



KTC

The Story Continues..

# THE NEXT JOURNEY *Begins*

**Form 56-1 ONE REPORT 2023**  
KRUNGTHAI CARD PUBLIC COMPANY LIMITED



## MESSAGE FROM THE CHAIRMAN



“

I assure all stakeholders that  
**the new management team**  
will be able to seamlessly  
continue the responsibilities  
and key missions of KTC.

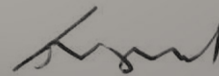
”

KTC has navigated through the challenging year of 2023, facing external factors including global geopolitical conflicts and economic conditions. The increase in interest rates by several central banks, aimed at curbing escalating inflation, proved to be a hurdle for both household and business borrowing. Meanwhile, internal factors within the Thai economy, such as public debt and high household debt levels, exerted downward pressure on consumer purchasing power. Although political stability did somewhat improve the investment climate, the period was too brief to ensure that the growth rate of the Thai economy met the set targets. Nevertheless, KTC, as a resilient organization that continuously adapts to changing business environments, did not falter in the face of these external circumstances. With strategies ready to adapt at all times, we managed to increase profits and asset growth each year. In 2023, we continued to generate higher operational results, with a return on equity rate of 22%, an cumulative net profit growth rate over four years averaging at 8%, and an average annual growth rate of total assets at 5% since 2020.

Entering 2024, the 28<sup>th</sup> year of KTC's operations, it is a significant journey for the new cadre of top management across all divisions. This is the third generation of KTC, all of whom have a long history of working with KTC. They bring extensive experience and expertise in their respective roles, a deep understanding of our organizational culture, and most importantly, they fully embody the DNA of what it means to be part of KTC. Consequently, I assure all stakeholders that this new management team will be able to seamlessly continue the responsibilities and key missions of KTC under the fundamental principle based on three components: **people, process, and technology**. As an organization with a culture of trust, our aim is to extend this confidence to all stakeholders with the goal of continuously generating growth in total asset value and maximizing profits.

The Company's Board of Directors places high importance on considering, reviewing, and approving the vision, mission, and strategies of the Company, both in the short and long term, including key policies, while also ensuring implementation as planned. Additionally, KTC is committed to adhering strictly to the principles of corporate governance by operating in line with the guidelines for good corporate governance as set by the Stock Exchange of Thailand. This includes conducting business fairly, respecting human rights and gender diversity, treating employees equitably, opposing corruption, and consistently demonstrating strong responsibility towards society and the environment.

On behalf of the Board of Directors, I would like to express my gratitude to our shareholders, business partners, and all stakeholders for their trust and support in KTC throughout the years. Additionally, I would like to thank our executives and employees for their unwavering dedication and great efforts. I wish to assure all stakeholders that KTC is committed and determined to strengthen its organizational foundation, to stay abreast of the times for sustainable growth going forward.



**Mr. Prasong Poontaneat**  
Chairman of the Board of Directors  
Krungthai Card Public Company Limited

## 2023 BUSINESS HIGHLIGHTS

Revenue



**25,418**

Million Baht

Net  
Profit



**7,295**

Million Baht

Gross Receivables



**112,346**

Million Baht

Credit Card  
Spending Growth



**11.4%**

YoY

Total Accounts

**3,358,926**

Accounts

NPL

**2.2%**

NPL Coverage

**400.3%**



# Vision

“

**KTC**

is a membership company in  
**payment** and  
**retail lending business** with  
emphasis on being  
**a trusted organization**  
with **sustainable growth**.

”





## Awards and Recognitions 2023



Granted international standard certificates, ISO/IEC 27001:2013 ISMS - Information Security Management System and ISO/IEC 27701:2019 Personal Information Management System as the first and only financial institution in Thailand that possesses safe and efficient information management system.



Consistently maintained an AA- credit rating from 2021 to 2023.



Awarded an enduring SET ESG Rating with AAA rating in the financial sector by the Stock Exchange of Thailand from 2019 to 2023.

Selected as a member of the Stock Exchange of Thailand's ESG Index for the fourth consecutive year from 2020 - 2023.



Received "Excellent" rating, in the Corporate Governance Report of Thai Listed Companies survey conducted by the Thai Institute of Directors Association (IOD) for the eighth consecutive year from 2016-2023.



Received a "100%" rating from the 2023 Annual General Shareholders' Meeting Quality survey conducted by the Thai Investors Association and the Securities and Exchange Commission.



Certified as a member of the Thai Private Sector Collective Action Against Corruption (CAC) since 2013 and had its membership renewed by the same initiative on June 30, 2022.



Chosen as a member of ESG100 for the eighth consecutive year from 2016-2023 by Thaipat Institute

## MSCI ESG RATINGS



CCC	B	BB	BBB	A	AA	AAA
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Received a rating BBB in the MSCI ESG Rating assessment under Consumer Finance category.

Added to the MSCI Global Standard Index since May 2020 until present. It is benchmark index by Morgan Stanley Capital International (MSCI).



## FTSE4Good

Selected as a member of FTSE4 Good Index Series under Financial Services category by FTSE Russell for the third consecutive year from 2021 - 2023.

Krungthai Card Public Company Limited  
Diversified Financial Services and Capital Markets

## Sustainability Yearbook Member

S&P Global Corporate Sustainability Assessment (CSA) Score 2023

S&P Global CSA Score 2023: 60/100  
Score date: February 7, 2024  
The S&P Global Corporate Sustainability Assessment (CSA) Score is the S&P Global ESG Score without the inclusion of any modeling approaches.  
Position and scores are industry specific and reflect exclusion screening criteria.  
Learn more at <https://www.spglobal.com/esg/yearbook/methodology/>

S&P Global

Sustainable1

Included in "The Sustainability Yearbook 2024" as the only member from Thailand in the Diversified Financial Services and Capital Markets industry.

Honoured with the Outstanding IR Awards 2022-2023 from the IAA Awards for Listed Companies program, organized by the Investment Analysts Association.



## Awards and Recognitions 2023



Received the Technical Solution Joint Innovation Awards at the Huawei Connect 2023 event for the company's design and development of IT infrastructure systems that effectively harness the benefits of cloud technology.



Received the Outstanding CEO and Outstanding Company Performance Awards in the Business Excellence category for the year 2023 with market capitalization exceeding billion 100 Baht. These awards were presented at the SET Awards 2023, organized by the Stock Exchange of Thailand in collaboration with Money and Banking Magazine of Thailand.



Honoured with the "Champion Security Award 2023, Best in Class in Risk Management" (Top organization in the field of security in Asia Pacific) from Visa International.



Awarded the "Thailand's Top Corporate Brand Value 2023" in the category of capital and securities business for the year 2023. The brand value was recorded at million 92,899 Baht. This Award is part of the research conducted by the Master in Branding and Marketing (MBM) program, Faculty of Commerce and Accountancy, in collaboration with the Stock Exchange of Thailand and Manager newspaper.



# Contents

**02**

Message from the Chairman

**09**

Organization Chart

**11**

Board of Directors

**29**

Executives

**69**

Internal audit and Compliance

**73**

Company secretary

**75**

Financial controller

**79**

Details of Directors and Executives in Krungthai Card Public Company Limited and Subsidiaries

**80**

Organizational Structure and Operation of the Company

81 Policy and Business Overview  
89 Business Nature  
119 Company's Shareholding Structure  
125 Registered Capital and Paid Up Capital  
126 Issuance of Other Securities  
130 Dividend Payment Policy

**131**

Risk management

**144**

Business Sustainability Development

**148**

Management Discussion and Analysis

**171**

Financial Statements

**250**

General Information and Other Material Facts

**252**

KTC TOUCH

**253**

Corporate Governance Policy

**275**

Corporate Governance Structure and Material Facts related to the Board, Sub-Committees, Executives, Employees and Others

**294**

Report on Key Operating Results Related to Corporate Governance

**301**

Internal Control and Related Parties Transactions

**316**

Assets for Business Operations

**319**

Policy and Guidelines of Corporate Governance and Code of Business Conduct

**320**

Report from the Audit, Environmental, Social Responsibilities and Corporate Governance Committee

**325**

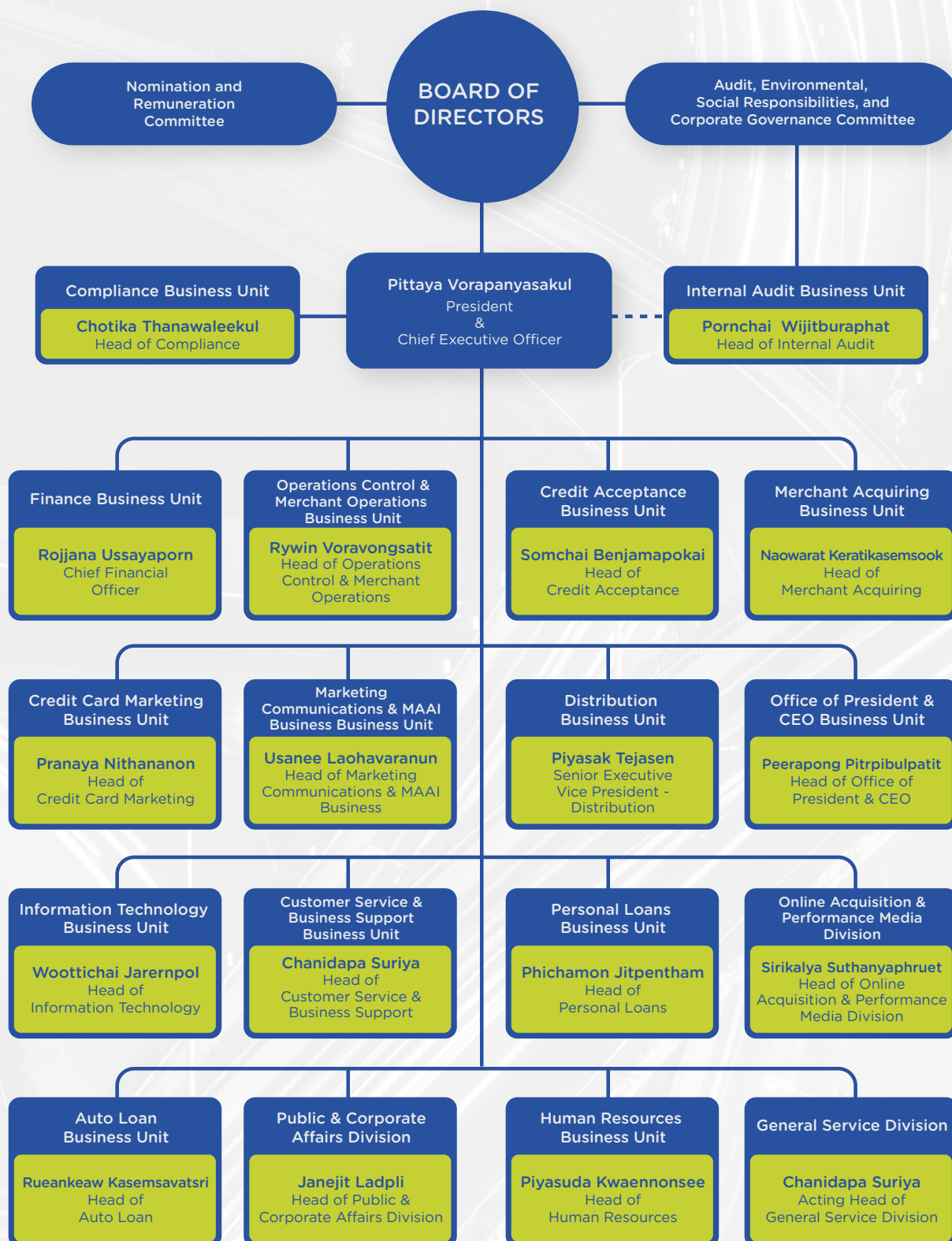
Report of the Nomination and Remuneration Committee's Responsibilities

**327**

Report of the Board of Directors' Responsibility on Financial Reports

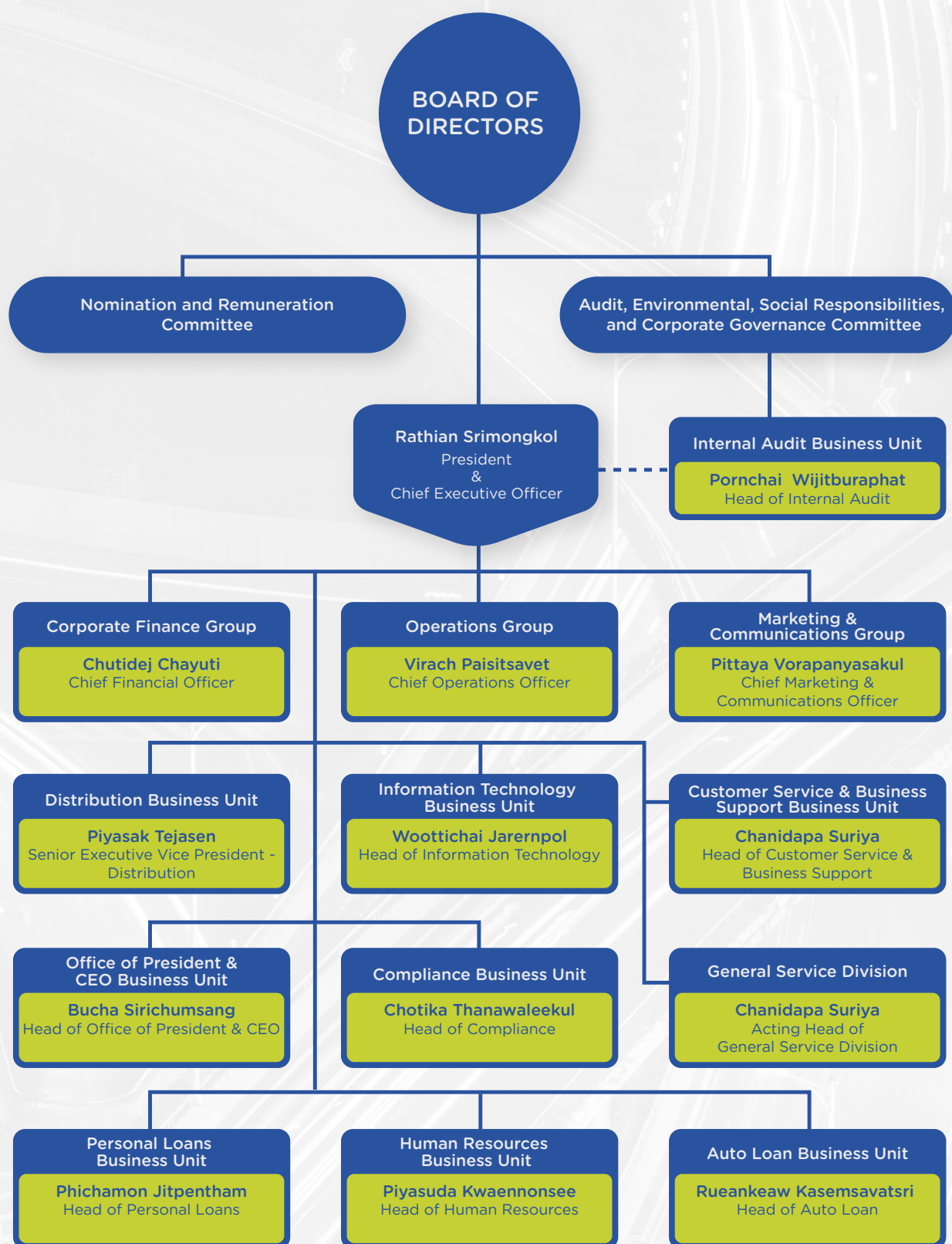


## ORGANIZATION STRUCTURE



As of January 1, 2024

# ORGANIZATION STRUCTURE



As of December 31, 2023



## BOARD OF DIRECTORS



## BOARD OF DIRECTORS





## BOARD OF DIRECTORS

### Mr. Prasong Poontaneat

#### Position

Chairman of the Board of Directors  
Chairman of Nomination and Remuneration Committee/  
Independent Director

#### Date of Appointment

October 21, 2021

#### Age

64

#### Education

- Honorary Doctor of Business Administration (Finance)  
Rajamangala University of Technology Isan
- Honorary Doctor of Business Administration  
Dhurakij Pundit University
- Ph.D. in Public Administration  
(Management for Development College)  
Thaksin University
- Master of Business Administration  
(Organization Management)  
Dhurakij Pundit University
- Bachelor of Business Administration in Accounting  
Rajamangala University of Technology
- Bachelor of Laws  
Sukhothai Thammathirat Open University

#### Training

- **Director Certification Program (DCP76/2006)**  
Thai Institute of Directors (IOD)
- **Top Administrator Program Class 49**  
Interior College, Prince Damrong Rajanubhab  
Institute of Research and Development
- **Senior Police Officers Course Class 18**  
Police College
- **Leader Program Class 14**  
Capital Market Academy, The Stock Exchange of  
Thailand
- **Executive Program, Energy Academy**  
Thailand Energy Academy (TEA2)
- **Certificate, National Defence Course (NDC52)**  
The National Defence College
- **The Program of Senior Executive on Justice  
Administration Batch 23**  
Judicial Training Institute

#### % of KTC Shares Held

0%

#### Family Relationship

None



## Work Experience

### Listed Companies

#### Oct 2021 - Present

- **Chairman of the Board of Director/ Chairman of Nomination and Remuneration Committee/ Independent Director**  
Krungthai Card Public Company Limited/  
Consumer Finance

#### 2022 - Present

- **Chairman of the Board of Directors/ Chairman of Audit Committee/ Independent Director**  
Insurverse Public Company Limited/ Non-Life Insurance

#### 2021 - Present

- **Chairperson of the Enterprise-wide Risk Management Committee/ Vice Chairperson/ Independent Director**  
Bangchak Corporation Public Company Limited/  
Petroleum Refining and Trading

### Non - Listed Companies/ Other Organizations

#### Present

- **Ordinance Committee**  
Office of the Council of State
- **Qualified Director of the University Council Office**  
Mahasarakham University

### Experience

#### 2022

- **Director**  
Erawan Insurance Public Company Limited

#### 2020

- **Chairman of the Board of Director**  
Krung Thai Bank Public Company Limited/ Banking

#### 2018 - 2020

- **Permanent Secretary**  
Ministry of Finance
- **Chairman of the Board of Director**  
TMB Bank Public Company Limited
- **Chairman of the Board of Director**  
Thanachart Bank Public Company Limited

#### 2014 - 2020

- **Chairman of the Board of Director**  
Airports of Thailand Public Company Limited (AOT)

#### 2012 - 2022

- **Director**  
Bangchak Corporation Public Company Limited

#### 2014 - 2018

- **Director - General**  
The Revenue Department

#### 2011

- **Chairman of the Board of Director**  
Export-Import Bank of Thailand

#### 2011 - 2014

- **Director-General**  
State Enterprise Policy Office (SEPO)

#### 2010 - 2011

- **Director-General**  
Thai Customs Department

#### 2009 - 2010

- **Inspector-General**  
Ministry of Finance
- **Qualified Director**  
Anti-Money Laundering Office
- **Vice President**  
Financial Institutions Development Fund
- **Chairman of the Board of Directors**  
The Erawan Group Public Company Limited
- **Director**  
Government Housing Bank (GHB)
- **Director**  
Expressway Authority of Thailand
- **Director**  
Tourism Authority of Thailand
- **Director**  
Thailand Post Co., Ltd.



## BOARD OF DIRECTORS

### Mr. Praphaisith Tankeyura

#### Position

Chairman of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee/ Nomination and Remuneration Committee/ Independent Director

#### Date of Appointment

August 11, 2017

#### Age

69

#### Education

- Master of Business Administration (MBA), Major in Finance, College of Business Florida State University, USA
- Bachelor of Statistics (B.S.), Major in Applied Statistics in Business, Faculty of Commerce and Accountancy Chulalongkorn University

#### Training

##### 2023

- Roadmap for M&A Success  
EY Office Limited
- Digital Finance  
EY Office Limited

##### 2022

- Wisdom for the Future: Harmonizing the Diverse Boards IOD National Director Conference 2022  
Thai Institute of Directors Association (IOD)
- Easy Listening: Tips Audit Committee should not miss Episode 2  
The Securities and Exchange Commission

##### 2021

- Director Leadership Program (DLCP)  
Thai Institute of Directors Association (IOD)

##### 2020

- Successful Formulation & Execution the Strategy (SFE)  
Thai Institute of Directors Association (IOD)



##### 2019

- Board Matters & Trends Agenda  
Thai Institute of Directors Association (IOD)

##### 2018

- Role of the Chairman Program (RCP)  
Thai Institute of Directors Association (IOD)
- Advanced Audit Committee Program (AACP)  
Thai Institute of Directors Association (IOD)

##### 2017

- Director Certification Program (DCP)  
Thai Institute of Directors Association (IOD)

#### % of KTC Shares Held

0%

#### Family Relationship

None

## Work Experience

### Listed Companies

#### 2017 - Present

- **Chairman of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee/ Nomination and Remuneration Committee/ Independent Director**  
Krungthai Card Public Company Limited/  
Consumer Finance

#### Apr 2023 - Present

- **Chairman of the Audit Committee/ Member of the Risk Management Committee/ Independent Director**  
RATCH Group Public Company Limited/  
Energy & Utilities

### Non-Listed Companies/ Other Organizations

#### 2005 - Present

- **Managing Director**  
Boathouse Hua Hin Co., Ltd./ Real Estate  
Developer

### Experience

#### 2019 - Apr 2023

- **Audit Committee/ Independent Director**  
Thai Oil Public Company Limited/ Oil Refinery

#### 2014 - 2022

- **Chief Advisor**  
JWS Construction Group/ Construction

#### 2020 - 2021

- **Chairman of the Audit Committee/ Independent Director**  
Meta Corporation Public Company Limited/  
Property & Construction

#### 2015 - 2019

- **Director and Executive Director**  
Small and Medium Enterprise Development Bank  
of Thailand/ Banking

#### 2012 - 2018

- **Director & CEO**  
Ma Boonyong Real Estate Co., Ltd./ Real Estate  
Developer

#### 2010 - 2013

- **Property Fund Advisory Committee**  
CIMB Principal Asset Management Co., Ltd./  
Asset Management

#### 2007 - 2010

- **Director**  
BT Asset Management Company Limited/  
Mutual Fund

#### 2004

- **Managing Director**  
Prime Nature Villa Company Limited/ Real Estate  
Developer

#### 1998 - 2000

- **Chairman**  
Ayudhya Development Leasing Co., Ltd./  
Leasing

#### 1997 - 2002

- **President/ Director**  
Bank of Ayudhya Public Company Limited/  
Commercial Banking

#### 1996 - 2003

- **Chairman of Executive Board/ Director**  
Ayudhya Insurance Public Company Limited/  
Insurance

#### 1993 - 1997

- **President and CEO**  
Ayudhya Investment & Trust Public Company  
Limited/ Finance & Securities

#### 1993 - 1995

- **Chairman & Managing Director**  
Citicorp Finance & Securities (Thailand) Ltd./  
Finance & Securities

#### 1989 - 1993

- **Vice President & Real Estate Head**  
Citibank N.A./ Banking



# BOARD OF DIRECTORS

## Mr. Natapong Vanarat

### Position

Audit, Environmental, Social Responsibilities,  
and Corporate Governance Committee/  
Independent Director

### Date of Appointment

May 1, 2022

### Age

41

### Education

- Master of Commerce Specialization, Major in Finance  
University of New South Wales, Australia
- Bachelor of Science Specialization, Major in Computer Science  
University of New South Wales, Australia

### Training

#### 2023

- The Civil Service Executive Development Program:  
Visionary and Moral Leadership (Class 97)  
Office of the Civil Service Commission (OCSC)

#### 2022

- Hot Issue for Directors: What Directors Need to  
Know about Digital Assets?  
Thai Institute of Directors Association (IOD)
- Easy Listening: Accounting Tips that AC Should  
not miss EP. 2  
The Securities and Exchange Commission (SEC)
- Director Certification Program (DCP) (318/2022)  
Thai Institute of Directors Association (IOD)

#### 2014

- National Strategy Formulation Course  
Chulalongkorn University and Office of National  
Economic and Social Development Council  
(NESDC)

#### 2011

- Talent and Networking in Leadership Development  
for Thai Officials  
Office of the Civil Service Commission (OCSC)

- Mekong Leader Program

ADB

#### 2010

- Human Resource Management Course

NESDC

#### 2007 - 2008

- High Performance and Potential System Training  
Program (HiPPS No.3)

OCSC

#### 2007

- The Supervisory Grid Program by Grid Thailand

NESDC

### % of KTC Shares Held

0%

### Family Relationship

None



## Work Experience

### Listed Companies

#### 2022 - Present

- **Audit, Environmental, Social Responsibilities, and Corporate Governance Committee/ Independent Director**  
Krungthai Card Public Company Limited/  
Consumer Finance

#### 2022 - Present

- **Audit Committee/ Independent Director**  
Sahacogen (Chonburi) Public Company Limited/  
Energy & Utilities

### Non-Listed Companies/ Other Organizations

#### 2022 - Present

- **Director of Department of Cabinet Meeting Logistic**  
The Secretariat of The Cabinet/ Government

### Experience

#### 2019 - Sep 2023

- **Seconded to the Secretariat of the Prime Minister, working as policy affairs coordinator for the Secretary General the Secretariat of the Prime Minister**  
The Secretariat of the Prime Minister/  
Government

#### Jan 2023 - Mar 2023

- **Director**  
Export-Import Bank of Thailand (Exim Thailand)/  
State-owned Specialized Financial Institution

#### 2018 - 2019

- **Acting Director of Division of Cabinet Submission Analysis**  
The Secretariat of The Cabinet/ Government

#### 2015 - 2017

- **Plan and Policy Analyst, Senior Professional Level**  
The Secretariat of The Cabinet/ Government

#### 2015 - 2016

- **Secretary for the Secretary General (H.E. Mr. Ampon Kittiampon), the Secretariat of The Cabinet**  
The Secretariat of The Cabinet/ Government

#### 2006 - 2015

- **Plan and Policy Analyst**  
Office of National Economic and Social  
Development Council/ Government



## BOARD OF DIRECTORS

### Mr. Somchai Kuvijitsuwan

#### Position

Audit, Environmental, Social Responsibilities,  
and Corporate Governance Committee/  
Independent Director

#### Date of Appointment

November 20, 2023

#### Age

72

#### Education

- Master of Public Administration Program in  
Public Administration  
National Institute of Development Administration (NIDA)
- Thai Barrister-at-law, Class 27  
Institute of Legal Education of The Thai Bar
- Bachelor of Laws in Laws Program  
Ramkhamhaeng University



#### Training

2023

- Director Leadership Certification Program  
(DLCP) 11/2023

2012

- The Role of Chairman Program (RCP),  
Class 28/2012
- Training for the Role of the Nomination and  
Governance Committee, 2012
- Senior Executive in Energy Science Program  
(TEA 2)  
Thailand Energy Academy

2009

- Senior Executive Course (CMA 9)  
The Capital Market Academy

2006

- Director Certification Program (DCP),  
Class 76/2006
- Director Accreditation Program (DAP),  
Class 56/2006
- Understanding the Fundamental of Financial  
Statement (UFS), Class 3/2006

1987

- Provincial Chief Public Prosecutor Course,  
Class 9/1987

#### % of KTC Shares Held

0%

#### Family Relationship

None

## Work Experience

### Listed Companies

#### Nov 2023 - Present

- **Audit, Environmental, Social Responsibilities, and Corporate Governance Committee/ Independent Director**  
Krungthai Card Public Company Limited/  
Consumer Finance

#### 2020 - Present

- **Member of the Audit Committee/ Independent Director**  
Eastern Power Group Public Company Limited/  
Solar Power

#### 2018 - Present

- **Advisor**  
Asian Sea Corporation Public Company Limited/  
Manufacturing and Export of Frozen Seafood  
Products

#### 2016 - Present

- **Member of the Audit Committee/ Member of Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee/ Independent Director**  
Prima Marine Public Company Limited/ Marine Transportation
- **Chairman of the Audit Committee/ Independent Director**  
WP Energy Public Company Limited/ Petroleum Gas Distributor

### Non-Listed Companies/ Other Organizations

#### 2020 - Present

- **Advisor**  
Precise Corporation Public Company Limited/  
Electrical Equipment Distributor

#### 2017 - Present

- **Advisor to Chancellor**  
Mahamakut Buddhist University/ Public Higher Education Institution

#### 2016 - Present

- **Qualified Director in the Committee for the Budget Consideration of Central Buddhism Property**  
The Sangha Supreme Council of Thailand/  
Buddhist Organization

### Experience

#### 2017 - 2021

- **Chairman of the Audit Committee/ Independent Director**  
Kingsford Holdings Public Company Limited/  
Financial and Securities

#### 2018 - 2020

- **Chairman**  
Eastern Power Group Public Company Limited/  
Solar Power

#### 2016 - 2018

- **Chairman of the Audit Committee/ Independent Director**  
Eastern Power Group Public Company Limited/  
Solar Power

- **Chairman**  
AQ Estate Public Company Limited/ Real estate

#### 2015 - 2018

- **Chairman of the Audit Committee/ Independent Director**  
Thonburi Healthcare Group Public Company Limited/ Hospital

- **Advisor**  
KT Zmico Public Company Limited/ Securities

#### 2011 - 2018

- **Chairman of the Audit Committee/ Independent Director**  
PTT Global Chemical Public Company Limited/  
Petrochemical and Refining Business



# BOARD OF DIRECTORS

## Mrs. Praralee Ratanaprasartporn

### Position

Director/ Nomination and Remuneration Committee

### Date of Appointment

April 5, 2019

### Age

54

### Education

- Advance Management Program  
INSEAD Business School, France
- MBA (Finance)  
University of Alabama at Birmingham, USA
- BBA (Accounting) (Auditing)  
Thammasat University

### Training

#### 2023 - 2024

- **National Defence Course (NDC66)**  
Thailand National Defence College

#### 2022

- **Corporate Governance Program for Insurance Companies (CIC) Class 3/2022**  
Thai Institute of Directors (IOD)

#### 2020

- **RoLD 2020: The Resilient Leader**  
Thailand Institute of Justice (TIJ)
- **IFRS & Portfolio Management, E-Tax Blockchain**  
Krung Thai Bank Public Company Limited

#### 2019

- **Identify and Behavior Creation**  
Krung Thai Bank Public Company Limited
- **Strategy of Personal Data Protection Laws**  
Chulalongkorn University

#### 2018

- **Innovations Payment**  
MasterCard, England
- **Fintech Strategy and Innovation Payment System**  
Plug and Play and MasterCard, Singapore

- **SAS Global Forum 2018 (Executive Program)**  
SAS Software, USA
- **Blockchain in Government**  
Trueventus, Singapore
- **Singapore Fintech Festival 2018**  
Baker McKenzie, Singapore

#### 2017

- **Co-Creation Workshop**  
VISA International, Singapore
- **Innovations Payment**  
MasterCard Asia/ Pacific, VISA International, MSI Global Private Limited, Singapore
- **Innovations Payment**  
UnionPay International, China
- **Google Next 2017**  
Google Cloud Platform, APAC, USA

#### 2016

- **Analytics Experience**  
SAS Software, Italy
- **Asia Banking Analytics Roundtable**  
McKinsey, Hong Kong



2016

- **Director Certification Program (DCP)**  
Thai Institute of Directors Association (IOD)

2015

- **Executive Leadership Development Program (ELDP) 2015**  
Compass Institute, LEAD Business Institute with Cornell University

2011

- **Advance Management Program 2011**  
INSEAD Business School-European Campus, France

#### % of KTC Shares Held

0%

#### Family Relationship

None

#### Work Experience

##### Listed Companies

Aug 2023 - Present

- **Nomination and Remuneration Committee**  
Krungthai Card Public Company Limited/  
Consumer Finance

2019 - Present

- **Director**  
Krungthai Card Public Company Limited/  
Consumer Finance

Aug 2023 - Present

- **Head of Digital Solutions Group**  
Krung Thai Bank Public Company Limited/  
Banking

##### Non-Listed Companies/ Other Organizations

2022 - Present

- **Qualified Director**  
Committee for the Protection of Credit Information
- **Qualified Director**  
The Government Pension Fund/ Government

2021 - Present

- **Director**  
Arise by Infinitas Co., Ltd./ Digital Platform

2020 - Present

- **Director**  
Infinitas by Krungthai Co., Ltd./ Digital Platform

2017 - Present

- **Director**  
Krungthai-AXA Life Insurance Public Company Limited/ Insurance

#### Experiences

2019 - Aug 2023

- **Senior Executive Vice President Head of Digital Solutions Group**  
Krung Thai Bank Public Company Limited/ Banking

2021 - Aug 2023

- **Director**  
KTB Advisory Co., Ltd./ Holding Business

2019 - 2020

- **Director**  
National Digital ID Co., Ltd.

2018 - 2019

- **Senior Executive Vice President Managing Director Retail Shared Services Group, Data Innovation and Acting Business Innovation LAB Team**  
Krung Thai Bank Public Company Limited/  
Banking

2016 - 2019

- **Senior Executive Vice President Managing Director Retail Shared Services Group and Data Innovation**  
Krung Thai Bank Public Company Limited/  
Banking

2014 - 2020

- **Chairman of Risk Management Committee/ Director**  
KTB Leasing Co., Ltd./ Leasing

2014 - 2016

- **First Executive Vice President Managing Director Retail Shared Services Group**  
Krung Thai Bank Public Company Limited/  
Banking

2013 - 2014

- **Advisor to The President**  
Krung Thai Bank Public Company Limited/  
Banking



## BOARD OF DIRECTORS

### Ms. Kornkanok Fuengfung

#### Position

Director

#### Date of Appointment

November 20, 2023

#### Age

43

#### Education

- Certification in Finance & Economics  
London School of Economics and Political Sciences (LSE), UK
- Master of Science in Accounting & Finance  
The University of Southampton, UK
- Bachelor of Accountancy in Cost Accounting  
Chulalongkorn University

#### Training

None

#### % of KTC Shares Held

0%

#### Family Relationship

None

#### Work Experience

##### Listed Companies

##### Nov 2023 - Present

- **Director**  
Krungthai Card Public Company Limited/  
Consumer Finance

##### Jan 2023 - Present

- **Executive Vice President Channel Management Team Retail Banking Product & Strategy Group**  
Krung Thai Bank Public Company Limited/ Banking



#### Non-Listed Companies/ Other Organizations

None

#### Experiences

##### 2018 - 2023

- **Head of Strategy and Project Management Office**  
Central JD Fintech Co., Ltd./ Digital Services

##### 2017 - 2018

- **Senior Vice President, Head of Customer Performance Management**  
Central Retail Corporation/ Retail

##### 2015 - 2017

- **Senior Vice President, Head of Retail Customer & Product Performance Management**  
Siam Commercial Bank/ Banking

**2013 - 2015**

- **Vice President, Head of Retail Customer Performance Management**

Siam Commercial Bank/ Banking

**2010 - 2013**

- **Manager, Head of Business Planning, MIS, and Customer Loyalty**

American Express Thailand/ Consumer Finance

**2008 - 2010**

- **Manager, Financial Planning, and Analysis for Singapore & Thailand**

American Express Thailand/ Consumer Finance

**2007**

- **Assistant Vice President, Financial Planning and Analysis**

GE Capital (Thailand) Ltd./ Financial Services

**2006**

- **Manager, Financial Planning and Analysis**

GE Capital (Thailand) Ltd./ Financial Services

**2005 - 2006**

- **Assistant Manager, Financial Planning and Analysis**

GE Capital (Thailand) Ltd./ Financial Services

**2004 - 2005**

- **Supervisor, Financial Planning and Analysis**

GE Capital (Thailand) Ltd./ Financial Services

**2003 - 2004**

- **Analyst, Strategic Planning & Business Analysis**

The Industrials Finance Corporation of Thailand (IFCT)/ Financial Services

**2002**

- **Assistant auditor**

KPMG Audit (Thailand) Limited/ Audit and Business Advisory



# BOARD OF DIRECTORS

## Mr. Rathian Srimongkol

### Position

President & Chief Executive Officer/ Director

(Mr. Rathian Srimongkol has resigned from Company directorship due to his retirement from being President & Chief Executive Officer. The resignation was effective from January 1, 2024 onwards)

### Date of Appointment

January 1, 2012

### Age

64

### Education

- Master's Degree, MBA  
Thammasat University
- Master's Degree, M.P.A in General Administration  
Suan Sunandha Rajabhat University
- Medical Degree, Faculty of Medicine Siriraj Hospital  
Mahidol University
- Bachelor's Degree, Medical Science  
Mahidol University

### Training

#### 2023

- **Orchestrating Winning Performance (OWP)**  
**Lausanne**  
(Date Attended 26 June 2023 - 30 June 2023)  
International Institute for Management  
Development (IMD)

#### 2022

- **Orchestrating Winning Performance (OWP)**  
**Lausanne**  
(Date Attended 27 June 2022 - 1 July 2022)  
International Institute for Management  
Development (IMD)

#### 2010

- **Certificate, Leader Program (Class 11)**  
Capital Market Academy

#### 2009

- **Certificate, Financial Statements Demystified for Director (FDD)**  
Thai Institute of Directors Association (IOD)

#### 2008 - 2009

- **Diploma, National Defence College, The Joint State-Private Sector Course Class 51/21**  
National Defence College of Thailand

#### 2008

- **Certificate, Role of the Chairman Program (RCP)**  
Thai Institute of Directors Association (IOD)
- **Public Director Certification Program (PDI)**  
King Prajadhipok's Institute
- **Certificate, Economic Leader Forum (ELF)**  
The Thammasat Economics Association

#### 2005

- **Certificate in Politics and Governance in Democratic Systems for Executives Course (Class 9)**  
King Prajadhipok's Institute

#### 2001

- **Certificate, Directors Certification Program (DCP)**  
Thai Institute of Directors Association (IOD)

### % of KTC Shares Held

0%



## Family Relationship

None

## Work Experience

### Listed Companies

#### 2012 - Present

- **Director**

Krungthai Card Public Company Limited/  
Consumer Finance

#### 2012 - 2023

- **President & Chief Executive Officer**

Krungthai Card Public Company Limited/  
Consumer Finance

#### May 2023 - Present

- **Audit Committee and Independent Director**

Home Product Center Public Company Limited/  
Retailer of Products and Provider of Services  
Relating to Construction, Extension

#### 2021 - Present

- **Chairman/ Chairman of Investment Committee/  
Chairman of Nominating and Compensation  
Committee/ Authorized Director**

XSpring Capital Public Company Limited/  
Investment in Various Businesses Both Thailand  
and Overseas

#### 2009 - Present

- **Lead Independent Director/ Chairman of the Audit  
Committee/ Vice Chairman of the Board/ Member  
of the Sustainability and Risk Management  
Committee**

Indorama Ventures Public Company Limited/  
Chemicals Business

### Non-Listed Companies/ Other Organizations

#### 2021 - Present

- **Chairman/ Authorized Director**

XSpring Digital Company Limited/ Digital Asset  
Business

- **Chairman of the Executive Committee/  
Authorized Director**

XSpring AMC Asset Management Company  
Limited/ Asset Management Business

- **Chairman of the Executive Committee/  
Authorized Director**

Krungthai XSpring Securities Company Limited/  
Securities Business

- **Chairman, Authorized Director**

XSpring Asset Management Company Limited/  
Fund Management Business

## Experience

#### 2021 - Jul 2023

- **Director**

KTB Advisory Company Limited/ Holding  
Business

#### 2019 - 2021

- **Chairman**

Islamic Bank of Thailand/ Banking

#### 2018 - 2021

- **Vice Chairman of the Board/ Chairman of the  
Audit Committee/ Member of Nomination and  
Remuneration Committee/ Independent  
Director**

Raimon Land Public Company Limited/ Property  
Development

- **Chairman**

Tobacco Authority of Thailand/ State Enterprise

#### 2017 - 2021

- **Vice Chairman**

Thai Listed Companies Association/ Non-Profit  
Organization

#### 2015 - 2017

- **Director**

Thai Listed Companies Association/ Non-Profit  
Organization

#### 2013 - 2020

- **Independent Director/ Chairman of the Audit  
Committee/ Corporate Governance Committee  
Member/ Nominating and Compensation  
Committee Member**

One to One Contracts Public Company Limited/  
Service

#### 2008 - 2010

- **Director**

TOT Public Company Limited/ Communication  
Business

#### 2004 - 2012

- **Performance Agreement Subcommittee  
Organization Management (Internal Audit and  
Internal Control)**

Ministry of Finance/ Government

#### 2001 - 2012

- **Performance Agreement Subcommittee (Energy  
Sector)**

Ministry of Finance/ Government

#### 2001 - 2011

- **Executive Vice President**

Thanachart Bank Public Company Limited  
(Siam City Bank Public Company Limited)/  
Banking



## BOARD OF DIRECTORS

### Mrs. Pittaya Vorapanyasakul

#### Position

Chief Marketing & Communication Officer

(End Date on December 31, 2023)

President & Chief Executive Officer

(Effective Date on January 1, 2024)

Director

(Effective Date on November 20, 2023)

#### Date of Appointment

February 17, 2014

#### Age

62

#### Education

- Bachelor's Degree, Travel Industry Management  
University of Hawaii, USA

#### Training

##### 2022

- **Orchestrating Winning Performance**  
International Institute for Management  
Development (IMD), Switzerland
- **Associate Certified Coach (ACC)™**  
International Coaching Federation (ICF), USA

##### 2020

- **Developing Internal Coach "Coaching Essentials  
and Principles Certification Program"**  
AcComm Group

##### 2019

- **TLCA Executive Development Program (EDP)**  
**Class of Year 2020: Building Regional Leaders**  
The Thai Listed Companies Association (TLCA)

##### 2017

- **Design Thinking**  
Khun May Sripattanasakul, Lookkid Co., Ltd.

##### 2016

- **Strategic Thinking Pure & Simple**  
PacRim Group

##### 2015

- **Leader as a Coach**  
PacRim Group

##### 2009

- **Successful Formulation & Execution of Strategy  
(SFE)**  
Thai Institute of Directors Association (IOD)
- **Monitoring the System of Internal Control and  
Risk Management (MIR)**  
Thai Institute of Directors Association (IOD)

##### 2006

- **Advanced Audit Committee Program (AACP)**  
Thai Institute of Directors Association (IOD)
- **Finance for Non-Finance Directors (FND)**  
Thai Institute of Directors Association (IOD)
- **Management (MIR) 6/2009 Director Certification  
Program (DCP)**  
Thai Institute of Directors Association (IOD)



**% of KTC Shares Held**

0%

**Family Relationship**

None

**Work Experience****Listed Companies****2024 - Present**

- **President & Chief Executive Officer**  
Krungthai Card Public Company Limited/  
Consumer Finance

**Nov 2023 - Present**

- **Director**  
Krungthai Card Public Company Limited/  
Consumer Finance

**Non-Listed Companies/ Other Organizations**

None

**Experience****1997 - 2023**

- **Chief Marketing & Communication Officer**  
Marketing & Communications Group/ Krungthai Card  
Public Company Limited/ Consumer Finance

**2005 - 2010**

- **Director and Member of Audit Committee**  
Krungthai Asset Management Public Company  
Limited/ Fund Management

## EXECUTIVES





## EXECUTIVES



## EXECUTIVES



## EXECUTIVES







## Mr. Rathian Srimongkol

### Position

President & Chief Executive Officer/ Director

(Mr. Rathian Srimongkol has resigned from Company directorship due to his retirement from being President & Chief Executive Officer. The resignation was effective from January 1, 2024 onwards)

### Date of Appointment

January 1, 2012

### Age

64

### Education

- Master's Degree, MBA  
Thammasat University
- Master's Degree, M.P.A in General Administration  
Suan Sunandha Rajabhat University
- Medical Degree, Faculty of Medicine Siriraj Hospital  
Mahidol University
- Bachelor's Degree, Medical Science  
Mahidol University

### Training

#### 2023

- **Orchestrating Winning Performance (OWP)**  
**Lausanne**  
(Date attended 26 June 2023 - 30 June 2023)  
International Institute for Management  
Development (IMD)

#### 2022

- **Orchestrating Winning Performance (OWP)**  
**Lausanne**  
(Date attended 27 June 2022 - 1 July 2022)  
International Institute for Management  
Development (IMD)

#### 2010

- **Certificate, Leader Program (Class 11)**  
Capital Market Academy

#### 2009

- **Certificate, Financial Statements Demystified  
for Director (FDD)**  
Thai Institute of Directors Association (IOD)



#### 2008 - 2009

- **Diploma, National Defence College, The Joint  
State-Private Sector Course Class 51/21**  
National Defence College of Thailand

#### 2008

- **Certificate, Role of the Chairman Program (RCP)**  
Thai Institute of Directors Association (IOD)
- **Public Director Certification Program (PDI)**  
King Prajadhipok's Institute
- **Certificate, Economic Leader Forum (ELF)**  
The Thammasat Economics Association

#### 2005

- **Certificate in Politics and Governance in Democratic  
Systems for Executives Course (Class 9)**  
King Prajadhipok's Institute

#### 2001

- **Certificate, Directors Certification Program (DCP)**  
Thai Institute of Directors Association (IOD)

### % of KTC Shares Held

0%

## Family Relationship

None

## Work Experience

### Listed Companies

#### 2012 - Present

- **Director**  
Krungthai Card Public Company Limited/  
Consumer Finance

#### 2012 - 2023

- **President & Chief Executive Officer**  
Krungthai Card Public Company Limited/  
Consumer Finance

#### May 2023 - Present

- **Audit Committee and Independent Director**  
Home Product Center Public Company Limited/  
Retailer of products and provider of services  
relating to construction, extension

#### 2021 - Present

- **Chairman/ Chairman of Investment Committee/  
Chairman of Nominating and Compensation  
Committee/ Authorized Director**  
XSpring Capital Public Company Limited/  
Investment in various businesses both Thailand  
and overseas

#### 2009 - Present

- **Lead Independent Director/ Chairman of the Audit  
Committee/ Vice Chairman of the Board/ Member  
of the Sustainability and Risk Management  
Committee**  
Indorama Ventures Public Company Limited/  
Chemicals Business

### Non-Listed Companies/ Other Organizations

#### 2021 - Present

- **Chairman/ Authorized Director**  
XSpring Digital Company Limited/ Digital Asset  
Business
- **Chairman of the Executive Committee/  
Authorized Director**  
XSpring AMC Asset Management Company  
Limited/ Asset Management Business
- **Chairman of the Executive Committee/  
Authorized Director**  
Krungthai XSpring Securities Company Limited/  
Securities Business
- **Chairman, Authorized Director**  
XSpring Asset Management Company Limited/  
Fund Management Business

## Experience

#### 2021 - Jul 2023

- **Director**  
KTB Advisory Company Limited/ Holding  
Business

#### 2019 - 2021

- **Chairman**  
Islamic Bank of Thailand/ Banking

#### 2018 - 2021

- **Vice Chairman of the Board/ Chairman of the  
Audit Committee/ Member of Nomination and  
Remuneration Committee/ Independent  
Director**  
Raimon Land Public Company Limited/ Property  
Development

- **Chairman**  
Tobacco Authority of Thailand/ State Enterprise

#### 2017 - 2021

- **Vice Chairman**  
Thai Listed Companies Association/ Non-Profit  
Organization

#### 2015 - 2017

- **Director**  
Thai Listed Companies Association/ Non-Profit  
Organization

#### 2013 - 2020

- **Independent Director/ Chairman of the Audit  
Committee/ Corporate Governance Committee  
Member/ Nominating and Compensation  
Committee Member**  
One to One Contracts Public Company Limited/  
Service

#### 2008 - 2010

- **Director**  
TOT Public Company Limited/ Communication  
Business

#### 2004 - 2012

- **Performance Agreement Subcommittee  
Organization Management (Internal Audit and  
Internal Control)**  
Ministry of Finance/ Government

#### 2001 - 2012

- **Performance Agreement Subcommittee (Energy  
Sector)**  
Ministry of Finance/ Government

#### 2001 - 2011

- **Executive Vice President**  
Thanachart Bank Public Company Limited  
(Siam City Bank Public Company Limited)/  
Banking



## Mr. Chutidej Chayuti

### Position

Chief Financial Officer

The person taking the highest responsibility  
in finance and accounting

(Mr. Chutidej Chayuti has resigned from Company directorship due to  
his retirement from being Chief Financial Officer.

The resignation was effective from January 1, 2024 onwards)

### Date of Appointment

February 1, 2006

### Age

61

### Education

- Master's Degree, M.S. (Industrial Technology)  
Indiana State University, USA
- Master's Degree, MBA  
Indiana State University, USA
- Bachelor's Degree, Commerce and Accountancy  
(Industrial Management)  
Thammasat University

### Training

#### 2023

- **CFO Conference 2023 “Embracing Changes  
& Unveiling the Path to Business Resilience and  
Success”**  
Federation of Accounting Professions
- **TLCA CFO CPD: Risk Management for CFOs**  
Thai Listed Companies Association
- **TLCA CFO CPD: Economic Update for CFO**  
Thai Listed Companies Association

(Total hours of training for the person taking the highest  
responsibility in finance and accounting: CFO total 7 hours)

#### 2022

- **Orchestrating Winning Performance (OWP)**  
International Institute for Management  
Development (IMD)
- **The Executive Program in Energy Literacy for  
a Sustainable Future (TEA 16)**  
Thailand Energy Academy (TEA)



- **TLCA CFO CPD: Restructuring Business for  
Growth**  
Thai Listed Companies Association
  - **TLCA CFO CPD: Economic Update for CFO**  
Thai Listed Companies Association
  - **TLCA CFO CPD: Quality Enhancement on  
Financial Reporting of Thai Listed Company**  
Thai Listed Companies Association
- (Total hours of training for the person taking the highest  
responsibility in finance and accounting: CFO total 6 hours)

#### 2021

- **TLCA CFO CPD: How finance leaders are adapting  
within the new normal**  
Thai Listed Companies Association



- **TLCA CFO CPD: How to Manage the Company's Finance & Accounting and Communicate with Stakeholders during COVID-19 Crisis**  
Thai Listed Companies Association

- **TLCA CFO CPD: COVID-19 Implications for Financial Reporting and Audit**  
Thai Listed Companies Association

- **TLCA CFO CPD: Economic update for CFO**  
Thai Listed Companies Association  
(Total hours of training for the person taking the highest responsibility in finance and accounting: CFO total 8 hours)

- **Coaching Essentials and Principles Certification Program**  
AcComm Group

## 2020

- **TLCA CFO CPD: Data privacy law and cyber security law**  
Thai Listed Companies Association
- **TLCA CFO CPD: Update on taxes and foreign investment issues**  
Thai Listed Companies Association
- **TLCA CFO CPD: Capital structure and funding strategy**  
Thai Listed Companies Association
- **TLCA CFO CPD: Transfer pricing**  
Thai Listed Companies Association
- **TLCA CFO CPD: Update on IFRS9 and other new standards**  
Thai Listed Companies Association  
(Total hours of training for the person taking the highest responsibility in finance and accounting: CFO total 10 hours)

## 2019

- **Deloitte Forum 2019: Future Accountant, Are You Ready?**  
Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.
- **TFRS Version 2019 and 2020 Practical Implication**  
Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.
- **TLCA CFO Professional Development Program**  
Thai Listed Companies Association  
(Total hours of training for the person taking the highest responsibility in finance and accounting: CFO total 16 hours)
- **Thai - Chinese Leadership Studies (TCL)**  
Huachiew Chalermprakiet University
- **DJSI Corporate Sustainability Assessment (CSA) Coaching Program 2019 - 2020**  
The Stock Exchange of Thailand

## 2018

- **Leadership Communication, Certificate Program 2018**  
Thailand Management Association (TMA)

## 2016

- **Certificate, Capital Market Academy Leader Program**  
Capital Market Academy (CMA)
- **Certificate, TLCA Leadership Development Program, (LDP)**  
Thai Listed Companies Association
- **Certificate, TLCA Executive Development Program (EDP)**  
Thai Listed Companies Association
- **Strategic Thinking**  
PacRim Group
- **Crucial Conversation**  
PacRim Group

## 2015

- **Certificate, Thai Intelligent Investors Program**  
Thai Investors Academy, Thai Investors Association

## % of KTC Shares Held

0%

## Family Relationship

None

## Work Experience

### Listed Companies

#### 2002 - 2023

- **Chief Financial Officer**  
The person taking the highest responsibility in finance and accounting  
Corporate Finance Group/ Krunghthai Card Public Company Limited/ Consumer Finance

### Non-Listed Companies/ Other Organizations

#### 2021 - Oct 2023

- **Director**  
KTB Leasing Co., Ltd./ Hire Purchase, Financial Lease and Auto Maintenance Lease

### Experience

#### 1998 - 2002

- **Assistant Secretary General**  
Financial Sector Restructuring Authority/  
State Enterprise



## Mr. Virach Paisitsavet

### Position

Chief Operations Officer

(Mr. Virach Paisitsavet has resigned from Company directorship due to his retirement from being Chief Operations Officer. The resignation was effective from January 1, 2024 onwards)

### Date of Appointment

February 16, 2012

### Age

62

### Education

- Master's Degree, Business Administration  
Sripatum University
- MINI MBA  
Chulalongkorn University
- Bachelor's Degree, Political Science  
Ramkhamhaeng University
- Bachelor's Degree, Business Administration  
Bangkok University

### Training

#### 2020

- Certificate, Advanced Master of Management (AMM) Class 5  
Graduate School of Public Administration,  
National Institute of Development Administration (NIDA)

#### 2017

- Certificate, Digital Economy for Management (DE4M) Class 5  
Institute of Research and Development for Public Enterprises (IRDP)

#### 2016

- Certificate, Leadership Succession Program (LSP), Class 6  
Institute of Research and Development for Public Enterprises (IRDP)
- Certificate, Director Accreditation Program (DAP)  
Thai Institute of Directors Association (IOD)
- Certificate, Payment System  
MasterCard University



### % of KTC Shares Held

0%

### Family Relationship

None

### Work Experience

#### Listed Companies

#### 2017 - 2023

- Chief Operations Officer  
Operations Group/ Krungthai Card Public Company Limited/ Consumer Finance

## Non-Listed Companies/ Other Organizations

**2021 - Oct 2023**

- **Chairman**

KTB Leasing Co., Ltd./ Hire Purchase, Financial Lease  
and Auto Maintenance Lease

## Experience

**2012 - 2017**

- **Senior Executive Vice President**

Operations Group/ Krungthai Card Public Company  
Limited/ Consumer Finance

**2011 - 2012**

- **Senior Vice President**

Lending Services Group/ Thanachart Bank Public  
Company Limited/ Banking

**2005 - 2011**

- **Senior Vice President**

Card Operations Department/ Siam City Bank Public  
Company Limited/ Banking





## Mrs. Pittaya Vorapanyasakul

### Position

Chief Marketing & Communication Officer

(End date on December 31, 2023)

President & Chief Executive Officer

(Effective date on January 1, 2024)

Director

(Effective date on November 20, 2023)

### Date of Appointment

February 17, 2014

### Age

62

### Education

- Bachelor's Degree, Travel Industry Management  
University of Hawaii, USA



### Training

#### 2022

- **Orchestrating Winning Performance**  
International Institute for Management  
Development (IMD), Switzerland
- **Associate Certified Coach (ACC)™**  
International Coaching Federation (ICF), USA

#### 2020

- **Developing Internal Coach “Coaching Essentials  
and Principles Certification Program”**  
AcComm Group

#### 2019

- **TLCA Executive Development Program (EDP)**  
Class of Year 2020: Building Regional Leaders  
Thai Listed Companies Association (TLCA)

#### 2017

- **Design Thinking**  
Khun May Sripattanasakul, Lookkid Co., Ltd.

#### 2016

- **Strategic Thinking Pure & Simple**  
PacRim Group

#### 2015

- **Leader as a Coach**  
PacRim Group

#### 2009

- **Successful Formulation & Execution of Strategy (SFE)**  
Thai Institute of Directors Association (IOD)
- **Monitoring the System of Internal Control and  
Risk Management (MIR)**  
Thai Institute of Directors Association (IOD)

#### 2006

- **Advanced Audit Committee Program (AACP)**  
Thai Institute of Directors Association (IOD)
- **Finance for Non-Finance Directors (FND)**  
Thai Institute of Directors Association (IOD)
- **Management (MIR) 6/2009 Director Certification  
Program (DCP)**  
Thai Institute of Directors Association (IOD)

**% of KTC Shares Held**

0%

**Family Relationship**

None

**Work Experience****Listed Companies****2024 - Present**

- **President & Chief Executive Officer**  
Krungthai Card Public Company Limited/  
Consumer Finance

**Nov 2023 - Present**

- **Director**  
Krungthai Card Public Company Limited/  
Consumer Finance

**Non-Listed Companies/ Other Organizations**

None

**Experience****1997 - 2023**

- **Chief Marketing & Communication Officer**  
Marketing & Communications Group/ Krungthai Card  
Public Company Limited/ Consumer Finance

**2005 - 2010**

- **Director and Member of Audit Committee**  
Krungthai Asset Management Public Company Limited/  
Fund Management



## Mr. Piyasak Tejasen

### Position

Senior Executive Vice President - Distribution

### Date of Appointment

August 15, 2005

### Age

59

### Education

- Master's Degree, Political Science, The School of Public Administration  
University of Southern California, USA
- Bachelor's Degree, Political Science  
Ramkhamhaeng University



### Training

#### 2023

- **Director Accreditation Program (DAP)**  
Thai Institute of Directors (IOD)

#### 2021

- **Coaching Essentials and Principles Certificate Program**  
AcComm & Image International
- **Advance Master of Management Program, AMM**  
National Institute of Development Administration (NIDA)

#### 2019

- **Processing and checking the vehicle/ motorcycle analytical for credit approval**  
Watchararat Consultant Co., Ltd.
- **Digital Sales Professional Training**  
Dots Academy
- **Personal Data Protection Act 2562 (2019)**  
Associate Professor Kanathip Thongraweewong (Privacy Laws Specialist)

#### 2018

- **Leading Innovation with Design Thinking**  
SEAC

#### 2016

- **Thailand Insurance Leadership**  
Office of Insurance Commission, Advance Insurance Institute
- **Think on your Feet**  
AcComm & Image International

#### 2015

- **Leadership Program**  
PacRim Group
- **Safety Officer at Executive Level**  
Pinthong Group Management and Consultants Co., Ltd.

