13 August 2026

Subject: Clarification of Operation Results for the Financial Statements for the Period Ended June 30, 2026

To: President
The Stock Exchange of Thailand

Krungthai Car Rent and Lease Public Company Limited and its subsidiaries (the "Company") would like to provide clarification regarding its operating results and financial position for the three-month and six-month periods ended June 30, 2026, with the key matters summarized as follows:

Industry Overview

In the second quarter of 2026, the Thai economy continued to expand, supported by the recovery of economic activities and private sector investment. Although the economic environment remained subject to uncertainties arising from external factors, businesses continued to focus on cost management, operational efficiency, and liquidity management. These factors continued to support the demand for long-term car rental services, which remained an attractive option for corporate customers.

The use of alternative energy vehicles, particularly Battery Electric Vehicles (BEVs) and Hybrid Electric Vehicles (HEVs), continued to grow, in line with corporate sustainability policies and efforts to manage energy costs. Meanwhile, the used car market remained relatively stable, although price competition continued to be intense. Effective fleet age management, appropriate vehicle disposal timing, and the selection of suitable sales channels remained key factors in preserving asset values upon the expiration of rental contracts.

Interest rates remained at levels supportive of business operations, enabling operators to manage financing costs and plan investments more efficiently.

Overall Business Operations

Under these economic conditions, the Company continued to adopt a prudent approach to its business operations, with a focus on maintaining the quality of its customer portfolio, controlling costs, managing its vehicle fleet, and sustaining profitability from its core businesses. At the same time, the Company continued to selectively target customers with strong business potential and maintain appropriate credit risk management.

For the second quarter of 2026, the Company reported a net profit of Baht 35.7 million, representing a decrease of 21.2% compared with the same period of the previous year and a decrease of 20.3% from the preceding quarter. The decrease was primarily attributable to lower revenue from vehicle sales, following a high comparison base in the previous year. Meanwhile, the car rental business continued to deliver strong operating performance and maintained a healthy level of profitability

Q2/2026 Operating Performance Highlights

Consolidated Financial	2025	2026		% Change	
	Q2	Q1	Q2	QoQ%	YoY %
Rental Income	326.2	329.1	328.8	(0.10)	0.80
Gross Profit (Rental)	25.7	41.1	41.2	0.20	60.3
Car Sales Revenue	319.7	234.8	191.0	(18.7)	(40.3)
Gross Profit (Sale)	86.7	66.6	49.1	(26.3)	(43.4)
Total Revenue	671.9	577.7	536.3	(7.2)	(20.2)
Operating Profit	82.7	76.4	63.1	(17.4)	(23.7)
Finance Cost	24.0	19.9	18.3	(8.0)	(23.8)
Net Profit for the period	**45.3**	**44.8**	**35.7**	**(20.3)**	**(21.2)**

1. Car Rental Business

Revenue from car rental in the second quarter of 2026 amounted to Baht 328.9 million, an increase of 0.8% compared with the same period of the previous year. This reflected the Company's ability to retain its corporate customer base and manage its rental fleet efficiently, despite maintaining a prudent approach to the selection of new customers in accordance with its credit risk management principles.

Gross profit from the car rental business increased to Baht 41.2 million, representing an increase of 60.3% from the same period of the previous year, while remaining stable compared with the preceding quarter. This improvement reflected the Company's continued efficiency in cost management, control of operating expenses, and vehicle fleet management.

2. Vehicle Sales Business

Revenue from vehicle sales in the second quarter of 2026 amounted to Baht 191.0 million, representing a decrease of 40.3% compared with the same period of the previous year and a decrease of 18.7% from the preceding quarter.

The decrease was primarily attributable to the Company's accelerated disposal of vehicles through auction channels and used car dealers during the second quarter of 2025, as part of its efforts to manage vehicles reaching the end of their rental contracts. As a result, the comparative base in the previous year was relatively high.

During the quarter, the Company sold 382 vehicles, representing a decrease of 598 vehicles compared with the same period of the previous year and a decrease of 100 vehicles from the preceding quarter. Consequently, gross profit from vehicle sales amounted to Baht 49.1 million, decreasing by 43.4% year-on-year and 26.3% quarter-on-quarter.

Nevertheless, the Company continued to prioritize appropriate vehicle disposal timing and the preservation of returns from vehicle sales at the end of rental contracts, rather than accelerating inventory clearance. This approach supports the preservation of asset return quality over the long term.

3. Administrative Expenses

Administrative expenses in the second quarter of 2026 amounted to Baht 27.1 million, representing a decrease of 21.1% compared with the same period of the previous year. The decrease was primarily attributable to the absence of Expected Credit Loss (ECL) provisions at the level recognized in the previous year, together with lower expenses associated with the management of vehicles pending disposal. These factors enabled the Company to maintain effective control over its operating expenses.

4. Finance Costs

Finance costs amounted to Baht 18.3 million, representing a decrease of 23.8% compared with the same period of the previous year and a decrease of 8.0% from the preceding quarter. The decrease reflected the Company's effective capital structure management and the gradual repayment of borrowings, which helped reduce interest expenses and support the Company's profitability.

