driver of the business. In parallel, KTC supports respect for human rights at both the organizational and societal levels.

Digital SD Innovation

The organization is driven by digital technology and innovation to develop value-creating products and services that respond to customer needs. These efforts are accompanied by a strong emphasis on data security and privacy for customers and stakeholders, reinforcing the Company's sustainable competitive advantage in the digital era.

Culture Transformation

KTC fosters an organizational culture anchored in a "sustainability mindset," embedded across all operational processes and employee levels. This is achieved through the integration of sustainability objectives and key performance indicators at both corporate and business unit levels, together with continuous learning and active employee engagement, ensuring that sustainability is truly integrated into KTC's business practices.

KTC supports the United Nations Sustainable Development Goals (SDGs). Further details can be found at: <https://www.ktc.co.th/sustainability-development>.

Furthermore, KTC conducts disclosure activities for equity and debt investors, analysts, fund managers, and interested parties. The Company presents business updates, performance, industry outlooks, and growth strategies every quarter via the Investor Relations website at <https://www.ktc.co.th/investor-relations>.



For 1Q2026 results, the Earnings Call will be held on Thursday, May 21, 2026, from 10:15 – 11:00 AM (in Thai) via the Stock Exchange of Thailand’s communication channels.

 SET Opportunity Day  SET Thailand  SET Application