### % of KTC Shares Held

0%

### Family Relationship

None



## Work Experience

### Listed Companies

#### 2002 - Present

- **Senior Executive Vice President - Distribution**  
Distribution Business Unit/ Krungthai Card Public  
Company Limited/ Consumer Finance

Non-Listed Companies/ Other Organizations  
None

### Experience

#### 2019 - 2020

- **Board of Director/ Chairman of Nomination and  
Remuneration Committee**  
Ampak Holding Co., Ltd.



## Mr. Bucha Sirichumsang

### Position

Head of Office of President & CEO/ Secretary of the Board of Directors

(Mr. Bucha Sirichumsang has resigned from Company directorship due to his retirement from being Head of Office of President & CEO/ Secretary of the Board of Directors. The resignation was effective from January 1, 2024 onwards)

### Date of Appointment

November 1, 2007

### Age

61

### Education

- Master's Degree, Business Administration (International Business)  
Rosary College, River Forest, Illinois, USA
- Barrister-at-Law, Institution of Legal Education  
The Thai Bar Under The Royal Patronage
- Bachelor's Degree, Law  
Chulalongkorn University

### Training

2019

- Personal Data Protection Act 2019 and Thai Digital laws Related: Principles of law and practice

2018

- Corporate Responsibilities and Practices in Anti-Corruption  
Faculty of Law, Chulalongkorn University

2016

- Board Reporting Program (BRP) #20  
Thai Institute of Directors (IOD)
- Law of Banking and Financial Institution Management #3  
The Thai Institute of Banking and Finance Association
- Collections Management #1  
The Thai Institute of Banking and Finance Association

### % of KTC Shares Held

0%



### Family Relationship

None

### Work Experience

#### Listed Companies

2004 - 2023

- Head of Office of President & CEO/ Secretary of the Board of Directors  
Office of President & CEO Business Unit/ Krungthai Card Public Company Limited/ Consumer Finance

#### Non-Listed Companies/ Other Organizations

None

#### Experience

1999 - 2004

- Vice President  
Legal Consultant Department/ KTBLAW Company Limited/ Law Counsel



## Mr. Woottichai Jarernpol

### Position

Head of Information Technology

### Date of Appointment

December 17, 2015

### Age

62

### Education

- Bachelor's Degree, Statistic  
Chulalongkorn University

### Training

#### 2023

- 2023 Gartner Application Innovation & Business Solution  
Gartner
- 2023 Gartner Executive Programs  
Gartner
- VMware Explore 2023  
VMware Inc

#### 2022

- Executive Leadership Program - OWP 2022  
Lausanne  
International Institute for Management Development (IMD)
- 2022 Gartner Executive Programs  
Gartner
- VMware Explore 2022  
VMware Inc
- Executive Summit AWS re: Invent 2022  
Amazon Web Services (AWS)

#### 2021

- 2021 Gartner Executive Programs  
Gartner (Virtual Conference)

#### 2020

- Developing Internal Coach "Coaching Essentials and Principles Certificate Program"  
AcComm Group
- 2020 Gartner Executive Programs  
Gartner (Virtual Conference)

#### 2019

- IT Management Program 2019  
Cisco Systems Inc.
- VMware Executive Leadership Summit 2019  
VMware Inc.
- 2019 Gartner Executive Programs  
Gartner
- Executive Summit AWS re: Invent 2019  
Amazon Web Services (AWS)
- Visa-China Market Immersion





**2018**

- **IT Management Program 2018**  
Cisco Systems Inc.
- **VMware Executive Leadership Summit 2018**  
VMware Inc.
- **Gartner Executive Programs 2018**  
Gartner
- **Oracle Leaders Circle 2018**  
Oracle
- **Executive Summit AWS re: Invent 2018**  
Amazon Web Services (AWS)

**2017**

- **IT Management Program**  
Cisco Systems Inc.
- **VMware Executive Leadership Summit**  
VMware Inc.
- **2017 Gartner Symposium Majestic Program**  
Gartner

**2015**

- **Leadership Program**  
PacRim Group

**% of KTC Shares Held**

0%

**Family Relationship**

None

**Work Experience**

**Listed Companies**

**2008 - Present**

- **Head of Information Technology**  
Information Technology/ Krungthai Card Public  
Company Limited/ Consumer Finance

**Non-Listed Companies/ Other Organizations**

**None**

**Experience**

**2006 - 2008**

- **Operation Director**  
Operation/ OPPC (Thailand) Company Limited/  
IT Outsource

**2005 - 2006**

- **Senior Vice President**  
Operation/ BT Leasing Company Limited/ Financial



## Ms. Chanidapa Suriya

### Position

Head of Customer Service & Business Support

### Date of Appointment

November 1, 2022

### Age

51

### Education

- Master of Business Administration in Marketing  
Ramkhamhaeng University
- Bachelor of Nursing Science  
Khon Kaen University

### Training

#### 2023

**Certificate, Master Black Belt of Six Sigma Methodology**  
SixSigma.us, USA

#### 2021

- **Developing Internal Coach “Coaching Essentials and Principles Certification Program”**  
AcComm Group
- **Certificate, Data Governance and Personal Data Protection Course**  
Rethink Academy
- **Certificate, Boardroom Success through Financing & Investment (BFI)**  
Thai Institute of Directors Association (IOD)

#### 2020

- **Certificate, Leadership Succession Program (LSP)**  
Institute of Research and Development for Public Enterprises (IRDP)
- **Certificate, Digital Disruption Program**  
TLCA & IMD

#### 2019

- **Certificate, Directors Certification Program (DCP)**  
Thai Institute of Directors Association (IOD)
- **Certificate, Executive Young Professional (EYP)**  
Fiscal Policy Research Institute Foundation
- **Certificate, ISO/IEC 27001:2013 Information Security Management Systems Lead Auditor**  
BSI Training Academy

#### 2018

- **Design Thinking**  
SEAC

#### 2017

- **Certificate, Managing Investment Portfolio**  
The Thai Bond Market Association

#### 2014

- **Certificate, Six Sigma Black Belt**  
Thailand Productivity Institute

#### 2010

- **Certificate, TQA Assessor**  
Thailand Quality Award



**% of KTC Shares Held**

0%

**Family Relationship**

None

**Work Experience****Listed Companies****2017 - Present**

- **Head of Customer Service & Business Support**  
Customer Service and Business Support/ Krungthai Card Public Company Limited/ Consumer Finance

**Non-Listed Companies/ Other Organizations****2021 - Present**

- **Director**  
KTB Leasing Co., Ltd./ Hire Purchase, Financial Lease and Auto Maintenance Lease

**2019 - Present**

- **Chairman of the Board of Directors**  
KTC PICO (Bangkok) Co., Ltd./ Pico Finance Service Business
- **Chairman of the Board of Directors**  
KTC NANO Co., Ltd./ Nano Finance Service Business

**Experience****2016 - 2017**

- **First Vice President Team Leader**  
Wealth Management Team/ Krung Thai Bank Public Company Limited/ Banking

**2015 - 2016**

- **Vice President**  
Retail Strategy Division/ Krung Thai Bank Public Company Limited/ Banking

**2014 - 2015**

- **Vice President**  
Strategic Management Division/ Krung Thai Bank Public Company Limited/ Banking

**2012 - 2014**

- **Senior Manager**  
Process Improvement Department/ CFG Services Company Limited/ Consumer Finance





## Ms. Phichamon Jitpentham

### Position

Head of Personal Loans

### Date of Appointment

May 1, 2018

### Age

48

### Education

- Bachelor's degree of Art, Mass Communication  
Kasetsart University



### Training

#### 2023

- **Leadership Succession Program (LSP) #14**
- **Digital Payments Catalyst**  
Wharton University of Pennsylvania Online and  
Visa University
- **Orchestrating Winning Performance (OWP)**  
Lausanne  
International Institute for Management  
Development (IMD)

#### 2021 - 2022

- **TLCA Executive Development Program,  
EDP 2021**  
Building Transformation Leaders

#### 2020

- **Developing Internal Coach "Coaching Essentials  
and Principles Certificate Program"**  
AcComm Group

#### 2019

- **Design Thinking**  
Stanford Center for Professional Development
- **Facilitator Certification**  
The 7 Habits of Highly Effective People

#### • Fast Track Digital Marketing

Eu Gene Ang

- **Personal Data Protection Act 2019 and Thai  
Digital laws Related: Principles of law and  
practice**

#### 2018

- **Business Model Canvas Workshop**  
Alexander Osterwalder
- **Machine Learning for Business**  
Dr. Santitham Prom-on, Big Data Experience Center,  
King Mongkut's University of Technology Thonburi
- **Data Analytics Enablement Program**  
Data Cafe Thailand Co., Ltd.
- **Digital Disruption Experience**  
Oracle Corporation (Thailand) Co., Ltd.

#### 2017

- **Design Thinking**  
Khun May Sripattanasakul, Lookkid Co., Ltd.
- **Digital Marketing Innovation Forum 2017**  
Asia Dyna Forum Co., Ltd.

2015

- **Leadership Program**

PacRim Group

- **Safety Officer at Executive Level**

Pinthong Group Management and Consultants Co., Ltd.

2014

- **Corporate Governance**

Krungthai Card Public Company Limited

- **CSR in Process**

Krungthai Card Public Company Limited

- **RCSA**

Krungthai Card Public Company Limited

- **Credit Bureau**

Krungthai Card Public Company Limited

2012

- **Blue Ocean Strategy**

Strategic Business Development Center Co., Ltd.

**% of KTC Shares Held**

0%

**Family Relationship**

None

**Work Experience**

**Listed Companies**

2001 - Present

- **Head of Personal Loans**

Personal Loans/ Krungthai Card Public Company Limited/ Consumer Finance

**Non-Listed Companies/ Other Organizations**

None

**Experience**

1998 - 2001

- **Account Director**

Customer Management/ Dentsu Young & Rubicam Co., Ltd./ Advertising Business



## Ms. Rueankeaw Kasemsavatsri

### Position

Head of Auto Loan

### Date of Appointment

September 1, 2020

### Age

45

### Education

- Master Degree in Marketing (MIM)  
Thammasat University
- Bachelor of Business Administration,  
majoring in Marketing  
Chulalongkorn University



### Training

#### 2023

- **Orchestrating Winning Performance (OWP)**  
Lausanne  
International Institute for Management  
Development (IMD)

#### 2022

- **Leadership Succession Program**  
Institute of Research and Development for Public  
Enterprises (IRDP)

#### 2021

- **Credit & Corporate Lending**  
The Thai Institute of Banking and Finance  
Association
- **Successful Negotiation: Essential Strategies  
and Skills**  
Coursera by University of Michigan
- **Finance for Non-Finance Managers and All  
Concerned**  
The Thai Institute of Banking and Finance  
Association

#### 2020

- **Digital Disruption Program**  
TLCA & IMD
- **Developing Internal Coach “Coaching Essentials  
and Principles Certificate Program”**  
AcComm Group
- **McKinsey Management Program**  
TLCA & McKinsey
- **Fundamental of Digital Marketing**  
Google garage

#### 2019

- **Working Backward**  
Amazon Web Services (AWS)

#### 2018

- **Design Thinking Boot Camp**  
SEAC
- **Big Data Analysis**  
Data Café
- **Customer Experience Masterclass**  
e-Consultant, London UK



2017

- **Customer Experience Management**  
CIM, London UK
- **Design Thinking Innovation**  
Lookkid Co., Ltd.
- **Lean Six Sigma Green Belt**  
Primex
- **Mindshift: Break Through Obstacles to Learning and Discover Your Hidden Potential**  
Coursera
- **Introduction to User Experience Design**  
Coursera

2016

- **Leadership Program**  
PacRim Group

2015

- **Learning How to Learn: Powerful mental tools to help you master tough subjects**  
Coursera

2012

- **Blue Ocean Strategy**  
Strategic Business Development Center Co., Ltd.

#### % of KTC Shares Held

0%

#### Family Relationship

None

#### Work Experience

##### Listed Companies

2011 - Present

- **Head of Auto Loan**  
Auto Loan/ Krungthai Card Public Company Limited/ Consumer Finance

##### Non-Listed Companies/ Other Organizations

2021 - Present

- **Director**  
KTB Leasing Co., Ltd./ Hire Purchase, Financial Lease and Auto Maintenance Lease

2019 - Present

- **Managing Director**  
KTC PICO (Bangkok) Co., Ltd./ Pico Finance Service Business
- **Director**  
KTC NANO Co., Ltd./ Nano Finance Service Business

##### Experience

2009 - 2010

- **Marketing Manager**  
Aquarius Estate Co., Ltd.

2005 - 2009

- **Senior Marketing Executive**  
Vacances Siam (Club Med Thailand) Ltd.



## Ms. Piyasuda Kwaennonsee

### Position

Head of Human Resources

### Date of Appointment

August 16, 2022

### Age

51

### Education

- Master of Science, Industrial and Organizational Psychology  
Kasetsart University
- Bachelor of Science, Industrial Psychology  
Chiangmai University

### Training

2016

- The Outward Mindset Workshop  
APM Group

2011

- The 7 Habits of Highly Effective People  
PacRim Group

### % of KTC Shares Held

0%

### Family Relationship

None

### Work Experience

#### Listed Companies

2022 - Present

- Head of Human Resources  
Human Resources/ Krungthai Card Public Company Limited/ Consumer Finance



Non-Listed Companies/ Other Organizations  
None

### Experience

2018 - 2022

- Head of HR and Administration  
Human Resources/ Central JD Fintech Co., Ltd/  
Digital Services

2003 - 2018

- SVP, Head of Recruitment  
Human Resources/ Siam Commercial Bank PCL/  
Banking

2003

- Payroll Executive  
Human Resources/ Coca-Cola Services (Asia) Ltd/  
Coordinate and Supervise the Operations of  
Companies in the Region

1994 - 2003

- Assistant Manager, Human Resources  
Human Resources/ Inthanon Business Advisory  
Co., Ltd/ Audit and Business Advisory



## Ms. Chotika Thanawaleekul

### Position

Head of Compliance and Acting Head of AMLO Division/  
Assistant Secretary for Audit Environmental Social and  
Governance Committee

(End Date on December 31, 2023)

Head of Compliance/ Assistant Secretary for Audit  
Environmental Social and Governance

(Effective Date on January 1, 2024)

### Date of Appointment

July 1, 2023

### Age

48

### Education

- MBA English Program  
NIDA Business School
- Bachelor of Business Administration, Majoring in Finance  
Assumption University

### Training

#### 2023

- **Compliance Officer 16<sup>th</sup> for Banking Business**  
Faculty of Law, Chulalongkorn University
- **AML/CTPF 2023**  
Anti-Money Laundering Office by Thai Hire  
Purchase Association
- **Debt Collection Act**  
Thai Hire Purchase Association
- **Promotion Interview Technique**  
Krungthai Card Public Company Limited

#### 2022

- **AML/CTPF 2022**  
Anti-Money Laundering Office
- **Professional Manager Program**  
DeONE Training
- **PCI/DSS Awareness 2022**  
Krungthai Card Public Company Limited
- **ISO/IEC 27001:2013 & ISO/IEC 27701:2019**  
Krungthai Card Public Company Limited

#### • Risk Awareness 2022

Krungthai Card Public Company Limited

#### • Corporate Governance Policy & Code of Conduct 2022

Krungthai Card Public Company Limited

#### • Agile Mindset

Beyond Training (Virtual Classroom)

#### • Systematic Problem Solving

Beyond Training (Virtual Classroom)

#### • Law & Regulation Relating to Hire Purchase & Leasing

Thai Hire Purchase Association

#### 2021

#### • AML/CFT & WMD 2021

Krungthai Card Public Company Limited

#### • Risk Awareness 2021

Krungthai Card Public Company Limited

#### • Corporate Governance Policy & Code of Conduct 2021

Krungthai Card Public Company Limited



2020

- **Certified AML Officer, AML/CTFP 2020 for Financial Institution Reporting**  
Anti-Money Laundering Office
- **E-Signature**  
Krungthai Card Public Company Limited
- **Corporate Governance Policy & Code of Conduct 2020**  
Krungthai Card Public Company Limited

2019

- **The 7 Habits of Highly Effective People**  
PacRim Group
- **Implementing ISO/IEC 27001:2013**  
Business Improvement Organization (BSI)
- **1<sup>st</sup> THAILAND DIGITAL ID SYMPOSIUM 2019**  
National Credit Bureau

2018

- **Design Thinking Boot Camp**  
SEAC

2017

- **Leadership Program**  
PacRim Group

#### **% of KTC Shares Held**

0%

#### **Family Relationship**

None

#### **Work Experience**

##### **Listed Companies**

2024 - Present

- **Head of Compliance/ Assistant Secretary for Audit Environmental Social and Governance**  
Compliance/ Krungthai Card Public Company Limited/ Consumer Finance

2002 - 2023

- **Head of Compliance and Acting Head of AMLO Division/ Assistant Secretary for Audit Environmental Social and Governance Committee**  
Compliance and Corporate Governance/ Krungthai Card Public Company Limited/ Consumer Finance

##### **Non-Listed Companies/ Other Organizations**

None

##### **Experience**

2001 - 2002

- **Assistant Manager**  
Consumer Product in Products & Services Division/ Hutchison CAT Wireless Multimedia Ltd/ Telecommunication





## Mrs. Pranaya Nithananon

### Position

Head of Credit Card Marketing

### Date of Appointment

January 1, 2024

### Age

55

### Education

- Master of Arts – M.A. (Communication Studies)  
Thammasat University
- Bachelor of Arts - Faculty of Liberal Arts  
Thammasat University



### Training

#### 2023

- **TLCA Executive Development Program “EDP 2023 - Building Transformation Leaders”**  
Thai Listed Companies Association
- **Orchestrating Winning Performance**  
International Institute for Management Development (IMD), Switzerland
- **Digital Payment Catalyst 2023**  
Visa University & Wharton University of Pennsylvania (ONLINE)

#### 2022

- **Associate Certified Coach (ACC)**  
International Coaching Federation (ICF), USA

#### 2020

- **Developing Internal Coach “Coaching Essentials and Principles Certification Program”**  
AcComm Group

#### 2019

- **Design Thinking**  
SEAC
- **Facilitator Certification**  
The 7 Habits of Highly Effective People
- **Fast Track Digital Marketing**  
Eu Gene Ang

#### 2018

- **TLCA Leadership Development Program (LDP) Class 6/2018**  
Thai Listed Companies Association

#### 2017

- **Leader as a Coach**  
PacRim Group
- **Design Thinking**  
Khun May Sripattanasakul, Lookkid Co., Ltd.

**% of KTC Shares Held**

0%

**Family Relationship**

None

**Work Experience****Listed Companies****2006 - Present****• Head of Credit Card Marketing**

Credit Card Marketing/ Krungthai Card Public  
Company Limited/ Consumer Finance

**Non-Listed Companies/ Other Organizations**

None

**Experience****1999 - 2006****• Group Account Director**

FarEast DDB Ltd./ Advertising Agency

**1995 - 1998****• Marketing Director**

Asian Property Development Ltd./ Real estate



## Miss Usanee Laohavaranon

### Position

Head of Marketing Communications & MAAI Business

### Date of Appointment

January 1, 2024

### Age

49

### Education

- Master of Management Study in Strategic Management  
Waikato University, New Zealand
- Bachelor of Arts in Political Science  
Chulalongkorn University



### Training

2022

- Huawei Intelligent Financial Summit 2022,  
Singapore

2020

- Mobile Application Attribution Tracking Tool  
AppsFlyer.com

2019

- Facebook media optimization  
Facebook Thailand

2006

- Leadership Development Program  
Unilever

2022

- Product Planning and Launching Strategy  
Marketing Association of Thailand (MAT)
- Market Research - Intermediate Program  
Thai MR Society

### % of KTC Shares Held

0%

### Family Relationship

None

### Work Experience

Listed Companies

Jul 2023 - Present

- Head of Marketing Communications &  
MAAI Business  
Marketing Communications & MAAI Business/  
Krungthai Card Public Company Limited/  
Consumer Finance

2012 - 2018

- FSVP - Acquisition and Customer Experience  
Management  
Siam Commercial Bank/ Banking

Non-Listed Companies/ Other Organizations  
None

## Experience

**2012 - 2018**

- **Head of Marketing**

Marketing/ Central JD FinTech Co., Ltd./  
Digital Services

**2002 - 2012**

- **Senior Consumer & Market Insight Manager**

Unilever Thai Trading Limited/ Consumer Products

**2001 - 2002**

- **Senior Consumer and Chanel Insight Manager**

Initiative Media Thailand (IPG)/ Media Planning and  
Marketing

**2000 - 2001**

- **Public Relations Officer**

Toyota Motor Thailand Company Limited/  
Automotive





## Miss Sirikalya Suthanyaphruet

### Position

Head of Online Acquisition and Performance  
Media Division

### Date of Appointment

January 1, 2024

### Age

51

### Education

- Master's Degree, Marketing  
College of Notre Dame, USA
- Bachelor's Degree, Hospitality Management  
Assumption University

### Training

#### 2022 - Present

- Digital Transformation Xponential  
DTX by RISE

#### 2020

- Developing Internal Coach  
AcComm Group
- Mckinsey Management Program (MMP)  
McKinsey & Company

#### 2019

- Advance Digital Marketing  
Econsultancy London

#### 2018

- Design Thinking Boot camp  
SEAC
- Fast Track Digital Marketing  
Econsultancy, Singapore

#### 2015

- Leader as a coach  
PacRim Group

### % of KTC Shares Held

0%

### Family Relationship

None

### Work Experience

#### Listed Companies

#### 2022 - Present

- Head of Online Acquisition & Performance Media  
Online Acquisition & Performance Media/ Krungthai  
Card Public Company Limited/ Consumer Finance

#### 2020 - 2022

- SVP: Corporate Communication & Online  
Acquisition  
Corporate Communication & Online Acquisition/  
Krungthai Card Public Company Limited/  
Consumer Finance



**2017 - 2020****• VP: Online & Acquisition Projects**

Distribution/ Krungthai Card Public Company  
Limited/ Consumer Finance

**2003 - 2017****• VP: Personal Loan Business**

Personal Loan Business/ Krungthai Card Public  
Company Limited/ Consumer Finance

**Non-Listed Companies/ Other Organizations**

None

**Experience****2001 - 2003****• Marketing Section Manager**

Yum Restaurant International/ Food and Beverage



## Miss Janejit Ladpli

### Position

Head of Public & Corporate Affairs Division

### Date of Appointment

January 1, 2024

### Age

52

### Education

- Master's Degree, Political Sciences  
University of Waikato, New Zealand
- Bachelor's Degree, Political Sciences  
Thammasat University

### Training

#### 2023

- **Digital Payment Catalyst**  
VISA Inc.

#### 2022

- **Associate Certified Coach (ACC)™**  
International Coaching Federation (ICF), USA

#### 2020

- **Developing Internal Coach "Coaching Essentials and Principles Certification Program"**  
AcComm Group

#### 2019

- **Working Backwards**  
Amazon Web Services (AWS)

#### 2018

- **Objective and Key Results (OKRs)**  
by Khun Rathian Srimongkol, CEO, KTC
- **Branding as a Key Success Factor for KTC**  
by Prof. Dr. Dominique Turpin, IMD
- **Google Platform Utilization**  
Google Thailand (Napatra Charassuvichakanich)

- **Leading Innovation with Design Thinking**

SEAC (Mr. William Malek, Dr. Pichate Benjarongrat)

- **The Future of Customer Experience: Where Technology meets Humanity by Don Peppers**  
M academy

#### 2017

- **Design Thinking**  
Khun May Sripattanasakul, Lookkid Co., Ltd.
- **The Power of Proactive**  
Chaiwat Luengjariyakul P&P Consultants Co., Ltd.

#### 2016

- **Strategic Destination Branding Management**  
National Institute of Development Administration (NIDA)

- **Leadership Program**  
PacRim Group

#### 2014

- **Business Process Improvement for Executive**  
People Approach



2013

- **Persuasion and Convincing Writing for Sales (English)**  
myBestTraining.com
- **The Best of Global Digital Marketing**  
Plannova Co., Ltd.
- **Social Media Branding, Marketing and Customer Engagement**  
OMEGA World Class
- **Online marketing with modern travel business**  
Naresuan University
- **Successful of hotel and resort establishment (5 ways)**  
Wonder of Wisdom

2010

- **The GEN-Y Marketing Summit 2010**  
Omega World Class
- **Digital Online & Mobile Marketing**  
Omega World Class
- **Online Marketing Excellence**  
SEO Southeast Asia
- **SOCIAL MEDIA CONFERENCE 2010 [SMCON]**  
NECTEC
- **The Art of Coaching for Effective Leader**  
People Synergy Company Limited

2009

- **Digital Marketing for eMBA – SASIN**  
SASIN: Graduate Institute of Business Administration
- **Modern MICE Marketing Management-What is Hot and What is Not: Tomorrow's Marketing Trends Today**  
Thailand Incentive and Convention Association (TICA)
- **Professional Meeting**  
Thailand Convention and Exhibition Bureau (TCEB)
- **News Broadcaster Certification**  
The Public Relations Department, Office of the Prime Minister

#### % of KTC Shares Held

0%

#### Family Relationship

None

#### Work Experience

##### Listed Companies

2022 - Present

- **Head of Public & Corporate Affairs Division**  
Public & Corporate Affairs/ Krunghthai Card Public Company Limited/ Consumer Finance

2010 - 2022

- **Travel and Leisure Marketing Vice President**  
Credit Card/ Travel and Leisure Marketing/ Krunghthai Card Public Company Limited/ Consumer Finance

2007 - 2010

- **Senior Manager: Travel and Leisure Marketing**  
Office of President & CEO/ Partnership Marketing/ Krunghthai Card Public Company Limited/ Consumer Finance

2005 - 2007

- **Manager: Leisure Marketing**  
Membership Marketing/ Krunghthai Card Public Company Limited/ Consumer Finance

2003 - 2005

- **Executive Secretary to Chairman (Mr. Paiboon Damrongchaitham)**  
GMM Grammy Public Company Limited/ Entertainment

Non-Listed Companies/ Other Organizations  
None

##### Experience

2001 - 2003

- **Promotion Manager**  
C.P. Intertrade Co., Ltd./ International Trade Business

1997 - 2001

- **Business Development Officer**  
Marketing/ Krunghthai Card Public Company Limited/ Consumer Finance

1996 - 1997

- **Management Trainee**  
C.P. Trading Group Co., Ltd./ International Trade Business





## Mr. Rywin Voravongsatit

### Position

Head of Operations Control & Merchant Operations

### Date of Appointment

January 1, 2024

### Age

48

### Education

- Master's Degree, Applied Finance  
The University of Melbourne, Australia
- Master's Degree, Computer Engineering Management  
Assumption University
- Bachelor's Degree, Finance and Banking  
Assumption University

### Training

#### 2023

- Media Training on Media Handling (Issues & Crisis) for Management Executives  
Sphere Comm
- Entrepreneurial Finance  
Thammasat Business School

#### 2021

- Fraud Management for Acquirers  
MasterCard University
- Preparing a company for developing an online Hire Purchase by Thai Hire-Purchase Association  
Digitech One Co., Ltd.

#### 2019

- CGI and RCSA Certified ISO/IEC 27001: 2013  
The British Standards Institution
- Machine Learning Foundation  
Digital Analytics
- Information Security Management Systems (ISMS) Lead Auditor ISO/IEC 27001:2013  
BSI Group (Thailand) Co., Ltd.
- Working Backwards  
Amazon Web Services (AWS)

#### 2018

- UnionPay International 360 Workshop in Cambodia  
UnionPay International (UPI)
- Innovation@Work: Ideation Empathize and Prototype  
SEAC

- Champion Security Award South-East Asia  
VISA Asia Pacific

- Lean Six Sigma Green Belt Training
- Primex process improvement expert

#### 2017

- Dispute Resolution Rules & Master Dispute Case Studies  
UnionPay International (UPI)
- Global Fraud Trend and UPI Risk Management Strategy  
UnionPay International (UPI)
- Efficient Chargeback Processing Workshop, MasterCard



2017

- **The Power of Proactive**  
Chaiwat Luengjariyakul
- **Statistical Data Analytics**  
Asst.Prof.Dr. Santitham Promon

2016

- **MasterCard Global Risk Leadership Workshop:  
The Principles of Fraud Management for Issuers  
and Acquirers**  
MasterCard University
- **Strategic Thinking Pure & Simple**  
PacRim Group
- **Power of Active Listening, C To Success**

2015

- **Visa 2014 Global Service Quality Performance  
Awards - Risk Efficiency**  
VISA

2014

- **The Winner of 2014 VISA Global Challenge**  
VISA

#### % of KTC Shares Held

0%

#### Family Relationship

None

#### Work Experience

##### Listed Companies

2024 - Present

- **Head of Operations Control & Merchant Operations**  
Operations Control & Merchant Operations/  
Krungthai Card Public Company Limited/  
Consumer Finance

2022 - 2023

- **Head of Operations Control & Merchant Operations  
and Acting Head of Internal Control & Monitoring  
Division**  
Operations Control & Merchant Operations/  
Krungthai Card Public Company Limited/  
Consumer Finance

2020 - 2022

- **Senior Vice President**  
Operations Control & Merchant Services/ Krungthai  
Card Public Company Limited/ Consumer Finance

2012 - 2020

- **Vice President**  
Operations/ Authorization & Prevention/ Krungthai  
Card Public Company Limited/ Consumer Finance

2008 - 2011

- **Senior Manager**  
Information Technology/ Operation Business/  
Prevention/ Krungthai Card Public Company  
Limited/ Consumer Finance

2005 - 2008

- **Manager**  
Credit Card Business & Operation Business/  
Prevention/ Krungthai Card Public Company  
Limited/ Consumer Finance

2002 - 2005

- **Assistant Manager**  
Credit Card Business & Operation Business/  
Prevention/ Krungthai Card Public Company  
Limited/ Consumer Finance

##### Non-Listed Companies/ Other Organizations

Oct 2023 - Present

- **Director**  
KTB Leasing Co., Ltd./ Hire Purchase, Financial  
Lease and Auto Maintenance Lease

2022 - Nov 2024

- **The Asia Pacific Visa Risk Executive Council (REC)**  
Visa Worldwide Pte. Limited
- **Participation for Mastercard Asia Pacific Fraud  
Advisory Council**  
Mastercard Asia/Pacific Pte., Ltd.

##### Experience

2000 - 2000

- **Account Payable Auditor**  
Howard Schultz & Associates International

1997 - 1998

- **Credit Analyst**  
Siam City Bank Public Company Limited/ Banking



## Mr. Somchai Benjamapokai

### Position

Head of Credit Acceptance

### Date of Appointment

January 1, 2024

### Age

55

### Education

- Master's Degree, Business Administration, Executive Management  
Ramkhamhaeng University
- Bachelor's Degree, Business Administration, General Management  
Sukhothai Thammathirat University



### Training

#### 2022

- TLCA Executive Development Program EDP  
2022 : Building Transformational Leaders No.22  
Thai Listed Companies Association

#### 2020

- Fintech and Blockchain for Digital Transformation 9  
National Institute of Development Administration (NIDA)

#### 2019

- The Personal Data Protection Act B.E. 2562 (2019): Procedure and Practices (PDPA)  
Political Science Association of Kasetsart University join with Institute of Digital Media Law, Kasem Bundit University

#### 2018

- Leading Innovation with Design Thinking Bootcamp  
SEAC

#### 2017

- Corporate Innovation Through Design Thinking  
LUKKID Co., Ltd.

#### 2016

- Strategic Thinking Pure & Simple  
PacRim Group

#### 2015

- Leadership Program  
PacRim Group

#### 2014

- Committee of Occupational Safety, Health and Environment of the Workplace  
PINTHONG Group

**% of KTC Shares Held**

0%

**Family Relationship**

None

**Work Experience****Listed Companies**

2004 - Present

- **Head of Credit Acceptance**

Credit Acceptance/ Krungthai Card Public  
Company Limited/ Consumer Finance

**Non-Listed Companies/ Other Organizations**

None

**Experience**

1997 - 2004

- **Senior Manager**

Collection Division/ Krungthai Card Public  
Company Limited/ Consumer Finance

1993 - 1997

- **Assistant Manager**

Collection Department/ Citibank N.A. Bangkok/  
Banking

1989 - 1993

- **Senior Officer**

Credit Card Department/ Siam Commercial Bank  
Public Company Limited/ Banking





## Ms. Naowarat Keratikasemsook

### Position

Head of Merchant Acquiring

### Date of Appointment

January 1, 2024

### Age

48

### Education

- Bachelor's Degree, International Business Management  
Assumption University



### Training

#### 2023

- **Executive Development Program 2023 (EDP)**  
Thai Listed Companies Association
- **Safety Officer at Executive Level**  
All is one Co., Ltd.
- **Introduction to the Payments Landscape: Understanding Acquiring**  
Visa University
- **Media Training on Media Handling (Issues & Crisis) for Management Executive**  
Sphere Comm

#### 2022

- **Master Powerpoint Presentation**  
Beyond Training Plus

#### 2021

- **Developing Internal Coach "Coaching Essentials and Principles Certificate Program"**  
AcComm Group
- **Super Productive Communication Tools**  
Beyond Training Plus
- **Preparing Young Leaders for The Future of Work**  
Beyond Training Plus

#### 2020

- **Visa Payments Management Lab**  
Visa University
- **Master of 1 Page Summary**  
Beyond Training Plus
- **Workshop "Art of Possible"**  
Amazon Web Services (AWS)

#### 2019

- **Microsoft Excel Advance**  
The Enterprise Resources Training
- **Working Backwards**  
Amazon Web Services (AWS)

#### 2018

- **Google Platform Utilization**  
Google Thailand
- **Disruption - Opportunities - Consumer Insights**  
MasterCard Academy

#### 2016

- **Leadership Program**  
PacRim Group

**% of KTC Shares Held**

0%

**Family Relationship**

None

**Work Experience****Listed Companies****2015 - Present**

- **Head of Merchant Acquiring**

Merchant Acquiring/ Krungthai Card Public  
Company Limited/ Consumer Finance

**Non-Listed Companies/ Other Organizations****2020 - Present**

- **Committee**

KTC Prepaid Co., Ltd./ Payment services: Electronic  
Money Service

**Experience****2013 - 2015**

- **Assistant Vice President**

Ayudhya Capital Services Co., Ltd./ Finance

**2010 - 2013**

- **Marketing Communications Manager of**

**DoiTung Brand**

Mae Fah Luang Foundation under Royal Patronage

**1999 - 2009**

- **Marketing & Communications Manager**

Earth Care Co., Ltd, The Body Shop (Thailand)/  
Beauty Products

**1998 - 1999**

- **Export Marketing Executives**

Jong Stit Co., Ltd./ Textile Industry

**1997 - 1998**

- **Assistant to Sales Director of Franchise**

EF English First (Thailand)/ Education



## Mr. Pornchai Wijitburaphat

### Position

Head of Internal Audit/ Secretary for the Audit,  
Environmental, Social Responsibilities, and  
Corporate Governance Committee

### Date of Appointment

October 16, 2001

### Age

56

### Education

- Master's Degree, Business Administration  
Burapha University
- Mini MBA  
Chulalongkorn University
- Bachelor's Degree, Business Administration  
(Accounting)  
Ramkhamhaeng University

### Training

#### 2023

- **Chief Audit Executive Professional Leadership Program #3**  
Federation of Accounting Professions
- **IA Clinic "One World. One Future" The IIA's 2023 International Conference (IC)**  
The Institute of Internal Auditor of Thailand
- **Annual Seminar "Internal Audit in a Quick and Ever-changing World"**  
The Institute of Internal Auditor of Thailand

#### 2022

- **Executive Chief Information Security Officer (Executive CISO) #1**  
National Cyber Security Agency
- **IA Clinic "Future Trends Cybersecurity in Internal Audit"**  
The Institute of Internal Auditor of Thailand
- **IA Clinic "Top Risks for Internal Audit 2022"**  
The Institute of Internal Auditor of Thailand
- **Overview ISO/IEC 27002:2022**  
BSI Group (Thailand) Co., Ltd

- **IA Clinic "Combating Fraud using Modern Technology"**

The Institute of Internal Auditor of Thailand

- **IA Clinic "Third-party Risk Management"**

The Institute of Internal Auditor of Thailand

- **IA Clinic "Integrating Sustainability into Internal Audit"**

The Institute of Internal Auditor of Thailand

- **2022 ACIIA Conference Exponential Internal Audit**

The Institute of Internal Auditor of Thailand  
2021

- **IA Clinic "Agile Auditing"**

The Institute of Internal Auditor of Thailand

- **IA Clinic "Top Risks 2021 & IT Audit Roles"**

The Institute of Internal Auditor of Thailand

- **Impact and Risk Management for Technology Disruption & Cyber Risk**

Thai Listed Companies Association



- **IA Clinic “The Convergence of Security Governance and Data Privacy”**  
The Institute of Internal Auditor of Thailand
- **Developing Internal Coach “Coaching Essentials and Principles Certification Program”**  
AcComm Group

#### 2020

- **Personal Data Protection Act for Internal Audit (PDPA for IA)**  
Political Science Association of Kasetsart University
- **Requirement: Privacy Information Management ISO/IEC 27701:2019**  
BSI Group (Thailand) Co., Ltd.
- **Implementation: Privacy Information Management ISO/IEC 27701:2019**  
BSI Group (Thailand) Co., Ltd.
- **Internal Auditor: Privacy Information Management ISO/IEC 27701:2019**  
BSI Group (Thailand) Co., Ltd.
- **IIAT Annual Conference 2020: IA’s New Value Proposal During and After the Crisis**  
The Institute of Internal Auditor of Thailand

#### 2019

- **Lead Auditor ISO/IEC 27001:2013**  
British Standards Institution
- **Implementing ISO/IEC 27001:2013**  
British Standards Institution
- **IIAT Annual Conference 2019: INDISPENSABLE IA INSIGHTFUL, AGILE & INNOVATIVE**  
The Institute of Internal Auditor of Thailand
- **CAE Forum 2019: Winning 5G and the 4<sup>th</sup> Industrial Revolution**  
The Institute of Internal Auditor of Thailand

#### 2018

- **Updated COSO Enterprise Risk Management: Integrating with Strategy and Performance**  
Stock Exchange of Thailand
- **Value Creation and Enhancement for Listed Companies with the New COSO 2017 Enterprise Risk Management (ERM)**  
Thammasat Business School, Thammasat University with Stock Exchange of Thailand

- **IIAT Annual Conference 2018 “Transforming IA for the Digital Age”**  
The Institute of Internal Auditor of Thailand
- **Cybercrime-The Looming Threat to Global Economy**  
Thai Listed Companies Association
- **Inaugural Corporate Governance Conference 2018, Bangkok-Building Trust in a Transforming economy**  
Securities and Exchange Commission
- **CAE FORUM 2018 “Digitalization: Empower IA New Gen”**  
The Institute of Internal Auditor of Thailand with Stock Exchange of Thailand

#### % of KTC Shares Held

0%

#### Family Relationship

None

#### Work Experience

##### Listed Companies

##### 2001 - Present

- **Head of Internal Audit/ Secretary for the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee**  
Internal Audit/ Krungthai Card Public Company Limited/ Consumer Finance

##### Non-Listed Companies/ Other Organizations

None

##### Experience

##### 2000 - 2001

- **Assistant Vice President**  
Internal Audit/ Bangkok Broadcasting & TV Company Limited/ Media





## Ms. Chotika Thanawaleekul

### Position

Head of Compliance and Acting Head of AMLO Division/  
Assistant Secretary for Audit Environmental Social and  
Governance Committee

(End Date on December 31, 2023)

Head of Compliance/ Assistant Secretary for Audit  
Environmental Social and Governance

(Effective Date on January 1, 2024)

### Date of Appointment

July 1, 2023

### Age

48

### Education

- MBA English Program  
NIDA Business School
- Bachelor of Business Administration, Majoring in Finance  
Assumption University

### Training

#### 2023

- **Compliance Officer 16<sup>th</sup> for Banking Business**  
Faculty of Law, Chulalongkorn University
- **AML/CTPF 2023**  
Anti-Money Laundering Office by Thai Hire  
Purchase Association
- **Debt Collection Act**  
Thai Hire Purchase Association
- **Promotion Interview Technique**  
Krungthai Card Public Company Limited

#### 2022

- **AML/CTPF 2022**  
Anti-Money Laundering Office
- **Professional Manager Program**  
DeONE Training
- **PCI/DSS Awareness 2022**  
Krungthai Card Public Company Limited
- **ISO/IEC 27001:2013 & ISO/IEC 27701:2019**  
Krungthai Card Public Company Limited

#### • Risk Awareness 2022

Krungthai Card Public Company Limited

#### • Corporate Governance Policy & Code of Conduct 2022

Krungthai Card Public Company Limited

#### • Agile Mindset

Beyond Training (Virtual Classroom)

#### • Systematic Problem Solving

Beyond Training (Virtual Classroom)

#### • Law & Regulation relating to Hire Purchase & Leasing

Thai Hire Purchase Association

#### 2021

#### • AML/CFT & WMD 2021

Krungthai Card Public Company Limited

#### • Risk Awareness 2021

Krungthai Card Public Company Limited

#### • Corporate Governance Policy & Code of Conduct 2021

Krungthai Card Public Company Limited



2020

- **Certified AML Officer, AML/CTFP 2020 for Financial Institution Reporting**  
Anti-Money Laundering Office
- **E-Signature**  
Krungthai Card Public Company Limited
- **Corporate Governance Policy & Code of Conduct 2020**  
Krungthai Card Public Company Limited

2019

- **The 7 Habits of Highly Effective People**  
PacRim Group
- **Implementing ISO/IEC 27001:2013**  
Business improvement organization (BSI)
- **“1<sup>st</sup> THAILAND DIGITAL ID SYMPOSIUM 2019”**  
National Credit Bureau

2018

- **Design Thinking Boot Camp**  
SEAC

2017

- **Leadership Program**  
PacRim Group

#### **% of KTC Shares Held**

0%

#### **Family Relationship**

None

#### **Work Experience**

##### **Listed Companies**

2024 - Present

- **Head of Compliance/ Assistant Secretary for Audit Environmental Social and Governance**  
Compliance/ Krungthai Card Public Company Limited/ Consumer Finance

2002 - 2023

- **Head of Compliance and Acting Head of AMLO Division/ Assistant Secretary for Audit Environmental Social and Governance Committee**  
Compliance and Corporate Governance/ Krungthai Card Public Company Limited/ Consumer Finance

##### **Non-Listed Companies/ Other Organizations**

None

##### **Experience**

2001-2002

- **Assistant Manager**  
Consumer Product in Products & Services Division/ Hutchison CAT Wireless Multimedia Ltd/ Telecommunication



## Mr. Peerapong Pitrpibulpatit

### Position

Deputy Head of Office of President & CEO/  
Company Secretary

(End Date on December 31, 2023)

Head of Office of President & CEO/  
Company Secretary/ Secretary of the  
Board of Directors

(Effective Date on January 1, 2024)

### Date of Appointment

May 16, 2007

### Age

54

### Education

- Master of Arts Executive Program in Public Affairs  
Ramkhamhaeng University
- Bachelor of Laws  
Ramkhamhaeng University

### Training

#### 2023

- Board Reporting Program (BRP), Class 45/2023  
Thai Institute of Directors

#### 2018

- Corporate Responsibilities and Practices in  
Anti-Corruption  
Faculty of Law, Chulalongkorn University

#### 2017

- Law Course on Tax Planning  
Lawyers Council Under the Royal Patronage

#### 2016

- Advances for Corporate Secretaries  
Thai Listed Companies Association

#### 2015

- Safety Officer: Management Level, Class 1  
Krungthai Card Public Company Limited

#### 2011

- Against Corrupt Inside Thailand

#### 2010

- Director Nomination Best Practices



#### 2009

- Diploma, AML Computer Based Training  
Anti-Money Laundering Office (AMLO)

### % of KTC Shares Held

0%

### Family Relationship

None

### Work Experience

#### Listed Companies

#### 2024 - Present

- Head of Office of President & CEO/ Company  
Secretary/ Secretary of the Board of Directors  
Office of President & CEO/ Krungthai Card Public  
Company Limited/ Consumer Finance

**2007 - 2023**

- **Deputy Head of Office of President & CEO/  
Company Secretary**  
Office of President & CEO/ Krungthai Card Public  
Company Limited/ Consumer Finance

**Experience****1995 - 2007**

- **Attorney at Law**  
KTBLAW Company Limited/ State-Owned Enterprise

**Non-Listed Companies/ Other Organizations****2021 - Present**

- **Member of the Risk Management Committee**  
Green Resources Public Company Limited/ Energy  
& Utilities Business

**2020 - Present**

- **Member of the Audit Committee/ Independent  
Director**  
Green Resources Public Company Limited/ Energy  
& Utilities Business



## FINANCIAL CONTROLLER

### Mrs. Rojjana Ussayaporn

#### Position

Head of Financial Accounting Division and Acting  
Head of Finance

The person supervising accounting (Chief Accountant)

(End Date on December 31, 2023)

Chief Financial Officer

The person taking the highest responsibility in finance and  
accounting

(Effective Date on January 1, 2024)

#### Date of Appointment

April 1, 2021

#### Age

57

#### Education

- Master of Accountancy  
Chulalongkorn University
- Bachelor of Accountancy  
Thammasat University

#### Training

##### 2023

- **Revision of Thai Financial Reporting Standards 2023 and Fraud Risk Management in an organization**  
Department of Business Development
- **CFO Conference 2023: Embracing Changes & Unveiling the Path to Business Resilience and Success**  
Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
- **CFO & Tax Forum**  
EY Office Limited
- **Electronic Tax Systems in Thailand 2023**  
NYC Management Co., Ltd.
- **CFO Refresher: ESG Integration into Strategy, Disclosure and Reporting for listed company**  
The Stock Exchange of Thailand

(Total hours of training for Chief Accountant: CPD total 20 hours)

##### 2022

- **Thai Chartered of Management Accountants (TCMA) Program: Strategic Management, Risk Management and Financial Strategy**  
Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
  - **Key Highlights of (Draft) TFRS for NPAEs (Revised 2022)**  
Deloitte Touche Tohmatsu Jaiyos Audit Co.,Ltd.
  - **CFO's Orientation Course for New IPOs**  
The Stock Exchange of Thailand
- (Total hours of training for Chief Accountant: CPD total 22 hours)

##### 2021

- **Deloitte Forum 2021: Accounting snapshot, and Sustainability Trends & Reporting**  
Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.



## 2021

- **Deloitte Forum 2021: Tax and Legal refreshers for 2021**  
Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.
- **Revenue: Difference Between Accounting and Tax**  
Department of Business Development
- **Financial Statement Analysis**  
Department of Business Development
- **Keeping Pace with Data Analytics for Accountants in the Era of 5.0**  
Federation of Accounting Professions Under The Royal Patronage of His Majesty The King  
(Total hours of training for Chief Accountant: CPD total 18.5 hours)

## 2020

- **Accounting and Tax Planning for Business**  
Federation of Accounting Professions Under The Royal Patronage of His Majesty The King

## 2019

- **TFAC Conference 2019: Future of Finance-Digital Disruption**  
Federation of Accounting Professions Under The Royal Patronage of His Majesty The King

## 2018

- **Financial Executive Development Program - FINEX XXVII**  
The Thai Institute of Banking and Finance Association
- **Digitalization and Challenges to Accountants 4.0**  
Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.
- **Get Ready for Robotic Process Automation (RPA) for Digital Accountants**  
Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

## 2015

- **CFO Certification Program Class 19/2015**  
Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
- **NUS-Chicago Booth Emerging CFOs for Asia Programme**  
Singapore

## % of KTC Shares Held

0%

## Family Relationship

None

## Work Experience

### Listed Companies

#### 2024 - Present

- **Chief Financial Officer**  
**The person taking the highest responsibility in finance and accounting**  
Finance Business Group/ Krungthai Card Public Company Limited/ Consumer Finance

#### 2020 - 2023

- **Head of Financial Accounting Division and Acting Head of Finance**  
Financial Accounting Division/ Krungthai Card Public Company Limited/ Consumer Finance

### Non-Listed Companies/ Other Organizations

#### Oct 2023 - Present

- **Chairman of the Board of Directors**  
KTB Leasing Co., Ltd./ Hire Purchase, Financial Lease and Auto Maintenance Lease

## Experience

#### 1996 - 2020

- **Senior Vice President**  
Accounting and Finance Division/ Bangkok Bank Public Company Limited/ Banking

## FINANCIAL CONTROLLER

### Miss Natsaran Boonlertthaweesuk

#### Position

Head of Financial Accounting Division  
The person supervising accounting  
(Chief Accountant)

#### Date of Appointment

January 1, 2024

#### Age

54

#### Education

- Master of Business Administration  
Ramkhamhaeng University
- Bachelor of Business Administration (Accounting)  
1<sup>st</sup> Class Hons.  
Ramkhamhaeng University



#### Training

##### 2023

- **Accounting vs. Tax (Income and Expense)**  
Department of Business Development (DBD)
- **Digital Accounting**  
Department of Business Development (DBD)
- **Digital Confirmation for Smart Auditing**  
Federation of Accounting Professions Under The  
Royal Patronage of His Majesty The King
- **CFO & Tax Forum: Leading through change**  
EY Office Company Limited
- **Financial Reporting Standard TFRS year 2023,  
the direction of TFRS that will be improved in  
the future, and Case Study of accounting issues  
in practice**  
The Stock Exchange of Thailand

#### % of KTC Shares Held

0%

#### Family Relationship

None

#### Work Experience

##### Listed Companies

##### 2024 - Present

- **Head of Financial Accounting Division**  
Financial Accounting/ Krungthai Card Public  
Company Limited/ Consumer Finance

##### 2022 - 2023

- **Head of Product Accounting Department**  
Financial Accounting/ Krungthai Card Public  
Company Limited/ Consumer Finance

**2005 - 2022**

• **Vice President – Card Accounting**

Financial Accounting/ Krungthai Card Public  
Company Limited/ Consumer Finance

**1997 - 2004**

• **Senior Manager – Card Accounting**

Financial Accounting/ Krungthai Card Public  
Company Limited/ Consumer Finance

**Non-Listed Companies/ Other Organizations**  
**None**

**Experience**

**1995 - 1997**

• **Senior Manager – Card Accounting**

Sitca - MBF Card Co., Ltd./ Consumer Finance

**1993 - 1995**

• **Finance and Accounting Officer, Operational Level**

Office of the National Economic and Social  
Development Council

**1988 - 1992**

• **Customs Officer, Operational Level**

Thai Customs

## Details of Directors and Executives in Krungthai Card Public Company Limited and Subsidiaries

Details about Directors, Executives, persons with controlling power that are the Directors in Krungthai Card Public Company Limited, Subsidiaries and the Related companies.

Name list	Krungthai Card Public Company Limited	Subsidiaries				Related Companies																					
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Mr. Prasong Poontaneat	A,E,T															A,H,T,G,C,T											
Mr. Praphaisith Tankeyura	D,M,T																H,O,T	R									
Mr. Natapong Vanarat	K,T																		P,T								
Mr. Somchai Kuvijitsuwan <sup>(1)</sup>	K,T																			P,T	BB	P,L,T	O,T	BB			
Mrs. Praralee Ratanaprasartporn	M,U					X	U	U	U																		
Ms. Kornkanok Fuengfung <sup>(1)</sup>	U					S																					
Mr. Rathian Srimongkol <sup>(2)</sup>	U									B,Q	A,Q	A,Q	A,I,F,Q	A,Q											P,T	H,C,N,J	
Mrs. Pittaya Vorapanyasakul <sup>(1),(2)</sup>	V,U																										
Mrs. Rojjana Ussayaporn <sup>(2)</sup>	W				A																						
Ms. Chanidapa Suriya	X	A	A		U																						
Ms. Rueankeaw Kasemsavatsri	X	R	U		U																						
Mr. Rywin Voravongsatit	X				U																						
Ms. Naowarat Keratikasemsook	X			U																							
Mr. Peerapong Pitripibulpatit	X,Z																									O,R,T	

(1) Mr. Somchai Kuvijitsuwan has taken the position of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and Independent Director/Ms. Kornkanok Fuengfung and Mrs. Pittaya Vorapanyasakul has taken the position of Director, effective from November 20, 2023 onwards.

(2) Mrs. Pittaya Vorapanyasakul has taken the position of President & Chief Executive Officer due to the retirement of Mr. Rathian Srimongkol and Mrs. Rojjana Ussayaporn has taken the position of Chief Financial Officer due to the retirement of Mr. Chutidej Chayuti, effective from January 1, 2024 onwards.

### Remark

A Chairman of the Board of Directors, B Chairman of the Executive Committee, C Vice Chairman of the Board, D Chairman of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, E Chairman of Nomination and Remuneration Committee, F Chairman of Nominating and Compensation Committee, G Chairperson of the Enterprise-wide Risk Management Committee, H Chairman of the Audit Committee, I Chairman of the Investment Committee, J Lead Independent Director, K Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, L Member of Nomination, Remuneration, Corporate Governance, and Sustainable Development Committee, M Nomination and Remuneration Committee, N Member of the Sustainability and Risk Management Committee, O Member of the Risk Management Committee, P Member of the Audit Committee, Q Authorized Director, R Managing Director, S Executive Vice President, T Independent Director, U Director, V President & Chief Executive Officer, W Chief Financial Officer, X Head of Business Unit, Y Deputy Head of Business Unit, Z Company Secretary, AA Chief Advisor, BB Advisor

### The Subsidiaries and Related companies name lists are shown in numbers as below.

- |   |   |
|---|---|
| 1 = KTC PICO (Bangkok) Co., Ltd.                | 14 = Insurverse Public Co.,Ltd            |
| 2 = KTC NANO Co., Ltd.                          | 15 = Bangchak Corporation Public Co.,Ltd  |
| 3 = KTC Prepaid Co., Ltd.                       | 16 = Ratch Group Public Co., Ltd.         |
| 4 = KTB Leasing Co.,Ltd                         | 17 = Boathouse Hua Hin Co., Ltd.          |
| 5 = Krung Thai Bank Public Co.,Ltd              | 18 = Sahacogen (Chonburi) Public Co.,Ltd  |
| 6 = Krungthai-AXA Life Insurance Public Co.,Ltd | 19 = Eastern Power Group Public Co., Ltd  |
| 7 = Infinitas by Krungthai Co., Ltd.            | 20 = Asia Sea Corporation Public Co., Ltd |
| 8 = Arise by Infinitas Co.,Ltd                  | 21 = Prima Marine Public Co., Ltd         |
| 9 = Krungthai XSpring Securities Co.,Ltd        | 22 = WP Energy Public Co., Ltd            |
| 10 = XSpring Asset Management Co.,Ltd           | 23 = Precise Corporate Public Co., Ltd    |
| 11 = XSpring AMC Asset Management Co.,Ltd       | 24 = Home Product Center Public Co., Ltd  |
| 12 = XSpring Capital Public Co., Ltd            | 25 = Indorama Ventures Public Co., Ltd    |
| 13 = XSpring Digital Co., Ltd                   | 26 = Green Resources Public Co., Ltd      |





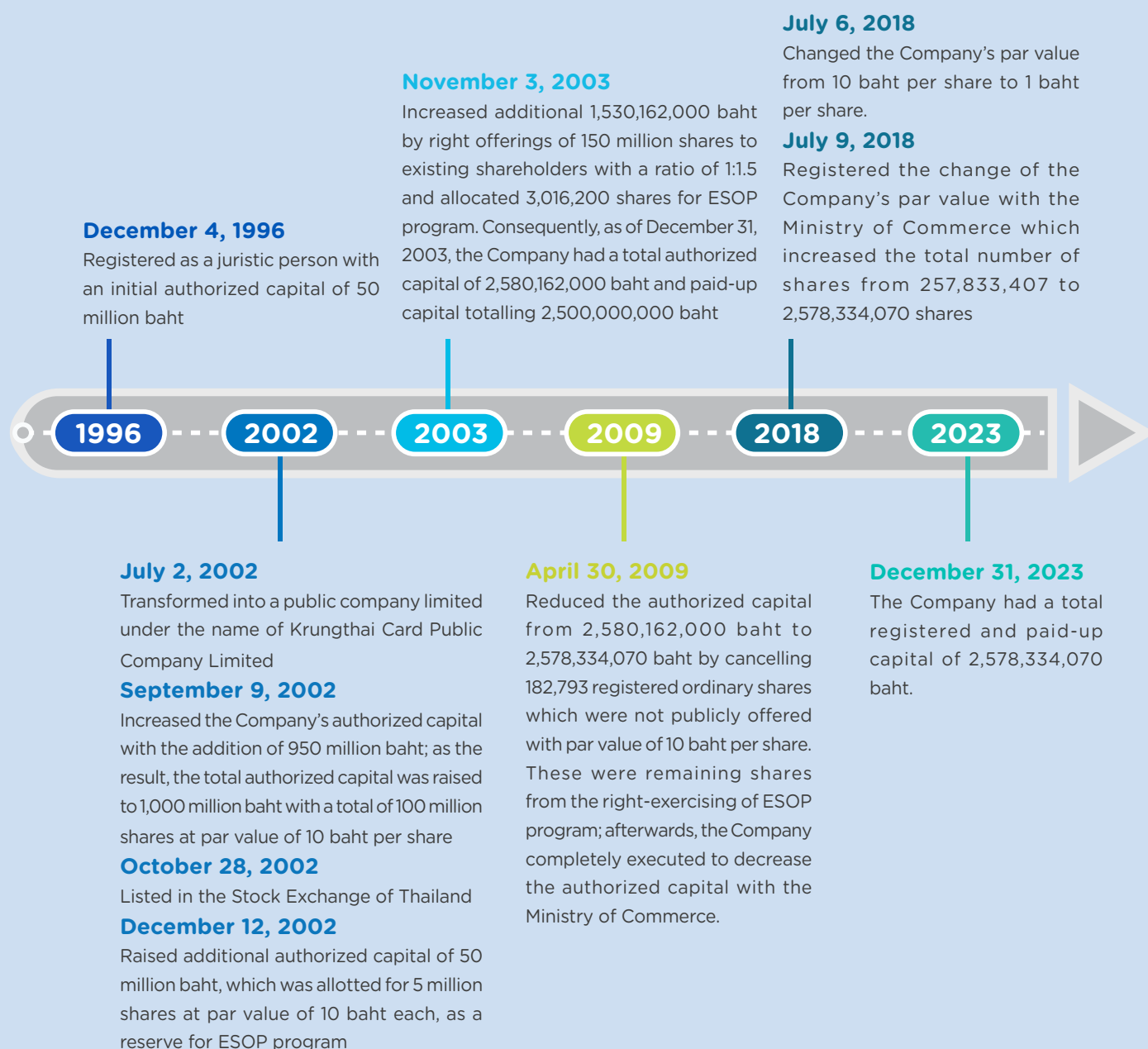
# ORGANIZATIONAL STRUCTURE AND OPERATION OF THE COMPANY

# Policy and Business Overview

## The Company Background

Krungthai Card Public Company Limited (“The Company” or “KTC”) primarily operates in the credit card business, along with businesses related to credit cards. These include merchant acquiring, payment services, and personal loan businesses, which cover personal loans under supervision and loans with vehicle registration as collateral. Additionally, to adapt to technological and societal changes, the Company has established subsidiaries to offer financial products encompassing businesses such as nano finance business under supervision, electronic money business, hire purchase, and leasing business to support the Company’s operations in generating sustainable long-term returns.