Financial Position

As of June 30, 2026, Krungthai Car Rent and Lease Public Company Limited and its subsidiaries reported total assets of Baht 5,059.0 million, a decrease of Baht 192.2 million, or 3.7%, from Baht 5,251.2 million as of December 31, 2025. Total liabilities amounted to Baht 2,494.2 million, a decrease of Baht 239.4 million, or 8.8%, from the end of 2025. Consequently, shareholders' equity increased to Baht 2,564.9 million, representing an increase of Baht 53.2 million, or 2.1%, from Baht 2,511.7 million as of December 31, 2025. This reflected the Company's continued financial strength and an appropriate capital structure to support its long-term business operations.

Assets

As of June 30, 2026, the Company's total assets amounted to Baht 5,059.0 million, decreasing from the end of 2025. The decrease was primarily attributable to a reduction in assets held for rental in line with the expiration of rental contracts and the disposal of vehicles reaching the end of their rental terms. This was consistent with the Company's Fleet Life Cycle Management strategy.

Key changes in major asset items were as follows:

- **Inventories** amounted to Baht 327.5 million, decreasing by Baht 15.6 million, or 4.6%, from the end of 2025. The decrease was primarily attributable to the Company's continued disposal of used vehicles, resulting in lower vehicle inventories.
- **Assets held for rental** amounted to Baht 4,025.5 million, decreasing by Baht 179.7 million, or 4.3%, from Baht 4,205.2 million as of December 31, 2025. The decrease was mainly due to vehicles reaching the end of their rental contracts being gradually reclassified as inventories pending disposal, together with the Company's efforts to manage the fleet size in line with market conditions and customer demand.

Total Liabilities

As of June 30, 2026, the Company's total liabilities amounted to Baht 2,494.2 million, decreasing by Baht 239.4 million, or 8.8%, from Baht 2,733.6 million as of December 31, 2025. The decrease was primarily attributable to the scheduled repayment of borrowings from financial institutions, together with a reduction in lease liabilities. As a result, the Company's interest burden and financial obligations continued to decline.

The reduction in liabilities reflected effective capital structure and liquidity management, while maintaining financial flexibility to support future investments and business expansion.

Shareholders' Equity

As of June 30, 2026, the Company's total shareholders' equity amounted to Baht 2,564.9 million, increasing by Baht 53.2 million, or 2.1%, from the end of 2025. The increase was primarily attributable to net profit generated during the period, partially offset by the recognition of losses from the fair value measurement of derivative instruments through other components of equity, as well as dividend payments during the period.

The increase in shareholders' equity reflected the Company's ability to generate returns from its business operations and further strengthened its capital base, supporting the Company's long-term business growth.

Sustainability Development

The Company places strong emphasis on sustainable business practices by integrating Environmental, Social and Governance (ESG) considerations into its business operations, risk management, and corporate governance. This approach aims to create long-term value for shareholders, customers, employees, business partners, and all stakeholders, while supporting the Company's stable and sustainable growth.

Key ESG performance highlights for the second quarter of 2026 were as follows:

1. Environmental

The Company continued to develop its asset portfolio in line with the transition toward a low-carbon economy by expanding its services for alternative energy vehicles, including Battery Electric Vehicles (BEVs) and

Hybrid Electric Vehicles (HEVs). This initiative was intended to meet the growing demand from corporate customers who place greater emphasis on reducing greenhouse gas emissions and managing energy costs.

2. Social

The Company continued to enhance service quality and customer experience while improving operational efficiency through the appropriate application of Artificial Intelligence (AI) technologies in its business processes. These initiatives support data analysis, reduce redundant processes, improve service responsiveness, and enhance the quality of business decision-making.

In addition, the Company continued to promote the development of employees' digital and AI capabilities to prepare its workforce for technological changes, enhance work efficiency, and foster an organizational culture driven by innovation and continuous learning.

3. Governance

The Company conducts its business in accordance with the principles of Good Corporate Governance, emphasizing transparency, accountability, and business ethics. During the second quarter of 2026, the Company had no cases of violations of its business ethics or any material corporate governance incidents.

The Company continued to monitor and assess ESG-related risks on an ongoing basis, covering environmental, social, technology, cybersecurity, and changes in relevant laws and regulations. These efforts aim to strengthen the Company's risk management capabilities and enhance its resilience to changes in the business environment over the long term.

During the quarter, the Company reviewed and enhanced its Business Continuity Plan (BCP) to cover risks relevant to the current business environment, including information technology risks and cybersecurity threats. The Company also developed a crisis communication plan, clearly defined the roles and responsibilities of relevant parties, and established ongoing testing and simulation plans. These measures are intended to ensure the Company's ability to respond effectively to unforeseen events, maintain business continuity, and minimize potential impacts on stakeholders.

Please be informed accordingly.

Yours sincerely,

(Mr. Phichit Chantarasereekul)

Managing Director

Krungthai Car Rent and Lease Public Company Limited