The timelines highlighting milestones are as follows.





## Company Vision, Objectives, and Strategies



### Vision:

**KTC is a membership company in payment and retail lending business with emphasis on being a trusted organization with sustainable growth.**

KTC places great importance on developing infrastructure platform that creates options for members, differentiating through developing core insight intelligence skills, as well as embedding a common purpose and passion of being a members' obsession organization, and becoming members' default choices which will create a sustainable relationship and long-term growth. KTC's key success factors for continuous growing are the cooperation of employees at all levels who embed KTC's brand value and the participation in building a corporate culture.

KTC also provides support and opportunity for employees to learn and develop systematic thinking skills, together with the use of technology as part of working process and data analysis, as well as the member database maintenance to be up to date and secure according to international standards. Thus, KTC's products and services have gained trust and respond to members' needs precisely and promptly.

In addition, the management also pays attention to the excellent development and improvement of working process continuously by focusing on harmonized coordination. This resulted in flexibility at work and creates cooperation both internal and external effectively.

KTC therefore has the determination to build relationships and take care of all stakeholders, including business partners at all levels to grow and earn sustainable profits together, to build confidence and generate appropriate returns for investors under transparent business operations and in compliance with corporate governance principles.

## Key Changes and Developments 2021-2023

### 2021

- The Bank of Thailand announced the extension of credit cards minimum payment rates reduction period from originally 10% to 5% from March 26, 2020 to December 31, 2022, to 8% in 2023, and back to 10% in 2024 onwards. In addition, KTC provided relief programs for retail debtors who have been directly affected by the COVID-19 outbreak by restructuring debt to long term loan with annual interest rate of 12% for 48 months from March 26, 2020 to December 31, 2021 and a two-month principal and interest deferral from July 19, 2021 to August 15, 2021.
- KTC received an authorization letter to operate electronics money services, consisting of money transfer services, acquiring services and bill payment services. Services are provided by KTC Prepaid Company Limited.



- The 2021 Annual General Shareholders' Meeting which was held on April 8, 2021 passed the resolution to approve the acquisition of 75,050,000 ordinary shares of KTB Leasing Company Limited from Krung Thai Bank Public Company Limited (Krung Thai Bank), in the proportion of 75.05% under the agreement that the share price will be adjusted higher or lower from the agreed purchase price after the completion of the business audit.

### 2022

- The Bank of Thailand announced the extension of credit cards minimum payment rates reduction from originally 10% to 5% from March 26, 2020 to December 31, 2023, to 8% in 2024, and back to 10% in 2025 onwards. Furthermore, KTC provided relief programs for retail debtors who had been directly affected by the COVID-19 outbreak by restructuring credit cards debt to personal long-term loan with annual interest rate of 14% for 48 months from January 1, 2022 to December 31, 2022.

### 2023

- In accordance with the announcement by the Bank of Thailand (BOT) regarding measures to provide assistance to borrowers in a fair credit management approach, addressing financial difficulties both in normal and economic crisis situations, including the ability to reduce debt repayment. In response to these measures, KTC has implemented long-term borrower assistance measures covering all products. This includes converting credit card debt to personal loans with a maximum repayment period of 48 months and an interest rate not exceeding 16% per year. The instalment reduction of 30% will be implemented for a period of 3 months/ instalment, effective from May 8, 2023 onwards.



- KTC and Ant Group have jointly launched “Alipay+” (Alipay Plus), a digital cross-border payment innovation on KTC’s payment system, aimed at further enhancing the business of merchants in Thailand and catering to the spending needs of Asian tourists visiting Thailand. The platform is supported by three additional mobile wallets from Alipay, namely AlipayHK, Touch ‘n Go, and KakaoPay.



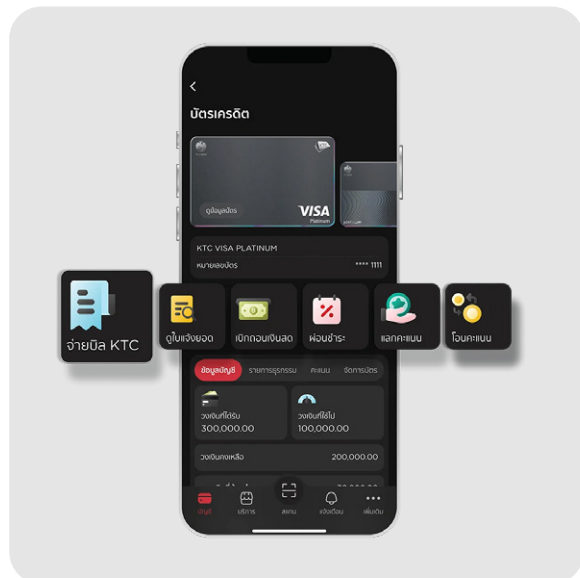


- KTC showcased its latest innovation, the “KTC Digital Credit Card,” at the BOT Digital Finance Conference. It is the first transparent credit card in Thailand, surpassing others with its three key features: enhanced security, peace of mind, and faster transactions. The card features a dynamic CVV/CVC2, where the card verification number changes with each request, providing greater security. It can be used within 24 hours and offers customizable usage controls through the “KTC Mobile” app. The card can be instantly used for online payments, QR Pay transactions, and can be linked to various payment systems such as Google Pay and Swatch Pay. With a numberless plastic card, cardholders will not be concerned about data theft.



- KTC introduced the “KTC New Design Credit Card” under the concept of “Simplify Your Life, Living A Minimalist Lifestyle.” The card embodies a simple yet elegant and minimalist style, perfectly suited to the lifestyle of our members. The card design places essential information, such as the cardholder’s name, card number, and expiration date, on the back of the card. This new design concept is implemented on KTC Visa, Mastercard, and JCB credit cards.

- KTC has partnered with UnionPay to develop a payment system that enhances convenience for KTC credit card members. Currently, all types of UnionPay cards can be scanned via QR code to make payments using KTC credit cards through the KTC Mobile app at over 350,000 leading merchants.



- In July 2023, the KTC Mobile app underwent a redesign to enhance the user experience. The newly improved user experience offers enhanced simplicity and convenience, consolidating all KTC products and services in one place. Users can easily access and connect to various KTC services, such as searching for promotions, MAAI BY KTC, credit card application services, and the KTC U SHOP online shopping service.



- KTC has organized the 13<sup>th</sup> “Debt Clearance” campaign as a gesture of appreciation for the discipline shown by members who hold the KTC PROUD Cash Card and members with motorcycle title loans “KTC P BERM Car for Cash” throughout the year 2023. A total of 600 prizes, worth over 7,080,000 baht, were awarded to the participants in the campaign.





- KTC has launched a new product, “Big Bike Registration Loans”, which comes with free accident insurance and includes a cash withdrawal function via a KTC card. This comprehensive card, with swipe, transfer, and withdrawal features, is specially designed for members with big bike registration loans. This allows our customers to have instant access to cash for emergencies and for purchasing goods. It provides a financial solution with a revolving credit limit on the cash withdrawal card. It is an option for big bike owners who have the vehicle registered in their own name.



- KTC has also been advertising “KTC’s Big Bike for Cash Loans” through online channels, emphasizing its key selling points: substantial credit limit, quick approval, and immediate cash availability without the need for a

guarantor. Collaborating with more than 50 influencers, KTC has produced 10 versions of video clips to communicate through online and social media platforms such as Facebook, TikTok, and YouTube. This is to build recognition for “When you have a bike and need money, think of KTC’s Big Bike for Cash Loans.”



- KTC elevated its operational processes by initiating the “KTC FACTORANT” project, which aims to enhance the efficiency of loan approval procedures. This involves integrating robotic technology with human efforts to reduce redundant tasks and improve performance in loan application processing and evaluation. Workspaces are redesigned into special zones to protect customer data security, in compliance with ISO/IEC 27001: 2013 data security management standards and ISO/IEC 27701: 2019 personal data management standards. These improvements are designed to accommodate an increased loan consideration capacity of approximately 600,000 cases per month. The 17<sup>th</sup> floor office space at the Thai Summit Building on New Petchburi Road was refurbished into a special zone. This zone consolidates various departments involved in the card approval process, working together in the same area. The departmental arrangement follows the Process Flow, and includes the integration of robotic technology to replace human labor in some steps, such as document transportation. This enhances the continuous flow of work processes, reduces waiting time and transportation time occurring in the procedure, and designs operations to adhere to a belt conveyor design, ensuring continuous, step-by-step work flow. A Visualized Information Dashboard has also been created to maximize efficiency, which in turn minimizes unnecessary steps and work time by at least 85%.



- KTC unveiled the new look of its service center, “KTC TOUCH”, located at UBC II building, G Floor. This space serves as a certified partner for business alliances and a service point for KTC credit card members, enhancing convenience to the fullest. Under the “Atmosphere” concept, it emphasizes modernity and luxury with diverse decorations, resembling different levels of atmosphere, to segment usage areas. The center also addresses sustainability by choosing Eco-Materials for its construction and design.
- On October 30, 2023, the company announced the purchase of shares of KTC Pico (Bangkok) Limited from Krung Thai Bank Public Company Limited, accounting for 24.95% of the shares. This transaction is classified as a related party transaction. The said share purchase made the company a 100% shareholder in the aforementioned company. Subsequently, on November 20, 2023, KTC received notification of approval to cancel the business operation of provincial-level microfinance under the supervision of Pico Plus from the Treasury Department. The company also returned the business licenses of the companies in 4 provinces, namely KTC Pico (Chonburi) Limited, KTC Pico (Pathum Thani) Limited, KTC Pico (Samut Prakan) Limited, and KTC Pico (Samut Sakhon) Limited.
- Changes in Board of Directors for the year 2023:
  - The Annual General Meeting held on April 7, 2023 approved the appointment of directors who are required to step down from their positions at the end of their term, as listed below, to continue serving as directors for another term:
    1. Mr. Prasong Poontaneat - Chairman of the Nomination and Remuneration Committee and Independent Director
    2. Lieutenant General Apichat Chaiyadar, Independent Director.
    3. Mr. Natapong Vanarat, Independent Director and member of Audit, Environmental, Social Responsibilities and Corporate Governance Committee
  - On August 7, 2023, the company announced the resignation from the position of director and member of the Nomination and Remuneration Committee of Mr. Rungreung Sukkirdkijpiboon, effective from August 15, 2023.
  - On August 23, 2023, the Company announced the appointment of Mrs. Paralee Ratanaprasartporn as a director and member of the Nomination and Remuneration Committee, effective from August 23, 2023 onwards. Additionally, Mrs. Pittaya Vorapanyasakul was appointed as the Chief Executive Officer in replacement of Mr. Rathian Srimongkol, effective from January 1, 2024.
  - On October 24, 2023, the Company announced the resignation from the position of Lieutenant General Apichat Chaiyadar as independent director, effective since November 1, 2023
  - On October 31, 2023, the Company announced the resignation from the position of Mr. Nathporn Chatusripitak as independent director and member of Environmental, Social Responsibilities and Corporate Governance Committee, effective from November 1, 2023 onwards
  - On November 20, 2023, the Company announced the appointment of directors and independent directors to replace the directors who resigned from the position, effective from November 20, 2023 as follows.
    - Appointed Ms. Kornkanok Fuengfung to perform as director in replacement of Mr. Rungreung Sukkirdkijpiboon
    - Appointed Mrs. Pittaya Vorapanyasakul to perform as director in replacement of Lieutenant General Apichat Chaiyadar
    - Appointed Mr. Somchai Kuvijitsuwan to perform as independent director and member of the Nomination and Remuneration Committee in replacement of Mr. Nathporn Chatusripitak

## **Details of fundraising utilization according to the objectives filing in the registration statement for securities offering**

### **Utilization of Funds Raised from the Offer for Sale of Equities or Debt Securities**

In 2023, KTC had not issued and offered for sale of any additional equities. However, the Company had issued and offered for sale of debt securities in which the Company had utilized funds raised each time according to the objectives filing in registration statement for the offer for sale of debt securities. Further details can be found in the section of “Structure and Business Operations of the Company” with a subsection of “Issuance of Other Securities”.

### **Applicable Law**

Applicable laws for the issue and offer of securities for sale are Thai laws including Securities and Exchange Act B.E. 2535, and other regulations or announcements related to such laws.

## **Obligations that the Company makes a commitment in the registration statement for the securities offering**

For the issue and offer for sale of the Company’s securities, the Company has complied with rules of related law according to each type of securities or as specified in the registration statement for the offer for sale of each type of securities in terms of funds utilization objectives, prices, and interest rates, etc. In case of a change of the Company’s important information that affects securities price or investors, the Company will disclose such information through the Securities and Exchange Commission and the Stock Exchange of Thailand system, or the Company’s website in accordance with the time specified by law.

## **Company Contact Information**

### **KTC Investor Relations Contact Information**

Address: : 591 UBC II Building, 14<sup>th</sup> Floor, Sukhumvit Road, North Klongton, Wattana, Bangkok 10110  
Telephone : 02 828 5067, 02 828 5059  
E-Mail : [irktc@ktc.co.th](mailto:irktc@ktc.co.th)  
Website : [www.ktc.co.th/en/investor-relations](http://www.ktc.co.th/en/investor-relations)

## Contact Information for KTC and KTC's Subsidiaries

### 1. Krungthai Card Public Company Limited

Address : Head Office at 591 UBC II Building, 14th Floor, Sukhumvit Road North Klongton, Wattana, Bangkok 10110  
Tax Identification Number : 0107545000110  
Homepage : [www.ktc.co.th](http://www.ktc.co.th)  
Customer Contact Center : 02 123 5000  
Telephone : 02 123 5100

### 2. KTC Pico (Bangkok) Co., Ltd.

Address : 591 UBC II Building, G Floor, Room G102 (G4) G Floor, Sukhumvit Road, North Klongton, Wattana, Bangkok 10110  
Telephone : 02 123 5300

### 3. KTC Nano Co., Ltd.

Address : 591 UBC II Building, G Floor, Room G102 (G3) G Floor, Sukhumvit Road, North Klongton, Wattana, Bangkok 10110  
Telephone : 02 123 5300

### 4. KTB Leasing Co., Ltd.

Address : 20 Suan Mali Building, 6<sup>th</sup>-8<sup>th</sup> Floor, Yukol 2 Road, Wat Thepsirin, Pom Prap Sattru Phai, Bangkok 10100  
Telephone : 02 299 3888, 02 299 3800

### 5. KTB Advisory Co., Ltd.

Address : 35 Nana Nua Building, 5<sup>th</sup> Floor, Sukhumvit Road, North Klongton, Wattana, Bangkok 10110  
Telephone : 02 639 3591

### 6. KTC Prepaid Co., Ltd.

Address : 591 UBC II Building, G Floor, Room G102 (G2), Sukhumvit Road, North Klongton, Wattana, Bangkok 10110  
Telephone : 02 123 5300

## The number and type of the total shares sold of the Company

As of December 31, 2023, the Company had registered capital and paid-up capital totaling 2,578,334,070 Baht, divided into 2,578,334,070 ordinary shares of one Baht each.



## Business Nature

Krungthai Card Public Company Limited operates a credit card business as its main business, including credit card related business, merchant acquiring business, payment service, as well as a personal loan business which includes personal loan business under supervision and auto title loan. In response to changes in technology and society, the Company established the subsidiaries and added financial products covering occupational retail lending business, e-money business, hire purchase and leasing business to support the Company's business operations to create sustainable long-term returns.

## Revenue Structure (2021 - 2023)

The Company's revenue structure is primarily comprised of interest income and fee income generated from its two core businesses, namely the credit card and the personal loan business. The fee income is recorded by including the credit usage fee and calculated based on outstanding balances. Since August 1, 2020, following the Bank of Thailand's announcement, the maximum allowable interest rates for credit cards and personal loans are capped at 16% and 25% per annum, respectively. For personal loans under supervision business with a car registration as collateral, the interest rate stands at 24% per annum. Any differences in interest rates and fee income between the Civil and Commercial Code and the regulations stipulated by the Bank of Thailand are logged as credit usage fee. Besides, the Company also generates other income, such as foreign exchange gains, miscellaneous income and so forth.

Furthermore, the Company acquired ordinary shares of KTB Leasing Co., Ltd. in May 2021 to engage in the business of Hire Purchase and Financial Lease services. This allows the Company to provide car hire purchase financing and generate revenue starting from the year 2021.

The revenue structure of the Company according to the financial statements for the past 3 years (2021-2023) is as follows.

Revenue Structure	2021		2022		2023	
	MB	%	MB	%	MB	%
<b>Credit Card Revenue</b>	<b>12,288</b>	57.3%	<b>13,653</b>	58.8%	<b>15,057</b>	59.2%
(1) Interest Income <sup>(1)</sup>	6,501	30.3%	7,051	30.4%	7,943	31.3%
(2) Fee Income	4,088	19.1%	4,833	18.2%	5,439	21.4%
(3) Recovery Income	1,699	7.9%	1,768	7.6%	1,675	6.6%
<b>Personal Loan Revenue</b>	<b>8,643</b>	40.3%	<b>8,872</b>	38.2%	<b>9,407</b>	37.0%
(1) Interest Income <sup>(1)</sup>	7,009	32.7%	7,220	31.1%	7,845	30.9%
(2) Fee Income	142	0.6%	97	0.4%	94	0.4%
(3) Recovery Income	1,492	7.0%	1,555	6.7%	1,469	5.8%
<b>Leasing Revenue</b>	<b>243</b>	1.1%	<b>251</b>	1.1%	<b>362</b>	1.4%
(1) Interest Income	104	0.5%	110	0.5%	232	0.9%
(2) Fee Income	63	0.3%	43	0.2%	24	0.1%
(3) Recovery Income	75	0.3%	97	0.4%	106	0.4%
<b>Other Income <sup>(2)</sup></b>	<b>269</b>	1.3%	<b>456</b>	1.9%	<b>593</b>	2.3%
<b>Total Revenue</b>	<b>21,442</b>	<b>100.0%</b>	<b>23,231</b>	<b>100.0%</b>	<b>25,418</b>	<b>100.0%</b>

**Source:** 2021 financial statements audited by Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

2022-2023 financial statements audited by EY Office Limited

**Note:** <sup>(1)</sup> Credit Usage fee is included in interest income.

<sup>(2)</sup> Other income included other fee income, profit (loss) from exchange rate, etc.

## Product Information

### Credit Card business

The credit card business consists of two components: card issuing and merchant acquiring businesses. The card issuing business ranges from recruiting prospective credit card customers, approving a credit limit for cardholders, regulating credit card spending, receiving debt payment and pursuing debts. With this, the issuing bank/ card issuer earns income from transaction fees and interest charges. As for merchant acquiring business, it is a business that deals with merchants that accept credit card payment for goods and services. In the process, the Company selects and installs card swipe machines and/ or set up a payment gateway system at stores so that it can oversee credit card acceptance for payment of goods and services by cardholders. Finally, the Company can generate fee income based on this process as aforementioned.



### Issuing Business

The Issuing Business is an integral part of KTC's operations as a bank/ company issuing credit cards (Issuing Bank). The Company is authorized to issue credit cards bearing these logos **VISA**, **Mastercard**, **JCB** and **UnionPay**. These cards are affiliated with Visa International (Thailand) Ltd., Mastercard Asia/Pacific Pte., Ltd, JCB International Co., Ltd., and UnionPay International Co., Ltd., which act as intermediaries facilitating payment transactions between issuing banks/ companies and banks/ companies of merchants. Cardholders have the option to choose credit cards issued in collaboration with Visa, Mastercard, JCB, or UnionPay. These cards can be used for cashless transactions to pay for goods and services at all participating merchants displaying the **VISA**, **Mastercard**, **JCB** and **UnionPay** logos.

Furthermore, the Company focuses on developing continuous business and marketing plans to support growth by expanding the credit card base and acquiring new members. This is achieved through collaborations with partners to promote spending through KTC credit cards and foster long-term relationships.

KTC executes its main strategy through five key initiatives:





1. Managing customer portfolios to the highest quality by creating diverse marketing programs for customers to continuously utilize and implement automation systems in the customer relationship management process for credit card members.
2. Focus on expanding the customer base within the monthly income range of Baht 50,000 - 200,000 by increasing special privileges that align with their lifestyle preferences.
3. Implement programs to stimulate spending that cater to the needs of KTC credit card members, with a focus on the three main spending categories: Dining & Hotel Dining, Online Shopping, and Travel. Furthermore, KTC remains committed to partnering with businesses that share similar objectives to execute marketing campaigns targeting members' essential spending areas, ultimately aiming to foster brand recognition and loyalty.

4. Collaborate with local partners to organize marketing campaigns and membership expansion activities for credit cards in various provinces.
5. Oversee marketing communications, with a particular emphasis on content marketing across online and offline channels, to elevate the brand awareness of KTC credit cards among its target audience.

The Company continues to prioritize market research and explore new business opportunities to present benefits that align with customers' needs and cater to their credit card usage lifestyles. This is another strategic approach towards growth. In the past, the Company has issued credit cards to customers as follows:

Number of Credit Cards and Credit Card Receivables	2021	2022	2023
Total Number of Credit Cards (Cards)	2,515,110	2,550,592	2,637,183
Growth (%)	(2.4%)	1.4%	3.4%
Credit Card Receivables - Gross (Million Baht)	60,201	69,462	74,441
Growth (%)	(0.1%)	15.4%	7.2%




The Company offers several types of credit cards as follows:

1. **Generic Credit Card** in a form of KTC, VISA/ MASTERCARD/ JCB/ UNIONPAY credit cards can be used by cardholders to pay for goods and services in lieu of cash at any service outlets or stores displaying    and  logos throughout the world. In addition, cardholders can also withdraw a cash advance, jointly issue credit cards for three core groups of customers: Super-Premium, Premium and General. In 2023, the launch of the KTC DIGITAL credit card aims to enhance security measures and provide more options for customers.
2. **Co-Branded Card** is a credit card jointly issued by KTC and its commercial partners. Cardholders can use a co-branded card for payment of goods and services in lieu of cash to any merchants. In addition, the credit cardholders will receive more privilege if they use this card at the merchants that are joint card issuers.
3. **Affinity Credit Card** is credit card issued in conjunction with alumni institutions or non-profit organizations, i.e., the Thai Pilots Association, the National Blood Center, Thai Red Cross Society, Chulalongkorn University Engineering Alumni Association, National Defense Studies Institute of the Royal Thai Armed Forces Headquarters, and Suankularb College Alumni Association under the Royal Patronage.
4. **Government Services Credit Card** is a credit card for government agencies that helps facilitating the government budget spending and reduces the burden and risks of holding cash for government entities.
5. **Corporate Credit Card** is credit cards for public organizations, independent organizations, private companies, etc. These help to manage the organization's spending more conveniently and increases transparency of the company's work processes.

## (A) Types of services offered by card issuing business

The Company offers cardholders a multitude of services and benefits as follows:








### 1) Payment of goods and services in lieu of cash payment:







The Company's credit cardholders can pay for goods and services at stores with these logos   and  in Thailand and more than 200 countries, according to the credit limit of each approved credit cardholder. The Company pays for such goods and services to the merchant/ merchant company through the bank. When the credit cardholder's accounting period is due (interest-free repayment period of up to 45 days from the date of the balance sheet), the Company processes the payment from the credit cardholder. The credit cardholder is to choose to pay the Company in full amount based on the spending amount or minimum payment. According to the criteria to alleviate the burden of credit card members affected by the COVID-19 epidemic announced by the Bank of Thailand, the Company has had measures to help with credit for credit card members from March 26, 2020 to December 31, 2024 as follows:

KTC has automatically reduced the minimum payment rate of credit card for credit card members, without having to individually request, reduced from the original 10% to:

- 5% for credit card billing cycles from March 26, 2020 to December 31, 2023
- 8% for credit card billing cycles from January 1, 2024 to December 31, 2024
- 10% for credit card billing cycles from January 1, 2025 onwards

As for installment payment plan, the Company charges an annual interest rate of 15% plus an annual credit usage fee of 1% of the outstanding balance from the date of when each transaction is recorded by the Company until the repayment date.

2) **Cash advance** is a service that enables cardholders to withdraw cash by deducting a withdrawn amount from their approved credit lines. Cardholders can withdraw cash advance in Thailand and abroad. In case of domestic cash advance, cardholders can either withdraw cash advance from any bank ATMs with       and  logos or

withdraw from any Krung Thai bank counters displaying "we accept credit cards" sign of VISA/ MASTERCARD/ JCB/ UNIONPAY. In case of overseas withdrawal, cardholders can either withdraw cash advance from ATMs      and  logos or withdraw from bank counters or any exchange booth displaying "we accept Visa, MasterCard, JCB and UnionPay" sign. Moreover, cardholders can also make online cash withdrawal on the website (via KTC Online) and any iOS/ Android/ Huawei's Harmony OS for smartphones/ tablets (via KTC Mobile Application). The 24-hour online service will promptly transfer money to different banking accounts of 15 banks immediately. For this cash advance service, the Company receives a cash advance fee of 3% of the withdrawn amount from service users, but a minimum withdrawal amount must not be less than Baht 500. Furthermore, the Company can earn income from credit card interest, whereby it charges interest and credit usage fee from the date of cash withdrawal until the date of repayment of the entire outstanding amount.

3) **Other supplementary services** constitute of extra services or privileges offered to cardholders, including

- **KTC Phone:** Call 02 123 5000 for 24/7 customer service
- **KTC Personal Assistance:** offers personalized support for all types of KTC credit card members through four main categories:
  1. Booking & reservation for various services such as flight bookings, hotel reservations, restaurant table bookings, gift, and flower deliveries, and more.
  2. Reminder for special occasions and opportunities.
  3. Home Service & Management such as cleaning, moving, installing and etc.
  4. Help Center, including towing and emergency medical ambulance services.
- **JCB Platinum Services for all KTC JCB credit cardholders:**
  - JCB Plaza Lounges in 8 countries; China, Taiwan, South Korean, Singapore, Malaysia, Vietnam, Germany, and United Kingdom



- International Airport Lounges in Japan, China, Taiwan, South Korean, Singapore, Malaysia, Vietnam, Germany, United Kingdom, and Hawaii.

- **Automatic payment for monthly bills:** The customers is able to pay bills such as landline, mobile phone and internet services through all types of credit cards.
- **“My World” bimonthly travel magazine:** Provides news and information about domestic and international travel as well as benefits offered by our partners.
- **Travel insurance:** Our travel insurance plans provide coverages for cardmembers as well as their spouses and children under 23 years old if the member use the card to pay for transportation tickets and public transportation, both in Thailand and abroad. Below are the details of maximum insurance coverages:

**Baht 1 million** For all credit card types that belong to KTC VISA CLASSIC/ KTC MASTERCARD CLASSIC

**Baht 4 million** For all credit card types that belong to KTC VISA GOLD/ KTC MASTERCARD/ KTC TITANIUM MASTERCARD

**Baht 8 million** For all credit card types that belong to KTC VISA PLATINUM/ KTC PLATINUM MASTERCARD/ KTC JCB PLATINUM/ KTC UNIONPAY PLATINUM, with a maximum coverage for lost or damaged luggages of Baht 40,000 per claim.


**Baht 20 million** For all credit card types that belong to KTC VISA SIGNATURE/ KTC WORLD REWARDS MASTERCARD/ KTC UNIONPAY DIAMOND/ KTC JCB ULTIMATE, with a maximum coverage for lost or damaged luggages of Baht 40,000 per claim.

**Baht 20 million** For all credit card types that belong to KTC X VISA SIGNATURE/ KTC X WORLD REWARDS MASTERCARD, with a maximum coverage for lost or damaged luggages of Baht 100,000 per claim.

**Baht 40 million** For all credit card types that belong to KTC VISA INFINITE/ KTC WORLD MASTERCARD/ KTC UNIONPAY ASIA PRESTIGE DIAMOND, with a maximum coverage for lost or damaged luggages of Baht 100,000 per claim.

- **KTC FOREVER point accumulation program:** One KTC FOREVER Reward point is earned for every Baht 25 spent on the credit card. Reward points have no expiry date, so they can be accumulated to redeem for discounts and/ or prizes and services at participating merchants.
- **KTC ROP points accumulation program:** One ROP point is earned for every Baht 25 spent on KTC Royal Orchid Plus credit cards, redeemable exclusively for Royal Orchid Plus Miles. The exchange rate is 2 KTC ROP Points for 1 ROP Mile.
- **KTC installment payment:** This service facilitates payment for goods and services in installments with a special monthly interest rate of 0 - 0.74% up to 10 months at participating merchants.
- **Installment Payment Service via KTC Phone 02 123 5000:** Cardholders can request for installment payment by phone for outstanding balance due in the following month. Normally, the Company charges a monthly interest rate of 0.74% for a maximum of 10 months but interest rate may vary, depending on promotional offers in each period.
- **Self-installment service payment via KTC Mobile app and KTC Online website:** a service to convert the amounts of spending into installments for items that waiting for billing in the following month, with an interest rate of not more than 0.74% per month for a maximum of 10 months. However, interest rate may vary, depending on promotional offers in each period.
- **KTC WORLD Travel Service:** Provides a comprehensive travel and tourism information. KTC credit card members do not have to pay card swiping fees. In addition, KTC also provides convenience with travel planning services both domestically and internationally, air ticket, hotel reservation service, car rental, airport transfer,





tour packages and independent packages, overseas train tickets, admission tickets to sightseeing spots, visa service, travel insurance and other travel products. Contact KTC WORLD at 02 123 5050 or via LINE @KTCWorld every day, 8.00-22.00 hrs, including holidays or [www.ktc.co.th/en/ktcworld](http://www.ktc.co.th/en/ktcworld)

- **Fitbit/Swatch/Garmin Pay:** Enable members to make contactless payments using KTC VISA and KTC MASTERCARD credit cards through smartwatches, including Fitbit, Swatch, and Garmin. This feature enhances convenience and security through Tokenization.
- **QR Pay:** Facilitates payments via QR Code using KTC VISA, KTC MASTERCARD, and KTC UNIONPAY credit cards for various goods and services at different merchants.
- **Google Pay:** Service that facilitates KTC VISA and KTC MASTERCARD credit card members, which can be used at various stores. Just touch the phone to pay at any stores with this sign 

#### 4) Online Marketing services

- **KTC Real Privileges:** communicating information about credit card products, services, news, benefits, and privileges covering all types of spending, such as restaurants, hotels and department stores, etc. to present information or interesting issues on the social network, including the PR news and various privileges of KTC through the following channels.
  - Website at [www.ktc.co.th](http://www.ktc.co.th)
  - KTC LINE Official Account
  - Facebook at [www.facebook.com/KtcRealPrivilege](http://www.facebook.com/KtcRealPrivilege)
  - X at @KtcPrivilege
  - Instagram at @ktccard
  - Youtube at @KTCYouTube
  - Tiktok at @ktc.card
- **KTC U SHOP:** Online shopping services, where the KTC credit card members can pay via 0% interest installment program or redeem a variety of products in many categories using their KTC FOREVER points through the website [www.ktc.co.th/USHOP](http://www.ktc.co.th/USHOP), LINE: @KTCUSHOP and Facebook: KTC USHOP
- **KTC Mobile Application:** enabling KTC credit card members to manage online transactions

by themselves via KTC Mobile application, which supports on iOS/ Android/ Huawei's HarmonyOS operating systems.

- **KTC Online:** Credit card members can make transactions via online channels by themselves through the website [www.ktc.co.th/onlineservice](http://www.ktc.co.th/onlineservice)
- **EMV 3D Secure:** a security service for making payments for goods or services online via the Internet, which has been developed to meet international safety standards. It can support Visa International's VbV system  MasterCard's MCSC  JCB International's J/Secure  and UnionPay's UnionPay Online Payment International 

#### (B) Credit Card Service Process of Credit Card Issuing Business

1) **Acquiring cardholders:** The Company recruits cardholders through the main channels listed below:

- **KTC TOUCH** is a service point for credit card where KTC service staff facilitate the credit card application process and provide consultation and various services.
- **Krung Thai Bank branches and employees:** There are more than 966 branches nationwide.
- **Outsource sales channel:** The Company uses outsource services to introduce KTC financial products to individuals and juristic persons. Independent product recommenders are in every region in the country to serve customers inclusively and quickly.
- **Digital channel:** In response to consumer trends shifting towards the digital realm, KTC has developed online application channels through various digital platforms. Customers can access KTC products through the main website [www.ktc.co.th](http://www.ktc.co.th), KTC's social media, and also apply through various online partners, including Online and Digital Platforms such as Krungthai NEXT Application. The customers can do both manual data entry for immediate coordination with staff or self-application online 24/7.
- **Telesales channel:** The Company administers direct telesales and customer service operations by

developing in-house telesales platform to satisfy the needs of customers who prefer to submit an application through digital channels.

- **In-House Sales Channel:** The Company employs direct sales representatives for managing sales operations in a direct sales format. This is primarily executed in the form of Direct Sales in the Bangkok metropolitan area and its vicinity. Additionally, support is provided for sales activities at KTC TOUCH branches and various marketing events.
- **Channels that cooperate with various alliances:** This channel consists of co-branded companies, business alliances and alumni institutions or non-profit organizations (Affinity) in finding new card members, including trying to find new channels by doing business in a synergy manner with marketing alliances and various alliances.
- **Government Relation Channel:** This department is responsible for expanding organization customer base under the “KTC Government Service Card” and “KTC Visa Corporate Card” schemes to specifically serve government entities, state enterprises, public organizations, independent organizations, and private companies. Its mission is to stimulate spending on credit cards and provide after-sales services.
- **Contact center:** The 24/7 service center assists prospective customers who desire to apply for membership and the customers can call member service center at 02 123 5000 to inquire for more details.

## 2) Credit acceptance

The Company established standard procedures and work processes for consideration and approval of credit lines. There is a due diligence on the customer information including the identity verification of the applicant to ensure that the Company receive up-to-date, accurate and complete information and that customer qualifications meet the Bank of Thailand’s regulations and other regulatory requirements such as the Anti-Money Laundering and Combatting the Financing of Terrorism law strictly.

Card approval and credit limit consider two major factors: willingness to pay and ability to pay.

The Company uses information received from customers with other information such as credit history information and credit line usage (Credit History) from the National Credit Bureau Co., Ltd. The Company also screens according to the customer segmentation criteria and the credit scoring system that the Company developed to be used as a tool to help credit analysts assess the overall risk of customers more accurately.

Customers are informed the results quickly within a standardized time frame. Once the application is approved, the Company transfers the audited information to a standardized-third party that are certified by Visa, MasterCard, JCB and UnionPay to produce credit cards. The Company then proceeds to deliver the card to the location specified by the customer.

For current cardholder customers, the Company is committed to provide enough credit limit and responding to the customers’ needs in a timely manner. Customers can notify their intentions through various channels such as KTC Phone in requesting a credit limit increase, both in the form of a permanent credit line or temporary limit in case of emergency. Moreover, cardholders can manage their own temporary credit limit increase via the KTC Mobile app and the KTC online website whereby the Company sets a preliminary amount of money according to the behavior and risks of each customer.

## 3) Authorization

For credit card issuing business (Issuing Bank), when the cardholder uses the card to pay for goods and services at the store, the merchant contacts the bank/ company of the acquiring bank as an intermediary in contacting the bank/ issuing bank that considers and approves the spending through the credit line authorization system, according to the criteria set by the bank/ company and reports the results back to the shop again.

For the merchant acquiring business, the Company installs a network of electronic data capture (EDC) for member merchants, and by linking between the system of the bank/ card issuing company and the bank/ merchant company via the internet network, the authorization of the spending limit can be made as soon as the cardholder uses the card. The

improved terminal line encryption, a system developed on EDCs, can decrypt data from EDCs to increase the security of data transmission and reception. In addition, the Company has developed and improved goods and services payment in the form of QR pay in response to the changing trend of payment towards the cardless society and the changing context of the society due to the spread of COVID-19.

As for the e-commerce business, a payment gateway is installed to connect the system of the bank/ issuing company and the bank/ acquirer company while the Link Pay system is developed to support online transactions (e-Commerce) for small shops that do not yet have a full e-Commerce payment system. Moreover, in order to increase the security of the approval of online spending, the Company has developed additional systems both in card issuing business and card accepting business to support EMV 3DS 2.0 transactions via cardholder identity verification by entering the cardholder's PIN or OTP. The card issuer's system generates a new PIN for every online transaction to help increase the security of online transaction.

#### 4) Payment

The Company delivers credit card statement to the address of each cardholder at the end of billing cycle. Cardholders can choose to receive it in paper or electronic forms and make payments through many channels as followed:

- Cash or cheque payment via KTC TOUCH
- KTC Mobile application
- Krungthai NEXT application
- Bank counters
- Direct debit
- Automatic telephone payment system
- Cheque payment via regular mail
- Cash deposit machine
- ATM
- Payment service counter
- Internet banking/ mobile banking/ mobile application systems

Inquiries about payment channels can be made by calling KTC Phone Member Service Center at 02 123 5000 or through KTC website <https://www.ktc.co.th/en/support>

After receiving a credit card statement, if any cardholder has some doubt or wishes to reject

some payment transactions, he or she can notify the Company so as to suspend these transactions and halt debt collection during that period. Then, the Company will conduct a fact-finding investigation and determine which party must be liable for these expense transactions and will send a debt collection notice to the liable party within 55-180 days according to the standards of Visa, Mastercard, JCB and UnionPay. To deal with this issue, the Company has a monitoring system that keeps track of these transactions and prepares reports on the number of transactions rejected by cardholders on a regular basis in order to avoid forfeiting the right to collect debts from liable parties.

#### 5) Collection

The Company has assigned Win Performance Company Limited, an outsource company, to follow up debt collection on behalf of the Company according to the management policy, the Debt Collection Act, B.E. 2558 and Personal Data Protection Act B.E. 2562. The debt collection process immediately follows up when customers default on payment. Debt collection for both credit card business and personal loan business, including auto title loan, use the same standardized management approach, but the frequency of debt collection and procedures vary according to the duration of the outstanding debt or debt age. Collectors are properly prepared to match the customer's account according to the period of overdue to be responsible for such actions as follows:

- Less than 90 days past due: Debt collector may send the customer a debt collection letter or contact the customer by phone call, voice broadcasting, and SMS message so as to remind him or her to pay off the overdue debt. The intensity of debt collection efforts will correspond to the default period. Moreover, in case delinquent customer account requires special attention, the Company will assign an FCR collector to follow up with specific customers on a case-by-case basis to pursue debt repayment or check customer information and keep track of delivery and receipt of cars or motorcycles from delinquent customers in case of loans that use vehicle registration as collateral. The Company will temporarily suspend the use of credit line after a customer's debt becomes past due. In this case, the delinquent customer will not be able to use his or her credit card's credit line until



the outstanding debt is settled according to the stipulated terms and conditions. In case of over 90 days past due, if the delinquent customers do not pay off the debt, the Company will cancel his or her credit card and credit line permanently. If the customer has a behavior and a status at risk for debt repayment, the Company may consider cancelling the use of the credit card or credit limit before the account is overdue for 90 days.

- Over 90 days past due: The Company will offer assistance and reach a compromise settlement with debtors according to its stipulated criteria in order to encourage them to repay debts quickly. If any debtors intentionally avoid repaying their debts, the Company will further consider taking legal action.

The Company uses information technology systems for debt management. The system can group each customer according to duration of debt, amount of overdue debts, account status, credit limit/ credit card using behavior and so forth. Officers are automatically assigned to follow-up customer accounts when starting to become overdue, in line with data processing to regularly analyze and create a report (MIS Report and Dashboard). Besides, the Company adheres to a great importance of information security and personal data for confidence and trust in confidentiality according to the information security and personal data management system standards.

## 6) Fraud control

As a card issuer, the Company may be liable for damages in case cardholders become a fraud victim or the Company's cards are forged. Therefore, the Company set up a fraud control unit to mitigate its liability exposure to fraud and forgery risks.

The fraud control division is responsible for monitoring information derived from various sources so as to determine which purchase of goods and service are considered to be a fraudulent transaction. Available sources of information include the following:

- Visa, Mastercard, JCB and UnionPay
- Credit card club (under the Thai Bankers' Association)

- The Company invested in an anti-fraud system to prevent application fraud. This system can detect trending changes in card usage patterns that are indicative of online real-time application fraud. In addition, a dedicated team is responsible for monitoring suspicious transactions indicative of application fraud.
- The Company designates a team to monitor card usage of cardholders and members on a 24/7 basis, and it operates a highly efficient online fraud detection system to constantly monitor risky or suspicious card usage activities. When a transaction is made, cardholders will be notified immediately by phone or SMS messaging. Currently, the Company begins to use Machine Learning for the risk assessment of credit card transactions and plans to upgrade Online Fraud Detection System with a more advanced technology to enhance the efficiency and effectiveness in monitoring card usage activities of cardholders and merchant members.
- The Company developed a mobile application so that customers can use it as a self-assessment risk management tool (customer empowerment), whereby customers can temporarily freeze and unfreeze credit cards by themselves and determine a credit limit for online transactions to mitigate fraud online risk. In addition, customers can also determine a credit limit and an amount that triggers alert notification and choose a preferred Push Notification channel.

Furthermore, to minimize fraud, the Company regularly sends employees to training programs organized by Visa, Mastercard, JCB and UnionPay, and also cooperates with other entities to offer training programs for third parties, such as merchants, police, issuing banks/ card issuers, and other acquiring banks/ merchant acquirers stores. These training programs will enable all concerned parties to prevent fraud and halt suspicious transactions in a timely manner. As of December 31, 2023, the Company's losses from credit card frauds and personal loan scams amounted to Baht 14.77 million, or 0.005% of the total amount of credit card spending.

## Merchant Acquiring Business

This business aims to build a network of merchant partners where the Company acts as an acquiring company. Merchant members will submit transactions summary of products and services purchased with credit card (only Visa, Mastercard, JCB, UnionPay and Alipay including the Company's cards, bank's cards, or cards issued by other companies) and bill the Company, where service fees are deducted and kept as the Company's revenue. After that, the Company will charge the bank / card issuer to have them collect from their cardholders.

The Company had Electronic Data Capture (EDC) devices of 27,752 units, 27,606 units, and 28,151 units in the year 2021, 2022, and 2023 respectively.

### (A) Types of Acquiring Business services

There are 4 types of acquiring businesses as follows.

#### 1) Payment via Electronic Data Capture (KTC EDC)

the Company currently offers services through Electronic Data Capture (EDC) devices. These devices support various card networks, including Visa, Mastercard, JCB, UnionPay, as well as Local Switching for debit cards (ITMX and Thai Payment Network). Two types of EDC devices are available: (1) those accepting cards from Visa, Mastercard, JCB, UnionPay, and local switching for debit cards, and (2) those accepting payments through Alipay and Alipay Plus.

#### 2) Payment via QR Code (KTC QR PAY)

a Push Payment that the cardholder (customer) can process the payment himself/ herself by scanning the merchant's QR Code via banks' applications, as well as "KTC MERCHANT" application, that support QR Code Payment (including KTC Mobile).

#### 3) Receiving Payment Online (KTC GATEWAY/ KTC Link Pay)

a service that allows merchants to process online payment via the internet or e-Commerce via KTC GATEWAY which is suitable for merchants who provide products or services on the website. For KTC Link Pay, it is suitable for merchants' providing products or services on social commerce platform. At present, the Company uses EMV 3DS 2.0 system which requires cardholder' confirmation: a password set by the cardholder with the issuing bank (PIN) or One Time Password (OTP) during online payment process.

## 4) Automatic Payment Collection (RECURRING)

merchants send settlement in electronic form to the Company which will automatically deduct money from members' credit card on a monthly, a quarterly, a semi-annual and annual basis depending on the merchants.

Merchants can offer customers with credit card/ debit card/ Alipay and Alipay Plus to make a payment with aforementioned methods which are convenient and quick for customers.

Merchants must open deposits account with Krung Thai Bank or other banks via Media Clearing system. Transaction summary will be submitted to the Company for settlement through automatic information technology system every day. An installation of EDC will be mainly considered from sales value of credit card/ debit card/ Alipay/ Alipay Plus, expense related to the EDC, and cost-effectiveness. In case of small to medium merchants, QR Code Payment or Link Pay Payment are new channels to increase their business opportunity.

The Company has established guidelines for the merchant members, including any actions that can be considered as fraud based on the standards set by VISA, Mastercard, JCB, UnionPay, and Alipay. The guidelines are adjusted to align with the operation of the Company and credit card business conditions in Thailand. As of December 31, 2023, the Company had total of 48,140 merchants.

### (B) Merchant Acquiring Business Process

#### 1) Appoint Merchants

The Company contacts merchants to become members based on the identification standards and the Know Your Merchant (KYM) process. Their list of directors and shareholders is reviewed periodically according to the Anti-Money Laundering Act, and the Terrorism and Proliferation of Weapons of Mass Destruction Financing Act as well as providing an assessment and grading of the merchant's risk level. Merchants must not sell inappropriate products and not conduct any transactions that are prohibited by the Company such as procurement transactions that are prohibited by law, etc. For Merchants' appointment, the Company also takes into account of business type, transactions value, and their growth potential. The Company sets fees according to merchants' business type. Moreover, the Company not only contacts merchants directly, but merchants can also apply as the Company's member by themselves.

When merchants are approved and become members, they will open bank account with Krung Thai bank, or with other banks via Media Clearing System. The Company will install Payment Solutions that suit their businesses, for example, EDC, KTC GATEWAY/ KTC Link Pay, or sending QR Code Poster to them, along with instructions on how to create QR Code from the KTC MERCHANT application so that customers can scan when making a payment.

## **2) Approve Merchants Payment**

For merchants with Payment Solutions, they must connect to the Company's system via communications system network every time credit card payment is made.

The Company may reject the payment by merchants in case of fraud or breaching of agreement between merchants and cardholders.

However, the Company is responsible for loss caused by merchants' fraud to the banks/ card issuing companies. The Company will advance the payment first and claim it back from the fraudulent merchant later.

## **3) Make Payment to Merchants**

The Company pays merchants according to their daily settlements that submitted automatically via information technology system. The Company charges fees and value added tax as specified in the contract. In addition, if cards of other companies or other issuing banks are used at merchants' premises, the Company has to pay Interchange fee to that companies or issuing banks through Settlement system of Visa, Mastercard, JCB, UnionPay, ITMX, TPN, and Alipay.

## **4) Fraud Control**

To reduce the chance of fraud, the Company requires merchants to verify the card's authenticity. If merchants do not conduct the verification process and the fraud occurs, merchants shall be responsible for any damages incurred.

When a payment is made via EDC, data in Chip Card will be transmitted to verify the card's status at the issuing bank. In case card is blocked or cancelled, the Company may set up procedures and informs merchants on how to proceed with each type of cards, for example, destroy the card, or apprehend the card user.

The Company is using EMV 3D Secure 2.0 system to accept online payments for goods and services. The OTP (One Time Password) must be confirmed by cardholders during online credit card payment transactions so that the stores are safe from accepting payments for goods and services from cardholders. In case of unusual transactions or a notice to seize or cancel, the Company can set various measures for member stores to manage with each type of card, such as suspension of the delivery of goods and services or cancelling of fraudulent transactions or withholding of money transfer from such fraudulent transaction.

In addition, the Company has a team to take care of merchants' daily card acceptance. The Company also has a highly efficient Online Fraud Detection system which tackles suspicious cards and coordinates with issuing banks both domestic and international for immediate verification by officers via phone call, email, or fax. If the card is found to be fraudulent or the process is wrong or suspicious, the Company will inform the merchant immediately to proceed as seen appropriate to mitigate damage and loss that might occur in the future. If the issuing bank confirms an action to be fraud, and upon investigation the Company finds that it is due to merchant's negligence or finds that the merchant is an accessory to this fraud, the Company's team will suspend the payment immediately.

## Personal Loan Business



The Company started Personal Loan Business in 2003. It is an unsecured loan with 2 types of services which are KTC Cash and KTC PROUD Cash Card.

A multi-purpose loan KTC CASH was launched in October 2003. In 2006, the Company introduced a ready credit and rebranded to KTC PROUD Cash Card. In 2014, KTC PROUD Cash Card was launched as a revolving loan. KTC recognizes revenue of these personal loans based on effective interest rate, credit limit fee, and debt collection expense, etc.

For personal loan business operations, the Company sets interest based on the Risk-Based Pricing method which depends on the rate specified by Bank of Thailand and uses a Credit Scoring system to process and analyse data.

### (A) Types of Personal Loan Services

There are 2 types of KTC personal loan which are suitable for people with regular income. Customers can choose according to their needs as follows;

- 1) **KTC CASH Multi-Purpose Loan** is suitable for people with an income over Baht 15,000. This type of loan offers cash. The loan is to be repaid in equal installments. Applicant gets cash in his/her bank account within 2 days after approval. It is not a revolving credit. Installation period is ranged from 12 - 60 payments depending on approved credit limit.
- 2) **KTC PROUD Cash Card** is suitable for people with an income over Baht 12,000. It is a revolving loan. After approval, the first portion of the loan will be transferred into applicant's bank account. It is a convenience cash card with 4 functions "Withdraw-Transfer-Swipe-Pay" in one card. Customer may swipe for purchase of goods and services at any leading merchants that support transactions with UnionPay and Mastercard cards nationwide with a 6-digit PIN to confirm the transaction for both convenience and safety. Furthermore, the card supports the Contactless Payment system that makes payments easier simply with a single touch; just simply search for the Contactless symbol on the EDC device. Customer can use the card to withdraw cash from ATM machines across the country, at "KTC TOUCH" service branches, or online on the "KTC Mobile" application or on the "KTC Online" site real-time into different bank accounts of 15 bank accounts with no cash advance fee. Moreover, customer can use the card for installment payment with 0% interest rate or special interest rate up to 24 installments, which customers can choose to pay back at least 3% of the total outstanding balance, but not less than Baht 300, at participated merchants across the country.



Number of Personal Loan Account and Personal Loan Receivables	2021	2022	2023
Number of Accounts (Accounts)	751,676	743,767	721,743
Growth (%)	(7.1%)	(1.1%)	(3.0%)
Personal Loan Receivables - Gross (Million Baht)	29,235	32,283	34,716
Growth (%)	(2.2%)	10.4%	7.5%

## (B) Personal Loan Process

### 1) The applicant submits loan application to the Company

The applicant can apply for personal loan through the same channels as credit card application and they must fill in the form provided by the Company.

(Please see details about application channels in the topic “credit card service process of credit card issuing business” sub section 1) Cardholder application)

### 2) The Company checks applicant’s qualifications and risk profile

After the application form is received, the Company will evaluate the information in the application and its supporting documents. Personal verification in accordance with the law on Counter Terrorism and Proliferation of Weapon of Mass Destruction Financing Act and personal information checking from the National Credit Bureau Co., Ltd. were conducted. The risk analysis is performed by using the Credit Scoring system and the credit analyst reviews and sets criteria, qualifications, credit limit, and interest rate, including fees according to the Bank of Thailand announcement.

### 3) The Company notifies application results (either approve or reject) to the applicant

The Company will inform applicants of the approval or rejection of their loans request through SMS and/ or letters. If approved, a payment schedule will be provided along with the approval notification. Upon approval, the Company will transfer cash to the applicant’s bank account on the same day, in the case of accounts with Krung Thai Bank, Kasikorn Bank, and Bangkok Bank. For accounts with other

banks, the cash will be transferred within 1 working day after approval.

### 4) The Company sends installment statement and collects payment from the applicant.

The Company will send billing statement to customer every month before the due date. The customer brings monthly statement to pay via various channels provided by the Company, such as

- Pay at any KTC TOUCH
- Pay via Cash Deposit Machine (CDM)
- Pay at point of service
- Pay via automatic telephone system
- Pay via Internet Banking/ Mobile Banking
- Pay via ATM
- Pay by deduction from deposits account
- Pay at the bank counters
- Pay via KTC Mobile application
- Pay via Krungthai NEXT application

For more information on payment channels, please contact KTC PHONE 02 123 5000 or visit <https://www.ktc.co.th/en/support>

### 5) Follow up in case of delinquency

In case customer fails to make payment within the due date, the Company will follow up the payment and offer late payment extension to customer by considering customer’s needs and rationales. Under the closely monitored risk control system, the debt collection process for this personal loan business is done the same way as the credit card business.

(Please see details of Debt Collection in the topic “Process of credit card service of credit card business” sub-topic 5) Debt Collection)

## Auto Title Loan Business – KTC P BERM Car for Cash



Car registration loan business, KTC P BERM Car for Cash is a type of loan with car registration as collateral. There are 3 main products: car title loans, motorcycle title loans and big bike title loans.

These types of loans are installment loans that the customer must bring the car registration with a vehicle ownership under their name as collateral. KTC recognizes revenue from interest, car appraisal fee and expenses for follow-up, etc. In addition, in February 2022, the Company adjusted the qualifications of auto title loan products to be more competitive. When the loan is approved, the customer receives the first amount transferred to the bank account and receives KTC P BERM cash card to withdraw the credit limit anytime, anywhere. Besides, customer can use KTC P BERM cash card to buy products at stores.

For auto title loan business operations, the Company offers interest based on the Risk-Based Pricing method which depends on the rate specified by the Bank of Thailand. The Company also analyses risk based on customers' qualifications and debt repayment ability. This also includes cars or motorcycles' qualifications that customers use as collateral.

## (A) Types of Auto Title Loan Business – KTC P BERM Car for Cash

There are three main product types of KTC P BERM Car for Cash, which are suitable for customers of all occupations, whether they are customers with regular income, small business owner or freelancers. Customers can choose in accordance with the needs of using the credit limit or type of vehicle registration book to be placed as collateral as follows:

- 1) **Car title Loans** for individuals with earnings of Baht 8,000 or more (or business owners with sales of Baht 30,000 or more). It is a loan paid in installments with equal payment amount every month. The maximum interest rate is 24% per annum. The credit limit is determined by customers' qualifications, the age of the car, brand, model, and its conditions. It is an installment loans, which equally paid in each period. Customers can choose to receive a revolving credit line in the form of a cash card for withdrawal of money, shopping, or money transfer online via KTC Mobile Applications.
- 2) **Motorcycle title loans** for customers who own motorcycles registered for R.R.12 and R.R.17, of all occupations, unlimited income, with a maximum interest rate of 24% per annum. The credit line is determined based on the age, brand, model, and its conditions of the motorcycle. It is an installment loans, which equally paid in each period, and is a revolving loan that once approved, the customer receives the first transfer amount and a cash card to withdraw money, which can be swiped to buy products or transfer money online via KTC Mobile Application.



**3) Big bike title loans** for individuals owning the rights to big bike (engine size 250cc and above) registered with the Department of Land Transport (form R.R. 12 and R.R. 17) and having a monthly income of at least Baht 8,000 (or business owners with sales of at least Baht 30,000). The maximum interest rate is 24% per annum. The credit line is determined based on customer's qualifications, the age of the motorcycle, brand, model, and the condition of big bike. It is an installment loans, which equally paid in each period. Customers can also opt for a revolving credit line in the form of a cash card for cash withdrawals, purchases, or money transfers online via the KTC Mobile Application.

#### **(B) Auto Title Loan "KTC P BERM Car for Cash" Process**

##### **1) The Applicant contacts the Company for loan application**

The applicant contacts or registers to express their needs for auto title loan by contacting the Company via the following channels;

- Register via the Company Website (www.ktc.co.th)
- KTC TOUCH
- Call Center: P BERM Service 02 123 5300 or KTC Phone 02 123 5000
- Loan sales representative
- Business partners' channels that acts as the loan sales representative

The applicant must register or provide information according to the Company's loan application form.

##### **2) The Company makes an appointment to get loan application**

After the Company received loan application form, a loan officer will contact applicant to process an appointment at their convenient date, time and place so they can prepare application documents and bring the vehicle to check its condition according to the consideration processes.

##### **3) The Company checks applicant's qualifications, vehicle's qualifications, and risk profile**

After applicant submitted application and supporting documents and brought the vehicle to check its condition at the appointed date, time, and place with the Company's officer, the Company will evaluate from information in the application and its supporting documents. Personal verification in accordance with the law on Counter Terrorism and Proliferation of Weapon of Mass Destruction Financing Act and personal information checking from the National Credit Bureau Co., Ltd were conducted. The risk analysis is performed according to applicant's qualifications, alongside with a collateral vehicle's qualifications according to the Company's terms and conditions. The credit limit, interest rate, including fee are set according to the Bank of Thailand Regulations and Notification.

##### **4) The Company notifies application results (either approve or reject) to the applicant**

The Company notifies credit limit approval or reject to grant credit to the applicant as soon as the consideration result is finalized through the Company's representatives who taking care of the application. Once the application is approved, the Company will prepare a loan contract with enclosed table showing installment payment amount. And when the contract is signed by the applicant, the Company will transfer cash to the applicant's bank account within the day of approval.

##### **5) The Company sends Payment Card to customers**

The Company will send the Payment card to customer within 7 days after the loan is approved so customer can use the card for loan payment via various payment channels provided by the Company as follows;

- Pay at any KTC TOUCH (no service fee)
- Pay at Krung Thai Bank counter, or via Automated Teller Machine (ATM), or via Cash Deposit Machine (CDM) at Krung Thai Bank (no service fee)
- Pay via Mobile Banking of any banks

#### 6) Follow up in case of delinquency

In case customer fails to make payment within the due date, the Company will follow up the payment and offer late payment extension to customer by considering customer's needs and rationales. Under the closely monitored risk control system, the debt collection process for this personal loan business is done the same way as the credit card business.

(Please see details of Debt Collection in the topic "Process of credit card service of credit card business" sub-topic 5) Debt Collection)

## MAAI BY KTC Business



It is an expansion of expertise in managing reward points for KTC credit card members. MAAI BY KTC operates a business of providing management services for loyalty programs with business partners (B2B) who wish to build relationships with their member customer bases and need tools to enhance the potential of Digital CRM in retaining old customer bases and increasing good relationship with customers as well as expanding into new customer bases.

#### (A) Type of MAAI services

- 1) **Member management system** It helps collect basic information of members and customer segmentation according to business goals towards a better understanding of customer needs and continual personalize marketing.
- 2) **Reward points management system** It assists in points management of business as an important tool in today's CRM. The system can manage both the native points of business and the MAAI points to maximize the efficiency of loyalty program management.

- 3) **Coupon management system** It is able to reach consumer groups more easily and conveniently by offering special privileges in the form of electronic coupons with a comprehensive management system, as well as an inventory management and a back-end system that customers can manage electronic coupons by themselves. This is to make the redemption of points more divertible in meeting the needs of customers for all categories of spending, such as food and beverage, cinemas, online shopping, and tourism.

## Business of Subsidiaries (which are KTB Leasing Company Limited/ KTC PICO (Bangkok) Company limited/ KTC Nano Company Limited/ KTC Prepaid Company Limited/ KTB Advisory Company Limited)

#### 1) KTB Leasing Company Limited

engages in Hire Purchase and Financial Lease services. In May 2021, Krungthai Card Public Company Limited acquired ordinary shares of the company, resulting in the shareholding proportions of 24.95% for Krung Thai Bank and 75.05% for KTC. Starting from June 2021, the company expanded its business to provide hire purchase services for cars to retail customers. Additionally, it extended its lending activities to cover truck and construction machinery businesses from January 2022. However, due to increasing signs of non-performing loans, the company suspended its lending activities in August 2023. This decision aimed at refining the loan processes and managing the loan portfolio to enhance its quality. As of 2023, the gross leasing receivables amounted to Baht 3,189 million. The company actively monitors cases of default and implements measures to assist customers, including debt restructuring as follows;

- **Follow up in case of delinquency**  
If the customer is unable to make payments on the overdue date, the company will follow-up on debt collection and offer late payment extension by considering the needs and reasons under a closely risk control system according to the Debt Collection Act B.E. 2558, regulations, and announcements of the strictly defined external regulators.



- **Measures to assist customers affected by various situations impacting debt repayment**

To maximize the benefits for both debtors and the Company in continuing operations, in cases where debtors face difficulties in repaying due to economic conditions, making it impossible for them to make installment payments but still showing potential for continued business operations, they may reach out to the Company to request debt restructuring or temporary installment reduction. Customers should communicate the impact on their income and furnish pertinent information or supporting documentation if available. After adjusting the installment payment conditions and/or restructuring the debt, customers must adhere to the newly agreed-upon terms.

## 2) KTC PICO (Bangkok) Company Limited

provincial-level microfinance service (Pico Plus), provides a credit line of not more than Baht 100,000 to persons with house registration, living or working in the province the head office is located. There are with and without car and motorcycle registration books as collateral for credit, with interest, fines, service charges and any fees and expenses actually paid and reasonable, not exceeding 36% per annum for the credit limit not exceeding Baht 50,000, and not exceeding 28% for the credit line exceeding Baht 50,000. However, due to the relatively high risks associated with the provincial microfinance business direction, coupled with the uncertain economic conditions, the Company has decided to discontinue its provincial microfinance business operations under the Pico Plus category. The Company has surrendered its operating license, deregistered its business, and ceased operations. KTC Pico (Chonburi) Co., Ltd. and KTC Pico (Pathum Thani) Co., Ltd. had their registrations canceled on December 14, 2023. Additionally, KTC Pico (Samut Prakan) Co., Ltd. and KTC Pico (Samut Sakhon) Co., Ltd. had their registrations canceled on December 15, 2023. This signifies the withdrawal of these companies from Krung Thai Bank's financial business group. Currently, KTC Pico (Bangkok) Co., Ltd. remains operational in the microfinance business sector under supervision.

## 3) KTC Nano Company Limited

offers personal loans to freelancers or individuals with irregular income such as mom-and-pop store owners, traders, any typical registered merchants, or regular employees with monthly salary less than Baht 15,000. Key purpose of getting loans must be occupationally related such as to expand businesses, or to relieve burdens from informal debts. Each individual can get a loan for up to Baht 100,000 at an interest rate of no more than 33% per annum since August 1, 2020. Currently, the Company is in the process of studying the opportunity in the Nano finance business.

## 4) KTC Prepaid Company Limited

is established to operate e-Payment services, such as acquiring services, bill payment services, and money transfer services via electronic channels which the permission is to be granted from the business governing bodies. Krung Thai Bank holds 24.95% of total shares while KTC holds 75.05% of total shares.

## 5) KTB Advisory Company Limited (KTA)

conducts business as a holding company where KTC and Krung Thai Bank made a joint venture agreement on October 30, 2020. KTC purchased ordinary shares in KTA from Krung Thai Bank. As a result, Krung Thai Bank holds 76.00% of total shares while KTC holds 24.00% of total shares.

On February 21, 2004, the Company disposed of the ordinary shares of KTB Advisory Co., Ltd. (KTA) to Krung Thai Bank Public Company Limited (KTB) in a 24% proportion, resulting in KTB currently holding 100% of the shares in KTA.

## Legal provisions relating to the Company's business operations

The Ministry of Finance has issued a notification to allow credit card and personal loans businesses for their operations under the Announcement of the Revolutionary Council No. 58 and assigned the Bank of Thailand for supervisory by issuing announcements relating to the regulations and rules of such business operations. Also, the interest rates and other fees have been set and charged to customers, including the qualifications of credit cardholders and personal loans customers. Nonetheless, the Company is licensed for the operations of credit card and personal loans businesses, while obtaining a license to operate a business of payment services according to the Payment Systems Act B.E. 2560 (2017). The Bank of Thailand as a regulator has issued announcements regarding the regulations and rules for such business operations. Being in the financial business group of Krung Thai Bank Public Co., Ltd., the Company thus has to comply with the Financial Institution Business Act B.E. 2551 (2008) in relation to the consolidated supervision guidelines which the Bank notifies on additional rules.

Moreover, the Company must comply with the laws or announcements of other regulatory agencies related to its business operations, such as the Public Limited Companies Act B.E. 2535 (1992), the Securities and Exchange Act B.E. 2535 (1992), the Credit Information Business Act B.E. 2545 (2002), Consumer Protection Act B.E. 2522 (1979), Unfair Contract Terms Act B.E. 2540 (1997), Anti-Money Laundering Act B.E. 2542 (1999), Debt Collection Act B.E. 2558 (2015), Prevention and Suppression of the Financing of Terrorism and Proliferation of Weapons of Mass Destruction Act B.E. 2559 (2016), Computer Crimes Act B.E. 2550 (2007), Gambling Act B.E. 2478 (1935), Direct Selling and Direct Marketing Act B.E. 2545 (2002), Trademark Act B.E. 2534 (1991), Copyright Act B.E. 2537 (1994), Personal Data Protection Act B.E. 2562 (2019), etc. The Company has complied with the laws, announcements, rules and regulations being enforced in all respects. Additionally, the Company shall strictly adhere to the newly issued regulations and rules in the future.



Living A Minimalist Lifestyle

The Overview of Consumer Finance Industry

The Overview of Consumer Finance Industry

Based on data from the Office of the National Economics and Social Development Council (NESDC), the overall Thai economy in 2023 grew at a rate of 1.9%, marking a slowdown from the 2.5% growth seen in 2022. This deceleration was attributed to the sluggish recovery of the export and production sectors, influenced by global trade conditions, shifting behaviors of foreign tourists, and a decrease in government investment. However, the projection for the Thai economy in 2024 anticipates growth in the range of 2.2% to 3.2%. This growth is expected to be supported by several factors, including the resurgence of the export sector in line with global trade recovery, expansion of demand and supply, increased investment from the private sector, and continued recovery of the tourism industry.

The growth of the consumer finance industry has decelerated compared to the previous year due to a slight increase in household demand for loans, influenced by the economic conditions and the tightening of lending standards across all types of loans.

Regarding the situation of household debt in Thailand, the Bank of Thailand has improved and expanded the scope of financial data concerning loans to households (“household debt”), enhancing the coverage and inclusion of more detailed household debt data. According to the new data set, additional information on household debt is collected from 1) education loan funds, 2) the National Housing Authority, 3) Pico Finance, and 4) other cooperatives apart from savings cooperatives. This improvement allows for a better understanding of the actual household debt situation. In the third quarter of 2023, it was found that household debt amounted to Baht 16.2 trillion, an increase from 2022 at Baht 15.9 trillion. Meanwhile, the ratio of household debt to Thailand’s GDP at the end of the third quarter of 2023 was 90.9%, slightly decreased from 91.4% at the end of 2022. However, the household debt-to-GDP ratio of Thailand remains high and exceeds the sustainable level set by the Bank for International Settlement (BIS) at 80%. Therefore, it is still necessary to monitor and control household debt so that it does not exceed the level that can be repaid.

The overarching issue of household debt accumulation primarily stems from Thai citizens contending with income growth that lags behind the expenses of certain household groups, debt-creation behavior of households, and the cycle of rising interest rates over the past years. In response, the Bank of Thailand has implemented sustainable household debt resolution measures. These measures extend the support for resolving household debt through both existing measures for protecting vulnerable debtors and additional initiatives. These initiatives mandate creditors to practice responsible and fair lending to aid debtors facing repayment issues through debt restructuring, assist chronic debtors in settling their debts conclusively, enhance debtor rights protection, and give greater consideration to the debtor’s repayment capacity. These efforts aim to ensure more sustainable household debt management.

Thailand’s Household Debt	2019	2020	2021	2022	As of 3Q/2023
Household Debt (Million Baht)	14,197,753	14,756,552	15,316,819	15,882,642	16,199,538
Household Debt to GDP (%)	84.1	94.2	94.7	91.4	90.9

Source: The Bank of Thailand

## Overview of Credit Card Industry

### (1) Competition and Competitors in the Credit Card Business

For the credit card industry as of the end of 2023, the number of credit card accounts grew by 2.1%, with outstanding credit balances increasing by 3.3%. Spending volume through cards (excluding cash advances) expanded by 8.2%, and cash advances grew by 6.6%. Overall growth has slowed compared to the previous year, which previously experienced growth rates of 3.6%, 5.4%, 21.1%, and 27.9%, respectively. The slowed growth is a result of the sluggish economic conditions, including the persistently high household debt levels and the current deterioration in the quality of loans. Consequently, the Bank of Thailand has played a more active role in regulation and implementing measures to assist debtors further. Meanwhile, credit card business operators must prepare to cope with increasing pressure, such as gradually raising the minimum repayment rates for credit cards from 5% in 2023 to 8% in 2024 and 10% in 2025. This requires operators to become more stringent in evaluating credit approvals, focusing on improving the quality of their portfolios, and dealing with the rising costs associated with increased provisions for potential credit losses.

Currently, the credit card business operates under intense competition due to the demand for expanding market share in the credit card industry. In 2023, the market share in terms of outstanding loan in the non-bank business sector was 50.5%, surpassing the market share of commercial banks, which stood at 49.5%. This contrasts with the scenario since 2019 when commercial banks traditionally held a larger market share. However, due to competitive advantages in various aspects, such as adapting and developing new financial products in line with changing consumer behaviors, technological development, and innovations in credit card-related payment methods, coupled with marketing strategies aligned with current consumer trends, responding promptly with understanding customer needs, and the competition in terms of benefits through card usage, non-bank businesses have now gained a larger market share than in the past.

Furthermore, with the impact of the government's economic stimulus policies and an economy expected to recover gradually, these factors are anticipated to drive the credit card business as a continuing growth sector in the future. This aligns with the increasing demand for loans, in line with consumer spending and confidence.

On December 31, 2023, there were a total of 26.3 million credit card accounts in the system. The growth rate was 2.1%, while the total outstanding credit card receivables amounted to Baht 498,861 million, with a growth rate of 3.3%. As for the industry's total spending volume, it reached Baht 2,166,727 million, showing an increase of 8.1% from the previous year. Further details on industry data can be found in the following table.

**Table: Number of Credit Cards**

Number of Credit Card (Accounts)	2019	2020	2021	2022	As of December 31, 2023		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	11,618,919	11,732,994	12,182,642	9,787,240	9,764,572	37.2%	(0.2%)
Non-Bank	12,001,455	12,430,927	12,666,643	15,946,683	16,514,592	62.8%	3.6%
<b>Total</b>	<b>23,620,374</b>	<b>24,163,921</b>	<b>24,849,285</b>	<b>25,733,923</b>	<b>26,279,164</b>	<b>100.0%</b>	<b>2.1%</b>

Source: The Bank of Thailand



**Table: Credit Card Receivables**

Credit Card Receivables (Million Baht)	2019	2020	2021	2022	As of December 31, 2023		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	279,429	272,918	278,808	242,169	247,000	49.5%	2.0%
Non-Bank	177,661	176,814	179,373	240,797	251,861	50.5%	4.6%
<b>Total</b>	<b>457,090</b>	<b>449,733</b>	<b>458,181</b>	<b>482,966</b>	<b>498,861</b>	<b>100.0%</b>	<b>3.3%</b>

Source: The Bank of Thailand

**Table: Total Credit Card Spending**

Total Credit Card Spending (Million Baht)	2019	2020	2021	2022	As of December 31, 2023		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	1,231,979	1,073,488	1,079,309	1,302,884	1,206,996	55.7%	(7.4%)
Non-Bank	653,746	570,221	570,182	701,853	959,732	44.3%	36.7%
<b>Total</b>	<b>1,885,725</b>	<b>1,643,709</b>	<b>1,649,491</b>	<b>2,004,737</b>	<b>2,166,727</b>	<b>100.0%</b>	<b>8.1%</b>

Source: The Bank of Thailand

**Table: Credit Card Spending (Excluding Cash Advance)**

Credit Card Spending (Excluding Cash Advance) (Million Baht)	2019	2020	2021	2022	As of December 31, 2023		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	1,145,498	1,011,706	1,032,877	1,246,582	1,160,992	57.1%	(6.9%)
Non-Bank	576,535	515,306	519,469	633,917	873,240	42.9%	37.8%
<b>Total</b>	<b>1,722,033</b>	<b>1,527,013</b>	<b>1,522,345</b>	<b>1,880,499</b>	<b>2,034,232</b>	<b>100.0%</b>	<b>8.2%</b>

Source: The Bank of Thailand

Total industry's cash advance in 2023 has a value of Baht 132,496 million, an expansion of 6.6% from the same period of 2022.

**Table: Cash Advance in Credit Card Business**

Cash Advance (Million Baht)	2019	2020	2021	2022	As of December 31, 2023		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	86,481	61,781	46,432	56,303	46,004	34.7%	(18.3%)
Non-Bank	77,211	54,914	50,713	67,936	86,492	65.3%	27.3%
<b>Total</b>	<b>163,692</b>	<b>116,696</b>	<b>97,145</b>	<b>124,238</b>	<b>132,496</b>	<b>100.0%</b>	<b>6.6%</b>

Source: The Bank of Thailand

## (2) Comparison of Company's Credit Card Business to the Industry

When considering the company's credit card business compared to the industry, it is evident that the total spending through the company's credit cards in the year 2023 amounted to Baht 265,383 million, an increase from the same period in 2022 where it stood at Baht 238,257 million, representing a growth of 11.4%. Meanwhile, the industry expanded by 8.1%. In 2023, the Company held a market share of 12.2%.

Regarding credit card receivables as of December 31, 2023, the Company had outstanding receivables amounting to Baht 74,441 million, with a market share of 14.9%. The Company's credit card receivables grew by 7.2%, while the industry's receivables increased by 3.3%.

The Company has a strategy to collaborate with Visa, Mastercard, JCB, and UnionPay to expand its credit card membership base. Additionally, there are programs implemented to stimulate spending, covering various categories of products and services that align with the members' lifestyles. This is coupled with expanding new partnerships to enhance benefits in new categories for the members. By the end of 2023, the Company had a total of 2.6 million credit card accounts and held a market share of 10.0%.

As of December 31, 2023, the non-performing loan (NPL) ratio within the industry stood at 2.5%, an increase from 1.9% in 2022, indicating challenges in maintaining debt quality. Upon analyzing the NPL ratios in 2023 categorized by service providers, it is observed that commercial banks had an NPL ratio of 2.7%, while non-bank had an NPL ratio of 2.3%. Furthermore, KTC's NPL ratio as of December 31, 2023, was 1.1% of total outstanding debt, lower than the industry's non-performing loan ratio.

**Table: Comparison Between KTC Credit Card Business and the Industry**

	2019	2020	2021	2022	2023
Industry Number of Credit Card Accounts (Million Accounts)	23.6	24.2	24.8	25.7	26.3
KTC Number of Cards (Million Cards)	2.5	2.6	2.5	2.6	2.6
KTC Market Share (%)	10.6%	10.7%	10.1%	9.9%	10.0%
Industry Credit Card Spending (Million Baht) <sup>(1)</sup>	1,885,725	1,643,709	1,649,491	2,004,737	2,166,727
KTC Credit Card Spending (Million Baht) <sup>(1)</sup>	213,629	197,087	195,727	238,257	265,383
KTC Market Share (%)	11.3%	12.0%	11.9%	11.9%	12.2%
Industry Credit Card Receivables (Million Baht)	457,090	449,733	458,181	482,966	498,861
KTC Credit Card Receivables (Million Baht)	56,653	60,235	60,201	69,462	74,441
KTC Market Share (%)	12.4%	13.4%	13.1%	14.4%	14.9%
Industry - NPL Ratio (%)	1.9%	1.9%	1.8%	1.9%	2.5%
KTC - NPL Ratio (%)	0.9%	1.3%	1.2%	1.1%	1.1%

Source: The Bank of Thailand

<sup>(1)</sup> Credit card spending includes cash advance

## Overview of Personal Loan Business

### (1) Competition and Competitors in the Personal Loan Business

For the personal loan business in the year 2023, the overview of personal loan under supervision continues to grow steadily. Upon closer inspection, it is evident that unsecured personal loans are experiencing a slower growth rate, in line with the economic conditions, while auto title loan continues to grow well in response to consumer loan demand. This overall trend presents opportunities for further growth in the industry going forward. However, the overall quality of loans is declining, and rising borrowing costs are factors putting pressure on the personal loan market.

As of December 31, 2023, the number of accounts in the personal loan industry stood at 23.8 million accounts, showing a growth rate of 10.3% compared to the same period in the previous year, when there were 21.6 million accounts. Competition in the personal loan business remains continuous as it is a market that offers high-margin products, attracting interest from multiple entrepreneurs.

**Table: Number of Personal Loan Accounts**

Number of Personal Loan Account (Accounts) <sup>(1)</sup>	2019	2020	2021	2022	As of December 31, 2023		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	3,611,409	3,283,407	3,570,167	3,516,709	3,634,818	15.3%	3.4%
Non-Bank	12,622,166	13,678,745	14,839,427	18,040,580	20,149,776	84.7%	11.7%
<b>Total</b>	<b>16,223,575</b>	<b>16,962,152</b>	<b>18,409,594</b>	<b>21,557,289</b>	<b>23,784,594</b>	<b>100.0%</b>	<b>10.3%</b>

Source: The Bank of Thailand

<sup>(1)</sup> Number of accounts means number of personal loan accounts under supervision with outstanding loans at the end of the reporting month.

The outstanding balance of personal loan industry in the year 2023 increased to Baht 842,175 million, representing a growth of 12.8% compared to the same period in the previous year.

**Table: Outstanding Balance of Personal Loan Business**

Personal Loan Outstanding Balance (Million Baht) <sup>(1)</sup>	2019	2020	2021	2022	As of December 31, 2023		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	254,345	225,325	237,237	221,028	228,223	27.1%	3.3%
Non-Bank	325,566	355,058	395,916	525,446	613,952	72.9%	16.8%
<b>Total</b>	<b>579,791</b>	<b>580,383</b>	<b>633,153</b>	<b>746,474</b>	<b>842,175</b>	<b>100.0%</b>	<b>12.8%</b>

Source: The Bank of Thailand

<sup>(1)</sup> Only principal (after deducting deferred income) is counted in Outstanding Balance

## (2) Comparison of Company's Personal Loan Business with the Industry

As of December 31, 2023, the Company had a total of 721,743 million personal loan accounts, representing a decrease of 3.0%, primarily due to the closure of inactive accounts. In contrast, the industry grew by 10.3%. The Company held a market share of 3.0% in the number of personal loan accounts in the year 2023. The Company's outstanding personal loan balance at the end of 2023 amounted to Baht 34,716 million, increasing by 7.5%, with a debt proportion compared to the industry standing at 4.1%. The Company remains committed to expanding its customer base continuously, by focusing on penetrating potential customer segments and introducing the KTC PROUD cash card, enhancing convenience with comprehensive functions of cash withdrawal, transfer, payment, and installment for customers with stable income and higher income levels. This strategy is accompanied by efforts to maintain the quality of the loan portfolio to ensure continued high quality.

When considering Non-Performing Loans (NPLs), it is evident that the proportion in the industry in the year 2023 increased to 4.2% compared to the previous year's 2.9%. Meanwhile, the Company's NPL as of December 31, 2023, was at 3.0%, up from 2.8 % in the previous year. Nevertheless, the Company continues to focus on controlling the quality of its loan portfolio, adjusting strategies according to the circumstances, and expanding credit cautiously.

**Table: Comparison Between KTC Personal Loan Business and the Industry**

	2019	2020	2021	2022	2023
Number of Personal Loan Accounts - Industry (Accounts) <sup>(1)</sup>	16,233,575	16,962,152	18,409,594	21,557,289	23,784,594
KTC Number of Personal Loan Accounts (Accounts)	888,342	808,772	753,794	743,767	721,743
KTC Personal Loan Accounts to Industry (%)	5.5%	4.8%	4.1%	3.5%	3.0%
Industry Personal Outstanding Loan (Million Baht) <sup>(2)</sup>	579,911	580,383	633,153	746,474	842,175
KTC Personal Loan Receivables (Million Baht)	28,933	29,915	29,235	32,283	34,716
KTC Personal Loan Receivables to Industry (%)	5.0%	5.2%	4.6%	4.3%	4.1%
Industry - NPL Ratio (%)	3.0%	3.0%	2.5%	2.9%	4.2%
KTC - NPL Ratio (%)	0.9%	2.7%	2.9%	2.8%	3.0%

Source: The Bank of Thailand

<sup>(1)</sup> Number of accounts means number of personal loan accounts under supervision with outstanding loans at the end of the reporting month.

<sup>(2)</sup> Personal loan without assets or property as collateral, including lending originated from hire purchase and auto title loan, but excluding loan for hire purchase and leasing, loan for education, traveling loan for overseas employment, loan for medical treatment, loan for staff welfare and other loans as prescribed by the Bank of Thailand.

## Overview of Auto Title Loan Business

### (1) Competition and Competitors in Auto Title Loan Business

Over the past year, the auto title loan industry has experienced high growth rates and intense competition, evidenced by the entry of several new players to the market. Existing businesses, both banks and non-bank financial institutions, have aggressively pursued market expansion. This is because auto title loan business are considered to have controllable risk, as customers must provide their vehicle registration as collateral. Coupled with the recovering Thai economy and the resurgence of tourism, auto title loan business have emerged as a product that meets the capital needs of the target customer group. Nevertheless, non-bank financial institutions continue to lead this market due to their more flexible approval criteria and a strategic focus on increasing branch numbers in potential locations to offer nationwide loan services.

As of December 31, 2023, the number of accounts in the auto title loan industry stood at 5.97 million, marking a 17.7% increase from the same period in the previous year, which had 5.07 million accounts.

**Table: Number of Auto Title Loan Accounts**

Number of Auto Title Loan Account (Accounts)	2022	As of December 31, 2023		
		Amount	Portion (%)	Growth (%YoY)
Commercial Bank	192,491	213,943	3.6%	11.1%
Non-Bank	4,877,427	5,752,226	96.4%	17.9%
<b>Total</b>	<b>5,069,918</b>	<b>5,966,169</b>	<b>100.0%</b>	<b>17.7%</b>

Source: The Bank of Thailand

As of December 31, 2023, the outstanding loan balance of the auto title loan industry was Baht 336,495 million, expanding by 35.9% compared to the same period in the previous year, which was equal to Baht 247,516 million.

**Table: Outstanding Balance of Auto Title Loan Business**

Auto Title Loan Outstanding Balance (Million Baht)	2022	As of December 31, 2023		
		Amount	Portion (%)	Growth (%YoY)
Commercial Bank	37,814	44,743	13.3%	18.3%
Non-Bank	209,702	291,752	86.7%	39.1%
<b>Total</b>	<b>247,516</b>	<b>336,495</b>	<b>100.0%</b>	<b>35.9%</b>

Source: The Bank of Thailand

### (2) KTC Auto Title Loan Business Compared to the Industry

As of December 31, 2023, the Company reported a total outstanding loan receivables of Baht 2,287 million, while the industry's total outstanding loan balance stood at Baht 336,495 million. The Company has set a goal to expand its business by continuously enlarging its portfolio base, focusing on the growth of new bookings, increasing brand awareness, and communicating with the target customer group who have financial needs and own a vehicle. This is in conjunction with controlling the quality of the loan portfolio.



## Overview of Pico Finance Industry

As of the end of December 2023, there were 1,134 operators authorized by the Ministry of Finance to operate Pico Finance businesses. Moreover, as of November 30, 2023, the total number of Pico Finance business accounts totaled 357,583 accounts. Meanwhile, Regarding to the Fiscal Policy Office, the outstanding credit balance of the Pico Finance industry amounted to Baht 7,019 million.

Due to the high level of risk associated with provincial-level microfinance businesses, the industry's non-performing loan (NPL) ratio has consistently increased each year, with data as of November 30, 2023, showing an NPL ratio of 23.5% and a Special Mention ratio of 12.9% for loans overdue by 1-3 months. Coupled with the highly uncertain economic conditions, the Company has implemented a policy to cease operations of provincial-level microfinance businesses under the Pico Plus category. The Company has ceased its business licenses in four provinces, namely 1) KTC Pico (Chonburi) Co., Ltd. and 2) KTC Pico (Pathum Thani) Co., Ltd. have officially registered to dissolve business on December 14, 2023; meanwhile, 3) KTC Pico (Samut Prakan) Co., Ltd. and 4) KTC Pico (Samut Sakhon) Co., Ltd. have also officially registered to dissolve business on December 15, 2023.

## Overview of Nano Finance Industry

As of December 31, 2023, the number of accounts in the nano finance industry reached 2,246,664 accounts, representing a growth rate of 21.3% compared to the same period in 2022 at 1,852,679 accounts. The outstanding loan balance of the nano finance industry amounted to Baht 41,502 million, showing an increase of 23.9% from the same period in 2022, with an outstanding loan balance of Baht 33,486 million.

Due to the highly uncertain economic conditions, the Company is currently in the process of studying opportunities in the nano finance business.

## Overview of Hire Purchase and Leasing Industry

According to the announcement by the Office of the Consumer Protection Board (OCPB) issued an announcement regarding the control of vehicle leasing contracts for cars and motorcycles as regulated businesses under the Consumer Protection Act of 2022, which is significant in controlling the ceiling of leasing interest rates, coupled with the current economic situation that has not fully recovered as expected, household debt conditions, and non-performing loans occurring at present, this has led to a slowdown in the growth of the leasing business. Furthermore, business operators need to be more cautious in extending credit due to concerns about the credit risk of borrowers, the risk associated with the value of collateral, deteriorating loan quality with a continuous downward trend, and an expected continuous increase in borrowing costs. Overall, business operators must carefully and prudently carry out credit approval rates, emphasizing the importance of quality portfolio growth.

The Company's hire purchase and leasing business, operated by KTB Leasing Public Company Limited ("KTBL"), currently has a very small portfolio. The Company has suspended loan disbursements in the commercial loans segment since August 2023, due to increasing signs of deteriorating credit quality.

## Business Trends and the Company's Strategy in 2024

### 1) Credit Card Business

In 2024, the credit card business is targeting a 15% growth in card spending, reaching approximately Baht 300,000 million, and aims to acquiring 230,000 new members. The marketing strategy for KTC credit card will focus on market segmentation, dividing target customers clearly. The automation system is integrated to enhance efficiency, and communication channels are tailored to fit specific target groups through 4 key axes as follows:

#### 1. Portfolio & Product Management

1.1) Manage the current member portfolio to ensure quality and consistent spending from active customers. For example:

- Implement credit line increase programs for valued customers to encourage higher spending.
- Stimulate supplementary card applications through KTC Mobile application, with adjusted customers' journeys for convenience and efficiency.
- Develop programs targeting inactive customers to encourage those who haven't used their cards for 3 months or more to resume card usage.

1.2) Developing credit card products with a primary focus on payment security is crucial. This includes the introduction of KTC DIGITAL card, emphasizing 3 key features:

- (1) Elevating security in online transactions by implementing Dynamic CVV/CVC2, changing with each request, and valid for 24 hours.
- (2) Prioritizing convenient payments, enabling instant payments after an approval for online transactions. Supporting QR Pay and card linkage with various payment systems like Google Pay and Swatch Pay.
- (3) Providing assurance for in-store transactions by utilizing a numberless card, minimizing the risk of data theft. The card design emphasizes modernity with a translucent card body, featuring only the network logo, KTC's brand, and cardholder name for enhanced security during transactions.

#### 2. Acquisition Program

In 2024, acquisition program will focus more on acquiring new customers through online channels, in addition to the traditional methods such as Krung Thai Bank branches and outsourced sales. The goal is to target higher income customers (with monthly income more than Baht 50,000) and new-generation customers who prefer online transactions. This will involve developing an Electronic Application, enabling customers to independently complete the application process through a comprehensive online platform.

#### 3. Usage Program

Design spending stimulation programs that are tailored to meet customers' needs in main spending categories such as dining & hotel dining, travel, insurance, health & beauty, etc. Additionally, KTC continues to collaborate with business partners sharing similar business objectives, ensuring marketing activities address the significant spending categories of members to enhance brand recognition and loyalty.

#### 4. Communication

Enhancing communication channels for greater effectiveness, focusing on personalized communication by delivering benefits tailored to specific target groups at the right time. This involves various channels such as KTC Mobile, E-mail, Line, Facebook, and other social media platforms.

## 2) Personal Loan Business

In 2024, the overall consumer loan demand expects to show a growth trend in line with economic recovery. The personal loan sector is likely to experience growth similar to the previous year, given the gradual economic recovery. However, challenges in maintaining asset quality remain a factor to be addressed.

KTC's personal loan strategy in 2024 aims for business growth while ensuring the quality of portfolios. The strategy includes a 5% growth target for the personal loan's portfolio and an increase of 100,000 new members for "KTC PROUD" cash card. The main strategies are outlined as follows:

1. Attract high-quality new members by emphasizing online application through E-Application, allowing members to self-process applications with real-time approval and instant cash transfers. Additionally, the strategy involves improving the application process through KTC's website and partners.
2. Enhance the cash card usage experience to over 700,000 KTC PROUD members by introducing complete features such as swipe-transfer-withdraw-pay function, by providing withdrawal and cash transfer functions on KTC Mobile application, supporting existing transfers feature to PromptPay accounts, and to various bank accounts. The strategy also includes ongoing campaigns such as the debt clearance campaign, which has been running for over a decade. This campaign aims to incentivize disciplined credit usage by offering members the opportunity to clear their debts with KTC.

## 3) Auto Title Loan Business

For auto title loan business, trend supports potential for substantial growth and expansion in the year 2024. This is due to the economic conditions after the COVID-19, the demand on loans has continuously increased. Auto title loan is considered low risk business, allowing effective screening and control of asset quality. Additionally, since January 2023, the Consumer Protection Office (CPO) has regulated the interest rates for hire purchase businesses, attracting the attention of many business operators, both from banks and non-banking sectors into the auto title

loan business. As a result, the industry is expected to become more competitive, with continuous growth.

In 2024, KTC's strategic plan for KTC P BERM Car for Cash continues to prioritize expanding member base for sustained growth. The main focus lies in the growth of new bookings, with key strategies centered around building brand awareness and strengthening channel management. Additionally, there are supplementary strategies in product and process enhancement as follow:

### 1. Brand Awareness

The strategy focuses on communication to enhance awareness of KTC P BERM Car for Cash product, ensuring the target group becomes more acquainted and recognizes the product's strengths on a broader scale. Communication will primarily occur through online channels, aligning with the media consumption habits of the main target group. This will be complemented by localized media and communication through Krung Thai Bank branches. Content formats will be adjusted for easy understanding, aligning with the lifestyle of the target group.

### 2. Channel

The focus remains on expanding the customer base through Krung Thai Bank branches, a strategic channel. This involves identifying strategic branches with high growth potential and implementing motivation campaigns to stimulate loan growth throughout the year. Additionally, there is a reinforcement of strength in both Outsource Sales and Online Acquisition channels, which are considered the two main channels for KTC.

### 3. Process

Continuously focus on improving the efficiency of application and approval processes. In 2024, there will be developments in work processes to facilitate a more convenient and simpler loan application process for customers. These include refining transaction methods to increase automation, reducing steps, and minimizing documentation required for approvals.

#### 4. Product

Expanding the product of auto title loan to enhance service coverage and reach broader target groups. This includes introducing cash cards for emergency expenses and refinancing options for customers with collateral burdened by existing debt. Additionally, adjusting customer qualification criteria and primary collateral conditions to be more flexible and suitable for target group with credit demands.

#### 4) MAAI BY KTC

MAAI BY KTC plans to expand to at least 20 medium-sized and large business partners, aiming to increase MAAI members by approximately 2 million. The targeted partners on the MAAI platform will focus on businesses that establish frequent customer engagement for repeat purchases or services. Additionally, MAAI's platform offers diverse service models, enhancing effective Customer Relationship Management (CRM) for merchants' partners. Strategic developments will particularly focus on three key areas to further optimize efficiency.

1. Continuing the platform development, new features and functions are being introduced to meet the requirements of medium-sized and large businesses.
2. Enhancing efficiency and elevating the user experience of the MAAI BY KTC application for greater ease, convenience, and overall improvement.

3. Expand the MAAI BY KTC points redemption network to encompass all lifestyles and member needs.

MAAI BY KTC aims to have redemption points available across diverse businesses, creating a robust business ecosystem that fosters sustainable growth for partners through interconnected services.

#### 5) Hire Purchase and Leasing Business

For the hire purchase and leasing business, the overall industry has experienced rapid growth in the first half of 2023. However, due to the increasing problem of non-performing loans, business operators have shifted their focus towards debtor quality control and become more cautious in extending credit. This has resulted in a slowdown in growth during the latter half of the year.

Due to the high risk and uncertainty in the hire purchase and leasing market, coupled with a continuous rise in non-performing loans, the Company suspended loan disbursements since August 2023, led by KTBL.

For the year 2024, the Company currently does not have a strategy to resume offering loans to new customers. Instead, the focus will be on portfolio management, enhancing repayment tracking processes to increase efficiency, and preventing customer debt downgrades.

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### Acquisition of Products and Services

#### Credit Card Acquisition

As the Company needs to obtain plastic card to produce various kinds of credit cards, along with store cardholder's data into both microchips embedded in front of the card and magnetic stripe at the back, the Company has decided to use outsource service providers certified by Visa, Mastercard, JCB, and UnionPay. The entire processes of credit card production are as follows:

- Blank Card ordering: outsource service providers will manufacture plastic cards according to the

amount and the formats that the Company has ordered in which each order will be estimated for sufficient use. When plastic cards in inventory reach a reorder point, the Company will make additional order to ensure that outsource service providers can produce cards in time.

- Embossing or applying drops on demand, and recording data in magnetic stripes and microchips: plastic card will be embossed with cardholder's

name and surname according to the format or type of the credit card that cardholder chooses. Cardholder's data will also be stored into microchips and magnetic stripes with outsource service providers' manufacturing standards certified by Visa, Mastercard, JCB and UnionPay.

- Credit card packaging and delivering to cardholders: manufactured credit card will be filled in the envelope together with credit card's terms and conditions and any other privileges documents. Then, the Company will deliver the card through the channel cardholder selects such as via postal mail per the address indicated by cardholder, or via KTC TOUCH service point, or via KTB branch as identified by cardholder and so forth.

#### **Procurement of EDC Device/ Credit Card Reader**

The Company procures EDC devices/ credit card readers for every merchant that meets approval criteria by leasing these devices from selected equipment distributors. These distributors must have well-known, modern products that can accommodate new payment technologies and conform to international payment and data security standards. Moreover, the Company also has a policy relating to after-sales service level. Therefore, it must carefully select services offered by distributors that have stable business with professional management and capable teams as well as nationwide distribution and service networks, which can ensure that they will be able to maintain a service level that the Company is committed to provide to its merchants' members. The purpose is to provide fast services to merchants and minimize opportunities to commit frauds by merchants' members.

#### **Source of Fund**

The Group procured funds from two primary sources, namely shareholders' equity and liabilities. As of December 31, 2023, the shareholders' equity of the Group amounted to Baht 35,845 million, comprising paid-up share capital of Baht 2,578 million, ordinary share premium of Baht 1,892 million, and retained earnings (appropriated retained earnings required by law and unappropriated retained earnings) of Baht 30,781 million. Furthermore, the Group has surplus on business combination under common control and other components of equity amounted of Baht 430 million, and

non-controlling interests of Baht 164 million. Moreover, total liabilities amounted to Baht 76,968 million.

As of December 31, 2023, key sources of liabilities were from issuances of debentures, long-term borrowing from financial institutions and bills, total amounted to Baht 66,404 million.

Additionally, the total short-term credit line is Baht 29,371 million (including Baht 19,061 million from Krung Thai Bank), utilized for Baht 4,981 million, leaving a remaining balance of Baht 24,390 million.

#### **Assets for Business Operations**

Please refer to additional details under the "Business for Business Operations" topic

#### **Work that has not yet been delivered**

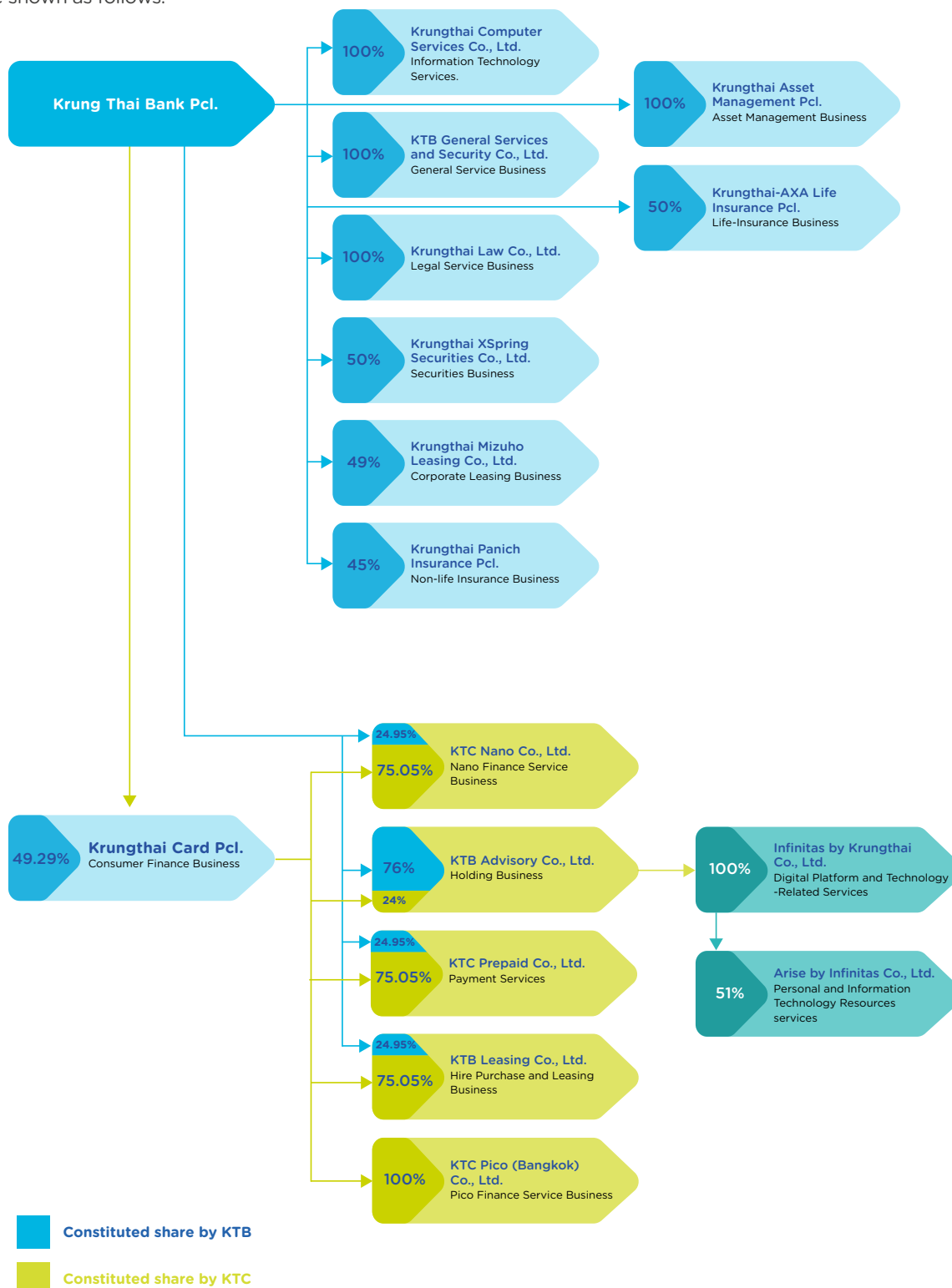
The Company does not have deliverable work in the form of project or work with a value of 10% or more of total revenue according to the consolidated financial statements of the latest fiscal year.



# Company's Shareholding Structure

## Shareholding structure of Krungthai Card Public Company Limited

On December 31, 2023, the major shareholder of Krungthai Card Public Company Limited is Krung Thai Bank Public Company Limited ("the Bank") with 49.29% holding. Thus, the shareholder structure of the Company can be shown as follows.



### Shareholding structure of KTC Pico (Bangkok) Company Limited

KTC Pico (Bangkok) Company Limited operates a provincial-level microfinance business under the supervision of Pico Plus. As of November 30, 2023, there has been a change in the company's shareholding structure. Krungthai Card Public Company Limited currently holds 100% of the shares in KTC Pico (Bangkok) Company Limited.

The four companies in which KTC Pico (Bangkok) Company Limited previously held a 100% stake, namely, 1) KTC Pico (Chonburi) Co., Ltd., and 2) KTC Pico (Pathum Thani) Co., Ltd., have officially registered to dissolve business on December 14, 2023; meanwhile, 3) KTC Pico (Samut Sakhon) Co., Ltd., and 4) KTC Pico (Samut Prakan) Co., Ltd., have also officially registered to dissolve business on December 15, 2023.

Shareholder information at the book closing date as of December 31, 2023 consisted of 1 shareholder as follows.

No.	Name	Number of Shares	Shareholding (%)
1.	Krungthai Card Public Company Limited	6,000,000	100.00%
Total		6,000,000	100.00%

### Shareholding structure of KTC Nano Company Limited

KTC Nano Company Limited engages in a nationwide business-related loan under supervision with stakes own by Krungthai Card Public Company Limited and Krung Thai Bank Public Company Limited.

Shareholding information at the book closing date as of December 31, 2023 consisted of 2 shareholders as follows.

No.	Name	Number of Shares	Shareholding (%)
1.	Krungthai Card Public Company Limited	3,752,500	75.05%
2.	Krung Thai Bank Public Company Limited	1,247,500	24.95%
Total		5,000,000	100.00%

### Shareholding structure of KTB Advisory Company Limited

KTB Advisory Company Limited is a holding company owned by Krungthai Card Public Company Limited and Krung Thai Bank Public Company Limited. On November 6, 2020, KTB Advisory Company Limited purchased the capital increase shares issued by Infinitas by Krungthai Company Limited and held 100% of its registered capital. Moreover, Infinites by Krungthai Company Limited has acquired 51% of shares of Arise by Infinites Company Limited, a digital platform service and technology-related services.

Shareholding information at the book closing date as of December 31, 2023 consisted of 2 shareholders as follows.

No.	Name	Number of Shares	Shareholding (%)
1.	Krung Thai Bank Public Company Limited	22,800,000	76.00%
2.	Krungthai Card Public Company Limited	7,200,000	24.00%
Total		30,000,000	100.00%

On February 21, 2024, the Company disposed of the ordinary shares of KTB Advisory Company Limited (KTA) to Krung Thai Bank Public Company Limited (KTB) in a 24% proportion, resulting in KTB currently holding 100% of the shares in KTA.

### Shareholding structure of KTC Prepaid Company Limited

KTC Prepaid Company Limited engages in payment service under supervision which consisted of electronic payment, electronic money transfer, and payment gateway. Krungthai Card Public Company Limited and Krung Thai Bank Public Company Limited hold the company's stock.

Shareholding information at the book closing date as of December 31, 2023 consisted of 2 shareholders as follows.

No	Name	Number of Shares	Shareholding (%)
1.	Krungthai Card Public Company Limited	7,505,000	75.05%
2.	Krung Thai Bank Public Company Limited	2,495,000	24.95%
Total		10,000,000	100.00%

### Shareholding structure of KTB Leasing Company Limited

KTB Leasing Company Limited operates hire purchase and financial lease business, in which Krungthai Card Public Company Limited and Krung Thai Bank Public Company Limited are shareholders.

Shareholding information at the book closing date as of December 31, 2023 consisted of 2 shareholders as follows.

No	Name	Number of Shares	Shareholding (%)
1.	Krungthai Card Public Company Limited	75,050,000	75.05%
2.	Krung Thai Bank Public Company Limited	24,950,000	24.95%
Total		100,000,000	100.00%

### Juristic person with possible conflict of interest holding more than 10% stake in subsidiaries or associated companies

Krung Thai Bank is KTC's major shareholder, and it owns more than 10% stake in KTC and holds more than 10% stake in its subsidiaries and associated companies as well. KTC synergized with Krung Thai Bank to set up subsidiaries and associated companies so as to fully integrate retail finance businesses and strengthen business operation in terms of service channels and cross selling of other products and services.

### Relationship with business group of the major shareholders

KTC has given its priority in expanding its product base for credit card, personal loan, and KTC P BERM Car for Cash in order to achieve sustainable growth, which has been well supported by Krung Thai Bank as a major shareholder of the Company. With its several branches both in Bangkok and provincial areas, Krung Thai Bank is the main distribution channel to introduce KTC's products, the same way the Bank has offered other products of its subsidiaries. Krung Thai Bank also supports KTC in using its main digital platform, the Krungthai NEXT application, to expand the bases of KTC's products. Therefore, KTC has collaborated with Krung Thai Bank in every aspect to create strategies, develop digital channels and marketing campaigns as well as introduce unique activities that are responsive to customer needs in various form through new member acquisition, usage marketing, merchant acquiring, and mobile application. The details are summarized as follows.

## Acquisition Program

- In order to effectively achieve member base expansion as planned, KTC established the Bank Relations division with dedicated staff to provide various assistance to bank employees. This includes training on product knowledge and sales techniques, as well as training on the use of application documents in accordance with relevant guidelines. This ensures that the introduction of KTC credit card, KTC PROUD, and KTC P BERM Car for Cash product meets the needs of bank customers and complies with Market Conduct guidelines. Moreover, KTC set up Government Relations unit to coordinate contacts with the public sector to offer the KTC Government Card to facilitate government entities' management of budget requisition and expenditure related to meeting, seminars, and travel arrangements for sake of convenience and security. The cooperation is in the form of providing knowledge and building strong relationships with each other to create a sustainable growth base. KTC also expands its member base via the Bank's online channels, including Krungthai NEXT/ Krungthai Care (Line Official Account)/ Krungthai Connex and Krungthai Care (Facebook). These are channels in addition to the bank's branches. Customers interested in KTC products can apply for membership directly on Krungthai NEXT application.
- Project "Expansion of Credit Card Base for Krungthai Wealth Group Customers" in the year 2023 underwent changes in the credit card design and name of the Krungthai Wealth credit card family. The new Krungthai Wealth credit card series consists of three card designs: KTC - KRUNGTHAI PRIVATE BANKING Credit Card (for customers with Asset Under Management of Baht 50 million and above), KTC - KRUNGTHAI PRECIOUS + Credit Card (for customers with Asset Under Management of Baht 10 million and above, but not exceeding Baht 50 million), and KTC - KRUNGTHAI ICONIC Credit Card (for customers with Asset Under Management of Baht 2 million and above, but not exceeding Baht 10 million). Throughout the year, in collaboration with the bank, there was active promotion and expansion of credit card applications, resulting in a total of more than 37,000 credit cards of the Krungthai Wealth series, including both existing and new cards, by the end of 2023.
- The project involves accepting applications for KTC Credit Cards and KTC PROUD through the Krungthai

NEXT mobile application, aiming to expand the customer base for KTC products within Krung Thai Bank. The application process is conducted online by the customers themselves, utilizing the digital platform as a collaborative effort to meet consumer needs. Customers have the convenience of applying for the products on the platform 24 hours a day.

- The "KTC P BERM Car for Cash" project offers customers the opportunity to apply for loans at Krung Thai Bank branches through the assistance of branch staff. The application and loan approval process is facilitated using tablet devices, allowing customers to receive loan approval results within 1 hour. Upon approval, the funds are transferred immediately to the customer's banking account. Customers who are interested in this product can apply for the KTC P BERM Car for Cash at any Krung Thai Bank branch nationwide.

## Marketing Usage Program

- Krung Thai Bank has launched a privilege program for Krungthai Wealth credit card holders. The program offers variety of benefits from partners, as well as special privileges on cardholders' birthday through the "Birthday Campaign".
- Under the "Krungthai Foreign Currency Exchange" program, members could exchange foreign currencies via credit card at Krung Thai Bank's branches with free of charge.
- Under the lighten the burden program, KTC offered privileges to Krung Thai Bank's customers paying premium for life and health insurance of Krungthai-AXA Life Insurance at Krung Thai Bank. Entitled privileges included credit card refund or special points, redemption of reward points for credit card refund, and installment payment of life and health insurance premium.
- The 0% interest installment program for insurance products of Krungthai Panich Insurance Public Company Limited and Dhipaya Insurance Public Company Limited, sold through Krung Thai Bank channels both at KTB branches and the Krungthai NEXT application.
- The project enables customers to purchase RMF, SSF, and TESSG funds offered by Krung Thai Bank

using KTC credit cards for payment. This can be done through various channels, including Krung Thai Bank branches and the Krungthai NEXT mobile application.

### Merchant Acquiring

- With regard to expansion of a base of KTC card accepting merchants, KTC staff at merchant acquiring business unit collaborated with Krung Thai Bank staff to service Krung Thai Bank customers keen on receiving payment via credit card and Alipay especially for Chinese tourists in Thailand and Chinese who are living in Thailand. KTC payment services facilitated payment through EDC device, QR code system, and online channels to accommodate the expansion of online businesses as well as respond the lifestyle that relied on e-commerce, social commerce, and m-commerce transactions. These payment services can facilitate business owner and operator through websites via KTC Gateway and KTC Link Pay. Customers can leave their names and contact phone numbers with Krung Thai Bank staff. Then, KTC staff at merchant acquiring business unit will revert back to introduce payment services that may be interesting to customers.
- The project “KTC QR Code Payment”. This is to provide payment service for goods and/or services via QR Code scanning, instead of via Electronic Data Capture (EDC) machines. Cardholders (customers) can themselves make payments by scanning QR Code at a merchant store through an application of any commercial banks that support QR Code Payment, including KTC Mobile application. In addition, KTC has jointly collaborated with KTB in applying PromptPay account numbers that merchants have registered with KTB to link with KTC QR Code. By doing so, customers and merchant partners are given more options to make and receive payments of goods and/or services either via KTC credit cards or via PromptPay account. Such coordination is considered a joint effort of both KTC and KTB in member base and merchant base expansion.

### Mobile Application

- The integration of the KTC Mobile and Krungthai NEXT mobile application is designed to make it more convenient for KTC cardholders. Cardholders can check their KTC account information, make credit card payments, and check the approval status of new products applied for through the Krungthai NEXT application.
- KTC members with a Krungthai NEXT mobile application account can make payment for credit card spending from their savings or current account through the KTC Mobile application without switching to the Krungthai NEXT mobile application.

KTC believes that the aforementioned actions are able to serve and achieve both quantitative and qualitative goals, and most importantly, to enhance potentials in market competition for utmost benefit of both companies in sustainable growth as well as for highest satisfaction on products and services of both companies’ members.



## Shareholders

### Major Shareholders

Top 10 shareholders of the Company as of December 31, 2023 and other shareholders consisted of:

No	Name	Number of Shares	Shareholding (%)
1.	KRUNG THAI BANK PUBLIC COMPANY LIMITED	1,270,908,500	49.29%
2.	MR. MONGKOL PRAKITCHAIWATTANA	277,496,600	10.76%
3.	THAI NVDR	220,916,500	8.57%
4.	MS. CHANTANA JIRATTITEPAT	112,588,400	4.37%
5.	UOB KAY HIAN PTE LTD A/C - RC	94,758,200	3.68%
6.	BNP PARIBAS SINGAPORE BRANCH	89,020,000	3.45%
7.	UBS AG SINGAPORE BRANCH	62,800,000	2.44%
8.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LTD	34,919,994	1.35%
9.	MS. JARUWAN PHATRAPANYADEE	29,950,000	1.16%
10.	MAYBANK SECURITIES (THAILAND) PLC	25,800,000	1.00%
11.	Other shareholders	359,175,876	13.93%
	<b>Total</b>	<b>2,578,334,070</b>	<b>100.00%</b>

**Source:** Thailand Securities Depository Co., Ltd. (TSD)

To conform with information disclosure principles laid down in the Securities and Exchange Commission's notification that requires security issuing companies to reveal ultimate shareholders, the Company has adhered to such rules. However, in case that the shareholder is a nominee account, the Company will not be allowed to access the ultimate shareholder information.

Furthermore, Krung Thai Bank Public Company Limited, as the major shareholder of Krungthai Card Public Company Limited, has appointed two representatives to serve as directors of the company. At the end of the year 2023, The appointed individuals are Ms. Kornkanok Fuengfung serving as a director, and Mrs. Praralee Ratanaprasartporn, serving as a director and a member of the nomination and remuneration committee.

### Major Shareholders Agreement

None

## Registered Capital and Paid Up Capital

### Detail for Registered Capital and Paid Up Capital

As of December 31, 2002, the Company's registered and paid-up capital amounted to Baht 1,050 and 1,000 million respectively, representing 100 million ordinary shares issued with a par value of Baht 10. Its ordinary shares were listed on the Stock Exchange of Thailand in October 2022.

On December 12, 2002, the Extraordinary Meeting of Shareholders No. 4/2002 resolved to approve rights offering of warrants to the Company's directors, committee members and employees under an ESOP program. Under this program, no more than 5 million warrant units were offered with an offering price of Baht 10 per unit and a term of no more than 5 years. Each warrant entitled to purchase of one ordinary share per unit at an exercise price of Baht 16.33 per share. On March 18, 2003, the Company allotted 5 million warrant units to directors, committee members and employees. It was declared that half of issued warrants could be exercised on or after March 17, 2004 and the remaining half could be exercised on or after March 17, 2005 according to exercise conditions of the warrants.

On November 3, 2003, the Extraordinary Meeting of Shareholders resolved to proceed with an increase of additional registered capital worth Baht 1,530,162,000, representing 153,016,200 shares at a par value of Baht 10. The shareholder meeting resolved to allot 150,000,000 shares to existing shareholders at a ratio of 1.5 new shares per each existing share. Additionally, 3,016,200 shares were allotted for additional exercises by warrant holders under the ESOP program because the exercise price was adjusted to Baht 10.185 and the entitlement ratio was changed from one to 1.60328 rights offering units.

It is noted that the final exercise date was on March 17, 2008. For the year ended December 31, 2008, the number of the first and second warrant issues exercised by warrant holders amounted to 4,885,950 units out of a total of 5,000,000 warrant units. So, there were 182,793 ordinary shares remaining after

warrant exercise that must be cancelled. Subsequently, the Annual General Meeting of Shareholders No. 7 held on April 30, 2009 resolved to decrease registered capital from Baht 2,580,162,000 to 2,578,334,070 by cancelling unsold shares of 182,793 units remaining after warrant exercise. Eventually, the Company could decrease registered capital accordingly on May 12, 2009.

On July 6, 2018, the Extraordinary Meeting of Shareholders resolved to change the Company's share par value by reducing the par value of Baht 10 to Baht one per share. Then, on July 9, 2018 the Company registered the amended par value with the Department of Business Development under the Ministry of Commerce. Consequently, such change in par value resulted in increasing the number of issued shares from 257,833,407 to 2,578,334,070 shares until the present time.

As of December 31, 2023, the Company had registered capital and paid up capital of totaling Baht 2,578,334,070, divided into 2,578,334,070 ordinary shares of one baht each.

### Other types of shares such as preferred share whose rights or terms differ from those of ordinary share

The Company does not issue other types of shares such as preferred share whose rights or terms differ from those of ordinary share.

### Shares or convertible securities as an underlying security

The Company does not issue shares or convertible securities as an underlying security.

## Issuance of Other Securities

### In case the Company has convertible securities

The Company does not issue any convertible securities.

### In case the Company has debt securities

#### Sources of fund

The Company procured funds from two primary sources, namely shareholders' equity and liabilities. As of December 31, 2023, the shareholders' equity of the Company amounted to Baht 35,845 million, comprising of Baht 2,578 million in paid-up share capital, ordinary share premium of Baht 1,892 million, surplus on business combination under common control and other components of equity of Baht 430 million, retained earnings (appropriated retained earnings required by law and unappropriated retained earnings) of Baht 30,781 million, and non-controlling interest of Baht 164 million. Moreover, total liabilities amounted to Baht 76,968 million.

#### As of December 31, 2023, main sources of liabilities consisted of the followings:

1. Debenture issuance, short-term and long-term loans from financial institutions totaled Baht 66,404 million.
  - 1.1 The total amount of unmatured debentures was Baht 47,447 million; all of which were unsecured debentures rated AA- by Tris Rating Co., Ltd. Details are as follows:

Type of Securities	Interest Rate	Maturity Date	Balance of Par Value and Unredeemed Debentures as of Dec 31, 2023 (Million Baht)	Bondholders' Representative
1. Debenture No. 5/2015 of Krungthai Card PCL. scheduled to mature in 2025	4.00%	Sep 16, 2025	1,000	-
2. Debenture No. 8/2015 of Krungthai Card PCL. scheduled to mature in 2025	3.90%	Nov 20, 2025	1,000	-
3. Debenture No. 1/2016 Series 1 of Krungthai Card PCL. scheduled to mature in 2026	3.85%	Feb 17, 2026	200	-
4. Debenture No. 1/2016 Series 2 of Krungthai Card PCL. scheduled to mature in 2026	3.85%	Feb 17, 2026	300	-
5. Debenture No. 5/2016 of Krungthai Card PCL. scheduled to mature in 2024	3.00%	Jul 5, 2024	100	-
6. Debenture No. 7/2016 of Krungthai Card PCL. scheduled to mature in 2026	3.50%	Sep 22, 2026	200	-
7. Debenture No. 8/2016 Series 3 of Krungthai Card PCL. scheduled to mature in 2026	4.00%	Nov 27, 2026	3,030	-

Type of Securities	Interest Rate	Maturity Date	Balance of Par Value and Unredeemed Debentures as of Dec 31, 2023 (Million Baht)	Bondholders' Representative
8. Debenture No. 9/2016 Series 1 of Krungthai Card PCL. scheduled to mature in 2023	3.50%	Dec 29, 2023	600	-
9. Debenture No. 9/2016 Series 2 of Krungthai Card PCL. scheduled to mature in 2026	4.00%	Dec 29, 2026	2,500	-
10. Debenture No. 3/2017 of Krungthai Card PCL. scheduled to mature in 2027	3.80%	Aug 3, 2027	1,500	-
11. Debenture No. 4/2017 of Krungthai Card PCL. scheduled to mature in 2027	3.65%	Aug 25, 2027	1,000	-
12. Debenture No. 5/2017 Series 2 of Krungthai Card PCL. scheduled to mature in 2027	3.50%	Oct 19, 2027	1,000	-
13. Debenture No. 6/2017 of Krungthai Card PCL. scheduled to mature in 2027	3.50%	Nov 16, 2027	2,000	-
14. Debenture No. 1/2018 Series 2 of Krungthai Card PCL. scheduled to mature in 2028	3.43%	Feb 16, 2028	1,250	-
15. Debenture No. 2/2018 Series 3 of Krungthai Card PCL. scheduled to mature in 2028	3.83%	Aug 16, 2028	2,065	Bank of Ayudhya
16. Debenture No. 2/2019 of Krungthai Card PCL. scheduled to mature in 2029	3.20%	Jul 25, 2029	1,500	-
17. Debenture No. 3/2019 of Krungthai Card PCL. scheduled to mature in 2029	2.80%	Oct 31, 2029	1,700	-
18. Debenture No. 4/2019 of Krungthai Card PCL. scheduled to mature in 2024	2.60%	Nov 8, 2024	415	-
19. Debenture No. 1/2020 of Krungthai Card PCL. scheduled to mature in 2030	2.65%	Jan 31, 2030	1,000	-
20. Debenture No. 1/2021 of Krungthai Card PCL. scheduled to mature in 2024	Zero-coupon bond	Jan 19, 2024	3,000	Bank of Ayudhya
21. Debenture No. 3/2021 Series 2 of Krungthai Card PCL. scheduled to mature in 2024	1.53%	Mar 29, 2024	1,000	-
22. Debenture No. 4/2021 Series 1 of Krungthai Card PCL. scheduled to mature in 2024	1.22%	Aug 2, 2024	1,000	-

Type of Securities	Interest Rate	Maturity Date	Balance of Par Value and Unredeemed Debentures as of Dec 31, 2023 (Million Baht)	Bondholders' Representative
23. Debenture No. 4/2021 Series 2 of Krungthai Card PCL. scheduled to mature in 2031	2.90%	Aug 1, 2031	500	-
24. Debenture No. 5/2021 Series 1 of Krungthai Card PCL. scheduled to mature in 2024	Zero-coupon bond	Nov 20, 2024	1,000	-
25. Debenture No. 5/2021 Series 2 of Krungthai Card PCL. scheduled to mature in 2025	1.83%	Nov 19, 2025	1,500	-
26. Debenture No. 1/2022 of Krungthai Card PCL. scheduled to mature in 2025	1.59%	Mar 28, 2025	2,000	-
27. Debenture No. 2/2022 of Krungthai Card PCL. scheduled to mature in 2025	1.59%	Apr 4, 2025	1,000	-
28. Debenture No. 3/2022 of Krungthai Card PCL. scheduled to mature in 2027	3.00%	Jul 8, 2027	1,232	Bank of Ayudhya
29. Debenture No. 4/2022 of Krungthai Card PCL. scheduled to mature in 2025	2.52%	Sep 10, 2025	4,000	-
30. Debenture No. 5/2022 of Krungthai Card PCL. scheduled to mature in 2024	Zero-coupon bond	Oct 3, 2024	830	-
31. Debenture No. 6/2022 of Krungthai Card PCL. scheduled to mature in 2026	3.38%	Nov 18, 2026	2,100	Bank of Ayudhya
32. Debenture No. 1/2023 of Krungthai Card PCL. scheduled to mature in 2026	2.90%	May 29, 2026	4,000	-
33. Debenture No. 2/2023 of Krungthai Card PCL. scheduled to mature in 2025	Zero-coupon bond	Aug 15, 2025	1,000	-
34. Debenture No. 3/2023 of Krungthai Card PCL. scheduled to mature in 2027	3.10%	Sep 22, 2027	1,000	Bank of Ayudhya

**Note :** The above debentures do not have early redemption features (put/call option).

: Debenture no. 8; the maturity date fell on an additional public holiday; therefore, it is postponed to the next official working day as specified in the prospectus.

: Debenture no. 2, 7-9 were intended to raise funds to finance business operation and expansion including repayment of loans.

: Debenture no. 12-14 were intended to raise funds to finance business operation and expansion.

: Debenture no. 15 was intended to raise funds for repayment of loans worth around Baht 7,000 million and/or finance business operation and expansion in August.

: Debenture no. 16 was intended to raise funds for repayment of loans worth around Baht 1,500 million in July 2019.

: Debenture no. 17 was intended to raise funds for repayment of loans worth around Baht 1,700 million in November 2019.



**Note :** Debenture no. 19 was intended to raise funds for repayment of loans worth around Baht 1,000 million in February 2020.  
 : Debenture no. 20 was intended to raise funds for repayment of loans and/or as working capital in February 2021.  
 : Debenture no. 21 were intended to raise funds for repayment of loans and/or as working capital in April 2021.  
 : Debenture no. 22-23 were intended to raise funds for repayment of loans and/or as working capital in August 2021.  
 : Debenture no. 24-25 were intended to raise funds for repayment of loans and/or finance business operation and expansion worth around Baht 2,500 million in November 2021.  
 : Debenture no. 26-27 were intended to raise funds for repayment of loans and/or finance business operation and expansion worth around Baht 3,000 million in April 2022.  
 : Debenture no. 28 were intended to raise funds for repayment of loans and/or as working capital in July 2022.  
 : Debenture no. 29 were intended to raise funds for repayment of loans and/or as working capital in September 2022.  
 : Debenture no. 30 were intended to raise funds for repayment of loans and/or as working capital in the year 2022.  
 : Debenture no. 31 was intended to raise funds for repayment of loans in the year 2022.  
 : Debenture no. 32 was intended to raise funds for repayment of loans in June 2023.  
 : Debenture no. 33 was intended to raise funds for repayment of loans in August 2023.  
 : Debenture no. 34 was intended to raise funds for repayment of loans in September 2023.  
 : Debenture no. 1, 3-6, 10-11, and 18 were sold in a limited offering to no more than 10 persons (PP-10).





**1.2** The total amount of unmatured long-term loans from the related financial institution worth Baht 9,500 million at a capital market interest rate.

**1.3** The total amount of unmatured short-term bills of exchange issued from financial institution worth Baht 9,457 million at a money market interest rate.

**2.** For the year 2023, the Group's total borrowings amounted to Baht 66,404 million, showing an increase of 7.7%. The structure of capital sources is distributed with 32.9% from short-term borrowings (short-term loans and current portion of long-term borrowings due within 1 year) and 67.1% from long-term borrowings. The funds were from various sources, including commercial banks, securities companies, insurance companies, and asset management, including the short-term borrowings from related parties accounted for Baht 2,860 million, other financial institutions accounted for Baht 6,597 million, as well as Baht 9,500 million of long-term loans from Krung Thai Bank and Baht 47,447 million of debentures. Additionally, the total short-term credit line is Baht 29,371 million (including Baht 19,061 million from Krung Thai Bank), utilized for Baht 4,981 million, leaving a remaining balance of Baht 24,390 million.

## Dividend Payment Policy

The Company's dividend payment policy is in accordance with the resolution of the Annual General Meeting No. 1/2003 on March 25, 2003, which approved the dividend payment at approximately 40% of the Company's net profit after tax deduction and legal reserves from 2003 onwards. The details of the dividend payment of the Company's operating results for the past 3 years are shown in the following table:

 <b>Performance Year</b>	 <b>Earnings Per Share (Separate) (Baht)</b>	 <b>Dividend Per Share (Baht)</b>	 <b>Dividend Payout Ratio (%)</b>
<b>2020</b>	<b>2.07</b>	<b>0.88</b>	<b>42.5%</b>
<b>2021</b>	<b>2.42</b>	<b>1.00</b>	<b>41.2%</b>
<b>2022</b>	<b>2.77</b>	<b>1.15</b>	<b>41.5%</b>



## **Risk Management Policies and Plans**

The Company recognizes the importance of risk management by formulating risk management policy with the focus on developing the risk management system under the good corporate governance guidelines to ensure comprehensive management of critical risks through systematic and continuous practice. The Risk Management Committee (RMC) which consists of Director and the Chief Executive Officers as the Chairman and executives from each business unit as the subcommittee oversees the organizational risk management and ensures that the organization reaches the acceptable level of its goal. Moreover, the compliance business unit supervises the Company's operations conforming with the rules set up by the regulatory authority and the good corporate governance approach. In addition, there is an internal audit business unit which is responsible for auditing the risk management of 1<sup>st</sup> line and 2<sup>nd</sup> line managers and reviewing compliance with risk management processes to ensure that the risk management system is properly implemented.

## **Risk Factors for the Company's Business Operations**

The Company established guidelines for risk management as well as continuously reviewed and improved work processes to accommodate risks that might occur. A risk management unit was set up with the responsibilities of risk management and developing various risk management policies which have to be appraised by the Risk Management Committee, prior to submission to Board of Directors to consider, approve and announce to all employees to acknowledge and comply. Such policies are reviewed yearly or where there is a significant change. The Risk Management Committee has the roles to control, monitor, evaluate risk management policies and ensures that the Company complies with the same risk management policies and guidelines as specified as the risk management of the financial business groups of Krung Thai Bank Public Company Limited and in compliance with the regulations on supervision of financial business group of the Bank of Thailand.

The Company's risk management process begins with environmental analysis and assessments by considering various internal and external factors. The process also identifies a likelihood when an event may fail to reach the objectives and prepares a risk map showing connections of various risk factors and the causes of the risks, covering Environmental, Social and Governance (ESG) factors. The Key Risk Indicators (KRI), including leading indicators in order to signal in advance of a risk event, and lagging indicators, reflecting information about the risk event that has occurred, are defined. Then, risk appetite and risk tolerance are determined and reviewed annually to use as a tool for assessing and monitoring risks to maintain an acceptable risk level. Subsequently, the risk management performance report is submitted to the Risk Management Committee, the Board of Directors of Krungthai Card Public Company Limited and the Risk Management Committee of Krung Thai Bank Public Company Limited, respectively.

For more details, please consider risk and crisis management and supply chain management from the 2023 Sustainability Report, which is another separate document on the Company's website at <https://www.ktc.co.th/en/sustainability-development>

## Strategic Risk

Strategic risk is a risk resulted from the formulation of strategic plans and action plans, including improper implementation of plans in accordance with internal and external factors both at present time and in the future. This strategic risk can affect the revenue, operations, operating results or the existence of the Company. The current credit card and personal loan business circumstances have changed rapidly and are highly competitive. Therefore, the Company needed to maximize its competitiveness as well as expanded its business lines including payment service and credit businesses to make them more diverse and comprehensive such as the “KTC P BERM Car for Cash” and secured loan under KTB Leasing Company Limited in order to be the leader in the comprehensive loan business, utilizing technology to operate with more agility and flexibility. The Company also holds meetings with head of business units to gather ideas for setting, planning, and reviewing business strategy and direction, taking into consideration the risks affecting operating results. The strategy must be approved by the Board of Directors, and its progress is monitored and evaluated, with results compared to targets and reported regularly to the Board.

In 2023, the economic expansion in the country slowed down, particularly in the export and tourism sectors, which recovered more slowly than expected. This, coupled with household and business debt at high levels, exerted pressure on consumption and investment. This impacted customers' debt repayment capabilities. Despite these challenges, the Company's core business continued to operate well, with sustained high levels of KTC card spending. The credit card and personal loan portfolios expanded, with non-performing loans (NPLs) maintained at an acceptable level. The Company continued to prioritize stringent customer selection criteria and customer retention, resulting in a net profit for the fiscal year 2023 higher than that of 2022.

## Business Risk

### Credit Rating Risk

The Company attaches great importance to high-risk management regarding credit ratings. The Company determined certain policies and procedures allowed overseeing and supervising work processes to ensure

that the Company operated within the framework and standards aligning to the international standards. These policies and procedures also allowed the Company's operations to be transparently monitored and auditable.

The Company developed credit risk models to measure each customer's credit ratings or the level of risk. This information is vital for credit analysis, credit card issuance, customer management, risk management as well as the Company's reserves calculation. Various credit models were developed from the customer database, ensuring that the results of the models truly reflected customer behavior and risk level. The Company's credit risk models were developed under the model risk management framework, from designing, developing, implementing, monitoring, efficiency testing and continuous improvement to enhance efficiency. All processes were supervised by the Risk Management Committee.

The key models that are currently in use are:

- **Application Score:** This model was developed from customer's current data, including credit information, usage history and loan information from the National Credit Bureau Company Limited (NCB). The data was used to assess risk level in screening customers and approving new loans.
- **Behavior Score:** This model was developed from spending behavior information and current customer's repayment history in the portfolio. The information was used to assess and rate existing customer's risk level to manage customers' credit line, relationship, and the Company's provision, corresponding to the Thai Financial Reporting Standards (TFRS9).

### Default Risk

In the ongoing economic recovery, characterized by a K-Shaped recovery due to varying resilience across businesses, and with domestic and external risks, including high level of household debt in Thailand, customers' debt repayment capabilities have been affected.

The Company strives to maintain a balanced and comprehensive risk management approach, aligning returns with risks. Stringent credit standards persist, with cautious customer screening through assessments of

repayment potential and risk levels for customers who may default in the uncertain economic environment. This is aimed at controlling the credit portfolio's quality within acceptable risk levels for stability and resilience.

In addition, the Company has set up various measures to help debtor liquidity; for example, granting credit without creating debt that exceeds the ability to repay, fast and efficient collection that allows the Company to know the status of the debtor and provide timely assistance if required. These measures have been put in place continuously, resulting in a low risk of non-payment from customers.

As of December 31, 2023, the Group's total amount of loans including accrued interest, equal to Baht 112,346 million, and the allowance of doubtful accounts with the amount of Baht 9,763 million and the trade receivables of Baht 102,583 million. The proportion of non-performing loans of credit card and personal loan receivables as of December 31, 2023 were 1.1% and 3.0% respectively.

The Company regularly continues to conduct risk and impact assessment as well as establish flexible management guidelines to accommodate changes from both internal and external factors to appropriately and promptly respond to any situations that may occur.

### Regulatory risk

The Ministry of Finance announced the licensing of credit card and personal loan businesses under supervision regimes of the Revolutionary Council Notification No. 58. The Ministry mandated the Bank of Thailand to perform regulatory roles by issuing notifications of rules and regulations governing the operations of these businesses and prescribed interest rates as well as service fees applicable to their customers and eligibility criteria of credit card holders and personal loan customers. Accordingly, the Company acquired credit card and personal loan business license and received permission to operate its businesses as a payment service provider in accordance with the Payment Systems Act 2017. In its capacity as regulator, the Bank of Thailand issued notifications of rules and regulations governing business operations of payment service providers. In addition, the Company must also comply with other pertinent laws: the Securities and Exchange Act 1992, the Anti-Money Laundering Act 1999, the Credit

Information Business Operation Act 2002, the Consumer Protection Act 2009, and the Unfair Contract Terms Act 1997, and the Personal Data Protection Act 2019, which are enforceable with these business operators.

The Company strictly complied with enforceable laws, notifications, rules and regulations – for example, the Bank of Thailand's notification concerning the revision of supervisory regulation governing credit card and personal loan businesses, which encompasses eligibility criteria for loan or credit card applicant as well as stipulations on credit line and interest rate. Objectively, this revised regulation was issued to complement the policy for addressing household debt issues and to suit debt repayment ability. This regulation has been put into effect since August 1, 2020; however, existing customers prior to September 1, 2017 would not be affected – for example, determining a credit line for approval of credit card loan and personal loan or determining a temporary emergency credit line. To conform to the revised regulation, the Company developed regulatory compliance approaches and processes and scrutinized potential impacts of the revised rules on the Company and its customers. Furthermore, the Company set up the compliance business unit to liaise with the regulatory authority and keep abreast of legal provisions, notifications and directives concerning its business conducts and operations as well as its fulfillment of specific duties, such as compliance oversight of the anti-money laundering law. Moreover, the Company disseminated relevant information among employees for better understanding and performed oversight to ensure proper business conducts and operations. In the process, relevant performance must be reported to CEO directly, and it is incumbent upon the legal division to provide advice on legal provisions and preparation of standard agreements or contracts, which do not conform to relevant legal provisions. If the amendment of the regulations was rigid and inappropriate under existing circumstances, the Company's operations would be affected significantly. However, the regulatory authority was flexible enough with the amendment of these regulations, which was consistent with the market environment at that time. So, the Company was confident that this risk would be managed appropriately.

### Issues considered as a high risk are as follows:

1. Business operations related to the Anti-Money Laundering Act, the Ministerial Regulation on



Customer Identity Verification, and the Counter-Terrorism and Proliferation of Weapons of Mass Destruction Financing Act: Since these laws and this regulation affect the fulfillment of the Company's duties pertaining to Know Your Customer, customer identity verification, and monitoring of unusual customer transactions, particularly of high-risk customers, the Company thus conducted training programs to impart knowledge to frontline staff on a continuous basis via e-Learning and regularly held testing to evaluate knowledge and understanding of legal requirements among management executives and employees.

2. The Company attaches great importance to comply with the Credit Information Business Act as credit information of customers is critically important so that the Company must keep such information confidential. Therefore, the Company developed a work system for information searching to apply in credit screening. Only credit analyst who is specially assigned would have the authority to access such information. Additionally, the Company placed emphasizes on delivering accurate and up-to-dated customer credit information as well.
3. Compliance with the Debt Collection Act B.E. 2558, including the Notification of the Debt Collection Supervisory Board regarding the determination of any fees or charges for debt collection which came into effect on September 2, 2015 and September 12, 2021, respectively. The Company as a business operator who must comply with this Act has already prepared in this regard by organizing the training to educate staffs who work in debt collection unit, improving the work system to allow debt collection expenses as required by law. In addition, the Company closely monitor and control the outsource debt collector agencies strictly to comply with the Debt Collection Act to ensure that the compliance with the Debt Collection Act B.E. 2558 will not obstruct the Company's business operations.
4. Compliance with the law or regulations under the supervision of the Ministry of Finance or the Bank of Thailand which issue the announcement of rules and regulations for business operation in credit card and personal loan including payment service with business standards under regulations by

related parties to ensure the proper qualification of customers, credit lines, interest rates, fines, fees and report on various information including support to create the equitable treatment (Market Conduct) of financial service providers so that customers would gain reliability in service, not to be incompatible and receive advises appropriately. In addition, customers would get comfortable service; their problems were properly addressed and understood their rights and duties which are the duties and responsibilities of the directors, executives and employees at all levels. Additionally, the Company has undertaken initiatives to adhere to Responsible Lending practices, elevating its adherence to Market Conduct guidelines. This spans from the development and advertising of products, ensuring the quality of new lending, providing assistance to distressed borrowers and managing delinquencies, all the way through legal processes. Additionally, efforts have been made to encourage information disclosure to prompt customer behavior awareness and promote financial discipline, aiming for necessary and sustainable indebtedness while facilitating successful repayment.

5. With regard to the compliance with the Personal Data Protection Act 2019, this law was promulgated to protect personal data and provide remedial measures for individual data owners. This is because data controllers or data processors collect, use or disclose personal data of data owners. The Company thereby implemented measures to prevent or mitigate risks stemming from this law while the General Data Protection Regulation (GDPR) has been put into effect by the European Union. Moreover, the Company undertook further steps by analyzing the impacts from work procedures or processes and the manners in which the Company's transactions, juristic acts or contracts were executed in order to determine possible impacts and approaches for protection against non-compliance risks. Furthermore, the Company undertook various matters as required by law such as data protection officer designation, preparation of a consent letter for storing, using or disclosing information in accordance with the Company's objectives as a data protection officer or data processor etc., in order to legitimately operate as required by law.

### Contract non-compliance risk due to failure to honor contracts of Krung Thai Bank Public Company Limited (“Bank”)

After the completion of the service contract for back office support, both the Company and Krung Thai Bank entered into a business cooperation agreement on March 30, 2018, with a duration of 5 years, effective from April 1, 2018. However, before the contract expiration on March 31, 2023, both the company and Krung Thai Bank have mutually considered extending the collaboration for an additional 5 years. Under this contract, both parties further made separate agreements, contracts or service requests for mutual supports in various functional areas – for example, registration of credit card and personal loan through Bank’s branch network, credit card payment service expenses and personal loan installments through various service channels of the Bank, using some of the Bank’s information systems, cash withdrawing through Bank’s ATM machine, KTC PROUD Cash Card payment service via Bank branches, etc. A specified period of time was established for each particular transaction, whereby the Company paid the Bank for each service according to the market rate. In this regard, the Company considered that the contract non-compliance risks were quite low because the Bank’s board of directors had reviewed the contracts before the endorsement. In addition, in terms of recruiting members, the Company had a variety of channels and provided services through the KTC TOUCH service center, as well as developing the KTC Mobile application and receiving support from other operators in providing services as payment and transaction channels for the customers. This in turn increased convenience for customers. In case of disputes from breach of contract, the Company can appeal for any damages and expenses incurred by law to the Bank. As for the information system, the Company relied very slightly on the Bank’s information systems; therefore, the chances of non-compliance with the bank’s contracts were very low and should not have a significant impact on the Company’s operations.

### Competitive Risk

The Company recognized that competition has been getting more intense, resulting in price competition, customer snatching, or balance transfer which might give rise to the risk that could adversely affect to the

Company’s operations and operating performance. However, the Company has gained extensive expertise in running consumer loan business in Thailand over 20 years and undertaken investment and development of novel products and services to maximize customer satisfaction on a continuous basis. Moreover, the emergence of a new entrant typically requires some time to complete market surveys and develop a suitable approach to operate this distinctive form of business. To a certain extent, the Company thus has a certain degree competitive edge over other business operators. With over 20 years of business experience, the Company can sustain business operations amid more intense competition; furthermore, it is unlikely that higher competition will have any significant impacts on the Company’s operations either in short run or long run. As of December 31, 2023, the ratios of gross credit card receivables and gross personal loan receivables of KTC compared to the average of industry were 14.9% and 4.1% respectively. Additionally, as of December 31, 2022, these ratios stood at 14.4% and 4.2% respectively.

### Operational Risk

Operational risk is the risk caused by the lack of good corporate governance in the organization or lack of adequate operational control over internal processes, personnel, work systems, or external events, thereby affecting operating revenue of the Company, including legal risk – for example, a fine imposed by the regulator. Moreover, operational risk may adversely affect other types of risk, particularly strategic risk and reputational risk.

The Company formulated operational risk management policy and approaches with an emphasis on risk prevention and monitoring so as to have an adequate internal control system – for example, developing organizational structure equipped with a check and balance mechanism, developing SOP manuals for operating units, implementing the risk control self-assessment (RCSA), which is inclusive of corruption risk, collecting and compiling operational loss data, and monitoring risks by determining key risk indicators, risk appetite, and risk tolerance levels, for instance, the organization maintains a ‘Zero Tolerance’ policy for internal fraudulent events, aligning with the regulatory risk management framework. These matters were regularly reported to the Risk Management Committee

and the Board. The Company also developed a business continuity plan (BCP) and emergency preparedness plans for natural disasters or other predetermined events – for example, fire and earthquake preparedness plan, flood preparedness plan, demonstration preparedness plan, and epidemic preparedness plan – to ensure that business operations could be sustained during a crisis in order to build confidence among all stakeholder groups.

The Company's key operational risks include the followings:

#### Data Loss Risk

The operation of the Company depends on a huge customer-related database and various transactions which caused potential risks of data leakage, including data loss caused by accidents, intentional or unintentional acts, intentional data destruction caused by negligence or mishandling of data and/ or caused by network and system vulnerabilities. Consequently, according to the protection of critical data leakage, the Company complies with the Personal Data Protection Act of B.E. 2562, including the establishment of policies, regulations, standard operating procedures, and operational processes to ensure the security of tightly controlled data. This aligns with the notification from the Bank of Thailand, such as SorKorChor 5/2566, specifying criteria for managing and overseeing Information Technology Risks in financial institutions. The Company also adheres to relevant international standards for information security such as PCI DSS, ISO/IEC 27001:2013 and ISO/IEC 27701:2019. These measures include prioritizing information level throughout all business operation and system, assigning duties and responsibilities and the rights to work systems and information, specifically granted only to authorized persons to customer critical data. Moreover, the Company conducted annual training to instill employee awareness of data security, provided every work system with access data control according to the rights of authorized users and arranged collections of historical access logs by every work system. Additionally, the Company managed access authority and reviewed them on a regular basis as well as installed software to track and control critical data leakage. The Company has also installed software for controlling data used in operations. In order to mitigate data exfiltration concerns, the Company has adopted Virtual Desktop Infrastructure (VDI) technology. Regular network and

system vulnerability assessments are conducted both internally and externally, including various operational systems, on a quarterly basis. The Company performs penetration testing on its systems and networks at least once a year. The Cyber Security Operation Center (CSOC) and Network Operation Center (NOC) operated 24 hours a day. Data recovering process was conducted regularly, and a data recovery process if the data had been altered or destroyed, including the annual testing of information technology contingency plans.

#### Credit Card/ Personal Loan Fraud Risks

The Company places importance on preventing and tracking damages caused by credit card fraud. Currently, the Company has enhanced its Online Fraud Detection system to be more efficient by incorporating Machine Learning, along with leveraging the Card Brand system to reinforce the Company's data with global fraud information and trends. This enhances the accuracy in data analysis, making surveillance more effective. Additionally, there is a dedicated monitoring team available 24 hours a day, every day. The Company also upgraded its encryption system (3D-Secure) for e-Commerce transactions to version 2.0 (EMV) and One Time Password (OTP), to reduce risks, boosting confidence and increasing security for members, cardholders, and member shops. These systems are new international standard technologies that have been accepted by major card brands worldwide. The Company also provided SMS services to notify the cardholder for transaction exceeds Baht 10,000, e-Commerce transaction exceeds Baht 100 and when there are changes in personal information such as phone numbers, addresses and e-mails, etc., which is a standard practice for all customers. In addition, the Company has given importance to customer empowerment by developing mobile application to be a tool for customers to manage their own risks. That is customers are allowed to temporarily freeze and set a limit for online transactions of their own cards as to reduce the risk of data breach and fraudulent online transactions, which tends to increase incessantly. Furthermore, customers can also set the desired amount for receiving alert notification and channels. In 2023, the Company developed the KTC DIGITAL credit card, offering customers an alternative with enhanced security features. The card's Dynamic CVV/CVC2 changes dynamically with each request and is valid for 24 hours. Additionally, the card's design only displays the brand logo of the network and KTC,

along with the cardholder's name, excluding sensitive information, ensuring the cardholder's security during transactions.

In 2023, credit card and personal credit fraud losses were equivalent to Baht 14.77 million, accounting for 0.005% of the total spending amount.

## Financial Risks

### Liquidity Risk

Liquidity risk is the risk arising from inadequate working capital or capital acquisition carrying a funding cost higher than an acceptable level, which may affect the revenue. The Company recognizes that liquidity risk may be caused by global economic uncertainty, which has repercussions on Thai economy, and by the volatility in financial markets, which affects both debt securities market and capital market. To prevent liquidity risk, the Company thereby formulated short-term and long-term loan acquisition approaches and adjusted the ratio of each type of loan based on its accounts receivable aging by focusing its financing efforts on the issuance of debentures and bills of exchange and seeking sources of financing from several financial institutions while avoiding over-reliance on a single financial institution. Moreover, key liquidity risk indicators were developed, and stress testing was conducted for monitoring and evaluation purposes, and the liquidity risk status of the Company was reported to the Risk Management Committee on a regular basis and also developed a liquidity contingency plan for implementation in case liquidity risk exceeds an acceptable level. Additionally, the Company presented capital structure and funding plan annually, including financial ratios, to the board of directors for consideration.

As of December 31, 2023, the Group's total borrowings amounted to Baht 66,404 million, including the short-term borrowings from related parties accounted for Baht 2,860 million, other financial institutions accounted for Baht 6,597 million, as well as Baht 9,500 million of long-term loans from Krung Thai Bank and Baht 47,447 million of debentures. Additionally, the total short-term credit line was at Baht 29,371 million (including Baht 19,061 million from Krung Thai Bank), utilized for Baht 4,981 million, leaving a remaining balance of Baht 24,390 million.

The Group's D/E ratio stood at 2.15 times which was lower than the level of debt obligations stated in the debenture prospectus requiring that D/E ratio not greater than 10 times.

### Interest Rate Risk

The interest rate risk arises from changes in interest rates affecting the interest rates of both interest-bearing assets and liabilities (Rate-Sensitive Items). This may negatively impact net interest income. To mitigate the impact of market interest rate fluctuations on the Company's financial costs, the Company considers securing both short-term and long-term borrowings. This involves adjusting the proportion of each type of borrowing to align with future interest rate trends and the Company's asset structure. Such ratio adjustment must always take into account liquidity risk. Moreover, the enterprise risk management unit developed indicators for interest rate risk in the banking book and stress testing for assessing, monitoring, controlling, and reporting the status of interest rate risk to the Risk Management Committee on a regular basis, and it also developed a contingency plan to deal with interest rate risk that exceeds an acceptable level.

### Information Technology Risk

Information technology risk refers to the potential risks that may arise from providing information technology services in conducting business, which impacts the Company's operations, information systems, or business practices. These risks include threats from cyber threats, the impact of major disease outbreaks that affect employee operations in serving customers, as well as the readiness of critical service systems that could cause financial or reputational harm to the organization.

The information technology risk management process started with the appointment of the Information Security Committee who was responsible for overseeing policies, risk control and tracking, information technology-related resource planning etc. The Company manages these risks comprehensively through risk identification, focusing on Information Security Risk that encompasses security, availability, and integrity of information, ensuring the reliability of information data, risk analysis and assessment, risk control and management, risk monitoring and reporting on risk management performance.

Furthermore, the Company adopted ISO 27001:2013 and ISO 27701:2019 as organization-wide standards for its information security management system (ISMS) and privacy information management system (PIMS). The objective is to ensure confidentiality, integrity and availability of internal information and personal data of the organization. Both ISMS and PIMS apply a risk management process to build confidence among the Company's stakeholders by ensuring that information technology risk and specific personal data will be controlled and managed appropriately.

The Company established the Cyber Security Operation Center (CSOC) and Network Operation Center (NOC) to detect and prevent cyber threats that might affect its internal networks and work systems 24 hours a day and adopted risk transfer by acquiring a year-round cyber insurance against its cyber threat risk.

The Company has a backup data center whose operational efficiency is comparable to that of the primary data center, and the backup data center can be activated promptly when an emergency occurs including IT contingency plan which conducts annual drill regularly.

## Reputational Risk

The credit card business and personal loan business primarily offer microfinance services to the public. In this era which technology comes alongside with the consumers, it gives them access to various information and communication in a fast and convenient way. Thus, both positive and negative news, rumors, criticism or recommendations about the Company from the public towards can spread widely and affect the organization's image and reputation. Reputation risk may also arise from actions that breach the code of conduct or do not conform to service standards or social expectations.

The Company manages reputation risk by establishing risk indicators based on factors outlined by the Bank of Thailand for assessing risk. Acceptable risk levels are defined, including measurable criteria such as monthly complaint resolution rates. Relevant units implement suitable risk control and management measures, such as complaint resolution processes and communication procedures. The Company monitors events impacting its reputation, evaluates the effectiveness and sufficiency of risk control measures, and maintains the risk at an

acceptable level. Periodic reports on risk management are presented to the risk management committee for review and oversight.

## ESG Risk

### Environmental Risk

Although the Company's business nature has a low impact on the environment, the Company takes steps to operate in an environmentally conscious manner by setting environmental management goals and guidelines in response to the importance of sustainability issues such as eco-efficiency, water and waste management, reducing energy consumption, promoting resource conservation, and fostering a culture of environmental awareness among its employees.

For more information on reduction of environmental impacts and climate change management, please consider the Sustainability Report for the year 2023, which is a separate document on the Company's website at <https://www.ktc.co.th/en/sustainability-development>.

### Social Risk

#### Human Rights Risk

The Company recognizes the importance of risk management from operations that do not comply with human rights principles. This can be caused by improper hiring processes, compensation and unfair treatments on employees, which could result in lawsuits, resignation or strikes. It also includes the operation safety measures risks and insufficient control of the operating environment, which can affect employee's health and cause work injuries.

The Company has therefore established a human rights policy in the Code of Conduct, approved by the Board of Directors, to be used as a guideline for conducting business with regards to human rights principles and leading to fair, transparent and responsible practices to all groups of stakeholders. Additionally, a risk assessment at the work process level have been put in place, and human rights risk of business suppliers and partners are examined through the Supplier Code of Conduct assessment. In 2023, the results of the Company's human rights risk assessment showed that a low level of risk and did not pertain any significant risk issues.



The Company has therefore established a human rights policy in its Code of Business Conduct, which has been approved by the Board of Directors, to guide its business operations with respect for human rights.

For more information on human rights and social management, please consider the Sustainability Report for the year 2023, which is a separate document on the Company's website at <https://www.ktc.co.th/en/sustainability-development>.

### Corporate Governance Risk

The Company complies with the good corporate governance principles, foundations of sustainable business operations. These are considered important roles and responsibilities for the Board of Directors to oversee and manage the business transparently and verifiably. Furthermore, the Board of Directors are independent from management in making decisions to ensure that the Company has appropriate internal control and risk management systems and ethics in taking care of all stakeholders equally according to their rights and duties. The corporate governance policies

have been established, and the Board of Directors has appointed two sub-committees: the Nomination and Remuneration Committee and the Audit, Environmental, Social Responsibilities and Corporate Governance Committee. This is to help examine and filter important issues that need to be monitored closely and presented to the Board of Directors, according to the roles and responsibilities as specified in each committee's charters.

The Company has 4 independent directors or 50.0% of all the directors. The Chairman of the Board of Directors is independent. To explicitly define the duties of the Chairman of the Board of Directors to be independent from management of the Company, the Company has clearly specified the roles of the Chairman of the Board of Directors and the Chief Executive Officer, and that they must not be the same person.

For more information on corporate governance, please consider the Sustainability Report for the year 2023, which is a separate document on the Company's website at <https://www.ktc.co.th/en/sustainability-development>.

## Emerging Risk

The Company analyzed the emerging risks that might affect business operations in the next 3-5 years, including the risks that currently became apparent but not yet had a significant impact at the present time. The Company has prepared adequate and timely countermeasures against these risks.

### 1. Cyber Threats from Technological Advancements

Definitions	<p>The Company has leveraged technology as a crucial tool to drive business, relying on and utilizing technology to develop systems and processes that can adapt to changing customer behaviors, conducting transactions increasingly through online channels and the KTC Mobile Application. Additionally, this is aimed at advancing the Company's strategic business expansion. However, the rapid and complex technological advancements expose the Company to cybersecurity risks in various forms such as system breaches, deceptive practices for obtaining crucial information, creation of false data, spreading fake news, and data manipulation. These risks have the potential to cause harm to both the Company and its customers.</p>
Impacts	<p>If the Company falls victim to a cyber attack or cybercrime, it could lead to business disruption or loss of critical information, impacting both financial and non-financial aspects. Financial consequences may include fines imposed by regulatory authorities and loss of trust from stakeholders. In cases where the cyber attack is directed towards customers, such as through deception or impersonation using the Company's name, it may result in customers losing assets and damaging the Company's reputation.</p>
Mitigation Plans	<ul style="list-style-type: none"> <li>• Establishes information technology policy, information security policy and personal data protection policy which were reviewed annually and approved by the Board of Directors.</li> <li>• Establishes standards for the security of information technology systems, such as System Configuration Standard, Password Control Standard, and Cryptographic Standard for data and system encryption.</li> <li>• Establishes relevant Standard Operating Procedure (SOP) for cyber security management.</li> <li>• Establishes, reviews, and tests the Disaster Recovery Plan annually to prepare for important events related to the security and availability of the IT system.</li> <li>• Adopts the ISO/IEC 27701:2019 standard for privacy information management and the ISO/IEC 27001:2013, the information security management system.</li> <li>• Organizes training for directors, executives, employees, and outsource to raise awareness of protection of personal information, PCI DSS and cyber security.</li> <li>• Establishes measures for information security in alignment with international standards and PCI DSS.</li> <li>• Conducts penetration testing on all externally connected systems at least once a year, including cases where significant system or network modifications are made before actual implementation. Take measures to close any vulnerabilities identified in the systems and networks.</li> <li>• Conducts vulnerability assessments both internally and externally on a quarterly basis and takes immediate action to close any significant vulnerabilities.</li> <li>• Audits the Company's cyber security internally and externally on a yearly basis.</li> <li>• Pioneering security innovation, the Company has launched the KTC Digital Credit Card. The card features a Dynamic CVV that changes every time it is requested and expires after 24 hours. Additionally, the card is numberless and does not display any sensitive information on the card itself, ensuring a secure user experience.</li> </ul>

## 2. Climate Change

Definitions	Climate change causes weather fluctuations and natural disasters such as floods, storms and droughts, which tend to occur more frequently and cause more severe damage to people and businesses. Climate change is also a key factor for the rise of global temperatures and an increase of transition risks such as changes in policies and regulations from the government to reduce greenhouse gas emissions. In addition, climate change causes changes in consumer behaviors, which lead to higher concern for environmental issue for moving toward a low-carbon economy.
Impacts	Natural disasters and extreme weather from climate change or physical risk may disrupt business operation of the Company and outsource, and cause property damage to the Company and customer. This can also impact customer purchasing power, spending volumes, and ability to pay debt. According to the severity of climate change impacts, the international and domestic regulatory agencies are in the process of considering legislation related to reducing greenhouse gas emissions, which presents a transition risk for the businesses and may impact the Company processes, procedures, and operating costs.
Mitigation Plans	<ul style="list-style-type: none"> <li>• Set up the Business Continuity Plan (BCP), including plans for emergency events such as earthquakes and floods as well as practical guidelines for evacuating disaster victims. The Company also prepared an alternate site with sufficient resources that could restore operations for critical work activities. The BCP are required to be reviewed and tested annually.</li> <li>• Offers relief measures for borrowers affected by disasters, subject to the terms and conditions set by the Company.</li> <li>• Supports environmentally friendly management including educating employees and promoting campaigns for the wasteful use of resources reduction, waste separation, recycling, and so forth. In addition, the Company set a target of reducing electricity consumption, water use, greenhouse gas emissions, and waste recycling to decrease the environmental impacts and climate change. Promotes the customers to receive e-Statement via e-Mail or via KTC Mobile application which is more convenient for customers and also helps decrease environmental impacts by reducing paper consumption.</li> </ul>

### 3. Changes in Laws and Regulations

Definitions	According to the rapid changes in situations and various factors nowadays, the regulatory agencies, which are responsible for overseeing and auditing businesses' status and operations, may issue rules, regulations, and procedures to ensure that companies conduct businesses in alignment with good corporate governance standard. The Company, as a financial institution under the supervision of the Bank of Thailand (BOT), must strictly comply with laws and regulations issued by relevant regulatory agencies.
Impacts	Changes of rules and regulations may affect the work process, work system, operating cost, performance, profitability, and corporate image. Failing to comply with the regulations may lead to warnings, fines or even revoked its license to operate.
Mitigation Plans	<ul style="list-style-type: none"> <li>• Put its policies and operational procedures in place. The approved policies and procedures are announced to all employees to implement in practice.</li> <li>• The Compliance Business Unit monitors announcements and regulations from the regulatory agencies regularly. They are reported to the Risk Management Committee, in which the Chief Executive Officer (CEO) holds the position as a chairman, and/ or reported to the related committees and are informed to all impacted departments.</li> <li>• The Company participated, discussed, and exchanged ideas with people in the same industry such as credit card club, personal loan club and so forth.</li> <li>• The Company annually organized trainings for employees to raise awareness or update the regulations of the regulatory agencies.</li> </ul>

### 4. Household Debt Crisis

Definitions	Thailand is facing high level of household debt with an increasing trend. Concerns arise as a significant portion of the debt consists of non-productive loans, which may not generate future income. The lack of financial discipline in debt behavior and the elevated debt burden become factors restraining economic expansion. Financial institutions may implement stricter credit assessment measures, impacting consumer access to financial services. Higher interest rates and increased living costs contribute to difficulties in debt repayment, leading to widespread debt issues and posing a threat to the stability of the financial system, potentially turning into an economic crisis.
Impacts	If a household debt crisis occurs, it would have an impact on the portfolio quality, particularly due to the increase in Non-Performing Loans (NPLs) stemming from loans that do not generate income. This situation would necessitate the Company to allocate additional reserves, affecting operational results and potentially tarnishing the Company's reputation.
Mitigation Plans	<ul style="list-style-type: none"> <li>• Designs various products and promotes financial inclusion to alleviate household liquidity problems in crisis.</li> <li>• Appropriately set aside provision to cover expected credit loss, which is in line with portfolio risk and future risk, through the selection of scenarios and forward economic factors in ECL model.</li> <li>• Monitors customer defaults, by designated departments, and implements measures to help customers before defaulting.</li> <li>• Provides preliminary assistance for members through KTC Phone service center.</li> <li>• Operating in accordance with Responsible Lending criteria, as outlined by regulatory authorities, aims to address household debt sustainably. These criteria focus on promoting fairness and accountability in lending practices.</li> <li>• There are various debt relief programs available to eligible borrowers. One example is the "Debt Mediation Fair" organized in collaboration with the Legal Execution Department. This program provides an opportunity for customers to negotiate debt settlements without incurring any additional costs. The Company also offers other long-term debt relief measures, which are continuously announced and updated on the website for customer information.</li> </ul>

## 5. Geopolitical Risk

Definitions	Geopolitical risk arises from conflicts between nations related to politics, geographic boundaries, and economic resources. These events may escalate into military actions or various forms of trade wars, negatively impacting economies at both regional and global levels. In 2023, the escalation of the Russia-Ukraine conflict and the outbreak of the Israel-Hamas conflict were factors pressuring the global economy, with the potential for conflicts to widen and cause more extensive damage to economic systems. Additionally, the ongoing trade tensions between the United States and China show a tendency to intensify in the future. Therefore, it is a matter of significant importance for companies, closely monitoring and addressing potential geopolitical risks.
Impacts	Heightened conflicts and competition among major powers can result in economic volatility, impacting factors such as interest rates, exchange rates, and prices of goods and services. Additionally, it can affect inbound and outbound tourism spending between interconnected countries. These factors, in turn, influence the strategic planning of companies and reduce customers' debt repayment capabilities due to increased living costs. Furthermore, if major power centers engage in trade wars or escalate conflicts, it may necessitate involved countries to adhere to additional trade conditions, imposing further business conditions on companies.
Mitigation Plans	<ul style="list-style-type: none"> <li>• The Company closely monitors global and Thai economic trends, conducting annual training seminars to keep employees informed about economic trends, which are essential for business planning.</li> <li>• Utilizing hypotheses and economic scenario forecasts, the Company establishes simulation situations and tests crisis scenarios, encompassing various risk factors, including geopolitical risk. This allows for the assessment of potential impacts on the company's operations.</li> <li>• Developing infrastructure to accommodate diverse international partnerships, covering various payment methods such as Visa, Mastercard, JCB, and UnionPay. This enhances service options and convenience for payment services to cater to customers from all groups while reducing the risk in case of international conflicts affecting the company's strategic plans.</li> </ul>

### Investment Risk of Security Holders

#### Debt Security

The Company issues debt securities which have any special conditions and any significant types of risk. It defines that debt securities spell out clear information, whether it be interest-bearing bond, zero-coupon bond or bill of exchange with a discount rate. An issuer of debt security agrees to repay a full amount of principal, whatever the case may be, without stipulating a condition for converting the debt security into equity shares or other assets or without stipulating any event or condition that permits withdrawal before maturity. Moreover, debt security holder's entitlement to repayment is not subordinated to that of ordinary shareholders (except, under protection of the law, some debts are entitled to receive repayment before other types of security). Such information is made available through the debt security offering disclosure and the prospectus.

#### Equity Security

The Company issues and offers equity securities in the Stock of Exchange of Thailand whereby shareholders are owners of the Company. Shareholders have the rights to fully receive Company's information and news over a period of time specified by the law. Shareholders have the rights to subscribe for newly issued shares and to attend the annual general meeting. Equally, each shareholder has the right to cast one vote in various agenda items such as election of directors, dividend payment, payment of various types of remuneration that the law requires submissions to a shareholders' meeting for consideration. Shareholders entitle to dividends from the operating profit of the Company. If the Company has to liquidate, investors will receive the last investment repayment in order of repayment as required by the law, and may not be refunded at all if the business does not have adequate assets.

#### Foreign Investment Risk

None



# Business Sustainability Development

## Sustainability Policy and Goal

With the vision of “KTC is a membership company in payment and retail lending business with emphasis on being a trusted organization with sustainable growth.”, and the determination “to provide better financial products and services to enhance quality of life for all Thais”. KTC adopted the concept of sustainability or the concept of integrating Environmental, Social and Governance (ESG) into its responsible business operation while pursuing continuous organizational development. The aim is to satisfy the needs of stakeholders and play a role in strengthening financial businesses and propelling sustainable growth of Thai economy in line with UN Sustainable Development Goals (SDGs) as follows:



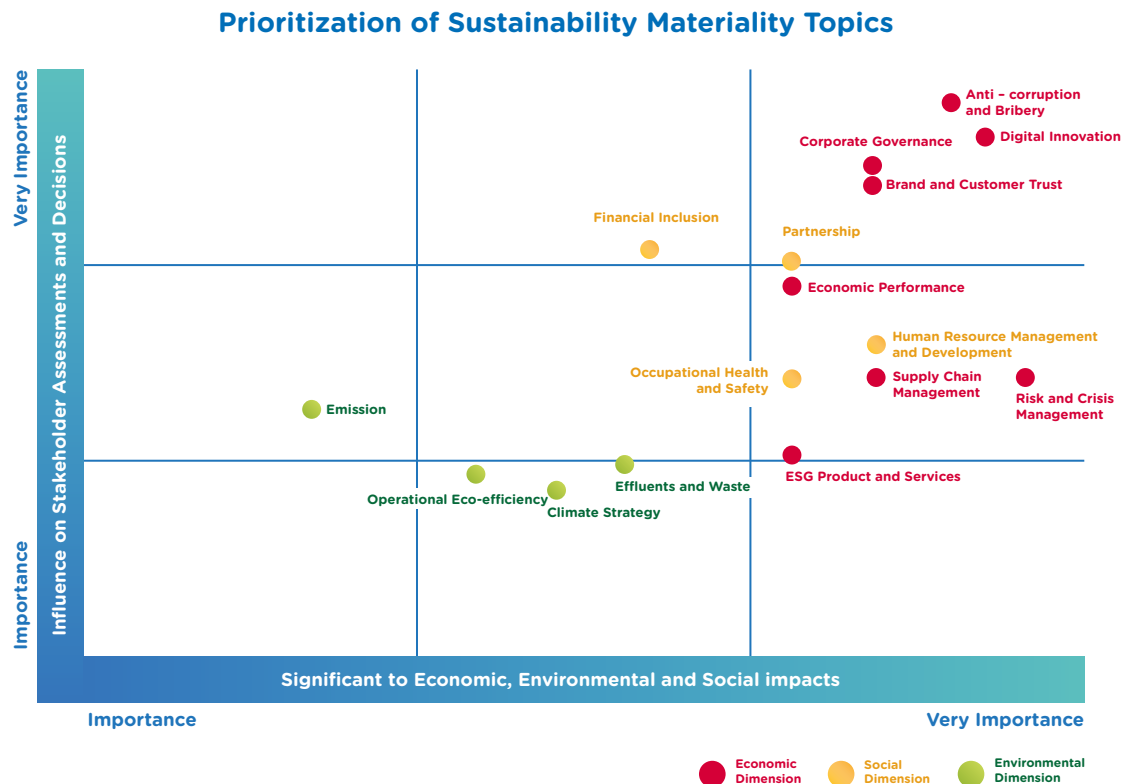
## Sustainable Development Management Structure



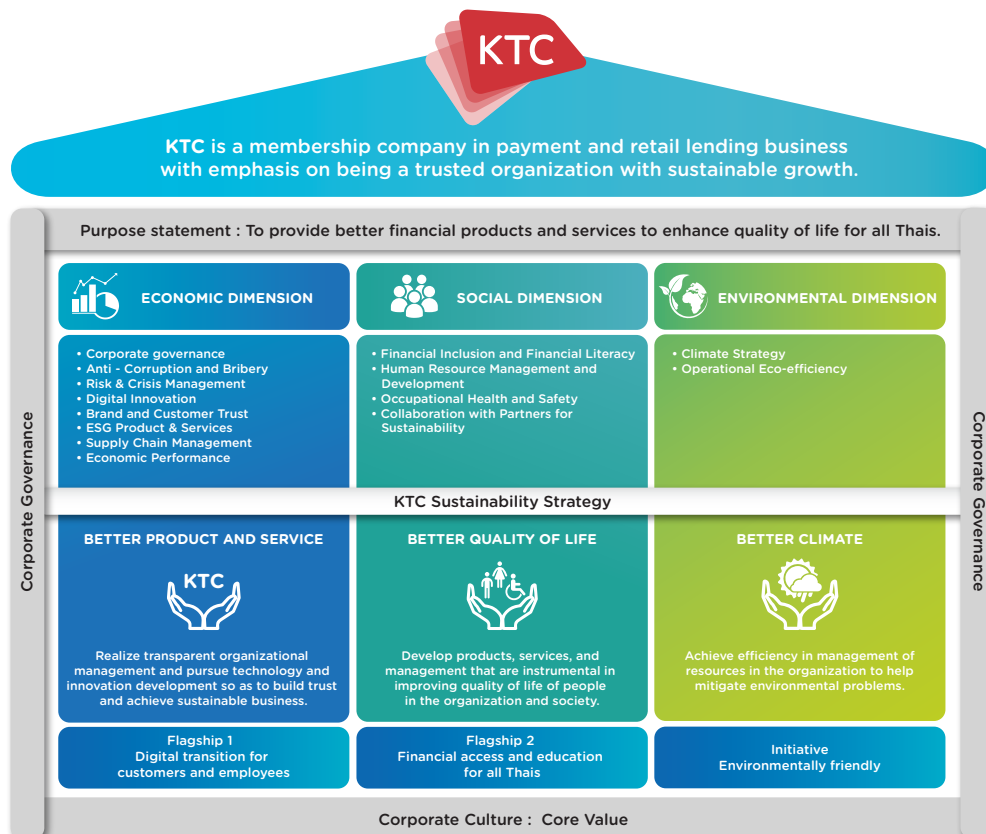
## Stakeholder Impact Management in Business Value Chain

In 2021, the Company reviewed the key sustainability issues in industrial, national, and international levels (issue universe). The survey with 10 stakeholder groups, accounted for 111 persons, was conducted to conclude the Sustainability Materiality Matrix and 5-year sustainability strategy (2022-2026). This process has been subject to annual review since then to determine the reporting framework. In 2023, the Company reviewed all 16 Materiality Topics in conjunction with analyzing the positive and negative impacts at both the Outside-in and Inside-out levels. Additionally, preliminary information regarding the opportunities and risks of each key Materiality Topic was disclosed under each respective category, following the principles of Double Materiality. Upon review, significant changes were not identified. Furthermore, the Company considered extending the long-term sustainability strategy by 5 years, from ending in 2026 to ending in the year 2028, in line with the Sustainable Development Framework.

## Key Sustainability Issues



## Sustainable Development by Spirit Framework



The Company disclosed the above information in “KTC and Sustainable Development” topic in the Sustainability Report 2023.

## Sustainability Management

### Economic Dimension

#### [Economic Policy and Practice](#)

**Economic strategy: Better product and service**

**Key flagship initiative: Digital transition for customers and employees**

KTC conducted business operation in a transparent and fair manner in accordance with the principles of good corporate governance, respect for human rights, appropriate risk and cost management by applying technologies and digital innovations. This includes opportunities to integrate sustainability into the development of products and services that consider societal and environmental factors, alongside maintaining safety and privacy as well as the presentation of various kinds of privileges in order to create great customer satisfaction and experience. Moreover, KTC also consistently helped debtors in accordance with the relief measures as mandated by the Bank of Thailand on the basis of responsible lending while maintaining a balanced credit portfolio with decent quality.

#### [Economic Performance](#)

The economic performance is disclosed in “Economic Dimension” topics in the Sustainability Report 2023.

### Social Dimension

#### [Social Policy and Practice](#)

**Social strategy: Better quality of life**

**Key flagship initiative: Financial access and education for all Thais**

KTC has developed a diverse range of financial products and services to create opportunities for widespread and equitable access to financial services for people in society. Consequently, It provides customers with options to choose suitable products and services from the Company that meet their needs, such as KTC P BERM Car for Cash, education loan with full equitable opportunities to access financial services via onsite and online channels. Furthermore, KTC has actively participated in promoting financial literacy to support the development of financial discipline. This includes enhancing the knowledge and skills of employees within the organization to adapt to various changes effectively. This enables them to develop high-quality products with clear, comprehensive, and accurate communication, empowering customers to make informed decisions and elevate the quality of life for Thai people.

#### [Social Performance](#)

The social performance is disclosed in “Social Dimension” topic in the Sustainability Report 2023.

### Environmental Dimension

#### [Environmental Policy and Practice](#)

**Environmental strategy: Better climate**

KTC conducted business operation while caring for environment and acting in environmentally friendly ways by enhancing its products and services and supporting its operation with technologies and digital innovations and efficient resource management. In addition, KTC also encouraged employees and customers to use electronic channels more frequently instead of using paper, adopted environmentally friendly practices, created environmental awareness and programs; for instance, encouraging employees to collectively conserve electricity, participating in the Stock Exchange of Thailand’s Care the Bear: Change the Climate Change by Eco Event program in order to reduce environmental impacts and mitigate global warming by reducing greenhouse gases.

#### [Environmental Performance](#)

The environmental performance is disclosed in “Environmental Dimension” topic in the Sustainability Report 2023.

## Honourable Awards

From the aforementioned sustainability operations in 2023, KTC received various prestigious awards as revealed in “Honourable Awards” topic in the Sustainability Report 2023.

Please find further details on sustainability operation from the Sustainability Report 2023, which is disclosed on the Company’s website at <https://www.ktc.co.th/en/sustainability-development>

# Management Discussion and Analysis

## Summarized Report of the Certified Public Accountants for Financial Statements year 2021, 2022 and 2023

### Audit of financial statements for the year ended December 31, 2021

Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. by Dr. Suphamit Techamontrikul expressed unqualified opinion that the consolidated financial statements of Krungthai Card Public Company Limited and its subsidiaries and the separate financial statements of Krungthai Card Public Company Limited, which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity, and cash flows for the year then ended, presented fairly, in all material respects, the financial position, financial performance, and cash flows in accordance with Thai Financial Reporting Standards.

### Audit of financial statements for the year ended December 31, 2022

EY Office Limited by Ratana Jala expressed unqualified opinion that the consolidated financial statements of Krungthai Card Public Company Limited and its subsidiaries and the separate financial statements of Krungthai Card Public Company Limited, which comprise the consolidated and separate statements of financial position as at December 31, 2022, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity, and cash flows for the year then ended, presented fairly, in all material respects, the financial position, financial performance, and cash flows in accordance with Thai Financial Reporting Standards.

### Audit of financial statements for the year ended December 31, 2023

EY Office Limited by Ratana Jala expressed unqualified opinion that the consolidated financial statements of Krungthai Card Public Company Limited and its subsidiaries and the separate financial statements of Krungthai Card Public Company Limited, which comprise the consolidated and separate statements of financial position as at December 31, 2023, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity, and cash flows for the year then ended, presented fairly, in all material respects, the financial position, financial performance, and cash flows in accordance with Thai Financial Reporting Standards.



## Financial Statement

### KRUNGTHAI CARD PUBLIC COMPANY LIMITED STATEMENT OF FINANCIAL POSITION

Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statements		
	2021	2022	2023
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	2,363	2,182	5,344
Loans to customers and accrued interest receivables, net – current portion	82,443	94,014	100,818
Other receivables, net	434	485	862
Other current financial assets	3	-	-
<b>Total current assets</b>	<b>85,243</b>	<b>96,681</b>	<b>107,024</b>
<b>Non-current assets</b>			
Loans to customers and accrued interest receivables, net - non-current portion	501	1,388	1,765
Other non-current financial assets	2	2	2
Investments in subsidiaries and an associate, net	83	106	154
Properties for sale, net	44	39	8
Leasehold improvements and equipment	415	348	421
Right-of-use assets	360	331	507
Intangible assets	449	483	387
Deferred tax assets	2,292	2,344	2,430
Other non-current assets	82	74	115
<b>Total non-current assets</b>	<b>4,228</b>	<b>5,115</b>	<b>5,790</b>
<b>Total assets</b>	<b>89,471</b>	<b>101,796</b>	<b>112,814</b>

**KRUNGTHAI CARD PUBLIC COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statements		
	2021	2022	2023
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Short-term borrowings	9,130	10,179	9,457
Trade payables	753	1,820	3,491
Accrued interest expenses	272	280	342
Income tax payable	735	924	866
Accrued expenses	1,178	1,287	1,365
Other payables	1,669	809	743
Current portion of lease liabilities	215	161	212
Current portion of long-term borrowings	-	-	4,500
Current portion of long-term debentures	9,500	4,639	7,915
Deferred income for reward points	2,481	2,587	2,718
<b>Total current liabilities</b>	<b>25,934</b>	<b>22,687</b>	<b>31,608</b>
<b>Non-current liabilities</b>			
Lease liabilities, net of current portion	152	176	301
Long-term borrowings, net of current portion	1,500	6,000	5,000
Long-term debentures, net of current portion	34,273	40,817	39,532
Provisions for employee benefits	528	541	527
<b>Total non-current liabilities</b>	<b>36,453</b>	<b>47,533</b>	<b>45,360</b>
<b>Total liabilities</b>	<b>62,387</b>	<b>70,220</b>	<b>76,968</b>

**KRUNGTHAI CARD PUBLIC COMPANY LIMITED**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statements		
	2021	2022	2023
Share Capital			
Authorized share capital 2,578,334,070 ordinary shares of Baht 1 each	2,578	2,578	2,578
Issued and paid-up share capital			
2,578,334,070 ordinary shares of Baht 1 each	2,578	2,578	2,578
Share premium on ordinary shares	1,892	1,892	1,892
Surplus on business combination under common control	424	424	424
Other components of equity	-	5	7
<b>Retained Earnings</b>			
Appropriated - legal reserve	258	258	258
Unappropriated	21,685	26,197	30,523
Equity attributable to owners of the parent	26,836	31,353	35,682
Non-controlling interests	248	223	164
<b>Total shareholders' equity</b>	<b>27,084</b>	<b>31,576</b>	<b>35,845</b>
<b>Total liabilities and shareholders' equity</b>	<b>89,471</b>	<b>101,796</b>	<b>112,814</b>

**KRUNGTHAI CARD PUBLIC COMPANY LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statements		
	2021	2022	2023
<b>Revenue</b>			
Interest income	10,673	11,379	12,742
Fee and service income	7,234	7,976	8,835
Bad debt recovery	3,266	3,421	3,249
Gain on exchange rate, net	22	61	137
Other income	246	395	456
<b>Total revenue</b>	<b>21,442</b>	<b>23,231</b>	<b>25,418</b>
<b>Expenses</b>			
Administrative expenses	7,064	7,872	8,534
Management remuneration	262	244	266
Expected credit loss	5,456	4,868	5,894
<b>Total expenses</b>	<b>12,781</b>	<b>12,985</b>	<b>14,695</b>
Operating income	8,661	10,246	10,724
Finance costs	1,416	1,392	1,703
Share of profit from investments in an associate	11	17	47
Profit before income tax	7,255	8,871	9,068
Income tax expense	1,467	1,818	1,819
<b>Net profit for the year</b>	<b>5,789</b>	<b>7,054</b>	<b>7,250</b>

**KRUNGTHAI CARD PUBLIC COMPANY LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**(CONTINUED)**

Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statements		
	2021	2022	2023
<b>Other comprehensive income</b>			
<b>Transactions that will never be reclassified subsequently to profit or loss</b>			
Gains (loss) on remeasurements of defined benefit plans	5	14	(5)
Share of other comprehensive income from investments in an associate	-	5	2
Income tax relating to other comprehensive income for items that will never be reclassified subsequently to profit or loss	(1)	(3)	1
Other comprehensive income (loss) for the year	4	16	(2)
<b>Total comprehensive income for the year</b>	<b>5,792</b>	<b>7,070</b>	<b>7,247</b>
<b>Profit (loss) attributable to</b>			
Owners of the parent	5,879	7,079	7,295
Non-controlling interests	(90)	(26)	(46)
	<b>5,789</b>	<b>7,054</b>	<b>7,250</b>
<b>Total comprehensive income (loss) attributable to</b>			
Owners of the parent	5,883	7,095	7,293
Non-controlling interests	(90)	(26)	(46)
	<b>5,792</b>	<b>7,070</b>	<b>7,247</b>
<b>Basic earnings per share (Baht)</b>	<b>2.28</b>	<b>2.75</b>	<b>2.83</b>



**KRUNGTHAI CARD PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS**  
Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statements		
	2021	2022	2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before income tax	7,255	8,871	9,068
Adjustments to reconcile profit before income tax to net cash received (paid) from operating activities:			
Amortisation of discount on investments in debt securities	(0.002)	(0.003)	(0.003)
Share of profit from investments in an associate	(11)	(17)	(47)
Employee benefits expense	69	45	50
Depreciation and amortisation	594	549	535
Loss on disposal and write-off of leasehold improvements and equipment, net	(1)	2	0.1
Loss on write-off of computer software	1	2	0.00004
Loss on impairment of computer software	-	-	0.2
Expected credit loss	5,456	4,868	5,894
(Reversal for) Loss on impairment of properties for sale	18	24	(71)
Interest expenses	1,397	1,374	1,685
Profit from operating activities before changes in operating assets and liabilities	14,779	15,719	17,113
<b>Operating assets (increase) decrease</b>			
Loans to customers and accrued interest receivables, net	(3,452)	(17,328)	(13,077)
Other receivables	52	(49)	(375)
Properties for sale	28	(19)	102
Other non-current assets	(3)	9	(42)
<b>Operating liabilities increase (decrease)</b>			
Trade payables	(722)	1,009	1,733
Accrued expenses	38	108	78
Other payables	359	(861)	(65)
Deferred income for reward points	135	106	130
<b>Cash provided by (used in) operating activities</b>	<b>11,214</b>	<b>(1,306)</b>	<b>5,598</b>
Interest expense paid	(1,388)	(1,269)	(1,465)
Employee benefits paid	(51)	(19)	(69)
Income tax paid	(1,441)	(1,683)	(1,962)
<b>Net cash provided by (used in) operating activities</b>	<b>8,334</b>	<b>(4,277)</b>	<b>2,103</b>

**KRUNGTHAI CARD PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statements		
	2021	2022	2023
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash paid for investments in a subsidiary	(551)	-	(13)
Cash received from redemption of financial assets	-	3	-
Cash paid for purchase of leasehold improvements and equipment	(95)	(118)	(176)
Cash paid for purchase of computer software	(134)	(112)	(161)
Cash received from sale of leasehold improvements and equipment	2	2	(0.5)
<b>Net cash used in investing activities</b>	<b>(779)</b>	<b>(226)</b>	<b>(349)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash received from (paid for) short-term borrowings, net	(6,620)	1,024	(781)
Cash received from issuance of long-term debentures	9,031	11,123	5,943
Cash paid for redemption of long-term debentures	(8,780)	(9,500)	(4,040)
Cash received from long-term borrowings	1,500	4,500	3,500
Cash paid for lease liabilities	(253)	(247)	(250)
Dividend paid	(2,269)	(2,578)	(2,965)
<b>Net cash provided by financing activities</b>	<b>(7,390)</b>	<b>4,322</b>	<b>1,408</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>165</b>	<b>(181)</b>	<b>3,162</b>
CASH AND CASH EQUIVALENTS AS AT JANUARY 1	2,197	2,363	2,182
<b>CASH AND CASH EQUIVALENTS AS AT DECEMBER 31</b>	<b>2,363</b>	<b>2,182</b>	<b>5,344</b>

## Key Financial Ratio

	As of December 31, 2021	As of December 31, 2022	As of December 31, 2023
<b>Profitability Ratio</b>			
Net Profit Margin	27.4% <sup>(1)</sup>	30.5%	28.7%
Return on Equity (ROE)	23.5%	24.3%	21.8%
Yield on Loan <sup>(2)</sup>	14.9%	14.6%	14.8%
Cost of Fund	2.5%	2.4%	2.7%
Net Interest Margin <sup>(3)</sup>	13.3%	13.2%	13.2%
<b>Efficiency Ratio</b>			
Net Interest Income/Total Asset <sup>(4)</sup>	13.7%	13.6%	13.3%
Return on Asset (ROA)	6.6%	7.4%	6.8%
Asset Turnover (times)	0.2	0.2	0.2
<b>Financial Ratio</b>			
Debt to Equity (D/E) (times)	2.3	2.2	2.1
Loan to Borrowing	170.3%	169.0%	169.2%
Interest Coverage Ratio (times)	6.1	7.4	6.3
Dividend Payout Ratio	41.2%	41.5%	45.2% <sup>(5)</sup>
<b>Asset Quality Ratio</b>			
Allowance for Expected Credit Loss to Total Loans	10.5%	8.4%	8.7%
Expected Credit Loss/Total Loans	5.9%	4.7%	5.2%
Total NPL	3.6%	1.8%	2.2%
NPL Credit Card	1.2%	1.1%	1.1%
NPL Personal Loan	2.9%	2.8%	3.0%
NPL Leasing	54.3%	8.9%	17.7%

<sup>(1)</sup> Net profit margin is calculated from Profit Attributable to Owners of the Parent from the first half of 2021 onwards

<sup>(2)</sup> Credit usage fee is included in the calculation

<sup>(3)</sup> Net Interest Margin (NIM) = (Interest Income (Inc. Credit Usage) - Financial Expense) / Average Gross Receivables

<sup>(4)</sup> Interest income is included credit usage fee

<sup>(5)</sup> The rights to receive dividends is unconfirmed until approved in the Annual General Shareholders Meeting 2024 (No. 22)

## **Commentary and analysis for the Company's financial positions performance 2021, 2022, and 2023**

### **Commentary for the Company's financial statements 2021, 2022, and 2023**

#### **Basis of preparation and presentation of the financial statements 2021, 2022, and 2023**

The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand. Details of the financial reporting standards are available in the notes to the financial statements of the Company in that respective year.

### **Analysis for the Company's financial positions and performance in 2023**

#### **Executive Summary**

Krungthai Card Public Company Limited and its subsidiaries ("the Group") reported a net profit of THB 7,295 million for the fiscal year 2023, reflecting an increase of 3.1% from the same period in 2022, where the net profit amounted to THB 7,079 million. Meanwhile, the net profit from the separate financial statement of Krungthai Card Public Company Limited was THB 7,241 million, marking a 1.4% growth compared to the same period of the previous year, which had a net profit of THB 7,140 million.

At the end of the year 2023, KTC had a total portfolio value of THB 112,346 million, showing a growth of 7.8% (YoY). This expansion was supported by the gradual recovery of the Thai economy, driven by private consumption. The credit card portfolio continued to expand due to the increase in the demand in everyday spending. Besides, the KTC PROUD portfolio saw moderate growth and KTC P BERM Car for Cash has acquired the new booking for 2023 amounted for THB 2,590 million. Nonetheless, KTC has focused on portfolio growth while emphasizing quality screening with an acceptable and manageable risk level.

The Group reported a total revenue growth of 9.4% (YoY), driven by interest income and fee income. On the other hand, the total expense increased by 14.0% (YoY). This resulted from the increase in operating expenses due mainly to the expanded transaction from fee and service expense. Additionally, the expected credit loss rose due to higher provisioning and the finance costs increased in line with the rising interest rates in the financial market.

For the year 2023, the card spending of the Group expanded by 11.4% with an overall portfolio expansion of 7.8%. This includes growth in credit card and personal loan portfolios by 7.2% and 7.5%, respectively. The Non-Performing Loans (NPL) for the separate financial statement were at 1.7%, and NPL Coverage Ratio was at 476.4%. However, according to the consolidated financial statement of the Group, NPL was at 2.2% with 400.3% of NPL coverage ratio, which improved from the previous quarter. Although, the mentioned ratios were slightly increased compared to the same period in 2022 due mainly to the leasing portfolio and economic situation which was under pressure consistently, it is still in the manageable level.

## Target vs Actual Performance 2023

Target	2023 Target	2023 Actual Performance
Net Profit (MB)	> 7,079	7,295
Total Portfolio Growth (%)	15%	7.8%
Credit Card Spending Growth (%)	10%	11.4%
KTC PROUD Portfolio Growth* (%)	7%	4.4%
New Booking of P BERM Car for Cash (MB)	9,000	2,590
New Booking of KTBL Commercial Loan (MB)	3,000	1,449
Portfolio Quality (%Total NPL)	< 1.8%	2.2%

\*KTC PROUD Portfolio excludes BOT's Relief Measures



## Industry Overview

Based on data from the Office of the National Economics and Social Development Council (NESDC), the overall Thai economy in 2023 grew at a rate of 1.9%, marking a slowdown from the 2.5% growth seen in 2022. This deceleration is attributed to the slower recovery of the export sector and the tourism sector compared to expectations. However, the projection for the Thai economy in 2024 anticipates growth in the range of 2.2% to 3.2%. This growth is expected to be supported by several factors, including the resurgence of the export sector, expansion of demand and supply, increased investment from the private sector, and continued recovery of the tourism industry.

Industry Data	Y2022	Y2023
<b>Credit Card Receivables (Million Baht)</b>	<b>482,966</b>	<b>498,861</b>
Growth (%)	5.4%	3.3%
KTC Market Share (%)	14.4%	14.9%
<b>Amount of Credit Card (Cards)</b>	<b>25,733,923</b>	<b>26,279,164</b>
Growth (%)	3.6%	2.1%
KTC Market Share (%)	9.9%	10.0%
<b>Credit Card Spending (Million Baht)</b>	<b>2,004,737</b>	<b>2,166,727</b>
Growth (%)	21.5%	8.1%
KTC Market Share (%)	11.9%	12.2%
<b>Personal Loan Receivables (Excluding Auto Title Loan) (Million Baht)</b>	<b>515,628</b>	<b>505,680</b>
Growth (%)	14.0%	(1.9%)
KTC Market Share (%)	6.1%	6.4%
<b>Auto Title Loan Receivables (Million Baht)</b>	<b>247,518</b>	<b>336,495</b>
Growth (%)	36.9%	35.9%

Source: Bank of Thailand

The consumer finance industry continues to expand, driven by consumer spending demands and consumer confidence. As the end of 2023, the total credit card receivables for the industry were THB 498,861 million, showing a 3.3% increase. However, the overall credit card spending for the industry in 2023 expanded by 8.1%. Personal loan (excluding auto title loan) reached THB 505,680 million, decrease 1.9%, while auto title loan receivables amounted to THB 336,495 million, with a substantial 35.9% growth compared to the same period in 2022.

For the year 2023, KTC holds 14.9% of the credit card receivables market share, and the market share in credit card spending is 12.2%, indicating an increase compared to the same period in 2022. The market share for personal loan receivables (excluding auto title loan) compared to the industry is 6.4%

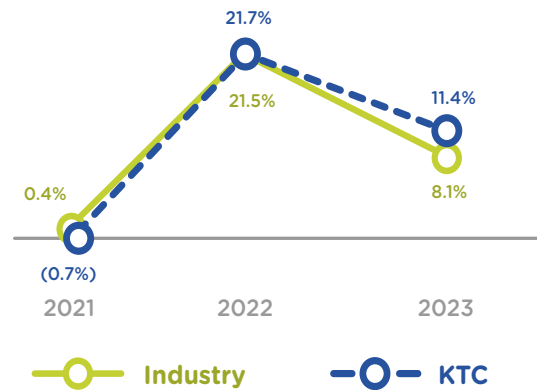
## Portfolio Overview

The overall volume of KTC card spending for the year of 2023 amounted to THB 265,383 million, growing by 11.4% (YoY). The company's members totaled 3,358,926 accounts, including 2,637,183 credit cards, up 3.4% (YoY) and 721,743 personal loan accounts, down 3.0% (YoY). The reduced number of personal loan accounts was due to closure of inactive KTC PROUD accounts.

As at the end of 2023, total loan and accrued interest receivable reached THB 112,346 million, showing a 7.8% (YoY) growth compared to the previous year. This amount can be broken down as follows:

- 1) Credit card receivables amounted to THB 74,441 million, expanding by 7.2% (YoY), in line with the increase in KTC card spending.
- 2) KTC PROUD portfolio amounted to THB 30,597 million, indicating a 4.4% growth compared to the previous year.

## Credit Card Spending Growth



- 3) KTC P BERM Car for Cash portfolio amounted to THB 2,287 million, experiencing a 134.1% growth compared to the year-end of 2022, which was THB 977 million.
- 4) The lease receivable amounted to THB 3,189 million. Due to the increasing signs of non-performing loans, KTC has ceased issuing this type of loan since August 2023 to manage the quality of portfolio and debt collection.

## Loans to customers and accrued interest receivables

Unit: Million Baht	Y2022	Y2023	%Growth
Credit Card: Loans to customers and accrued interest receivables	69,462	74,441	7.2%
Personal Loan: Loans to customers and accrued interest receivables*	32,283	34,716	7.5%
KTC PROUD	29,321	30,597	4.4%
KTC P BERM Car for Cash	977	2,287	134.1%
Leasing: Loans to customers and accrued interest receivables	2,449	3,189	30.2%

\* Includes BOT's Relief Measure

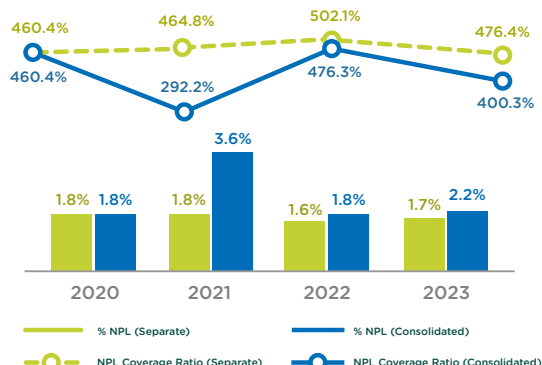
The changes in the allowance for expected credit loss as of December 31, 2023 are as following table.

(Unit: Million Baht)	Allowance for Expected Credit Loss				
	Financial assets where there has not been a significant increase in credit risk	Financial assets where there has been a significant increase in credit risk	Financial assets that are credit-impaired	Financial assets where applied simplified approach to calculate lifetime expected credit loss	Total
	(Stage 1)	(Stage 2)	(Stage 3)		
Balance as of January 1, 2023	4,247	2,782	1,139	624	8,792
Changes in staging	356	(417)	61	-	-
Changes in risk parameters	(579)	1,772	5,574	340	7,107
New financial assets originated or purchased	669	-	-	132	801
New financial assets derecognized	(361)	(822)	(786)	(44)	(2,014)
Written-off	-	-	(4,704)	(220)	(4,924)
Balance as of December 31, 2023	4,332	3,316	1,283	832	9,763

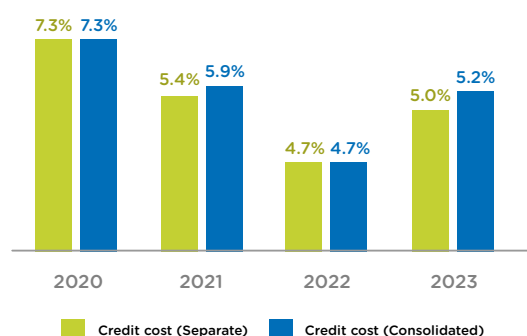
The Non-Performing Loans (NPL) to total receivables of the separate financial statement (%NPL) for 2023 was at 1.7%, slightly increased compared to the operating result for 2022 which was at 1.6%. The overall portfolio quality remains robust, with effective NPL control. The expected credit loss equaled THB 8,931 million, contributing to an NPL Coverage Ratio of 476.4%, a decrease from 502.1% in the same period last year.

In contrast, NPL ratio for consolidated financial statement 2023 was at 2.2% increased from 1.8% in 2022. The majority of this increase was attributed to the delinquencies of leasing customers. Furthermore, the NPL ratio for credit card, personal loans, and leasing portfolio in 2023 stood at 1.1%, 3.0%, and 17.7%, respectively. The expected credit loss of the Group was equivalent to THB 9,763 million, representing an increase of 11.0% (YoY). The NPL Coverage Ratio for the Group is 400.3%, dropped from 476.3% in the same period of 2022.

%NPL and %NPL Coverage Ratio



Credit Cost (%)



In the 4Q23, Bad debts recovery amounted to THB 841 million, showing an increase of 2.5% (QoQ). This recovery is divided into THB 804 million for KTC and THB 37 million for KTBL. However, the overall bad debts recovery for the entire year 2023 amounted to THB 3,249 million, indicating a decrease of 5.0% (YoY). This overall recovery is distributed into THB 3,143 million for KTC and THB 106 million for KTBL. The company continues to emphasize in the importance of debt collection processes and adjusts strategies to suit the prevailing circumstances, aiming to enhance efficiency in debt collection processes.

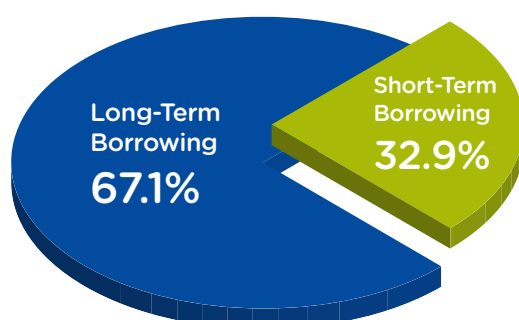
NPL		4Q2022		3Q2023		4Q2023	
Separate	Consolidated	MB	% NPL	MB	% NPL	MB	% NPL
1.7%	2.2%						
Total NPL		1,846	1.8%	2,482	2.3%	2,439	2.2%
NPL – Credit Card		730	1.1%	919	1.3%	851	1.1%
NPL – Personal Loan		896	2.8%	1,048	3.1%	1,024	3.0%
NPL – Leasing		219	8.9%	514	15.3%	564	17.7%

The outstanding balances of loans to customers and accrued interest receivables classified by type of business and stage as of December 31, 2023 are as follows

(Unit: Million Baht)	Consolidated Financial Statements			
	Credit Card	Personal Loan	Leasing	Total
Stage 1	65,882	27,093	-	92,974
Stage 2	7,400	6,185	-	13,585
Stage 3	851	1,024	-	1,875
Financial assets applied simplified approach to calculate lifetime expected credit losses	-	-	3,189	3,189
Total loans to customers	74,132	34,302	3,189	111,622
Add Accrued interest receivables and undue interest receivables	309	415	-	724
Total loan to customers and accrued interest receivables	74,441	34,716	3,189	112,346
Less Allowance for expected credit loss	(4,827)	(4,104)	(832)	(9,763)
Total loans to customers and accrued interest receivables, net	69,614	30,613	2,357	102,583

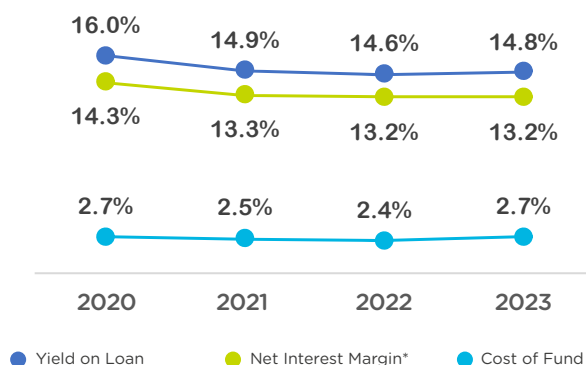
## Borrowing

### Y2023 Borrowing Proportion



For the year 2023, the Group's total borrowings amounted to THB 66,404 million, showing an increase of 7.7%. The structure of capital sources is distributed with 32.9% from short-term borrowings (short-term loans and current portion of long-term borrowings due within 1 year) and 67.1% from long-term borrowings. The funds were from various sources, including commercial banks, securities companies, insurance companies, and asset management, including the short-term borrowings from related parties accounted for THB 2,860 million, other financial institutions accounted for THB 6,597 million, as well as THB 9,500 million of long-term loans from Krung Thai Bank and THB 47,447 million of debentures.

Yield on Loan,  
Net Interest Margin and Cost of Fund



\* Net Interest Margin (NIM) = (Interest Income  
(Inc. Credit Usage) - Financial Expense) / Average  
Gross Receivables

The debt-to-equity ratio is 2.15 times, slightly lower than the 2.22 times at the end of the previous year, and below the Debt Covenants threshold of 10 times.

Additionally, the total short-term credit line is THB 29,371 million (including THB 19,061 million from Krung Thai Bank), utilized for THB 4,981 million, leaving a remaining balance of THB 24,390 million.

In 2023, cost of fund is 2.7%, increasing from 2.4% in 2022 due to the rising interest rates in the money market.

Simultaneously, the yield on loan is 14.8%, up from the previous year's 14.6%, driven by the growth in overall portfolios.

This results in a consistent net interest margin in 2023 at 13.2%, compared to the previous year.

## Revenue & Expense

Unit: Million Baht	Consolidated Financial Statements					
	Y2022	Y2023	Growth (%YoY)	4Q2022	4Q2023	Growth (%YoY)
Total Revenues	23,231	25,418	9%	6,253	6,663	7%
Bad Debt Recovery	3,421	3,249	(5%)	855	841	(2%)
Total Operating Expenses	8,117	8,801	8%	2,276	2,429	7%
Finance Costs	1,392	1,703	22%	378	456	21%
Profit before Expected Credit Loss	13,740	14,962	9%	3,609	3,796	5%
Expected Credit Loss	4,868	5,894	21%	1,508	1,612	7%
Bad Debt	5,770	4,924	(15%)	1,314	1,320	1%
Doubtful Accounts	(902)	970	(208%)	194	292	50%
Profit before Income Tax	8,871	9,068	2%	2,101	2,184	4%
Net Profit	7,054	7,250	3%	1,645	1,745	6%
Total Comprehensive Income (Loss)						
Owners of the parent	7,079	7,295	3%	1,666	1,761	6%
Earning per Shares (Baht)	2.75	2.83	3%	0.65	0.68	6%
Book Value per Share (Baht)	12.25	13.90	14%	12.25	13.90	14%



**Total  
Revenue  
Y2023**

**25,418**  
(Million Baht)

**9.4%**  
YoY

**Total Interest  
Income**

**▲ 11.4%**  
YoY

**Fee income  
increased by**

**▲ 11.7%**  
YoY

In 2023, the total interest income (including credit usage fee) is THB 16,020 million, marking a 11.4% (YoY) increase. This comprises interest income from credit card amounting to THB 7,943 million, personal loan THB 7,845 million, and lease receivables THB 232 million. The rise in interest income is attributed to the overall growth in every business sector, driven by the improving economy in line with domestic demands and the expansion of the new booking portfolio, contributing to the increase in revenue.

For the year 2023, fee income (excluding credit usage fee) amounts to THB 5,557 million, showing a 11.7% (YoY) increase. The overall fee income comes from higher transaction volumes. Specifically, merchant discount fee income increased by 15.0% (YoY), Interchange fee income increased by 13.9% (YoY), cash advance fee increased by 12.9% (YoY), and collection fees increased by 3.7% (YoY).



**Interest Income**  
(Including Credit Usage Fee)

**16,020** Million Baht

	Y2022	%Total Revenue	Y2023	%Total Revenue	%Growth
Interest Income - Credit Card	7,051	30.4%	7,943	31.3%	12.7%
Interest Income - Personal Loan	7,220	31.1%	7,845	30.9%	8.7%
KTC PROUD	7,070	30.4%	7,519	29.6%	6.4%
KTC P BERM Car for Cash	150	0.6%	326	1.3%	116.9%
Interest Income - Leasing	110	0.5%	232	0.9%	110.1%



**Fee Income**  
(Excluding Credit Usage Fee)

**5,557** Million Baht

	Y2022	%Total Revenue	Y2023	%Total Revenue	%Growth
Fee income (Excluding credit usage fee)	4,973	21.4%	5,557	21.9%	11.7%

**Total  
Expense  
Y2023**

**16,397**  
(Million Baht)

**14.0%**  
YoY

In the year 2023, the Group's total operating expenses amounted to THB 8,801 million, showing a 8.4% (YoY) increase. This rise was attributed to higher fee expenses which rose by 19.7% (YoY), aligned with the increase in volume of trade transactions. Total marketing expenses that slightly decreased, showcasing the Group's efficient in Card Usage Promotion. Despite this, revenue growth resulted in a lower Cost to Income Ratio for 2023, which now stands at 34.6%, decreasing from 34.9% in 2022. Expected credit losses amount to THB 5,894 million, marking a 21.1% (YoY) increase due to a higher level of provision.

Financial expense amounted to THB 1,703 million, increased 22.3% (YoY), reflecting the rise of interest rates in money market.

**Cost to Income  
Ratio**



**34.6%**



**Total Operating  
Expense  
8,801** Million Baht

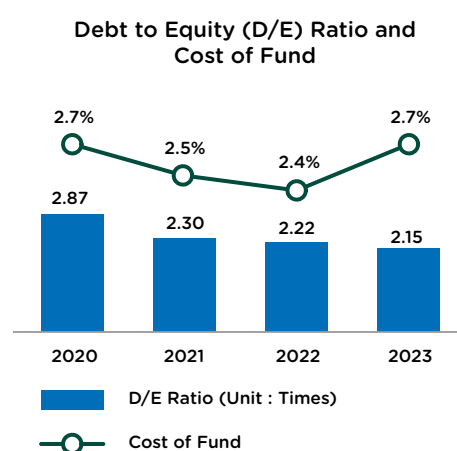
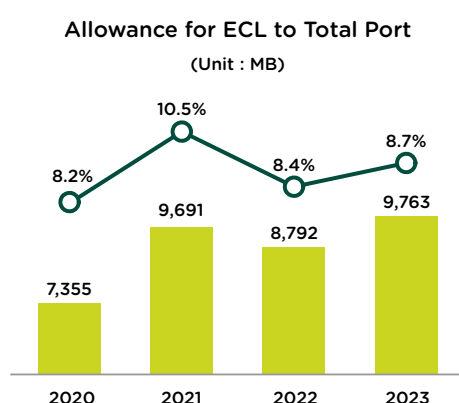
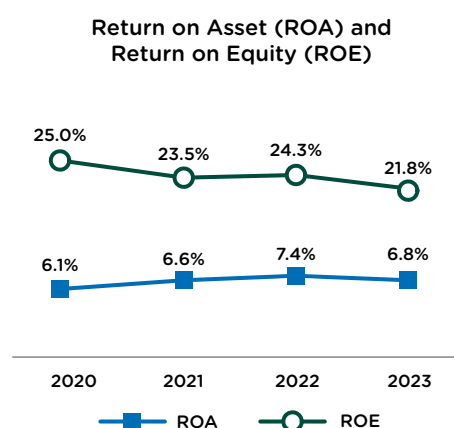
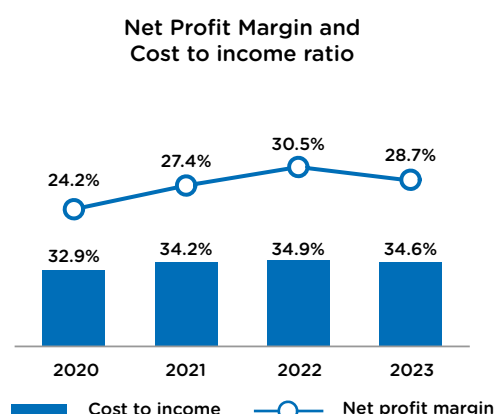
	Y2022	%Total Revenue	Y2023	%Total Revenue	%Growth
Personal expense	2,501	10.9%	2,694	10.6%	7.7%
Marketing expense	877	3.8%	808	3.2%	(7.8%)
Fee and service expense	2,599	11.2%	3,112	12.2%	19.7%
Other administrative expense	2,140	9.2%	2,186	8.6%	2.2%



**Expected Credit  
Loss (ECL)  
5,894** Million Baht

	Y2022	%Total Revenue	Y2023	%Total Revenue	%Growth
ECL - Credit Card	2,409	10.4%	2,955	11.6%	22.7%
ECL - Personal loan	2,337	10.1%	2,512	9.9%	7.5%
ECL - Leasing	122	0.5%	427	1.7%	250.8%

## Key Financial Ratio



## Sustainable Household Debt Solution Framework & Its Effects

Bank of Thailand (BOT) published the regulations for Responsible Lending (RL), according to the Notification of Bank of Thailand No. SorKorChor 7/2566. The objective is to reinforce the role of service providers in responsibly serving customers throughout the credit lifecycle. These criteria have been effective since January 1, 2024.

These lending management criteria encompass 8 main areas: (1.) Product Development (2.) Advertising (3.) Sales Process (4.) Consideration of customers' debt repayment capability (affordability) (5.) Discipline Promotion and Financial Management during the indebtedness period (6.) Assistance for Customers with Persistent Debt (PD) (7.) Assistance for Customers with Payment Problems including restructuring of non-NPL debt for both Preemptive Debt Restructuring (Preemptive DR) and Troubled Debt Restructuring (TDR) (8.) Compliance with Laws and Debt Transfers.

KTC has implemented measures to assist debtors in the long term in compliance with the announcement of BOT as follows.

Regarding the adjustment of the minimum credit card

payment rate from 5% to 8% which was effective from January 1, 2024, to December 31, 2024, KTC believes that most customers can afford the increased minimum payment. However, recognizing that some customers may not have the ability to pay, the company has prepared various initiatives to provide assistance.

Additionally, KTC will propose assistance measures for non-performing loans (Non-NPL) customers. This involves proactively and preemptively adjusting the debt structure (Pre-Emptive DR) to prevent potential issues when there are early signs that a customer may face difficulties in repayment at least once. The aim is to help customers manage their debt effectively and avoid transitioning into Non-Performing Loans (NPL) status. Besides, KTC will also propose assistance measures for customers with Non-Performing Loans (NPL), particularly before taking legal actions, debt sales, contract cancellations, or asset seizures. This assistance will be provided at least once. KTC will assess these support measures in alignment with the customer's ability to repay, ensuring that the assistance doesn't unduly increase the customer's debt burden.

As the implementing these assistance measures,

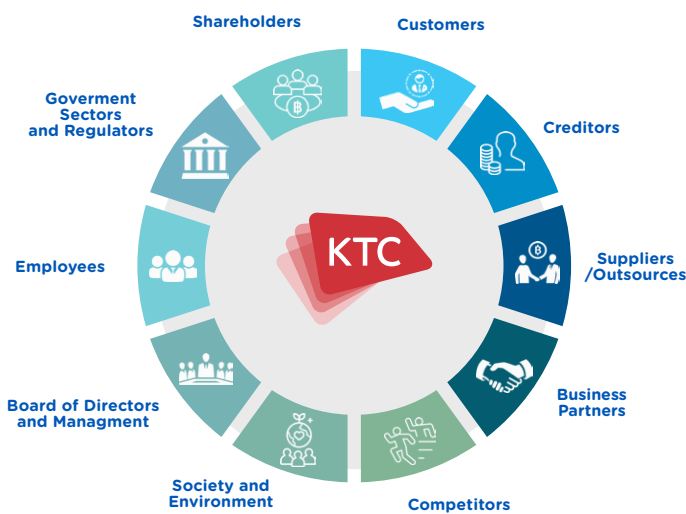
KTC already considered and assured that it would not have any significant adverse impact on the overall operations.

Furthermore, KTC has assessed the impact of BOT's guidelines for assisting customers with Persistent Debt (PD) issues, effective from April 2024 onwards. If all eligible customers participate in the program, it is estimated to result in a reduction of approximately THB 18 million in monthly interest income.

Regarding the progress in the Risk-Based Pricing (RBP) concept, there is still a wait for the official testing phase, expected to commence in mid-2024. As for the determination of the Debt Service Ratio (DSR) threshold, specific details have not been opened for public input yet. BOT anticipates initiating its implementation in 2025, subject to further economic assessments as originally planned.

Over the year, KTC has implemented various programs to provide assistance to debtors following the guidelines regulated by BOT for responsible and fair lending. As of December 31, 2023, KTC had provided assistance to debtors in all statuses, totaling THB 1,833 million, accounting for 1.7% of the total receivable portfolio.

### KTC Integrated Strategies with Sustainable Development



KTC's strategy has integrated sustainable economic, social, and environmental dimensions through Better Product and Service, Better Quality of Life, and Better Climate. KTC conducts its business with responsibility and continuously develops products, services, technology, digital innovation, and human resources to meet business demands, build trust with stakeholders, increase access to financial products and services for Thai society, alleviate environmental impacts, and support sustainable development goals of the United Nations. For more information, please visit the website at <https://www.ktc.co.th/en/sustainability-development>

KTC organizes Opportunity Day every quarter for shareholders, bondholders, analysts, fund managers and any stakeholders who are interested in KTC's operating results, business directions, industry overview, etc. through official channels of the Stock Exchange of Thailand as follows.



### KTC Direction in 2024

Thai economy overall experienced a decreased expansion rate in the past year, as both the tourism sector and exports slowed down due to the slow recovery of the global economy. However, private consumption and service sectors continued to expand consistently, serving as important drivers of Thai economy. While external factors mentioned may have some impact on the GDP, Thailand has shown flexibility and readiness to adapt to changes that may occur. For the year 2024, the Company has set targets to enhance its three main businesses: credit card, KTC PROUD personal loan, and KTC P BERM Car for Cash. It is also evident that consumers still have a high demand for various types of loan, prompting KTC to plan for growth in all businesses while still considering portfolio quality as crucial under the appropriate risk appetite. Moreover, KTC emphasizes three main components: people, process, and technology, which are ready to enhance the efficiency of products and services, with the goal of continuous profit growth.

## Performance analysis of each business for the year 2021, 2022, and 2023

The Group compares revenue from operation of each business for the year ended 31 December 2021, 2022, and 2023 to identify the ability to generate revenue from each business unit. The revenue structure for the year 2023 consists of credit card business, personal loan business, hire purchase and financial lease businesses which contributed to total revenue of 59.2%, 37.0%, 1.4% and 2.3% respectively. Details of revenue (including bad debt recovery income) of each business are as follows:

Income by Business	For the year ending December 31, 2021		For the year ending December 31, 2022		For the year ending December 31, 2023	
	MB	Portion	MB	Portion	MB	Portion
1. Credit Card Income	12,288	57.3%	13,653	58.8%	15,057	59.2%
2. Personal Loan Income	8,643	40.3%	8,872	38.2%	9,407	37.0%
3. Leasing Income	243	1.1%	251	1.1%	362	1.4%
4. Other Incomes <sup>(1)</sup>	269	1.3%	456	1.9%	593	2.3%
Total	21,442	100.0%	23,231	100.0%	25,418	100.0%

<sup>(1)</sup> Other Incomes: other fee incomes, profit (loss) from exchange rate

### 1. The Income of Credit Card Business

Credit Card Business	For the year ending December 31, 2022			For the year ending December 31, 2022			For the year ending December 31, 2023		
	MB	Portion	Growth (%YoY)	MB	Portion	Growth (%YoY)	MB	Portion	Growth (%YoY)
1. Credit Card Interest Income <sup>(1)</sup>	6,501	52.9%	(1.7%)	7,051	51.6%	8.5%	7,943	52.8%	12.7%
2. Fee Incomes	4,088	33.3%	(4.8%)	4,833	35.4%	18.2%	5,439	36.1%	12.5%
- Card Issuing	2,468	20.1%	(8.4%)	2,902	21.3%	17.6%	3,228	21.4%	11.2%
- Merchant Acquiring	1,620	13.2%	1.3%	1,931	14.1%	19.2%	2,212	14.7%	14.5%
3. Bad Debt Recovery-Credit card	1,699	13.8%	1.1%	1,768	13.0%	4.1%	1,675	11.1%	(5.3%)
Total	12,288	100.0%	(2.4%)	13,653	100.0%	11.1%	15,057	100.0%	10.3%

<sup>(1)</sup> Credit card interest income including credit usage fee



Revenue from credit card business mainly derives from 3 parts; interest income (including credit usage fee), fee income, and recovery income. In 2023, the Group continued developing creative marketing campaigns by focusing in both online and offline marketing. Additionally, the Group sought to increase its card members by launching new products, developing and improving co-brand cards to have benefits that are tailored to the needs of customers, and implementing long-term engagement strategies. The goal was to establish the brand as a preferred choice in the long term and encourage frequent KTC card usage. In 2023, total interest income from credit card equaled to Baht 7,943 million, increased by 12.7% (YoY) as well as fee income equaled to Baht 5,439 million, increased by 12.5% (YoY), thanks to the loan expansion and the improved economic conditions, both from domestic demand and the recovery of economic activities. At the same time, recovery income equaled to Baht 1,675 million, decreased by 5.3% (YoY). The company continues to emphasize in the importance of debt collection processes, aiming to enhance efficiency in debt collection processes.

Credit Card Business	For the year ending December 31, 2021	For the year ending December 31, 2022	For the year ending December 31, 2023
Number of Credit Card (Cards)	2,515,110	2,550,592	2,637,183
Growth (%YoY)	(2.4%)	1.4%	3.4%
Credit Card Receivables-net (Million Baht)	56,075	65,031	69,614
Growth (%YoY)	0.1%	16.0%	7.0%
Total Credit Card Spending <sup>(1)</sup> (Million Baht)	195,727	238,257	265,383
Growth (%YoY)	(0.7%)	21.7%	11.4%

<sup>(1)</sup> Credit card spending including cash advance

Merchant Acquiring Business	For the year ending December 31, 2021	For the year ending December 31, 2022	For the year ending December 31, 2023
Number of KTC Merchant <sup>(1)</sup> (Merchants)	41,410	43,929	48,140
Growth (%YoY)	(1.5%)	6.1%	9.6%
Total Spending through KTC Merchants <sup>(2)</sup> (Million Baht)	67,023	80,485	100,191
Growth (%YoY)	(2.7%)	20.1%	24.5%
Fee Income from Merchant Acquiring Business (Million Baht)	1,620	1,931	2,212
Growth (%YoY)	1.3%	19.2%	14.5%

<sup>(1)</sup> Excluding cash advance outlets at the ending period

<sup>(2)</sup> Excluding cash advance transactions

## 2. The Income of Personal Loan Business

Personal loan business is an unsecured loan with no collateral or guarantor categorized into 2 types of services which are KTC Cash and KTC PROUD Cash Card. In addition, the Group expands its new customer base by launching new cash card image “KTC PROUD Union Pay” and “KTC PROUD Mastercard” with 4-in-1 function, Withdraw-Transfer-Swipe-Pay in one card, as well as auto title loan “KTC P BERM” Car for Cash, which consists of Car Title Loans and Motorcycle Title Loans.

In 2023, personal loan portfolio equaled to Baht 30,613 million, increased by 7.2% compared to the previous year due to the loan expansion. Interest income (including credit usage fee) from personal loan equaled to Baht 7,845 million, increased by 8.7% (YoY), while fee income equaled to Baht 94 million. Recovery income equaled to Baht 1,496 million.

Personal Loan Business	For the year ending December 31, 2021	For the year ending December 31, 2022	For the year ending December 31, 2023
Personal Loan Receivables-net (Million Baht)	26,013	28,547	30,613
Growth (%YoY)	(2.9%)	9.7%	7.2%
Interest Income <sup>①</sup> (Million Baht)	7,009	7,220	7,845
Growth (%YoY)	(7.2%)	3.0%	8.7%
Fee Income (Million Baht)	142	97	94
Growth (%YoY)	(22.3%)	(31.8%)	(3.8%)
Bad Debt Recovery-Personal Loan (Million Baht)	1,492	1,555	1,469
Growth (%YoY)	3.8%	4.2%	(5.5%)

<sup>①</sup> Personal loan interest income including credit usage fee

## 3. The Income of Leasing Business

KTB Leasing Company Limited operates hire purchase and financial lease businesses to expand business and customer base through vehicle hire purchase and commercial loans such as trucks and construction machines. As of December 31, 2023, the Group's lease receivables portfolio equaled to Baht 2,357 million including interest income, fee income, and recovery income equaled to Baht 232 million, Baht 24 million, and Baht 106 million respectively. However, the company suspended loan disbursements since August 2023.

Leasing Business	For the year ending December 31, 2021	For the year ending December 31, 2022	For the year ending December 31, 2023
Leasing Receivables-net (Million Baht)	857	1,825	2,357
Growth (% YoY)	N/A	113.0%	29.2%
Interest Income <sup>①</sup> (Million Baht)	104	110	232
Growth (% YoY)	N/A	6.0%	110.1%
Fee Income (Million Baht)	63	43	24
Growth (% YoY)	N/A	(31.9%)	(44.4%)
Bad Debt Recovery-Leasing (Million Baht)	75	97	106
Growth (% YoY)	N/A	29.3%	8.9%



# FINANCIAL STATEMENTS

# Financial Statements



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## Independent Auditor's Report

To the Shareholders of Krungthai Card Public Company Limited

### Opinion

I have audited the accompanying consolidated financial statements of Krungthai Card Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Krungthai Card Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Krungthai Card Public Company Limited and its subsidiaries and of Krungthai Card Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

A member firm of Ernst & Young Global Limited



### **Key Audit Matter**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current year. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

#### **Allowance for expected credit loss of loans to customers**

As discussed in Note 7 to the consolidated financial statements, as at 31 December 2023, the Group had loans to customers of Baht 102,583 million (representing 91 percent of total assets) and allowance for expected credit loss amounting to Baht 9,763 million, which are material amounts to the financial statements. In addition, the basis to be used for calculation of the allowance for expected credit loss involves complex calculation modelling and requires management to use significant judgements and estimates in developing expected credit loss models in compliance with Thai Financial Reporting Standards. The areas of significant management judgement include the identification of criteria for assessment of a significant increase in credit risk of loans to customers, the relevant variables with modelling, the selection of the future economic variables to be incorporated in the models and a management overlay used to adjust of the allowance for expected credit loss due to the limitations of the model.

Because of the materiality and the use of judgement and estimates mentioned above, I addressed the adequacy of allowance for expected credit loss of loans to customers as a key audit matter.



I gained an understanding of, assessed and tested, on a sampling basis, the effectiveness of the Group's internal controls relating to the loan origination and collection process, the calculation of allowance for expected credit loss of loans to customers, taking into account the exposure balances, complexity and credit risk of each loan portfolio. I compared the accounting policies of the Group with Thai Financial Reporting Standards. I considered and assessed the process governing model development, reviewed model development documentation and model validation report as prepared by the independent department of the Group, and tested, on a sampling basis, the accuracy and the completeness of the data used in model development. I also assessed the methods and assumptions applied by the Group in the calculation of the allowance for expected credit loss, including the method used to incorporate the management overlay to address the limitations of the model and the recording of allowance for expected credit loss. I tested, on a sampling basis, the controls over the information technology systems relevant to the calculation of allowance for expected credit loss.

I examined the allowance for expected credit loss by assessing, on a sampling basis, the classification of loans to customers based on the changes in credit risk since initial recognition, and recalculating, on a sampling basis, the allowance for expected credit loss as at the end of the accounting period, including testing, on a sampling basis, the completeness of the data used in the calculation of allowance for expected credit loss.

Moreover, I assessed the adequacy of disclosure in accordance with the relevant financial reporting standards.

### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.



I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Ratana Jala  
Certified Public Accountant (Thailand) No. 3734

EY Office Limited  
Bangkok: 8 February 2024

**Krungthai Card Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 December 2023**

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Notes	2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		5,343,735,736	2,181,929,630	5,296,384,848	2,173,595,514
Loans to customers and					
accrued interest receivables, net - current portion	7	100,818,248,040	94,013,965,896	100,226,438,075	93,577,009,782
Short-term lending	27.1	-	-	1,695,000,000	746,000,000
Other receivables, net	8	861,936,816	485,291,735	731,840,958	431,967,354
<b>Total current assets</b>		<b>107,023,920,592</b>	<b>96,681,187,261</b>	<b>107,949,663,881</b>	<b>96,928,572,650</b>
<b>Non-current assets</b>					
Loans to customers and accrued interest					
receivables, net - non-current portion	7	1,764,961,131	1,387,838,283	-	-
Other non-current financial assets	9	2,000,707	1,997,569	1,990,707	1,987,569
Investments in subsidiaries and an associate, net	10	154,491,132	105,744,796	611,133,652	780,943,224
Long-term lending	27.1	-	-	500,000,000	-
Properties for sale, net	11	8,439,060	39,051,626	-	-
Leasehold improvements and equipment	12	420,950,662	348,076,617	406,430,261	334,787,717
Right-of-use assets	13.1	507,147,988	330,910,963	497,209,040	317,919,957
Intangible assets	14	386,830,990	483,335,145	382,531,397	476,589,001
Deferred tax assets	15	2,429,869,816	2,344,336,128	1,749,540,964	1,669,654,436
Other non-current assets		115,071,467	73,512,342	112,501,606	70,910,592
<b>Total non-current assets</b>		<b>5,789,762,953</b>	<b>5,114,803,469</b>	<b>4,261,337,627</b>	<b>3,652,792,496</b>
<b>Total assets</b>		<b>112,813,683,545</b>	<b>101,795,990,730</b>	<b>112,211,001,508</b>	<b>100,581,365,146</b>

The accompanying notes are an integral part of the financial statements.



**Krungthai Card Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 December 2023**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2023	2022	2023	2022
Liabilities and shareholders' equity					
Liabilities					
Current liabilities					
Short-term borrowings	16, 27.1	9,457,248,261	10,178,974,634	9,123,582,087	9,278,304,586
Trade payables	27.1	3,490,565,333	1,820,142,592	3,489,216,568	1,777,688,316
Accrued interest expenses		341,559,230	280,401,691	341,457,873	279,986,819
Income tax payable		865,625,343	924,158,291	868,672,148	928,514,898
Accrued expenses		1,364,675,968	1,286,830,590	1,355,262,811	1,261,319,618
Other payables	17	743,271,757	808,524,907	726,942,273	805,209,106
Current portion of lease liabilities	13.2	212,133,846	161,484,227	206,111,149	155,256,447
Current portion of long-term borrowings	16, 27.1	4,500,000,000	-	4,500,000,000	-
Current portion of long-term debentures	18	7,915,120,379	4,639,493,550	7,915,120,379	4,639,493,550
Deferred income for reward points		2,717,563,880	2,587,145,713	2,717,563,880	2,587,145,713
Total current liabilities		31,607,763,997	22,687,156,195	31,243,929,168	21,712,919,053
Non-current liabilities					
Lease liabilities, net of current portion	13.2	301,492,679	175,545,371	297,434,363	168,666,811
Long-term borrowings, net of current portion	16, 27.1	5,000,000,000	6,000,000,000	5,000,000,000	6,000,000,000
Long-term debentures, net of current portion	18	39,531,541,068	40,816,762,678	39,531,541,068	40,816,762,678
Provisions for employee benefits	19	527,403,400	540,772,700	506,650,910	523,980,300
Total non-current liabilities		45,360,437,147	47,533,080,749	45,335,626,341	47,509,409,789
Total liabilities		76,968,201,144	70,220,236,944	76,579,555,509	69,222,328,842

The accompanying notes are an integral part of the financial statements.

**Krungthai Card Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 December 2023**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2023	2022	2023	2022
Shareholders' equity					
Share capital					
Authorised share capital					
2,578,334,070 ordinary shares of Baht 1.00 each		2,578,334,070	2,578,334,070	2,578,334,070	2,578,334,070
Issued and paid-up share capital					
2,578,334,070 ordinary shares of Baht 1.00 each		2,578,334,070	2,578,334,070	2,578,334,070	2,578,334,070
Share premium					
Share premium on ordinary shares		1,891,808,721	1,891,808,721	1,891,808,721	1,891,808,721
Surplus on business combination under					
common control		423,694,187	423,694,187	-	-
Other components of equity		6,650,449	4,844,092	-	-
Retained earnings					
Appropriated - legal reserve	20	257,833,407	257,833,407	257,833,407	257,833,407
Unappropriated		30,523,251,596	26,196,702,458	30,903,469,801	26,631,060,106
Equity attributable to owners of the parent		35,681,572,430	31,353,216,935	35,631,445,999	31,359,036,304
Non-controlling interests		163,909,971	222,536,851	-	-
Total shareholders' equity		35,845,482,401	31,575,753,786	35,631,445,999	31,359,036,304
Total liabilities and shareholders' equity		112,813,683,545	101,795,990,730	112,211,001,508	100,581,365,146

The accompanying notes are an integral part of the financial statements.

(Mr. Praphaisith Tankeyura)

Director

(Mrs. Pittaya Vorapanyasakul)

Director

**Krungthai Card Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the year ended 31 December 2023**

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Profit or loss:</b>					
<b>Revenue</b>					
Interest income		12,741,862,320	11,378,864,625	12,510,154,205	11,268,371,237
Fee and service income		8,834,510,898	7,976,066,461	8,810,572,070	7,935,345,463
Bad debt recovery		3,249,441,107	3,420,599,616	3,143,252,898	3,322,969,555
Gain on exchange rate, net		136,581,737	61,064,570	136,581,736	61,064,570
Other income		456,066,189	394,747,024	483,795,131	377,886,605
<b>Total revenue</b>		<b>25,418,462,251</b>	<b>23,231,342,296</b>	<b>25,084,356,040</b>	<b>22,965,637,430</b>
<b>Expenses</b>					
Administrative expenses		8,534,132,102	7,872,012,649	8,627,926,643	7,666,301,697
Management remuneration	27.3	266,457,666	244,488,863	241,022,588	229,503,401
Expected credit loss		5,894,117,311	4,868,385,955	5,467,296,186	4,746,360,548
<b>Total expenses</b>	22	<b>14,694,707,079</b>	<b>12,984,887,467</b>	<b>14,336,245,417</b>	<b>12,642,165,646</b>
<b>Operating income</b>		<b>10,723,755,172</b>	<b>10,246,454,829</b>	<b>10,748,110,623</b>	<b>10,323,471,784</b>
Finance costs		1,702,639,264	1,392,499,203	1,683,960,122	1,382,923,002
Share of profit from investments in an associate		47,022,625	17,436,139	-	-
<b>Profit before income tax</b>		<b>9,068,138,533</b>	<b>8,871,391,765</b>	<b>9,064,150,501</b>	<b>8,940,548,782</b>
Income tax expense	15	1,818,507,518	1,817,782,936	1,823,469,417	1,800,992,730
<b>Net profit for the year</b>		<b>7,249,631,015</b>	<b>7,053,608,829</b>	<b>7,240,681,084</b>	<b>7,139,556,052</b>
<b>Other comprehensive income:</b>					
<i>Transactions that will never be reclassified subsequently to profit or loss</i>					
Gain (loss) on remeasurements of defined benefit plans		(5,163,510)	13,842,610	(4,209,220)	12,420,510
Share of other comprehensive income from investments in an associate		1,723,711	4,844,092	-	-
Income tax relating to other comprehensive income for items that will never be reclassified subsequently to profit or loss	15	1,031,182	(2,768,522)	841,844	(2,484,102)
<b>Other comprehensive income (loss) for the year</b>		<b>(2,408,617)</b>	<b>15,918,180</b>	<b>(3,367,376)</b>	<b>9,936,408</b>
<b>Total comprehensive income for the year</b>		<b>7,247,222,398</b>	<b>7,069,527,009</b>	<b>7,237,313,708</b>	<b>7,149,492,460</b>

The accompanying notes are an integral part of the financial statements.

**Krungthai Card Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the year ended 31 December 2023**

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
<b>Profit (loss) attributable to</b>					
Owners of the parent		7,295,394,623	7,079,399,249	7,240,681,084	7,139,556,052
Non-controlling interests		(45,763,608)	(25,790,420)		
		<u>7,249,631,015</u>	<u>7,053,608,829</u>		
<b>Total comprehensive income (loss) attributable to</b>					
Owners of the parent		7,293,176,862	7,095,033,578	7,237,313,708	7,149,492,460
Non-controlling interests		(45,954,464)	(25,506,569)		
		<u>7,247,222,398</u>	<u>7,069,527,009</u>		
<b>Earnings per share of the Company</b>	26				
Basic earnings per share (Baht)		<u>2.83</u>	<u>2.75</u>	<u>2.81</u>	<u>2.77</u>

The accompanying notes are an integral part of the financial statements.

**Krungthai Card Public Company Limited and its subsidiaries**  
**Statement of changes in equity**  
**For the year ended 31 December 2023**

(Unit: Baht)

Consolidated financial statements											
Owners of the parent											
Other components of equity											
Notes	Issued and paid-up share capital	Share premium on ordinary shares	Surplus on business combination under common control	Surplus from the change in the ownership of interest of the investments		share of other comprehensive income from an associate	Retained earnings		Total owners of the parent	Non-controlling interests	Total
				in subsidiary	of interest of the investments		Appropriated Legal reserve	Unappropriated			
<b>Beginning balance as at 1 January 2022</b>	2,578,334,070	1,891,808,721	423,694,187	-	-	-	257,833,407	21,684,686,692	26,836,357,077	248,043,420	27,084,400,497
Dividend paid	-	-	-	-	-	-	-	(2,578,173,720)	(2,578,173,720)	-	(2,578,173,720)
Profit (loss) for the year	-	-	-	-	-	4,844,092	-	7,079,399,249	7,079,399,249	(25,790,420)	7,053,608,829
Other comprehensive income for the year	-	-	-	-	-	-	-	10,790,237	15,634,329	283,851	15,918,180
Total comprehensive income (loss) for the year	-	-	-	-	-	4,844,092	-	7,090,189,486	7,095,033,578	(25,506,569)	7,069,527,009
<b>Ending balance as at 31 December 2022</b>	2,578,334,070	1,891,808,721	423,694,187	-	-	4,844,092	257,833,407	26,196,702,458	31,353,216,935	222,536,851	31,575,753,786
<b>Beginning balance as at 1 January 2023</b>	2,578,334,070	1,891,808,721	423,694,187	-	-	4,844,092	257,833,407	26,196,702,458	31,353,216,935	222,536,851	31,575,753,786
Dividend paid	-	-	-	-	-	-	-	(2,964,904,013)	(2,964,904,013)	-	(2,964,904,013)
Change in the ownership of interest of the investments in subsidiary	-	-	-	82,646	-	-	-	-	82,646	(12,672,416)	(12,589,770)
Profit (loss) for the year	-	-	-	-	-	-	-	7,295,394,623	7,295,394,623	(45,763,608)	7,249,631,015
Other comprehensive income (loss) for the year	-	-	-	-	-	1,723,711	-	(3,941,472)	(2,217,761)	(190,856)	(2,408,617)
Total comprehensive income (loss) for the year	-	-	-	-	-	1,723,711	-	7,291,453,151	7,293,176,862	(45,954,464)	7,247,222,398
<b>Ending balance as at 31 December 2023</b>	2,578,334,070	1,891,808,721	423,694,187	82,646	-	6,567,803	257,833,407	30,523,251,596	35,681,572,430	163,909,971	35,845,482,401

The accompanying notes are an integral part of the financial statements.



**Krungthai Card Public Company Limited and its subsidiaries**  
**Statement of changes in equity (continued)**  
**For the year ended 31 December 2023**

(Unit: Baht)

	Notes	Separate financial statements				
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings	Total	
				Appropriated	Unappropriated	
				Legal reserve		
<b>Beginning balance as at 1 January 2022</b>		2,578,334,070	1,891,808,721	257,833,407	22,059,741,366	26,787,717,564
Dividend paid	25	-	-	-	(2,578,173,720)	(2,578,173,720)
Profit for the year		-	-	-	7,139,556,052	7,139,556,052
Other comprehensive income for the year		-	-	-	9,936,408	9,936,408
Total comprehensive income for the year		-	-	-	7,149,492,460	7,149,492,460
<b>Ending balance as at 31 December 2022</b>		2,578,334,070	1,891,808,721	257,833,407	26,631,060,106	31,359,036,304
<b>Beginning balance as at 1 January 2023</b>		2,578,334,070	1,891,808,721	257,833,407	26,631,060,106	31,359,036,304
Dividend paid	25	-	-	-	(2,964,904,013)	(2,964,904,013)
Profit for the year		-	-	-	7,240,681,084	7,240,681,084
Other comprehensive income (loss) for the year		-	-	-	(3,367,376)	(3,367,376)
Total comprehensive income for the year		-	-	-	7,237,313,708	7,237,313,708
<b>Ending balance as at 31 December 2023</b>		2,578,334,070	1,891,808,721	257,833,407	30,903,469,801	35,631,445,999

The accompanying notes are an integral part of the financial statements.

**Krungthai Card Public Company Limited and its subsidiaries**

**Statement of cash flows**

**For the year ended 31 December 2023**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Cash flows from operating activities</b>				
Profit before income tax	9,068,138,533	8,871,391,765	9,064,150,501	8,940,548,782
Adjustments to reconcile profit before income tax to net cash received (paid) from operating activities:				
Amortisation of discount on investments in debt securities	(3,138)	(2,815)	(3,138)	(2,815)
Share of profit from investments in an associate	(47,022,625)	(17,436,139)	-	-
Employee benefits expenses	50,195,253	44,715,784	47,189,453	42,771,751
Depreciation and amortisation	534,741,688	549,411,550	523,666,126	537,759,597
Loss on disposal and write-off of leasehold improvements and equipment, net	82,087	1,781,928	102,335	1,930,439
Loss on write-off of computer software	36	2,277,907	36	14
Loss on impairment of computer software	171,300	-	-	-
Expected credit loss	5,894,117,311	4,868,385,955	5,467,296,186	4,746,360,548
Loss on impairment of investments in subsidiaries	-	-	182,399,342	-
(Reversal for) loss on impairment of properties for sale	(71,467,124)	23,767,577	-	-
Interest expenses	1,684,513,901	1,374,243,083	1,665,834,759	1,364,666,883
Profit from operating activities before changes in operating assets and liabilities	17,113,467,222	15,718,536,595	16,950,635,600	15,634,035,199
Operating assets (increase) decrease				
Loans to customers and accrued interest receivables, net	(13,076,701,042)	(17,327,794,306)	(12,116,724,479)	(16,237,018,257)
Other receivables	(375,466,342)	(49,208,895)	(299,873,604)	(11,082,490)
Properties for sale	102,079,690	(19,031,541)	-	-
Other non-current assets	(41,559,125)	8,681,909	(41,591,014)	8,756,534
Operating liabilities increase (decrease)				
Trade payables	1,733,055,820	1,009,173,706	1,774,168,312	973,312,063
Accrued expenses	77,845,378	108,428,697	93,943,193	100,482,758
Other payables	(65,253,150)	(860,846,510)	(78,266,833)	(822,410,871)
Deferred income for reward points	130,418,167	105,919,951	130,418,167	105,919,951
Cash provided by (used in) operating activities	5,597,886,618	(1,306,140,394)	6,412,709,342	(248,005,113)
Interest expenses paid	(1,464,640,251)	(1,269,113,047)	(1,445,896,952)	(1,259,632,549)
Employee benefits paid	(68,728,063)	(18,518,541)	(68,728,063)	(18,518,541)
Income tax paid	(1,961,542,972)	(1,683,431,258)	(1,962,356,851)	(1,679,022,315)
<b>Net cash provided by (used in) operating activities</b>	<b>2,102,975,332</b>	<b>(4,277,203,240)</b>	<b>2,935,727,476</b>	<b>(3,205,178,518)</b>

The accompanying notes are an integral part of the financial statements.

**Krungthai Card Public Company Limited and its subsidiaries**

**Statement of cash flows (continued)**

**For the year ended 31 December 2023**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Cash flows from investing activities</b>				
Cash paid for investments in a subsidiary	(12,589,770)	-	(12,589,770)	-
Cash received from redemption of financial assets	-	3,000,000	-	3,000,000
Cash paid for short-term lending	-	-	(949,000,000)	(746,000,000)
Cash paid for long-term lending	-	-	(500,000,000)	-
Cash paid for purchase of leasehold improvements and equipment	(176,087,179)	(118,068,119)	(172,938,070)	(115,308,716)
Cash paid for purchase of computer software	(160,692,286)	(112,278,604)	(160,692,286)	(110,499,804)
Cash received from sale of leasehold improvements and equipment	450,715	1,621,939	430,415	552,794
<b>Net cash used in investing activities</b>	<b>(348,918,520)</b>	<b>(225,724,784)</b>	<b>(1,794,789,711)</b>	<b>(968,255,726)</b>
<b>Cash flows from financing activities</b>				
Cash received from (paid for) short-term borrowings, net	(781,223,800)	1,024,403,383	(214,219,926)	1,023,212,780
Cash received from issuance of long-term debentures	5,943,483,490	11,122,712,838	5,943,483,490	11,122,712,838
Cash paid for redemption of long-term debentures	(4,040,000,000)	(9,500,000,000)	(4,040,000,000)	(9,500,000,000)
Cash received from long-term borrowings	3,500,000,000	4,500,000,000	3,500,000,000	4,500,000,000
Cash paid for lease liabilities	(249,606,383)	(246,969,405)	(242,507,982)	(239,571,447)
Dividend paid	(2,964,904,013)	(2,578,173,720)	(2,964,904,013)	(2,578,173,720)
<b>Net cash provided by financing activities</b>	<b>1,407,749,294</b>	<b>4,321,973,096</b>	<b>1,981,851,569</b>	<b>4,328,180,451</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3,161,806,106</b>	<b>(180,954,928)</b>	<b>3,122,789,334</b>	<b>154,746,207</b>
Cash and cash equivalents as at 1 January	2,181,929,630	2,362,884,558	2,173,595,514	2,018,849,307
<b>Cash and cash equivalents as at 31 December</b>	<b>5,343,735,736</b>	<b>2,181,929,630</b>	<b>5,296,384,848</b>	<b>2,173,595,514</b>

The accompanying notes are an integral part of the financial statements.

**Krungthai Card Public Company limited and its subsidiaries**  
**Table of contents for notes to consolidated financial statements**  
**For the year ended 31 December 2023**

**Note Contents**

1. General information
2. Basis for preparation of the financial statements
3. New financial reporting standards
4. Significant accounting policies
5. Significant accounting judgements and estimates
6. Supplementary disclosures of cash flows information
7. Loans to customers and accrued interest receivables, net
8. Other receivables, net
9. Other non-current financial assets
10. Investments in subsidiaries and an associate, net
11. Properties for sale, net
12. Leasehold improvements and equipment
13. Leases
14. Intangible assets
15. Deferred tax assets and income tax
16. Borrowings
17. Other payables
18. Long-term debentures
19. Provisions for employee benefits
20. Legal reserve
21. Capital management
22. Expenses by nature
23. Financial information classified by operating segments
24. Provident fund
25. Dividend
26. Earnings per share
27. Transactions with related parties
28. Financial instruments information disclosures
29. Coronavirus Disease 2019 Pandemic (COVID-19)
30. Commitment and contingent liabilities
31. Approval of financial statements

## **Krungthai Card Public Company limited and its subsidiaries**

### **Notes to consolidated financial statements**

**For the year ended 31 December 2023**

#### **1. General information**

Krungthai Card Public Company Limited (the “Company”) is fully engaged in credit card, personal loan and other related businesses. The Company was registered as a listed company on The Stock Exchange of Thailand on 28 October 2002.

The Company is located at 14<sup>th</sup> Floor UBC II Building, 591 Sukhumvit Road, Klongton Nua, Wattana, Bangkok 10110.

The major shareholder of the Company is Krung Thai Bank Public Company Limited, which was incorporated in Thailand, holding 49.3% of the Company's shares as at 31 December 2023.

The Company has subsidiaries which are under its control in finance and operations as mentioned in Notes 2.2 and 10 to the consolidated financial statements.

#### **2. Basis for preparation of the financial statements**

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## 2.2 Basis of preparation of the consolidated and the separate financial statements

### The consolidated financial statements

The consolidated financial statements include the financial statements of Krungthai Card Public Company Limited (“the Company”) and the following subsidiary companies (collectively as “the Group”):

	Business type	Percentage of direct and indirect holdings (%)	
		2023	2022
<b>Direct subsidiaries</b>			
KTC Pico (Bangkok) Co., Ltd. <sup>(1)</sup>	Pico Finance	100.00	75.05
KTC Nano Co., Ltd.	Nano Finance	75.05	75.05
KTC Prepaid Co., Ltd.	Electronics money services	75.05	75.05
KTB Leasing Co., Ltd.	Hire Purchase and Leasing	75.05	75.05
<b>Indirect subsidiaries</b>			
KTC Pico (Chonburi) Co., Ltd. <sup>(2) (3)</sup>	In liquidation process	100.00	75.05
KTC Pico (Samut Sakhon) Co., Ltd. <sup>(2) (3)</sup>	In liquidation process	100.00	75.05
KTC Pico (Pathum Thani) Co., Ltd. <sup>(2) (3)</sup>	In liquidation process	100.00	75.05
KTC Pico (Samut Prakan) Co., Ltd. <sup>(2) (3)</sup>	In liquidation process	100.00	75.05
<b>Associate</b>			
Krungthai Advisory Co., Ltd.	Holding business	24.00	24.00

<sup>(1)</sup> On 30 October 2023, the Company acquired the ordinary shares of KTC Pico (Bangkok) Co., Ltd., resulting in increasing in percentage of shareholding from 75.05 percent to 100.00 percent.

<sup>(2)</sup> The Company holds shares indirectly through KTC Pico (Bangkok) Co., Ltd.

<sup>(3)</sup> During December 2023, KTC Pico (Chonburi) Co., Ltd., KTC Pico (Pathum Thani) Co., Ltd., KTC Pico (Samut Sakhon) Co., Ltd., and KTC Pico (Samut Prakan) Co., Ltd. have registered its dissolution with the Ministry of Commerce.

Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases which the financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company while material balances and transactions between the Group have been eliminated from the consolidated financial statements.

### The separate financial statements

The separate financial statements present investments in subsidiaries and an associate under the cost method.



### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

#### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

#### **3.3 Accounting Guidance on Guidelines Regarding the Provision of Financial Assistance to Debtors Affected by COVID-19**

The Federation of Accounting Professions has announced Accounting Guidance on Guidelines regarding the Provision of Financial Assistance to Debtors Affected by COVID-19. Its objectives are to provide temporary relief measures and an alternative for all entities providing assistance to debtors in accordance with guidelines of the Bank of Thailand. The accounting guidance is applicable for provisions of assistance to such debtor made during the period from 1 January 2022 to 31 December 2023 or until the Bank of Thailand makes changes.

Under this accounting guidance, entity may elect to adopt accounting treatments consistent with the circular of the Bank of Thailand No. BOT.RPD2.C.802/2564 “Guidelines regarding the provision of financial assistance to debtors affected by COVID-19 (sustainable debt resolution)”. The assistance to debtors can be classified into 2 groups by debt restructuring method as follows:

- For debt restructuring for the purpose of reducing the debt burden of debtors that involves more than just a payment timeline extension, entity may elect to apply the temporary relief measures relating to staging assessment and setting aside of provisions. (Assistance type 1)
- For debt restructuring involving only a payment timeline extension, entity is required to perform staging assessment and set aside provisions in accordance with the relevant financial reporting standards. (Assistance type 2)

For the debtor who has been in the Assistance type 1, entity can apply accounting treatments as set out in this accounting guidance from 1 January 2022 to 31 December 2023.

In this regard, the management of the Group has assessed that the Group is required to comply with Financial Reporting Standards No.9 if such accounting guidance end. The management of the Group believes that compliance with such financial reporting standards will not have any significant impact on the Group’s financial statements.

#### **4. Significant accounting policies**

##### **4.1 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

##### **4.2 Financial instruments**

The Group recognises financial assets and financial liabilities in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

## **Financial assets**

Purchases or sales of financial assets are recognised and derecognised on a trade date basis.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### ***Classification of financial assets***

Financial assets that meet the following conditions are measured subsequently at amortised cost;

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### ***Amortised cost and effective interest method***

The effective interest method is a method of calculating the amortised cost of financial assets and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and costs that form an integral part of the effective interest rate).

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any allowance for expected credit loss ("ECL").

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost.

### ***Impairment of financial assets***

The Group recognises ECL on debt financial assets that are measured at amortised cost as well as loans to customers by applying expected credit loss model. The Group accounts for expected credit loss and changes in those expected credit loss at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. The financial assets are classified into three stages based on the changes in credit risk since initial recognition.

Stage 1: Financial assets where there has not been a significant increase in credit risk (Performing)

For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the Group recognises allowance for expected credit loss at the amount equal to 12-month ECL.

Stage 2: Financial assets where there has been a significant increase in credit risk (Under-Performing)

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, the Group recognises allowance for expected credit loss at the amount equal to the lifetime expected credit loss of financial assets.

Stage 3: Financial assets that are credit-impaired (Non-Performing)

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit-impaired, the Group recognises allowance for expected credit loss at the amount equal to the lifetime expected credit loss of financial assets.

Lifetime ECL represents the expected credit loss that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

The Group recognises the expected credit loss for lease receivables (including hire-purchase receivables and finance lease receivables) applying Simplified Approach. The subsidiary recognises allowance for expected credit loss at an amount equal to lifetime expected credit loss.

For debtors that are credit impairment but still have the potential on repayment, the Group would classify the debtors as a stage where there has not been a significant increase in credit risk (Stage 1 Performing) if the debtors have made payment for 3 consecutive months.

### Significant increase in credit risk

The Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition;

- An actual or expected significant deterioration in internal credit rating;
- An actual or expected significant deterioration in the ability on repayment of the debtor;
- An actual or expected significant adverse change in the business, financial, regulatory, economic, or technological environmental of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Apart from the above assessment, the Group considers contractual payments which are more than 30 days past due as significant increase in credit risk.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if;

- (1) The financial instrument has a low risk of default;
- (2) The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
- (3) Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

### Definition of default

The Group considers constituting an event of default for internal credit risk management policies and historical experience indicates that financial assets are defaulted by considering information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, in full. Irrespective of the above analysis, the Group considers that default has occurred when the past due is more than 90 days.

### Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes the consideration of following events;

- Significant financial difficulty of the issuer or the borrower;
- A breach of contract, such as a default or past due event;
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation

### Write-off policy

The Group writes off loans to customers when there is information indicating that the debtor is in financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of loans to customers, when the days past due are over the period that the Management determined, whichever occurs sooner. Loans to customers that are written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the profit or loss in the statements of comprehensive income.



### Measurement and recognition of expected credit loss

The measurement of expected credit loss is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

For financial assets, exposure at default is represented by the asset's gross carrying amount at the reporting date.

For loan commitments, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

If the Group has measured the allowance for expected credit loss for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the allowance for expected credit loss at an amount equal to 12-month ECL at the current reporting date.

### **Financial liabilities**

The Group's financial liabilities are measured at amortised cost using the effective interest method.

### **Derecognition of financial instruments**

The Group derecognises a financial asset when the contractual cash flows from the financial asset expire, or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which the risks and rewards of ownership are transferred.

A financial liability is derecognised from the statement of financial position when the Group has discharged its obligation, or the contract is cancelled or expires.

## **4.3 Investments in subsidiaries and an associate**

Investments in subsidiaries and an associate in the separate financial statements are accounted for using the cost method, less allowances for impairment (if any). Investments in an associate in the consolidated financial statements are accounted for using the equity method.

#### **4.4 Properties for sale**

Properties for sale consist of the assets repossessed from lease receivables which are stated at the lower of cost or net realisable value. In the event where the Group considers that there is a decline in net realisable value, the impairment is recognised as expenses and recognise gains or losses on disposal of such properties for sale in the statement of comprehensive income.

#### **4.5 Leasehold improvements and equipment**

Leasehold improvements and equipment are stated at cost less accumulated depreciation, and allowance for impairment (if any).

Gain or loss on disposal or write-off leasehold improvements and equipment is recognised in profit or loss in the statement of comprehensive income in the period of disposal or write-off.

Depreciation of leasehold improvements and equipment is calculated by the straight-line method, over the estimated useful lives of the assets, as follows:

Leasehold improvements	Lease period
Furniture, fixtures and office equipment	5 years
Vehicles	5 years
Computers and devices	3 years

#### **4.6 Intangible assets**

Intangible assets represent computer software which is stated at cost less accumulated amortisation, and allowance for impairment (if any).

Amortisation of intangible assets is calculated by the straight-line method based on the estimated useful life of intangible assets over 5 years and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss in the statement of comprehensive income.

## **4.7 Leases**

### **Right-of-use assets**

Right-of-use assets are measured at cost less accumulated depreciation.

### **Lease liabilities**

Lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased from interest and reduced for the lease payments made.

## **4.8 Employee benefits**

### **Short-term employee benefits**

The Group recognises salaries, wages, bonuses and contributions to the social security fund as expenses when incurred.

### **Post-employment benefits**

#### Defined contribution plans - provident fund

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

#### Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under the Labor Protection Act. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gain and loss arising from defined benefit plans are recognised immediately in other comprehensive income in the statement of comprehensive income.

#### **4.9 Foreign currency transactions**

Transactions denominated in foreign currencies during the year are translated into Baht at the rates of exchange ruling on the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into Baht at the reference exchange rate announced by the Bank of Thailand at that date.

The Company recognises gain or loss on exchange arising on settlements or translation as operating income or expenses in profit or loss in the statement of comprehensive income.

#### **4.10 Income and expense recognition**

The Group recognises interest income on credit card receivables for default payments of installments from the posting date. Interest on cash advances from credit cards is recognised from the date of cash withdrawals. Interest on personal loans and lease receivables are recognised when the payments fall due using effective interest method.

The Group recognises fee and service income, which is cash advance fee, fees as a card issuer, fees received from cardholders of other banks and other fees on an accrual basis when services are rendered or performance obligations are fulfilled.

Other income and expense are recognised on an accrual basis.

#### **4.11 Bad debt recovery**

Bad debt recovery is recognised as income in profit or loss in the statement of comprehensive income in the period which it is collected.

#### **4.12 Income tax**

Income tax comprises the income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is recognised at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is a recognition of temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

Deferred tax liabilities is a recognition of all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses

carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.13 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associate, and individuals or enterprises which directly or indirectly own a voting interest that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

#### **4.14 Fair value measurements**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into 3 levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of reporting period that are measured at fair value on a recurring basis.

## 5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### Allowance for expected credit loss

The management is required to use judgement in estimation in determining the allowance for expected credit loss of loans to customers and accrued interest receivables, together with loan commitments. The calculation of allowance for expected credit loss of the Group is based on the criteria of assessing if there has been a significant increase in credit risk, the development of complex expected credit loss model with a series of underlying assumptions, including the choice of inputs the forecasted macroeconomic variables in the model. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

### Deferred income for reward points

The deferred income arising from reward point program granted to the Company's customers. The deferred income is calculated based on the estimates of redemption rate of the reward points earned by the customers and fair value of reward prices and is presented in current liabilities in the statement of financial position.

### Provisions for employee benefits

The present value of the provisions for employee benefits depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will have an impact on the carrying amount of such provision.



## 6. Supplementary disclosures of cash flows information

6.1 Non-cash items for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Payable for purchase of leasehold improvements and equipment brought forward	592	19,400	592	19,318
<u>Add</u> Purchase of leasehold improvements and equipment	220,152	99,260	217,003	96,583
<u>Less</u> Cash paid for purchase of leasehold improvements and equipment	(176,087)	(118,068)	(172,938)	(115,309)
Payable for purchase of leasehold improvements and equipment carried forward (presented as a part of trade payables)	44,657	592	44,657	592
Payable for purchase of computer software brought forward	108,835	32,518	108,835	32,518
<u>Add</u> Purchase of computer software	151,279	188,596	151,279	186,817
<u>Less</u> Cash paid for purchase of computer software	(160,692)	(112,279)	(160,692)	(110,500)
<u>Less</u> Terminate contract of work in process	(97,331)	-	(97,331)	-
Payable for purchase of computer software carried forward (presented as a part of trade payables)	2,091	108,835	2,091	108,835

6.2 Changes in liabilities from financing activities for the years ended 31 December 2023 and 2022 are as follows:

(Unit Thousand Baht)

Consolidated financial statements					
Cash flow from financing activities					
	1 January 2023	Cash received	Cash paid	Non-cash changes	31 December 2023
Short-term borrowings	10,178,974	212,273,776	(213,055,000)	59,498	9,457,248
Current portion of long-term borrowings	-	-	-	4,500,000	4,500,000
Long-term borrowings	6,000,000	3,500,000	-	(4,500,000)	5,000,000
Current portion of long-term debentures	4,639,494	-	(4,040,000)	7,315,626	7,915,120
Long-term debentures	40,816,763	5,943,483	-	(7,228,705)	39,531,541
Lease liabilities	337,030	-	(249,606)	426,203	513,627
<b>Total</b>	<b>61,972,261</b>	<b>221,717,259</b>	<b>(217,344,606)</b>	<b>572,622</b>	<b>66,917,536</b>

(Unit Thousand Baht)

Consolidated financial statements					
Cash flow from financing activities					
	1 January 2022	Cash received	Cash paid	Non-cash changes	31 December 2022
Short-term borrowings	9,129,971	181,356,403	(180,332,000)	24,600	10,178,974
Long-term borrowings	1,500,000	4,500,000	-	-	6,000,000
Current portion of long-term debentures	9,500,000	-	(9,500,000)	4,639,494	4,639,494
Long-term debentures	34,273,049	11,122,713	-	(4,578,999)	40,816,763
Lease liabilities	366,193	-	(246,969)	217,806	337,030
<b>Total</b>	<b>54,769,213</b>	<b>196,979,116</b>	<b>(190,078,969)</b>	<b>302,901</b>	<b>61,972,261</b>

(Unit Thousand Baht)

## Separate financial statements

	Cash flow from financing activities				31 December 2023
	1 January 2023	Cash received	Cash paid	Non-cash changes	
Short-term borrowings	9,278,304	193,975,469	(194,189,689)	59,498	9,123,582
Current portion of long-term borrowings	-	-	-	4,500,000	4,500,000
Long-term borrowings	6,000,000	3,500,000	-	(4,500,000)	5,000,000
Current portion of long-term debentures	4,639,494	-	(4,040,000)	7,315,626	7,915,120
Long-term debentures	40,816,763	5,943,483	-	(7,228,705)	39,531,541
Lease liabilities	323,923	-	(242,508)	422,130	503,545
Total	61,058,484	203,418,952	(198,472,197)	568,549	66,573,788

(Unit Thousand Baht)

## Separate financial statements

	Cash flow from financing activities				31 December 2022
	1 January 2022	Cash received	Cash paid	Non-cash changes	
Short-term borrowings	8,230,492	165,387,519	(164,364,307)	24,600	9,278,304
Long-term borrowings	1,500,000	4,500,000	-	-	6,000,000
Current portion of long-term debentures	9,500,000	-	(9,500,000)	4,639,494	4,639,494
Long-term debentures	34,273,049	11,122,713	-	(4,578,999)	40,816,763
Lease liabilities	351,548	-	(239,571)	211,946	323,923
Total	53,855,089	181,010,232	(174,103,878)	297,041	61,058,484

## 7. Loans to customers and accrued interest receivables, net

### 7.1 Outstanding balances of loans to customers and accrued interest receivables classified by type of business and stage are as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
31 December 2023				
	Credit card	Personal loan	Lease Receivables	Total
Stage 1	65,881,613	27,092,701	-	92,974,314
Stage 2	7,399,595	6,184,918	-	13,584,513
Stage 3	850,807	1,023,954	-	1,874,761
Financial assets where applied simplified approach to calculate lifetime expected credit loss	-	-	3,188,824	3,188,824
Total loans to customers	74,132,015	34,301,573	3,188,824	111,622,412
<u>Add</u> Accrued interest receivables and undue interest receivables	308,839	414,863	-	723,702
Total loans to customers and accrued interest receivables	74,440,854	34,716,436	3,188,824	112,346,114
<u>Less</u> Allowance for expected credit loss	(4,827,267)	(4,103,585)	(832,053)	(9,762,905)
Total loans to customers and accrued interest receivables, net	69,613,587	30,612,851	2,356,771	102,583,209

(Unit: Thousand Baht)

Consolidated financial statements				
31 December 2022				
	Credit card	Personal loan	Lease Receivables	Total
Stage 1	62,185,315	25,557,642	-	87,742,957
Stage 2	6,258,300	5,432,004	-	11,690,304
Stage 3	730,130	896,498	-	1,626,628
Financial assets where applied simplified approach to calculate lifetime expected credit loss	-	-	2,448,679	2,448,679
Total loans to customers	69,173,745	31,886,144	2,448,679	103,508,568
<u>Add</u> Accrued interest receivables and undue interest receivables	288,068	396,892	-	684,960
Total loans to customers and accrued interest receivables	69,461,813	32,283,036	2,448,679	104,193,528
<u>Less</u> Allowance for expected credit loss	(4,431,299)	(3,736,450)	(623,975)	(8,791,724)
Total loans to customers and accrued interest receivables, net	65,030,514	28,546,586	1,824,704	95,401,804

(Unit: Thousand Baht)

Separate financial statements			
31 December 2023			
	Credit card	Personal loan	Total
Stage 1	65,881,613	27,092,701	92,974,314
Stage 2	7,399,595	6,184,918	13,584,513
Stage 3	850,807	1,023,954	1,874,761
Total loans to customers	74,132,015	34,301,573	108,433,588
<u>Add</u> Accrued interest receivables and undue interest receivables	308,839	414,863	723,702
Total loans to customers and accrued interest receivables	74,440,854	34,716,436	109,157,290
<u>Less</u> Allowance for expected credit loss	(4,827,267)	(4,103,585)	(8,930,852)
Total loans to customers and accrued interest receivables, net	69,613,587	30,612,851	100,226,438

(Unit: Thousand Baht)

Separate financial statements			
31 December 2022			
	Credit card	Personal loan	Total
Stage 1	62,185,315	25,557,560	87,742,875
Stage 2	6,258,300	5,431,990	11,690,290
Stage 3	730,130	896,497	1,626,627
Total loans to customers	69,173,745	31,886,047	101,059,792
<u>Add</u> Accrued interest receivables and undue interest receivables	288,068	396,888	684,956
Total loans to customers and accrued interest receivables	69,461,813	32,282,935	101,744,748
<u>Less</u> Allowance for expected credit loss	(4,431,299)	(3,736,439)	(8,167,738)
Total loans to customers and accrued interest receivables, net	65,030,514	28,546,496	93,577,010

## 7.2 Lease receivables

7.2.1 Lease receivables have a contractual period from approximately 48 to 60 installments, with fixed interest calculated throughout the contract period which can be summarised as follow;

(Unit: Thousand Baht)

Consolidated financial statements							
31 December 2023							
	Portion due over one year one year <sup>(2)</sup>	Portion due over one year two years	Portion due over two years three years	Portion due over three years four years	Portion due over four years five years	Portion due over five years	Total
Lease receivables	1,373,286	718,095	682,520	582,422	283,471	74,767	3,714,561
<u>Less</u> Unearned income <sup>(1)</sup>	(220,817)	(140,920)	(94,523)	(50,207)	(16,745)	(2,525)	(525,737)
Present value of the minimum lease payment receivables	1,152,469	577,175	587,997	532,215	266,726	72,242	3,188,824
<u>Less</u> Allowance for expected credit loss	(560,659)	(66,799)	(71,038)	(96,683)	(22,608)	(14,266)	(832,053)
Lease receivables, net	591,810	510,376	516,959	435,532	244,118	57,976	2,356,771

<sup>(1)</sup> Net of commission and deferred initial direct costs.

<sup>(2)</sup> The balance of lease receivables due within 1 year includes overdue receivables for which the due date has already been reached.

(Unit: Thousand Baht)

Consolidated financial statements							
31 December 2022							
	Portion due over one year one year <sup>(2)</sup>	Portion due over one year two years	Portion due over two years three years	Portion due over three years four years	Portion due over four years five years	Portion due over five years	Total
Lease receivables	1,000,779	537,307	485,578	424,036	330,465	127,084	2,905,249
<u>Less</u> Unearned income <sup>(1)</sup>	(171,643)	(120,035)	(85,263)	(51,548)	(22,605)	(5,476)	(456,570)
Present value of the minimum lease payment receivables	829,136	417,272	400,315	372,488	307,860	121,608	2,448,679
<u>Less</u> Allowance for expected credit loss	(392,271)	(58,875)	(52,630)	(40,940)	(67,709)	(11,550)	(623,975)
Lease receivables, net	436,865	358,397	347,685	331,548	240,151	110,058	1,824,704

<sup>(1)</sup> Net of commission and deferred initial direct costs.

<sup>(2)</sup> The balance of lease receivables due within 1 year includes overdue receivables for which the due date has already been reached.



### 7.2.2 Outstanding balances of lease receivables (net of unearned income) classified by aging

(Unit: Thousand Baht)

	Consolidated financial statements	
	31 December 2023	31 December 2022
Not over 30 days	1,834,587	2,009,912
31 - 90 days	790,010	219,694
91 days and over	564,227	219,073
Total	3,188,824	2,448,679
<u>Less</u> Allowance for expected credit loss	(832,053)	(623,975)
Total	2,356,771	1,824,704

### 7.3 Allowance for expected credit loss

(Unit: Thousand Baht)

	Consolidated financial statements				
	For the year ended 31 December 2023				
	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 simplified approach to calculate lifetime expected credit loss	Total
Beginning balance	4,246,965	2,782,060	1,138,724	623,975	8,791,724
Changes in staging	355,832	(416,658)	60,826	-	-
Changes in risk parameters	(579,302)	1,772,453	5,574,148	340,173	7,107,472
New financial assets originated or purchased	669,083	-	-	132,311	801,394
Financial assets derecognised	(360,758)	(822,250)	(786,086)	(44,477)	(2,013,571)
Written-off	-	-	(4,704,185)	(219,929)	(4,924,114)
Ending balance	4,331,820	3,315,605	1,283,427	832,053	9,762,905

(Unit: Thousand Baht)

## Consolidated financial statements

For the year ended 31 December 2022

	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
Beginning balance	3,917,623	2,365,051	1,066,053	2,342,559	9,691,286
Changes in staging	351,462	(378,214)	26,752	-	-
Changes in risk parameters	(363,345)	1,437,576	4,720,688	258,482	6,053,401
New financial assets originated or purchased	621,714	-	-	39,034	660,748
Financial assets derecognised	(280,489)	(642,353)	(747,286)	(173,610)	(1,843,738)
Written-off	-	-	(3,927,483)	(1,842,490)	(5,769,973)
Ending balance	4,246,965	2,782,060	1,138,724	623,975	8,791,724

(Unit: Thousand Baht)

## Separate financial statements

For the year ended 31 December 2023

	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)	Total
Beginning balance	4,246,961	2,782,054	1,138,723	8,167,738
Changes in staging	355,832	(416,658)	60,826	-
Changes in risk parameters	(579,302)	1,772,455	5,574,145	6,767,298
New financial assets originated or purchased	669,083	-	-	669,083
Financial assets derecognised	(360,754)	(822,246)	(786,085)	(1,969,085)
Written-off	-	-	(4,704,182)	(4,704,182)
Ending balance	4,331,820	3,315,605	1,283,427	8,930,852

(Unit: Thousand Baht)

	Separate financial statements			
	For the year ended 31 December 2022			
	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)	Total
Beginning balance	3,917,564	2,365,030	1,066,053	7,348,647
Changes in staging	351,485	(378,206)	26,721	-
Changes in risk parameters	(363,341)	1,437,577	4,720,437	5,794,673
New financial assets originated or purchased	621,714	-	-	621,714
Financial assets derecognised	(280,461)	(642,347)	(747,219)	(1,670,027)
Written-off	-	-	(3,927,269)	(3,927,269)
Ending balance	4,246,961	2,782,054	1,138,723	8,167,738

**8. Other receivables, net**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
Accrued fees income	73,414	65,392	75,628	68,206
Prepaid expenses	301,881	256,190	300,991	255,245
Suspense accounts	14,984	13,488	14,984	13,488
Others, net	471,658	150,222	340,238	95,028
Total other receivables, net	861,937	485,292	731,841	431,967

## 9. Other non-current financial assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
<b>Financial assets measured at amortised cost</b>				
Government bonds	1,991	1,988	1,991	1,988
Others	10	10	-	-
Total other non-current financial assets	<u>2,001</u>	<u>1,998</u>	<u>1,991</u>	<u>1,988</u>

As at 31 December 2023 and 2022, the Company pledged government bonds totaling Baht 0.6 million with Krung Thai Bank Public Company Limited for issuing letter of guarantees to other companies for the Company's business.

## 10. Investments in subsidiaries and an associate, net

10.1 As at 31 December 2023 and 2022, the Company had investments in subsidiaries and an associate which are accounted for using cost method in the separate financial statements as follows:

(Unit: Thousand Baht)

	Separate financial statements			
	Percentage of shareholding		Cost method	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
<b>Subsidiaries</b>				
<u>Directly held</u>				
KTC Pico (Bangkok) Co., Ltd. <sup>(1)</sup>	100.00	75.05	57,620	45,030
KTC Nano Co., Ltd.	75.05	75.05	37,525	37,525
KTC Prepaid Co., Ltd.	75.05	75.05	75,050	75,050
KTBL Leasing Co., Ltd.	75.05	75.05	551,338	551,338

<sup>(1)</sup> On 30 October 2023, the Company acquired the ordinary shares of KTC Pico (Bangkok) Co., Ltd., resulting in increasing in percentage of shareholding from 75.05 percent to 100.00 percent.

(Unit: Thousand Baht)

## Separate financial statements

	Percentage of shareholding		Cost method	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
<b>Subsidiaries</b>				
<u>Indirect held</u> <sup>(2) (3)</sup>				
KTC Pico (Chonburi) Co., Ltd.			-	-
KTC Pico (Pathum Thani) Co., Ltd.			-	-
KTC Pico (Samut Prakan) Co., Ltd.			-	-
KTC Pico (Samut Sakhon) Co., Ltd.			-	-
Total			721,533	708,943
<u>Less</u> Allowance for impairment			(182,399)	-
Total			539,134	708,943
<b>Associate</b>				
Krungthai Advisory Co., Ltd.	24.00	24.00	72,000	72,000
Total			72,000	72,000
Total investments in subsidiaries				
and an associate, net			611,134	780,943

<sup>(2)</sup> The Company held shares indirectly through KTC Pico (Bangkok) Co., Ltd.. KTC Pico (Bangkok) Co., Ltd. held shares of KTC Pico (Chonburi) Co., Ltd., KTC Pico (Pathum Thani) Co., Ltd., KTC Pico (Samut Prakan) Co., Ltd., and KTC Pico (Samut Sakhon) Co., Ltd. by 100.00 percent.

<sup>(3)</sup> During December 2023, KTC Pico (Chonburi) Co., Ltd., KTC Pico (Pathum Thani) Co., Ltd., KTC Pico (Samut Sakhon) Co., Ltd., and KTC Pico (Samut Prakan) Co., Ltd. have registered its dissolution with the Ministry of Commerce.

10.2 As at 31 December 2023 and 2022, the Company had investments in an associate which is accounted for using equity method in consolidated financial statements as follows:

(Unit: Thousand Baht)

## Consolidated financial statements

	Paid-up share capital		Percentage of shareholding		Cost method		Equity method	
	2023	2022	2023	2022	2023	2022	2023	2022
			(%)	(%)				
<b>Investments in an associate</b>								
Krungthai Advisory Co., Ltd.	300,000	300,000	24.00	24.00	72,000	72,000	154,491	105,745
Total investments in an associate					72,000	72,000	154,491	105,745

### 10.3 Summarised material financial information about an associate

#### Summarised information about financial position

	(Unit: Thousand Baht)	
	31 December 2023	31 December 2022
Total assets	3,301,131	2,348,969
Total liabilities	(2,603,717)	(1,853,820)
Net assets	697,414	495,149
Net assets attributable to an associate	643,713	440,603
Shareholding percentage (%)	24	24
Carrying amount of an associate based on equity method	154,491	105,745

#### Summarised information about comprehensive income

	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2023	2022
Net profit attributable to an associate	195,928	72,651
Total comprehensive income attributable to an associate	203,110	92,834

### 11. Properties for sale, net

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	31 December 2023	31 December 2022
Cost	50,536	152,616
<u>Less</u> Allowance for impairment	(42,097)	(113,564)
Total properties for sale, net	8,439	39,052



## 12. Leasehold improvements and equipment

(Unit: Thousand Baht)

Consolidated financial statements					
	Leasehold improvements	Furniture, fixtures and office equipment	Vehicles	Assets under installation	Total
<u>Cost</u>					
1 January 2022	339,396	1,395,095	31,244	29,369	1,795,104
Additions	12,862	40,915	-	45,483	99,260
Disposals/ Write-off	(29,194)	(49,563)	(2,290)	-	(81,047)
Transfer in (Transfer out)	57,745	8,962	-	(66,707)	-
31 December 2022	380,809	1,395,409	28,954	8,145	1,813,317
Additions	460	44,411	-	175,281	220,152
Disposals/ Write-off	(12,773)	(107,083)	-	-	(119,856)
Transfer in (Transfer out)	74,487	57,295	-	(131,782)	-
31 December 2023	442,983	1,390,032	28,954	51,644	1,913,613
<u>Accumulated depreciation</u>					
1 January 2022	277,913	1,082,397	20,154	-	1,380,464
Depreciation for the year	32,067	130,354	-	-	162,421
Disposals/ Write-off	(27,608)	(48,744)	(1,292)	-	(77,644)
31 December 2022	282,372	1,164,007	18,862	-	1,465,241
Depreciation for the year	39,674	107,071	-	-	146,745
Disposals/ Write-off	(12,454)	(106,869)	-	-	(119,323)
31 December 2023	309,592	1,164,209	18,862	-	1,492,663
<u>Net book value</u>					
31 December 2022	98,437	231,402	10,092	8,145	348,076
31 December 2023	133,391	225,823	10,092	51,644	420,950
Depreciation for the years ended 31 December					
2022					162,421
2023					146,745

(Unit: Thousand Baht)

	Separate financial statements			
	Leasehold improvements	Furniture, fixtures and office equipment	Assets under installation	Total
<u>Cost</u>				
1 January 2022	328,705	1,354,961	29,360	1,713,026
Additions	11,708	39,549	45,326	96,583
Disposals/ Write-off	(22,008)	(37,248)	-	(59,256)
Transfer in (Transfer out)	57,745	8,796	(66,541)	-
31 December 2022	376,150	1,366,058	8,145	1,750,353
Additions	401	41,321	175,281	217,003
Disposals/ Write-off	(12,773)	(106,594)	-	(119,367)
Transfer in (Transfer out)	74,487	57,295	(131,782)	-
31 December 2023	438,265	1,358,080	51,644	1,847,989
<u>Accumulated depreciation</u>				
1 January 2022	267,832	1,042,731	-	1,310,563
Depreciation for the year	31,779	129,996	-	161,775
Disposals/ Write-off	(20,421)	(36,352)	-	(56,773)
31 December 2022	279,190	1,136,375	-	1,415,565
Depreciation for the year	39,271	105,556	-	144,827
Disposals/ Write-off	(12,454)	(106,379)	-	(118,833)
31 December 2023	306,007	1,135,552	-	1,441,559
<u>Net book value</u>				
31 December 2022	96,960	229,683	8,145	334,788
31 December 2023	132,258	222,528	51,644	406,430
Depreciation for the years ended 31 December				
2022				161,775
2023				144,827

As at 31 December 2023 and 2022, the costs of fully depreciated leasehold improvements and equipment but still in use for the consolidated financial statements are Baht 1,085 million and Baht 1,102 million, respectively (separate financial statements: Baht 1,030 million and Baht 1,047 million, respectively).

### 13. Leases

The Group has lease contracts for various items of premises and vehicles used in its operations. Leases generally have lease terms between 1 to 5 years.

#### 13.1 Right-of-use assets

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Office building	Vehicles	Total
<u>Cost</u>			
1 January 2022	635,770	79,117	714,887
Additions	213,025	8,802	221,827
Disposals/ Write-off	(148,753)	(2,853)	(151,606)
31 December 2022	700,042	85,066	785,108
Additions	402,696	12,667	415,363
Disposals/ Write-off	(387,294)	(15,034)	(402,328)
31 December 2023	715,444	82,699	798,143
<u>Accumulated depreciation</u>			
1 January 2022	327,746	27,359	355,105
Depreciation for the year	214,210	21,029	235,239
Disposals/ Write-off	(133,294)	(2,853)	(136,147)
31 December 2022	408,662	45,535	454,197
Depreciation for the year	217,603	20,113	237,716
Disposals/ Write-off	(386,078)	(14,840)	(400,918)
31 December 2023	240,187	50,808	290,995
<u>Net book value</u>			
31 December 2022	291,380	39,531	330,911
31 December 2023	475,257	31,891	507,148
Depreciation for the years ended 31 December			
2022			235,239
2023			237,716

(Unit: Thousand Baht)

	Separate financial statements		
	Office building	Vehicles	Total
<u>Cost</u>			
1 January 2022	606,888	79,117	686,005
Additions	198,141	6,015	204,156
Disposals/ Write-off	(121,294)	(2,853)	(124,147)
31 December 2022	683,735	82,279	766,014
Additions	397,857	12,666	410,523
Disposals/ Write-off	(383,416)	(15,034)	(398,450)
31 December 2023	698,176	79,911	778,087
<u>Accumulated depreciation</u>			
1 January 2022	313,387	27,359	340,746
Depreciation for the year	207,576	20,476	228,052
Disposals/ Write-off	(117,851)	(2,853)	(120,704)
31 December 2022	403,112	44,982	448,094
Depreciation for the year	211,276	19,556	230,832
Disposals/ Write-off	(383,207)	(14,841)	(398,048)
31 December 2023	231,181	49,697	280,878
<u>Net book value</u>			
31 December 2022	280,623	37,297	317,920
31 December 2023	466,995	30,214	497,209
Depreciation for the years ended 31 December			
2022			228,052
2023			230,832

### 13.2 Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Lease payments				
Up to 1 years	223,175	168,278	216,986	161,842
Over 1 - 5 years	309,095	182,208	304,948	175,196
Total	532,270	350,486	521,934	337,038
<u>Less</u> Deferred interest expenses	(18,643)	(13,456)	(18,389)	(13,115)
Total	513,627	337,030	503,545	323,923
<u>Less</u> Current portion of lease liabilities	(212,134)	(161,484)	(206,111)	(155,256)
Lease liabilities, net of current portion	301,493	175,546	297,434	168,667

### 13.3 Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	For the years ended 31 December			
	Consolidated financial statements 2023	Consolidated financial statements 2022	Separate financial statements 2023	Separate financial statements 2022
Depreciation expenses for right-of-use assets	237,716	235,239	230,832	228,052
Interest expenses for lease liabilities	12,297	11,654	12,048	11,354
Expenses of short-term lease	9,722	4,435	9,722	3,419
Expenses relating to leases of low-value assets	44,308	25,972	44,308	25,972
Total	304,043	277,300	296,910	268,797

### 13.4 Others

The Group had total cash outflows for leases for the years ended 31 December 2023 and 2022 of Baht 304 million and Baht 277 million, respectively (separate financial statements: Baht 297 million and Baht 269 million, respectively), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

## 14. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements		
	Computer software	Software under installation	Total
<u>Cost</u>			
1 January 2022	2,021,328	101,422	2,122,750
Additions	52,329	136,267	188,596
Disposals/ Write-off	(30,049)	-	(30,049)
Transfer in (transfer out)	50,343	(50,343)	-
31 December 2022	2,093,951	187,346	2,281,297
Additions	87,667	63,612	151,279
Terminate contract of work in process	-	(97,331)	(97,331)
Disposals/ Write-off	(17,153)	-	(17,153)
Transfer in (transfer out)	127,973	(127,973)	-
31 December 2023	2,292,438	25,654	2,318,092
<u>Accumulated depreciation</u>			
1 January 2022	1,673,982	-	1,673,982
Depreciation for the year	151,751	-	151,751
Disposals/ Write-off	(27,771)	-	(27,771)
31 December 2022	1,797,962	-	1,797,962
Depreciation for the year	150,281	-	150,281
Disposals/ Write-off	(17,153)	-	(17,153)
31 December 2023	1,931,090	-	1,931,090
<u>Allowance for impairment</u>			
1 January 2022	-	-	-
31 December 2022	-	-	-
Allowance for impairment for the year	171	-	171
31 December 2023	171	-	171
<u>Net book value</u>			
31 December 2022	295,989	187,346	483,335
31 December 2023	361,177	25,654	386,831
Amortisation for the years ended 31 December			
2022			151,751
2023			150,281



(Unit: Thousand Baht)

	Separate financial statements		
	Computer software	Software under installation	Total
<u>Cost</u>			
1 January 2022	1,974,382	101,422	2,075,804
Additions	50,550	136,267	186,817
Disposals/ Write-off	(6,126)	-	(6,126)
Transfer in (transfer out)	50,343	(50,343)	-
31 December 2022	2,069,149	187,346	2,256,495
Additions	87,667	63,612	151,279
Terminate contract of work in process	-	(97,331)	(97,331)
Disposals/ Write-off	(17,153)	-	(17,153)
Transfer in (transfer out)	127,973	(127,973)	-
31 December 2023	2,267,636	25,654	2,293,290
<u>Accumulated depreciation</u>			
1 January 2022	1,638,100	-	1,638,100
Depreciation for the year	147,932	-	147,932
Disposals/ Write-off	(6,126)	-	(6,126)
31 December 2022	1,779,906	-	1,779,906
Depreciation for the year	148,006	-	148,006
Disposals/ Write-off	(17,153)	-	(17,153)
31 December 2023	1,910,759	-	1,910,759
<u>Net book value</u>			
31 December 2022	289,243	187,346	476,589
31 December 2023	356,877	25,654	382,531
Amortisation for the years ended 31 December			
2022			147,932
2023			148,006

As at 31 December 2023 and 2022, the costs of fully amortised intangible assets but still in use for the consolidated financial statements are Baht 1,568 million and Baht 1,439 million, respectively (separate financial statements: Baht 1,560 million and Baht 1,432 million, respectively).

## 15. Deferred tax assets and income tax

### 15.1 Deferred tax assets

Deferred tax assets as at 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)				
Consolidated financial statements				
	31 December 2023	31 December 2022	Changes in deferred tax for the years ended 31 December	
			2023	2022
<b>Deferred tax assets</b>				
Allowance for expected credit loss	1,892,664	1,821,174	71,490	(7,368)
Deferred income for reward points	543,513	517,429	26,084	21,184
Difference from depreciation rate	(42,041)	(38,714)	(3,327)	7,137
Provision for employee benefits	105,480	108,155	(2,675)	2,471
Others	(69,746)	(63,708)	(6,038)	28,817
<b>Total</b>	<b>2,429,870</b>	<b>2,344,336</b>	<b>85,534</b>	<b>52,241</b>
Changes of deferred tax:				
Recognised in profit or loss			84,503	55,010
Recognised in other comprehensive income			1,031	(2,769)
<b>Total</b>			<b>85,534</b>	<b>52,241</b>

(Unit: Thousand Baht)				
Separate financial statements				
	31 December 2023	31 December 2022	Changes in deferred tax for the years ended 31 December	
			2023	2022
<b>Deferred tax assets</b>				
Allowance for expected credit loss	1,089,330	1,061,498	27,832	41,773
Deferred income for reward points	543,513	517,429	26,084	21,184
Difference from depreciation rate	(42,041)	(38,698)	(3,343)	7,770
Provision for employee benefits	101,330	104,796	(3,466)	2,367
Others	57,409	24,629	32,780	(3,828)
<b>Total</b>	<b>1,749,541</b>	<b>1,669,654</b>	<b>79,887</b>	<b>69,266</b>
Changes of deferred tax:				
Recognised in profit or loss			79,045	71,750
Recognised in other comprehensive income			842	(2,484)
<b>Total</b>			<b>79,887</b>	<b>69,266</b>

## 15.2 Income tax expense

Income tax expense for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Current income tax:</b>				
Corporate income tax for the year	1,903,341	1,873,071	1,902,865	1,873,021
Adjustment in respect of prior year income tax	(331)	(278)	(351)	(278)
<b>Deferred tax:</b>				
Relating to temporary differences and reversal of temporary differences	(84,503)	(55,010)	(79,045)	(71,750)
<b>Income tax expense reported in profit or loss</b>	<b>1,818,507</b>	<b>1,817,783</b>	<b>1,823,469</b>	<b>1,800,993</b>

Reconciliations between income tax expense and the product of accounting profit multiplied by the applicable tax rate for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit before tax	9,068,139	8,871,392	9,064,151	8,940,549
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	1,813,628	1,774,278	1,812,830	1,788,110
Effects of non-taxable revenue and non-deductible expenses, net	5,210	9,808	10,990	13,161
Write-down of previous deferred tax asset	-	33,975	-	-
Adjustment in respect of prior year income tax	(331)	(278)	(351)	(278)
<b>Income tax expense reported in profit or loss</b>	<b>1,818,507</b>	<b>1,817,783</b>	<b>1,823,469</b>	<b>1,800,993</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax on actuarial gain (loss)	1,031	(2,769)	842	(2,484)

## 16. Borrowings

As at 31 December 2023 and 2022, the Group had borrowings from financial institutions and related parties which short-term borrowings have interest rates at Money Market Rate (MMR) and long-term borrowings have interest rate at Capital Market Rate.

## 17. Other payables

Other payables as at 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
Exceed payment from customers	388,820	509,530	388,173	508,979
Other payables	67,351	65,471	61,469	34,576
Suspense accounts	47,903	22,182	47,901	43,895
Others	239,198	211,342	229,399	217,759
Total other payables	743,272	808,525	726,942	805,209

## 18. Long-term debentures

Long-term debentures as at 31 December 2023 and 2022 are as follows:

			(Unit: Thousand Baht)	
			Consolidated and separate	
			financial statements	
			31 December 2023	31 December 2022
Debentures			47,522,000	45,562,000
<u>Less</u> Discount on debentures			(75,339)	(105,743)
<u>Less</u> Current portion of long-term debentures			(7,915,120)	(4,639,494)
Long-term debentures, net of current portion			39,531,541	40,816,763

Details of the Company's long-term unsubordinated and unsecured debentures can be summarised as follows:

							(Unit: Million Baht)	
Date of issuance	Amount	Maturity date	Interest rate (% p.a.)	Interest payable period	31 December 2023	31 December 2022		
16 Sep 2015	1,000	16 Sep 2025	4.00	Semi-annually	1,000	1,000		
20 Nov 2015	1,000	20 Nov 2025	3.90	Semi-annually	1,000	1,000		
17 Feb 2016	200	17 Feb 2026	3.85	Semi-annually	200	200		
17 Feb 2016	300	17 Feb 2026	3.85	Semi-annually	300	300		
6 Jul 2016	100	5 Jul 2024	3.00	Semi-annually	100	100		
22 Sep 2016	200	22 Sep 2026	3.50	Semi-annually	200	200		
30 Nov 2016	1,140	30 Nov 2023	3.50	Semi-annually	-	1,140		
30 Nov 2016	3,030	27 Nov 2026	4.00	Semi-annually	3,030	3,030		
29 Dec 2016	600	29 Dec 2023	3.50	Semi-annually	600	600		
29 Dec 2016	2,500	29 Dec 2026	4.00	Semi-annually	2,500	2,500		
3 Aug 2017	1,500	3 Aug 2027	3.80	Semi-annually	1,500	1,500		
25 Aug 2017	1,000	25 Aug 2027	3.65	Semi-annually	1,000	1,000		
19 Oct 2017	1,000	19 Oct 2027	3.50	Semi-annually	1,000	1,000		
16 Nov 2017	2,000	16 Nov 2027	3.50	Quarterly	2,000	2,000		
16 Feb 2018	1,000	16 Feb 2023	2.35	Semi-annually	-	1,000		
16 Feb 2018	1,250	16 Feb 2028	3.43	Semi-annually	1,250	1,250		
16 Aug 2018	2,065	16 Aug 2028	3.83	Semi-annually	2,065	2,065		
25 Jul 2019	1,500	25 Jul 2029	3.20	Semi-annually	1,500	1,500		
31 Oct 2019	1,700	31 Oct 2029	2.80	Semi-annually	1,700	1,700		
8 Nov 2019	415	8 Nov 2024	2.60	Quarterly	415	415		
4 Feb 2020	1,000	31 Jan 2030	2.65	Semi-annually	1,000	1,000		
15 Sep 2020	700	15 Sep 2023	2.23	Semi-annually	-	700		
21 Jan 2021	3,000	19 Jan 2024	- *	-	3,000	3,000		
19 Mar 2021	200	22 Mar 2023	- *	-	-	200		
29 Mar 2021	1,000	29 Mar 2023	1.17	Semi-annually	-	1,000		

(Unit: Million Baht)						
Date of issuance	Amount	Maturity date	Interest rate (% p.a.)	Interest payable period	31 December 2023	31 December 2022
29 Mar 2021	1,000	29 Mar 2024	1.53	Semi-annually	1,000	1,000
2 Aug 2021	1,000	2 Aug 2024	1.22	Semi-annually	1,000	1,000
2 Aug 2021	500	1 Aug 2031	2.90	Semi-annually	500	500
19 Nov 2021	1,000	20 Nov 2024	- *	-	1,000	1,000
19 Nov 2021	1,500	19 Nov 2025	1.83	Semi-annually	1,500	1,500
28 Mar 2022	2,000	28 Mar 2025	1.59	Semi-annually	2,000	2,000
4 Apr 2022	1,000	4 Apr 2025	1.59	Semi-annually	1,000	1,000
8 Jul 2022	1,232	8 Jul 2027	3.00	Quarterly	1,232	1,232
9 Sep 2022	4,000	10 Sep 2025	2.52	Semi-annually	4,000	4,000
3 Nov 2022	830	3 Oct 2024	- *	-	830	830
14 Nov 2022	2,100	18 Nov 2026	3.38	Semi-annually	2,100	2,100
29 May 2023	4,000	29 May 2026	2.90	Semi-annually	4,000	-
20 Sep 2023	1,000	22 Sep 2027	3.10	Semi-annually	1,000	-
10 Aug 2023	1,000	15 Aug 2025	- *	-	1,000	-
Total debentures					47,522	45,562

\* Zero-coupon debentures

## 19. Provisions for employee benefits

Provisions for long-term employee benefits, which represents severance payable to employees upon retirement, were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Beginning balance	540,773	528,418	523,980	512,148
Included in profit or loss:				
Current service cost	35,815	34,688	33,322	33,122
Interest cost	14,380	10,028	13,868	9,650
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
- Financial assumptions changes	17	(37,797)	-	(36,609)
- Experience adjustments	5,146	23,955	4,209	24,188
Benefits paid to employee during the year	(68,728)	(18,519)	(68,728)	(18,519)
Ending balance	527,403	540,773	506,651	523,980



The principal assumptions used for the purpose of the actuarial valuations for calculation of defined benefit obligations are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Retirement age (years)	60	60	60	60
Personnel turnover rate (% per annum)	3.00 - 23.00	3.00 - 23.00	3.00 - 11.00	3.00 - 11.00
Discount rate (% per annum)	3.04 - 3.10	3.05 - 3.10	3.10	3.10
Expected salary incremental rate (% per annum)	4.00 - 5.00	4.00 - 5.00	5.00	5.00
Weighted average duration (years)	7.66 - 11.00	7.31 - 12.00	7.66	7.31

Significant actuarial assumptions for the determination of the defined benefit obligation are expected salary incremental rate, personnel turnover rate and discount rate. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring, while holding all other assumptions constant which reflects increasing (decreasing) in the obligations if the assumptions change by 1% as at 31 December 2023 and 2022 are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Salary incremental rate - 1% increase	45,028	43,902	43,281	42,265
Salary incremental rate - 1% decrease	(40,139)	(39,116)	(38,593)	(37,678)
Personnel turnover rate - 1% increase	(2,485)	(2,915)	(1,071)	(1,587)
Personnel turnover rate - 1% decrease	2,659	3,099	1,076	1,598
Discount rate - 1% increase	(38,069)	(37,420)	(36,439)	(35,915)
Discount rate - 1% decrease	43,409	42,706	41,529	40,956

The sensitivity analysis presented above may not be representative of the actual changes in the defined benefit obligations as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligations has been calculated using the Projected Unit Credit Method at the end of reporting period, which is the same as that applied in calculating the post-employment benefit obligations liability recognised in the statement of financial position.

## **20. Legal reserve**

Pursuant to the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

As at 31 December 2023 and 2022, the Company's legal reserve reaches 10% of the registered share capital.

## **21. Capital management**

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and shareholders' equity balance. The Group's overall strategy of the year 2023 remains unchanged from 2022.

The capital structure of the Group consists of debt, which includes the loans and debentures disclosed in Notes 16 and 18 to the consolidated financial statements and shareholders' equity, comprising issued and paid-up capital, legal reserve and retained earnings.

The Group does not apply any specific financial ratios to monitor its capital whilst manages its capital to be sufficient for its working capital.

## 22. Expenses by nature

Net profit for the years ended 31 December 2023 and 2022 have been arrived at after charging the following items:

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Management remuneration	266,458	244,489	241,023	229,503
Staff costs	2,427,539	2,256,187	2,364,944	2,172,379
Depreciation and amortization	534,742	549,412	523,666	537,760
Fees and service expenses	3,112,065	2,598,854	3,059,569	2,545,291
Marketing expense	808,202	877,044	796,822	873,118
Rental fees for premises and equipment	71,046	71,766	66,699	66,106
Premises and equipment expenses	700,416	560,552	693,579	550,330
(Reversal for) loss on impairment of properties for sale	(71,467)	23,768	-	-
Communication expenses	191,897	226,960	188,891	224,114
Special business tax and duty stamp	618,557	558,504	616,063	556,049
Expected credit loss	5,894,117	4,868,386	5,467,296	4,746,361
Loss on impairment of investments in subsidiaries	-	-	182,399	-
Others	141,135	148,965	135,294	141,155
Total Expenses	14,694,707	12,984,887	14,336,245	12,642,166

## 23. Financial information classified by operating segments

The Group's operations relate to a single business segment which is the financial services business and are carried out in a single geographic area which is Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

## 24. Provident fund

The Group set up a registered provident fund in accordance with the Provident Fund Act B.E. 2530. All employees are members of the Provident Fund, which is managed by Krungthai Asset Management Public Company Limited. Under the Fund's regulations, employees can elect to contribute to the fund at the rate of 3% to 15% of their basic salary and the Group contributes to the fund at the rate of 5% to 6% of their basic salary.

For the years ended 31 December 2023 and 2022, the Group's contributions which were charged to profit or loss in the statement of comprehensive income amounting to Baht 68 million and Baht 64 million, respectively (separate financial statements: Baht 65 million and Baht 61 million, respectively)

## 25. Dividend

Dividends declared during the years ended 31 December 2023 and 2022 consisted of the follows:

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)	Date of payment
<u>2023</u>				
Final dividends for the year 2022	Annual General Meeting of the shareholders on 7 April 2023	2,965	1.15	3 May 2023
<u>2022</u>				
Final dividends for the year 2021	Annual General Meeting of the shareholders on 7 April 2022	2,578	1.00	6 May 2022

## 26. Earnings per share

Basic earnings per share is calculated by dividing profit attributable to the Company by the weighted average number of ordinary shares issued during the year.

## 27. Transactions with related parties

The Group and the Company have transactions with related parties. Certain portions of the Group's and the Company's assets, liabilities, revenues, and administrative expenses represent transactions occurred with such related parties. These parties are related through common shareholders and/or directorships. Those significant transactions with related parties as included in the consolidated and separate financial statements are determined at the prices in line with those occur in the normal course of business based on the market price in general or the price as stipulated in the agreements.

### 27.1 Assets and liabilities

The significant assets and liabilities with related parties are as follows:

Related parties	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
<b>Parent company</b>				
Krung Thai Bank PCL.				
- Deposits at a financial institution				
(a part of cash and cash equivalents)	4,814,599	1,779,468	4,774,026	1,773,570
- Other receivables	528	5,348	528	5,348
- Short-term borrowings	2,780,000	5,230,000	2,280,000	4,130,000
- Trade payables	1,509,092	627,159	1,509,092	627,159
- Accrued interest expenses	3,514	1,533	3,369	1,104
- Accrued expenses	25,893	16,202	25,529	15,815
- Other current liabilities	1,222	1,467	1,222	1,467
- Current portion of long-term borrowings	4,500,000	-	4,500,000	-
- Long-term borrowings, net of current portion	5,000,000	6,000,000	5,000,000	6,000,000

		(Unit: Thousand Baht)			
Related parties	Consolidated		Separate		
	financial statements		financial statements		
	31 December	31 December	31 December	31 December	
	2023	2022	2023	2022	
<b>Subsidiaries</b>					
KTC Pico (Bangkok) Co., Ltd.					
- Other receivables	-	-	43	81	
- Short-term borrowings	-	-	15,932	50,411	
- Accrued interest expenses	-	-	5	4	
- Other current liabilities	-	-	4	44	
KTC Nano Co., Ltd.	-				
- Other receivables		-	17	27	
- Short-term borrowings	-	-	49,780	49,600	
- Accrued interest expenses	-	-	11	2	
- Other current liabilities	-	-	47	44	
KTC Pico (Chonburi) Co., Ltd.	-				
- Other receivables		-	-	27	
- Other current liabilities	-	-	-	3	
KTC Pico (Samut Sakhon) Co., Ltd.	-				
- Other receivables	-	-	-	27	
KTC Pico (Pathum Thani) Co., Ltd.					
- Other receivables	-	-	-	27	
- Other current liabilities	-	-	-	13	
KTC Pico (Samut Prakan) Co., Ltd.					
- Other receivables	-	-	-	27	
KTC Prepaid Co., Ltd.					
- Other receivables	-	-	24	27	
- Short-term borrowings	-	-	100,621	99,319	
- Accrued interest expenses	-	-	29	8	
- Other current liabilities	-	-	14	26	
KTB Leasing Co., Ltd.					
- Short-term lending	-	-	1,695,000	746,000	
- Other receivables	-	-	3,096	4,360	
- Long-term lending	-	-	500,000	-	
- Accrued expenses	-	-	2	5	
- Other payables	-	-	20	-	



(Unit: Thousand Baht)				
Related parties	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
<b>Related companies and person</b>				
KTB General Services and Security Co., Ltd.				
- Trade payables	3,258	428	3,258	428
- Accrued expenses	2,562	2,781	2,128	2,400
Krungthai Assets Management PCL.				
- Other receivables	5,145	4,162	5,145	4,162
- Accrued expenses	100	82	100	82
Krungthai Panich Insurance PCL.				
- Other receivables	1,408	1,256	1,408	1,256
Krungthai-AXA Life Insurance PCL.				
- Other receivables	8	1,162	8	1,162
Related person				
- Short-term borrowings	79,978	-	79,978	-

Movements of loans and borrowings with related financial institutions and parties for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)				
Related parties	Consolidated financial statements			
	1 January	Increase during	Decrease during	31 December
	2023	the year	the year	2023
<b>Parent company</b>				
Krung Thai Bank PCL.				
- Short-term borrowings	5,230,000	112,790,000	(115,240,000)	2,780,000
- Long-term borrowings	6,000,000	3,500,000	-	9,500,000
(Unit: Thousand Baht)				
Related parties	Consolidated financial statements			
	1 January	Increase during	Decrease during	31 December
	2022	the year	the year	2022
<b>Parent company</b>				
Krung Thai Bank PCL.				
- Short-term borrowings	4,730,000	82,150,000	(81,650,000)	5,230,000
- Long-term borrowings	1,500,000	4,500,000	-	6,000,000

(Unit: Thousand Baht)

Related parties	Separate financial statements			
	1 January 2023	Increase during the year	Decrease during the year	31 December 2023
<b>Parent company</b>				
Krung Thai Bank PCL.				
- Short-term borrowings	4,130,000	94,490,000	(96,340,000)	2,280,000
- Long-term borrowings	6,000,000	3,500,000	-	9,500,000
<b>Subsidiaries</b>				
KTC Pico (Bangkok) Co., Ltd.				
- Short-term borrowings	50,411	162	(34,641)	15,932
KTC Nano Co., Ltd.				
- Short-term borrowings	49,600	180	-	49,780
KTC Prepaid Co., Ltd.				
- Short-term borrowings	99,319	1,351	(49)	100,621
KTB Leasing Co., Ltd.				
- Short-term lending	746,000	1,286,000	(337,000)	1,695,000
- Long-term lending	-	500,000	-	500,000

(Unit: Thousand Baht)

Related parties	Separate financial statements			
	1 January 2022	Increase during the year	Decrease during the year	31 December 2022
<b>Parent company</b>				
Krung Thai Bank PCL.				
- Short-term borrowings	3,630,000	65,650,000	(65,150,000)	4,130,000
- Long-term borrowings	1,500,000	4,500,000	-	6,000,000
<b>Subsidiaries</b>				
KTC Pico (Bangkok) Co., Ltd.				
- Short-term borrowings	50,798	51,601	(51,988)	50,411
KTC Nano Co., Ltd.				
- Short-term borrowings	49,648	49,600	(49,648)	49,600
KTC Prepaid Co., Ltd.				
- Short-term borrowings	100,075	99,915	(100,671)	99,319
KTB Leasing Co., Ltd.				
- Short-term lending	-	746,000	-	746,000
- Short-term borrowings	-	330,000	(330,000)	-

Short-term lending to related parties carry interest rates at Money Market Rate (MMR). Whereas borrowings from related financial institutions and other related parties carry interest rates at the Money Market Rate (MMR) for short-term borrowings and at the Capital Market Rate for long-term borrowings.

## 27.2 Revenues and expenses

The significant revenues and expenses with related parties are as follows:

Related parties	(Unit: Thousand Baht)			
	For the years ended 31 December			
	Consolidated		Separate	
	financial statement		financial statement	
	2023	2022	2023	2022
<b>Parent company</b>				
Krung Thai Bank PCL.				
- Fee and service income	2,421	3,147	2,421	3,147
- Other income	22,233	102,207	22,185	102,045
- Administrative expenses	196,293	146,712	193,167	141,371
- Finance costs	248,448	73,954	225,937	62,233
<b>Subsidiaries</b>				
KTC Pico (Bangkok) Co., Ltd.				
- Other income	-	-	183	376
- Finance costs	-	-	964	431
KTC Nano Co., Ltd.				
- Other income	-	-	224	320
- Finance costs	-	-	1,034	425
KTC Pico (Chonburi) Co., Ltd.				
- Other income	-	-	42	54
KTC Pico (Samut Prakan) Co., Ltd.				
- Other income	-	-	17	27
KTC Pico (Pathum Thani) Co., Ltd.				
- Other income	-	-	216	261

(Unit: Thousand Baht)

Related parties	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<b>Subsidiaries (continued)</b>				
KTC Pico (Samut Prakan) Co., Ltd.				
- Other income	-	-	17	146
KTC Prepaid Co., Ltd.				
- Other income	-	-	175	308
- Finance costs	-	-	2,083	853
KTB Leasing Co., Ltd.				
- Fee and service income	-	-	295	2,364
- Other income	-	-	43,246	4,486
- Administrative expenses	-	-	343	297
- Finance costs	-	-	-	736
<b>Related companies and person</b>				
KTB Computer Services Co., Ltd.				
- Administrative expenses	-	136	-	-
Krungthai General Services and Security Co., Ltd.				
- Other income	289	60	289	60
- Administrative expenses	48,564	50,134	43,856	46,029
Krungthai Assets Management PCL.				
- Fee and service income	6,980	5,186	6,980	5,186
- Administrative expenses	100	97	100	97
Krungthai Panich Insurance PCL.				
- Fee and service income	16,513	14,478	16,463	14,400
Krungthai-AXA Life Insurance PCL.				
- Fee and service income	-	36,123	-	36,123
- Other income	1,966	1,536	1,966	1,536
Krungthai Mizuho Leasing Co., Ltd.				
- Administrative expenses	10,533	11,393	9,975	10,832
Related person				
- Finance costs	707	-	707	-

## Intercompany considerations

Intercompany income and expenses are based on the rates upon agreement and the amount specified in the contract, while the cost-plus method is used for certain transactions. The consolidated financial statements include the accounts of subsidiaries after eliminating intercompany transactions and balances.

### 27.3 Management remuneration

Management remuneration for the years ended 31 December 2023 and 2022 consist of the following:

	(Unit: Thousand Baht)			
	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Short-term employee benefits	257,496	237,502	234,420	223,305
Post-employment benefits	8,962	6,987	6,603	6,198
Total	266,458	244,489	241,023	229,503

## 28. Financial instruments information disclosures

During the years 2023 and 2022, the Group did not speculate in or engage in the trading of any derivatives.

### 28.1 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted the policy of only dealing with creditworthy counterparts as a means of mitigating the risk of financial losses from defaults.

The carrying amount of the assets recorded in the statement of financial position, net of allowance for expected credit loss, represents the Group's maximum exposure to credit risk.

The Group's major business is the issuing of credit cards and provision of loan financing. The Group has established processes for approving credit lines, as well as consistently applied billing and collection processes.

## The maximum exposure to credit risk

The table below shows the maximum exposure to credit risk for recognised and unrecognised financial instruments. The maximum exposure is shown gross carrying amounts before both the effect of mitigation through use of master netting and collateral arrangements. For financial assets recognised on the statement of financial position, the maximum exposure to credit risk equals their gross carrying amounts before deducting allowance for expected credit loss.

As at 31 December 2023 and 2022, the maximum exposures to credit risk are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Loans to customers and accrued interest receivables	112,346,114	104,193,528	109,157,290	101,744,748
Short-term lending	-	-	1,695,000	746,000
Other financial assets measured at amortised cost	2,001	1,998	1,991	1,988
Long-term lending	-	-	500,000	-
Total financial assets	112,348,115	104,195,526	111,354,281	102,492,736
Loan commitments	189,814,920	176,380,680	189,814,920	176,380,680
Total maximum exposure to credit risk	302,163,035	280,576,206	301,169,201	278,873,416

## Credit quality analysis

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted the policy to prevent this risk by performing credit analysis from customers' information and follow-up on customer status consistently.

The table below shows the credit quality of financial assets exposed to credit risk. The amounts presented for financial assets are gross carrying amount (before deducting allowance for expected credit loss) and loan commitments.



Explanation of 12-months expected credit loss, lifetime expected credit loss - not credit impaired, and lifetime expected credit loss-credit impaired are included in Note 4.2 to the consolidated financial statements.

(Unit: Thousand Baht)

Consolidated financial statements					
31 December 2023					
	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
<b>Loans to customers and accrued interest receivables, net</b>					
Not yet due	90,982,987	9,141,269	-	1,425,234	101,549,490
Overdue 1 - 90 days	1,201,409	2,788,754	-	1,199,363	5,189,526
More than 90 days	1,362,983	1,766,412	1,913,476	564,227	5,607,098
Total	93,547,379	13,696,435	1,913,476	3,188,824	112,346,114
<u>Less</u> Allowance for expected credit loss	(4,331,820)	(3,315,605)	(1,283,427)	(832,053)	(9,762,905)
Net book value	89,215,559	10,380,830	630,049	2,356,771	102,583,209
<b>Other financial assets measured at amortised cost</b>					
Investment grade	2,001	-	-	-	2,001
<u>Less</u> Allowance for expected credit loss	-	-	-	-	-
Net book value	2,001	-	-	-	2,001

(Unit: Thousand Baht)

## Consolidated financial statements

31 December 2022

	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
<b>Loans to customers and accrued interest receivables, net</b>					
Not yet due	86,216,018	7,973,387	-	1,598,191	95,787,596
Overdue 1 - 90 days	981,800	2,470,675	-	631,415	4,083,890
More than 90 days	1,089,163	1,350,408	1,663,398	219,073	4,322,042
Total	88,286,981	11,794,470	1,663,398	2,448,679	104,193,528
<u>Less</u> Allowance for expected credit loss	(4,246,965)	(2,782,060)	(1,138,724)	(623,975)	(8,791,724)
Net book value	84,040,016	9,012,410	524,674	1,824,704	95,401,804
<b>Other financial assets measured at amortised cost</b>					
Investment grade	1,998	-	-	-	1,998
<u>Less</u> Allowance for expected credit loss	-	-	-	-	-
Net book value	1,998	-	-	-	1,998

(Unit: Thousand Baht)

Separate financial statements				
31 December 2023				
	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)	Total
<b>Loans to customers and accrued interest receivables, net</b>				
Not yet due	90,982,987	9,141,269	-	100,124,256
Overdue 1 - 90 days	1,201,409	2,788,754	-	3,990,163
More than 90 days	1,362,983	1,766,412	1,913,476	5,042,871
Total	93,547,379	13,696,435	1,913,476	109,157,290
<u>Less</u> Allowance for expected credit loss	(4,331,820)	(3,315,605)	(1,283,427)	(8,930,852)
Net book value	89,215,559	10,380,830	630,049	100,226,438
<b>Short-term lending</b>				
Not yet due	1,695,000	-	-	1,695,000
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Net book value	1,695,000	-	-	1,695,000
<b>Other financial assets measured at amortised cost</b>				
Investment grade	1,991	-	-	1,991
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Net book value	1,991	-	-	1,991
<b>Long-term lending</b>				
Not yet due	500,000	-	-	500,000
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Net book value	500,000	-	-	500,000

(Unit: Thousand Baht)

Separate financial statements				
31 December 2022				
	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)	Total
<b>Loans to customers and accrued interest receivables, net</b>				
Not yet due	86,215,958	7,973,387	-	94,189,345
Overdue 1 - 90 days	981,775	2,470,660	-	3,452,435
More than 90 days	1,089,163	1,350,408	1,663,397	4,102,968
Total	88,286,896	11,794,455	1,663,397	101,744,748
<u>Less</u> Allowance for expected credit loss	(4,246,961)	(2,782,054)	(1,138,723)	(8,167,738)
Net book value	84,039,935	9,012,401	524,674	93,577,010
<b>Short-term lending</b>				
Not yet due	746,000	-	-	746,000
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Net book value	746,000	-	-	746,000
<b>Other financial assets measured at amortised cost</b>				
Investment grade	1,988	-	-	1,988
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Net book value	1,988	-	-	1,988

## 28.2 Liquidity risk

Liquidity risk arises in the general funding of the Group's activities. It includes both the risk of being unable to obtain source of fund at appropriate maturities and rates and the risk of being unable to liquidate an asset at a reasonable price and in an appropriate timeframe.

The Group has access to a diverse funding base. Funds are raised using a broad range of instruments including liabilities evidenced by paper, subordinated liabilities and share capital. This enhances funding flexibility, limits dependence on any one source of funds and generally lowers the cost of funds. The Group strives to maintain a balance between continuity of funding and flexibility through the use of liabilities with a range of maturities. The Group continually assesses liquidity risk by identifying and monitoring changes in funding required to meet business goals and targets set in terms of the overall strategy. As at 31 December 2023 and 2022, the Group has a credit line with a related financial institution of Baht 30,061 million and Baht 25,161 million, respectively (separate financial statements: Baht 29,030 million and Baht 24,030 million, respectively).

As at 31 December 2023 and 2022, the Group's and the Company's financial assets and liabilities are classified by remaining maturity as follows:

(Unit: Thousand Baht)

Consolidated financial statements						
31 December 2023						
	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
<b>Financial assets</b>						
Cash and cash equivalents	5,343,736	-	-	-	-	5,343,736
Loans to customers	-	73,762,073	37,788,097	72,242	-	111,622,412
Other financial assets	-	-	1,991	-	10	2,001
<b>Financial liabilities</b>						
Short-term borrowings	2,880,000	6,577,248	-	-	-	9,457,248
Long-term borrowings	-	4,500,000	5,000,000	-	-	9,500,000
Long-term debentures	-	7,915,120	34,831,541	4,700,000	-	47,446,661
Lease liabilities	-	212,134	301,493	-	-	513,627

(Unit: Thousand Baht)

Consolidated financial statements						
31 December 2022						
	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
<b>Financial assets</b>						
Cash and cash equivalents	2,181,930	-	-	-	-	2,181,930
Loans to customers	-	69,487,583	33,899,377	121,608	-	103,508,568
Other financial assets	-	-	1,988	-	10	1,998
<b>Financial liabilities</b>						
Short-term borrowings	5,130,000	5,048,975	-	-	-	10,178,975
Long-term borrowings	-	-	6,000,000	-	-	6,000,000
Long-term debentures	-	4,639,494	32,801,762	8,015,000	-	45,456,256
Lease liabilities	-	161,484	175,546	-	-	337,030

(Unit: Thousand Baht)

Separate financial statements						
31 December 2023						
	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
<b>Financial assets</b>						
Cash and cash equivalents	5,296,385	-	-	-	-	5,296,385
Loans to customers	-	72,609,604	35,823,984	-	-	108,433,588
Short-term lending	1,695,000	-	-	-	-	1,695,000
Other financial assets	-	-	1,991	-	-	1,991
Long-term lending	-	-	500,000	-	-	500,000
<b>Financial liabilities</b>						
Short-term borrowings	3,046,334	6,077,248	-	-	-	9,123,582
Long-term borrowings	-	4,500,000	5,000,000	-	-	9,500,000
Long-term debentures	-	7,915,120	34,831,541	4,700,000	-	47,446,661
Lease liabilities	-	206,111	297,434	-	-	503,545

(Unit: Thousand Baht)

Separate financial statements						
31 December 2022						
	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
<b>Financial assets</b>						
Cash and cash equivalents	2,173,596	-	-	-	-	2,173,596
Loans to customers	-	68,658,350	32,401,442	-	-	101,059,792
Short-term lending	746,000	-	-	-	-	746,000
Other financial assets	-	-	1,988	-	-	1,988
<b>Financial liabilities</b>						
Short-term borrowings	5,329,330	3,948,975	-	-	-	9,278,305
Long-term borrowings	-	-	6,000,000	-	-	6,000,000
Long-term debentures	-	4,639,494	32,801,762	8,015,000	-	45,456,256
Lease liabilities	-	155,256	168,667	-	-	323,923



## 28.3 Market Risk

Market risk is the risk that the Group may be affected by changes in value of position on the statements of financial position and off-the statements of financial position which is caused by fluctuation of interest rate resulting in negative impact on income. The Group monitors and controls the market risk in the trading book and book portfolios by comparing the existing risks with the approved risk limits/ indicators, conducting the approval processes for the breach of the limits/indicators and reporting to the executives and the Risk Management Committee regularly.

### - Interest rate risk

Interest rate risk is the effect of changes in interest rate on the assets and liabilities to the Group's profit. The risk arises from timing difference in the residual term (for the case of fixed rate) and the next repricing (for the case of floating rate) of assets and liabilities or the changes of market interest rate which cause the interest rate of assets and liabilities to change disproportionately though the residual term of assets and liabilities is equal to the next repricing term. The risk management is aimed at optimising the net income under given market interest rate levels consistent with business strategy of the Group.

As at 31 December 2023 and 2022 the Group's and the Company's financial assets and liabilities exposed to interest rate risk are as follows:

(Unit: Million Baht)

Consolidated financial statements								
31 December 2023								
Depend on market rate	The earlier of remaining period of contract maturity or repricing date				Non-rate sensitive	Total	Average interest rate	
	Within 1 month	Within 1 year	1 - 5 years	More than 5 years			Floating rate	Fixed rate
							(% p.a.)	(% p.a.)
<b>Financial assets</b>								
Cash and cash equivalents	4,709	-	-	-	635	5,344	0.55 - 0.70	-
Loans to customers	1,276	82,663	7,801	72	19,810	111,622	16.36	11.01
Other financial assets	-	-	2	-	-	2	-	2.13
<b>Financial liabilities</b>								
Short-term borrowings	9,460	-	-	-	(3)	9,457	2.61	2.58
Long-term borrowings	-	4,500	5,000	-	-	9,500	-	2.61
Long-term debentures	-	7,945	34,877	4,700	(75)	47,447	-	2.91
Lease liabilities	-	-	-	-	514	514	-	2.68

(Unit: Million Baht)

## Consolidated financial statements

31 December 2022

	Depend	The earlier of remaining period of				Average interest rate		
	on market	contract maturity or repricing date						
	rate	Within 1	More than		Non-rate		Floating	Fixed
	month	year	1 - 5 years	5 years	sensitive	Total	rate	rate
							(% p.a.)	(% p.a.)
Financial assets								
Cash and cash equivalents	1,736	-	-	-	446	2,182	0.33	-
Loans to customers	878	77,346	5,594	122	19,569	103,509	16.47	8.76
Other financial assets	-	-	2	-	-	2	-	2.13
Financial liabilities								
Short-term borrowings	9,880	300	-	-	(1)	10,179	1.47	1.41
Long-term borrowings	-	-	6,000	-	-	6,000	-	2.37
Long-term debentures	-	4,640	32,907	8,015	(106)	45,456	-	2.85
Lease liabilities	-	-	-	-	337	337	-	2.77

(Unit: Million Baht)

## Separate financial statements

31 December 2023

	Depend	The earlier of remaining period of					Average interest rate	
	on market	contract maturity or repricing date						
	rate			More than	Non-rate		Floating	Fixed
	Within 1	Within 1	1 - 5 years	5 years	sensitive	Total	rate	rate
	month	year					(% p.a.)	(% p.a.)
<b>Financial assets</b>								
Cash and cash equivalents	4,668	-	-	-	628	5,296	0.70	-
Loans to customers	1,102	82,144	5,526	-	19,662	108,434	16.36	11.53
Short-term lending	1,695	-	-	-	-	1,695	2.85	-
Other financial assets	-	-	2	-	-	2	-	2.13
Long-term lending	-	-	500	-	-	500	-	3.30
<b>Financial liabilities</b>								
Short-term borrowings	9,126	-	-	-	(2)	9,124	2.60	2.58
Long-term borrowings	-	4,500	5,000	-	-	9,500	-	2.61
Long-term debentures	-	7,945	34,877	4,700	(75)	47,447	-	2.91
Lease liabilities	-	-	-	-	504	504	-	2.83

(Unit: Million Baht)

Separate financial statements								
31 December 2022								
Depend	The earlier of remaining period of					Average interest rate		
on market	contract maturity or repricing date							
rate	Within 1		More than		Non-rate		Floating	Fixed
	month	year	1 - 5 years	5 years	sensitive	Total	rate	rate
							(% p.a.)	(% p.a.)
Financial assets								
Cash and cash equivalents	1,730	-	-	-	444	2,174	0.33	-
Loans to customers	1,553	76,206	3,864	-	19,437	101,060	16.47	8.78
Short-term lending	-	746	-	-	-	746	1.68	-
Other financial assets	-	-	2	-	-	2	-	2.13
Financial liabilities								
Short-term borrowings	8,979	300	-	-	(1)	9,278	1.43	1.41
Long-term borrowings	-	-	6,000	-	-	6,000	-	2.37
Long-term debentures	-	4,640	32,907	8,015	(106)	45,456	-	2.85
Lease liabilities	-	-	-	-	324	324	-	2.90

#### 28.4 Interest rate sensitivity analysis

Analysis of sensitivity to changes in interest rates shows the potential changes in interest rates on the statement of comprehensive income of the Group by setting constant to other variables.

For financial assets and financial liabilities at the end of reporting period, the Group estimates sensitivity analysis from profit or loss change for 12 months in advance under the assumption of changing interest rates of 1.00 percent of all types of financial assets and financial liabilities according to the period of interest rate adjustment in each.

The effect of changes in interest rates on profit or loss as at 31 December 2023 and 2022 can be summarised as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
Interest rate increase 1%	580	538	595	551
Interest rate decrease 1%	(566)	(527)	(581)	(540)

## 28.5 Fair values of financial instruments

The fair value disclosures of financial instruments, considerable judgement is necessarily required in estimation of fair value. Accordingly, the estimated fair value presented herein is not necessarily indicative of the amount that could be realised in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Group in estimating fair values of financial instruments.

As at 31 December 2023 and 2022, the Group has financial assets or liabilities which are not measured at fair value where the hierarchy of fair value can be classified as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	31 December 2023		31 December 2022			Valuation techniques and key
	Carrying		Carrying		Fair value	inputs used in fair value
	amount	Fair value	amount	Fair value	hierarchy	measurements
<u>Assets</u>						
Other financial assets	2,001	2,000	1,998	2,041	2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association
<u>Liabilities</u>						
Long-term debentures	47,446,661	47,391,897	45,456,256	45,553,792	2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association

(Unit: Thousand Baht)

	Separate financial statements					
	31 December 2023		31 December 2022			Valuation techniques and key
	Carrying		Carrying		Fair value	inputs used in fair value
	amount	Fair value	amount	Fair value	hierarchy	measurements
<u>Assets</u>						
Other financial assets	1,991	1,987	1,988	2,029	2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association
<u>Liabilities</u>						
Long-term debentures	47,446,661	47,391,897	45,456,256	45,553,792	2	Yield rates of the last working day of the reporting period as quoted by the Thai Bond Market Association

Cash and cash equivalents, short-term lending, trade payables, short-term borrowings, long-term borrowings, and lease liabilities presented the fair value approximating the carrying amount in the statement of financial position.

Loans to customers and accrued interest receivables, net presented the fair value approximating the carrying amount in the statement of financial position less allowance for expected credit loss.

The fair value hierarchy of financial assets and liabilities as at 31 December 2023 and 2022 is as specified in Notes 4.14 to the consolidated financial statements. During the current year, the Group has no changes in the fair value hierarchy.

## 29. Coronavirus Disease 2019 Pandemic (COVID-19)

The COVID-19 pandemic resulted in the economic impact, including public income and the ability to pay debt of debtors. The Bank of Thailand announced the relief measures to assist credit customers affected by the COVID-19 pandemic. The Group has considered to provide supports to customers following the relief measures for loans to customers affected from the impact of COVID-19 continuously which consistent with the announcement of the Bank of Thailand, for example, the reduction of the minimum repayment, the reduction of interest rate, extending credit limit, postponement of installment payment, and replacement of low-interest rate long-term loans.

The Group closely monitors the pandemic situation and reasonably estimate the potential impact to the Group. The Group's management believes that the Group will be able to continue as a going concern and meet their obligations as these fall due.

## 30. Commitment and contingent liabilities

### 30.1 Leases commitment

As at 31 December 2023 and 2022, the Group has future rental and service charges under non-cancellable leases which have not yet effective and long-term leases value as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2023		31 December 2022	
	Within 1 year	Over 1 - 5 years	Within 1 year	Over 1 - 5 years
Non-cancellable leases which have not yet effective	1,120	3,253	336	672
Long term leases	15,345	15,860	19,533	10,805
Total	16,465	19,113	19,869	11,477

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2023		31 December 2022	
	Within	Over	Within	Over
	1 year	1 - 5 years	1 year	1 - 5 years
Non-cancellable leases which have not yet effective	1,120	3,253	-	-
Long term leases	15,345	15,860	19,533	10,805
Total	16,465	19,113	19,533	10,805

### 31. Approval of financial statements

These financial statements have been approved for issue by the authorised directors of the Company on 8 February 2024.



## General Information and Other Material Facts

### Reference

<b>Auditor</b>	<b>EY Office Company Limited</b> Lake Rajada Office Complex, 33 <sup>rd</sup> floor 193/136-137 Ratchadaphisek Road, Khlong Toei, Khlong Toei, Bangkok 10110
<b>Legal Consultant</b>	<b>Siam Premier International Law Office Limited</b> The Offices at Central World, 26 <sup>th</sup> Floor, 999/9 Rama I Road, Pathumwan, Pathumwan, Bangkok 10330
<b>Securities Registrar</b>	<b>Thailand Securities Depository Company Limited</b> The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400
<b>Debenture Registrar and Debenture Holder Representative</b>	<b>Bank of Ayudhya Public Company Limited</b> AA Floor, 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120

### Other Material Facts

#### Other information that may significantly impact the decision of investors

The company disclosed information in accordance with the practice in a timely manner as specified by the regulatory bodies. Information can be studied from the company's website [www.ktc.co.th](http://www.ktc.co.th) or the Securities and Exchange Commission website [www.sec.or.th](http://www.sec.or.th) or the Stock Exchange of Thailand website [www.set.or.th](http://www.set.or.th)

#### Restrictions on foreign shareholders

The company has no foreign shareholder restrictions.

### Legal Dispute

None

### Secondary Market

#### Secondary market for Equity

The Stock Exchange of Thailand

#### Secondary market for Bonds

There is no secondary market for bonds; however, investors can purchase bonds via commercial banks, security companies, or other legal entities that bear the license to trade Bonds.

## **Regularly Contacted Financial Institutions**

### **Krung Thai Bank Public Company Limited**

Location : 35 Sukhumvit Road, Khlong Toei Nua, Wattana, Bangkok 10110

Telephone : 0-2111-1111

### **KASIKORNBANK Public Company Limited**

Location : 400/22 Phahon Yothin Road, Sam Sen Nai, Phaya Thai, Bangkok 10400

Telephone : 0-2222-0000

### **United Overseas Bank (Thai) Public Company Limited**

Location : 690 UOB Plaza Bangkok Tower, Sukhumvit Road, Khlong Ton, Khlong Toei, Bangkok 10110

Telephone : 0-2343-3000

### **Bank of Ayudhya Public Company Limited**

Location : 550 Krungsri Ploenchit Tower, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330

Telephone : 0-2296-2000

### **TMBThanachart Bank Public Company Limited**

Location : 3000 Phahonyothin Road, Chomphon, Chatuchak, Bangkok 10900

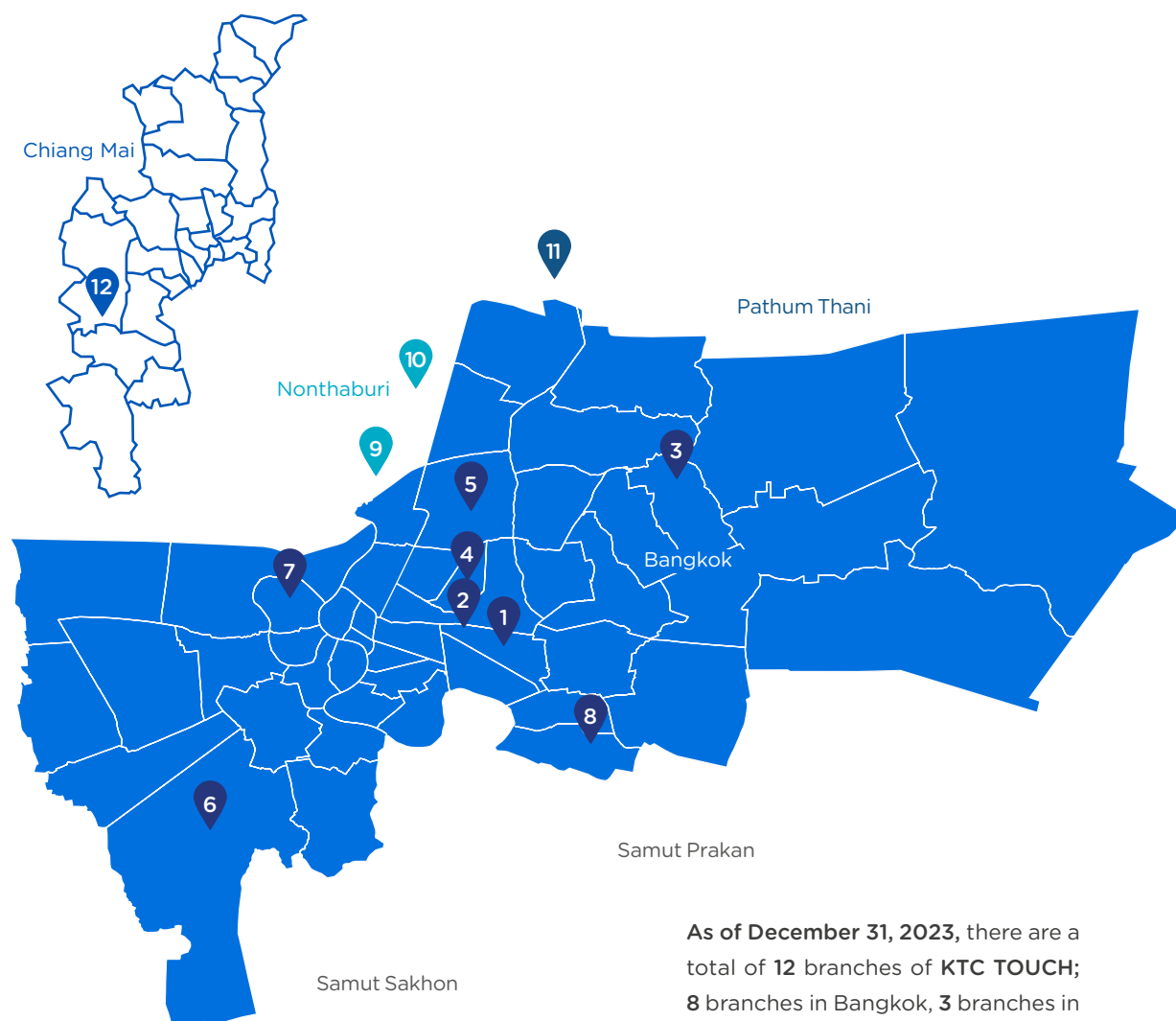
Telephone : 0-2299-1111

### **Kiatnakin Phatra Bank Public Company Limited**

Location : 209 KKP Tower, Sukhumvit 21 (Asoke), Khlong Toei Nua, Wattana, Bangkok 10110

Telephone : 0-2165-5555

## KTC TOUCH



1	United Business Centre II (UBC II)	G Floor	7	CentralPlaza Pinklao	4 <sup>th</sup> Floor
2	KTB Headquarter (North Nana Rd.)*	2 <sup>nd</sup> Floor	8	Central Bangna	4 <sup>th</sup> Floor
3	Fashion Island	1 <sup>st</sup> Floor	9	The Mall Ngamwongwan	5 <sup>th</sup> Floor
4	Fortune Town	2 <sup>nd</sup> Floor	10	Muang Thong Thani	Zone Popular Walk
5	CentralPlaza Ladprao	2 <sup>nd</sup> Floor	11	Future Park Rangsit	2 <sup>nd</sup> Floor
6	CentralPlaza Rama 2	G Floor	12	Meechok Plaza Chiangmai	Zone B Lock B-1

\*KTB Headquarter (North Nana Rd.) branch permanently closed from January 17, 2024 onwards.

# Corporate Governance Policy

## Overview

The Company's Board of Directors recognizes the importance of good corporate governance and thus the Corporate Governance Policies and the business code of conduct have been written and reviewed at least once every year. In 2023, the Board of Directors has reviewed Corporate Governance Policy, which includes Anti-Corruption Policy and the business code of conduct to comply with Thai and international criteria regarding to good Corporate Governance and Sustainability, as well as the Principles of Good Corporate Governance for listed Companies (CG Code) by Securities and Exchange Commission (SEC), including various changes within the Company to set up a framework for employees to follow. Accordingly, in the implementation of the CG Code, the Board of Directors uses the Apply or Explain method, which applies the appropriate CG Code to be suitable for the business environment. For the matters that the Board of Directors had considered to be inconsistent with the nature of the Company's business, the Board of Directors had resolved to disclose the reasons in the Form 56-1 One Report. The Board of Directors has formed sub-committees consisted of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and the Nomination and Remuneration Committee to maintain the effectiveness of internal control, internal audit, and risk management. Every sub-committee has been defined on qualifications, roles and responsibilities as written in charter of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, and charter of the Nomination and Remuneration Committee, which the information can be found on the website <https://www.ktc.co.th/en/sustainability-development/corporate-governance>

## Corporate Policies and Operational Guidelines for the Board of Directors

The details regarding the company's board of directors are elaborated under separate sections in the Form 56-1 One Report. The section titled "Corporate Governance Structure and Material Facts related to the Board, Sub-Committees, Executives, Employees and Others"

includes a subsection "Board of Directors' Information" and a section on "Corporate Operational Performance and Governance Report".

## Corporate Policies and Operational Guidelines for the Shareholders and Stakeholders

The Company's Guidelines for Good Corporate Governance Practice are based on the Corporate Governance Code published by the Stock Exchange of Thailand (SET). These, including CG Code, have recently been revised and they are comprised of five sections as follows:

### Section 1: Rights of Shareholders

#### 1.1 Shareholders' Rights Policy and Protection

The Company is committed to fulfilling its responsibilities to respect and protect the right of shareholders equally, by not violating the rights of shareholders regardless of the nationalities whether they are Thai or foreigner and encourages them to exercise their rights properly, which include the Basic rights of shareholders composed of buying, selling, and transferring outstanding shares and to receive dividend payment; making decisions on important matters of the Company, such as the approval of important transactions that affects the direction of the business operation, the amendments to the Memorandum of Association including the Company's Articles of Association, the right to vote, appoint and determine auditor's remuneration, the right to propose AGM agenda, the right to elect directors, and the right to attend annual general meetings.

In addition to the basic rights specified by law, the Company added guidelines to promote shareholders' convenience. The shareholders shall be entitled to obtain relevant and adequate information i.e., quarterly result, and Management Discussion and Analysis of the Company, and charity social activities in a timely manner and on a regular basis, which are made available conveniently via the Company's websites, the Securities and Exchange Commission (SEC), or the Stock Exchange of Thailand (SET).

## 1.2 Annual General Meeting of Shareholders

- The Company places a high priority on the organization of the annual general meeting of shareholders, which is scheduled to occur once a year within four months following the end of the Company's fiscal year. This is conducted in strict compliance with the principles of good corporate governance as mandated by law. The Company also facilitates shareholders in proposing agenda items for the annual general meeting prior to the meeting. You can informally complete this process via email at [agm@ktc.co.th](mailto:agm@ktc.co.th) or through the Company's website at [www.ktc.co.th](http://www.ktc.co.th) before sending the original document by registered mail. Around 30 days before the meeting, the Company will gather and organize the agenda information, which will then be posted on the website [www.ktc.co.th](http://www.ktc.co.th) to invite shareholders to the meeting. Furthermore, Thailand Securities Depository Co., Ltd. has been appointed as the common share registrar to send out meeting invitations, containing detailed explanations, reasons, and accompanying documents for each agenda item, to shareholders at least 28 days ahead of the meeting date. This ensures that shareholders have ample time to review the information for informed voting on different agenda items. Should there be any inquiries, shareholders may submit questions to the directors in advance of the meeting through the Company's website, send a letter directly to the board, or express opinions, suggestions, and raise questions on different agenda items during the meeting. Furthermore, in the case of meetings conducted via electronic media, the Company provides detailed instructions, methods, and procedures for participating in the meeting along with the invitation. The Company ensures the meeting venue is conveniently accessible and supports or encourages all groups of shareholders, especially institutional shareholders, to attend the shareholders' meeting.

- On the day of the shareholders' meeting, the Company facilitates shareholder participation and voting in two scenarios as follows:

1. In the case of a physical meeting, the Company employs a barcode system for registration and vote counting for shareholders. Additionally, stamp duty services are provided for shareholders who are proxy holders but have not brought their own stamps.

2. In the case of meetings held solely through electronic media (e-meeting), the Company does not arrange a physical venue or any registration on the day of the event. Instead, the Company opens a system for submitting meeting attendance requests in advance, approximately 5-10 days prior to the meeting, and will close registration once the meeting concludes. For these e-meetings, the Company utilizes an e-Voting system to count shareholder votes. Shareholders are unable to amend their votes once the system has closed voting for each agenda item.

- The Company has arranged for advance registration for attendance at meetings, which must be completed at least 2 hours before the meeting begins. Shareholders who arrive after the meeting has started are still permitted to join and have the right to vote on agenda items that have not yet been addressed. In the case of meetings conducted through electronic media (e-meetings), the Company will not arrange any physical meeting venue or registration on the day of the event. The Company will open the registration system for attendance at meetings in advance, approximately 5-10 days prior to the meeting, and will close the registration when the meeting commences.

- Invitations to the Annual General Meeting of Shareholders, meeting documents, as well as various proxy forms shall be made available through the Company's website; [www.ktc.co.th](http://www.ktc.co.th), to enable shareholders to select forms suitable to their purpose. The Company shall also appoint at least one independent director as a proxy holder in case some shareholders cannot attend the meeting in person. In addition, the Company will provide explanations and rationales concerning each agenda item or resolution as specified in the invitation of the Annual General Meeting, together with present facts and comments of the committee in each agenda item that differ from those of the Board of Directors so that shareholders are sufficiently and equally informed for further consideration. Shareholders will be able to access all of this information in both Thai and English on the Company's website.

- In participation of the Company's Annual General Meeting of Shareholders, it requires the presence of the Chairman of the Board of Directors, Directors, Chief Executive Officer and all other Company executives to address the Company's performance and policies as well as to timely respond to any queries and promptly provide any supporting information to shareholders.

- To enable accuracy and transparency of vote counting in each agenda item, other than its internal auditor, the Company shall include either independent auditors or representatives from audit firms to jointly verify the vote counting process.
- Before the meeting begins, the chairperson shall explain the meeting's rules and regulations, voting procedures, including voting rights for each type of shares and vote counting methods for each agenda item according to the Company's article of association. During the meeting, all shareholders will have equal rights to question and comment as well as voice any unlimited feedbacks in which the Board of Directors will pertinently answer all questions on each agenda item. With accuracy and completeness, the minutes of the meeting will be recorded with a description of the voting and vote tabulation procedures used, declaring both before the meeting proceeds. The minutes will also include records of questions and answers when shareholders are given the opportunity to raise issues and concerns, along with voting results of each agenda item with details of how shareholders have voted for, against and abstained, and a list of the board members attending and absenting from the meeting. At the end of the meeting, all resolutions and votes will be made available on the same date through SETPortal system of the Stock Exchange of Thailand (SET) for investors and shareholders in both Thai and English. Copies of the full meeting report will be submitted to SET and the Securities and Exchange Commission within 14 days after the meeting finishes and will also be available on the Company's website in both Thai and English.
- The Company will not add additional agenda items without prior notice to shareholders, especially ones that are essential and require ample time to study ahead of any decision-making. The Company will conduct the meeting in a correct sequence of agendas as mentioned in the meeting invitation.
- During the shareholders meeting, for speed and accuracy, the Board of Directors shall encourage using advanced technology especially during the process of counting votes and displaying voting results.
- The committees recommend the use of voting cards for important agenda items, such as related party transactions, acquisitions, or disposals of assets, to ensure transparency and facilitate post-conflict

verification. In the case of e-meetings, the Company utilizes an e-voting system for casting votes.

- The chairman of the meeting shall allocate adequate time for discussion and encourage shareholders to express their opinions and ask any questions related to the Company.

### The Annual General Shareholders' Meeting

The annual general meeting of the Company for the year 2023 was held on April 7, 2023, conducted solely through electronic media, in accordance with the Royal Decree on Electronic Meetings, B.E. 2563, as well as the requirements of laws, regulations, and good corporate governance practices as follows:

#### Prior to the meeting:

The Company distributed the invitation of the meeting both in Thai and English, stating date, time, venue, and meeting agendas, together with comprehensive descriptions and rationales for each agenda item sufficient enough for shareholders decision-making and published them in advance ahead of the meeting through various channels such as

- **SET News System:** The Company disclosed the notice of the board of directors' meeting to inform the schedule of the annual general meeting, the agenda, and the board of directors' opinions on each agenda items which was published on February 10, 2023. Additionally, the Company notified the publication of the invitation letter for the annual general meeting for the year 2023 on the website of Stock Exchange of Thailand (SET) on the same day as the publication through the Company's website on March 2, 2023.
- **Company Website:** The Company published resolutions of the board of directors' meeting, invitation letters for the annual general meeting, and meeting documents concurrently with the news announcement through the Stock Exchange of Thailand News System. The information provided is equivalent to that sent by postal mail to shareholders, including: 1) the date, time, and location of the meeting, 2) agenda items with explanations and reasons for each agenda item or resolution as specified in the invitation letter, 3) instructions on registration, presentation of meeting documents, meeting rules, and voting procedures,

as well as 4) voting procedures, along with the proxy form, Form 56-1 One Report, Sustainability Report, financial statements, and 5) guidance on conducting meetings through electronic media.

- **Postal Delivery:** Invitation letters for the annual general meeting, meeting documents, Form 56-1 One Report, and Sustainability Report were sent in QR Code format to shareholders in advance of the meeting, 28 days prior to the meeting date. All documents were delivered to the Thailand Securities Depository Company Limited (TSD) for mailing to shareholders on March 9, 2023.

- **Newspaper Advertisement:** In the case of conducting meetings solely through electronic media (e-meetings), the Company announced advertisements on the website [www.ktc.co.th](http://www.ktc.co.th), which is approved by the Department of Business Development, regarding electronic media advertising under the Electronic Transactions Act B.E. 2565, Section 2. Advertising through electronic media should be carried out by posting on accessible websites that are publicly available and can verify website ownership. Consideration should be given to ease of access and usability, without discrimination, such as the Company's website, online newspaper websites, and the Stock Exchange of Thailand website.

The Company also enables its shareholders to propose an agenda including nominate qualified persons for directorship from October 1, 2022 to January 31, 2023. In addition, Rules, procedures and proposing channels was posted through SETLink and the Company's website in both Thai and English.

Attached with the meeting invitation and available on its website, the Company published the proxy letter form Khor as specified by the Public Company Limited registrar and identified a barcode to facilitate meeting registration so that any shareholders who cannot attend the meeting could appoint their proxy holders. The proxy letter form C was also posted on the Company's website to enable general shareholders as well as shareholders who are securities administrators to grant proxy according to the amount notified by the shareholders.

The Company nominated 2 independent board members with their backgrounds and interests attached in the meeting invitation as an option for shareholders' proxy.

## The Shareholders' Meeting Day

On the Shareholders' Meeting Day (April 7, 2023), the Company organized an electronic meeting (e-meeting) only at Meeting Room 1101, Krungthai Card Public Company Limited, located in Khlong Tan Nuea sub-district, Watthana district, Bangkok, in accordance with the Royal Decree concerning electronic meetings in 2020, as well as other relevant laws and regulations. The Company did not arrange any physical meeting venue or registration on the event day. The Company will open the online registration system for participation in the meeting in advance, approximately 5-10 days before the meeting, and will close the registration until the meeting concludes. The Company will utilize an e-voting system for voting, with the services provided by Inventech Systems (Thailand) Co., Ltd., which is compliant with the standards set by the Electronic Transactions Development Agency (ETDA). Furthermore, the Company has invited voluntary shareholders to participate as witnesses for vote counting verification by registering to attend the electronic meeting.

Before the meeting proceeds, the chairperson of the meeting assigned the Company's secretary to clearly inform shareholders regarding the meeting's rules and regulations, casting vote procedures, voting rights, and vote counting process. During the meeting, the presentation was done in the video format for shareholders to easily and clearly access information. The Company also granted the opportunity for shareholders to ask questions on each agenda.

## After the Meeting

The Company disclosed the resolution of the meeting of each agenda through its website and SETLink right after the meeting on the same day (April 7, 2023). The Company also recorded the minutes of meeting containing a list of the board members, executives, auditor, and the Company's legal consultant attending, a description of the voting process, voting rights and vote tabulation procedures used, as well as records of questions and answers and voting results of each agenda item detailing the number of approving, dissenting, and absenting votes. Copies of the entire meeting report for 2023 were submitted to SETLink and published through the Company's website within 14 days after the meeting (April 21, 2023) as mandated by the law.



## Section 2: Equitable Treatment of Shareholders

### 2.1 Equitable Treatment of Minority Shareholders

The Company's policy is to treat all shareholders equally and fairly, whether they are institutional investors, foreign investors or minor shareholders, regardless of sex, gender, color, race, nationality, or religion. All shareholders will be equally treated when exercising their rights as described in the Shareholder Rights section. In casting votes, one ordinary share shall have one vote, and all resolutions of shareholders shall be adopted by the affirmative vote of the majority of the shareholders, unless otherwise provided for in the Company's Articles of Association or by law. Besides, the Company allows the minority shareholders to propose an agenda and nominate any person who is suitable for directorship in advance. The Company does not have any contracts or agreements with major shareholders and no cross holding as well as no adding additional agenda items without prior notice unnecessarily, especially ones that are essential and require shareholders ample time to study ahead of any decision-making.

### 2.2 Procedures for Proxy Authorization

In case that a shareholder is unable to attend any meeting in person, the Company allows the shareholder to authorize a proxy to cast the votes instead. With the meeting invitation sent to shareholders, the Company will attach a proxy form and detailed procedures, together with the nomination of at least one independent director serving as an option for shareholders proxy. The Company also encourages shareholders or their proxy to use ballot cards in every agenda.

### 2.3 Measures Preventing and Abuse of Inside Information

To prevent any possible conflicts of interest and prevent misuses of insider information for self-benefit and or related-party, the Company has established measures in written form and included in Corporate Governance Guidelines as well as the regulations announcement concerning disclosure or use of the Company's inside information as follows:

#### Definition

**Management** is the President and CEO and the top four individuals ranking next to the CEO, including all other

persons whose rank is equivalent to the last rank in the top four<sup>(1)</sup>. Head of Finance and Accounting is also included in management.

**Employee** is the permanent employee, temporary employee, and contractual employee.

**Confidential or Internal Information** are significant material facts that have been received or acknowledged in writings or any other forms by the Board members, management, or employees such as financial statements, the Company's performance, joint ventures, changes in dividend policies, acquisition of significant business partners, and etc. Such information is not ready for disclosure, has not yet been announced to the public, and can influence the Company's Securities price.

<sup>(1)</sup> All executive officers report directly to the President and CEO in accordance to the Company's structure.

### Requirements for Approval of the Mutual Transactions

- 1) Directors and executives must disclose transactions that may cause conflicts of interest, related transactions or mutual transactions in accordance with the requirements of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- 2) Director having conflict of interest is prohibited from approving a particular transaction. In conducting any related-party transactions, the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee shall participate and give opinions under the Principle of Good Governance for Listed Companies as well as rules and regulations prescribed by the Stock Exchange of Thailand.
- 3) Lending or investing in any business in which the Director might have a potential conflict of interest must be unanimously approved by the Board of Directors, without the ones who have conflict of interest being present in such meeting. To further prevent a potential conflict of interest, pricing and terms and conditions must be determined in accordance with the Company's normal course of business and equal treatment given to regular clients. Moreover, the Company has taken measures to oversee the use of inside information, which is clearly specified.

The Company required directors and executives to submit conflict of interest report and changes in conflict of interest information report according to the form specified by the Company to the Company's secretary in compliance with the related party transactions' regulations with potential conflict of interests transactions. The Chairman and the Chairman of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee can monitor in compliance with the related party transactions' regulations. A copy of the report will be sent to the Compliance Business Unit in order to collect and use as supporting information regarding to the related party transactions. Moreover, an operations summary report according to the Company's related party transactions regulations is sent to the Audit Committee and the Board of Directors for acknowledgement on a regularly basis.

In addition, in order to provide knowledge and awareness about transactions related to related party transactions and conflicts of interest, the Company has summarized guidelines and provided media to educate and create understanding to directors, executives and employees regarding to related party transactions approval regulations via various communication channels such as educating new employees through orientation courses, preparing summary of the related party transactions principles, and internal public relations channels within the organization, as well as training and assessment through online courses annually.

In 2023, the Compliance Business Unit concluded the Company's related party transactions report results and presented to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and the Board of Directors for acknowledgement. It was found that there were related party transactions yet no transaction with potential conflict of interest was found.

More details on Governance of Inside Information can be found in sub-topic "Governance of Inside Information".

## **Section 3: Roles of Stakeholders**

### **3.1 Fair Treatment to Stakeholders**

The Company recognizes the rights and roles of all stakeholders, internally and externally, and has included it as part of the Corporate Governance Guideline and the Business Code of Conduct, which are published across a variety of media such as the Company's

website. This is to keep all stakeholders informed and encourage them to strictly follow the Guidelines for sustainable business operations of the Company. The Guidelines are as follows:

#### **Shareholders**

The Company is committed to achieving the best possible business performance and enabling the continuous and sustainable growth of profits. This can be realized through prudence and transparency, enhancing competitive potential to create added value to the shareholders in the long run.

#### **Customers**

The Company aspires to serve its customers attentively and with the best possible effort. Every customer shall be equitably and fairly treated, and courteously advised and supported with respect and good manner. The Company is willing to listen to their problems and concerns, identify causes and find the most appropriate solutions without disclosing their personal data or confidential information – unless it is required by laws or with written consent by the affected customers. Besides, advertisements and announcement must be implemented responsibly and accurately; without taking advantage of customer's misinformation.

#### **Creditors**

It is the Company's policy to treat its creditors, including suppliers, debenture holders and other creditors, equitably and fairly based on the mutual benefits, and strictly honor agreements and conditions agreed by both sides. In case of failure to do so, in any circumstances, the affected creditors shall be notified in advance so that both parties could be able to find the most possible solutions and start further business negotiations. The Company shall refrain from requesting, accepting or commissioning dishonestly in any case to gain business benefits, and be responsible for reporting correct and complete financial data to the creditors on regular and timely basis.

#### **Business Partners**

The Company requires its employees, who are involved in buying/ selling assets as well as any products and services of the Company, to act in the best interests of the Company instead of one's personal interest or

interest of their peers. In this regard, the employees shall be responsible to provide accurate information based on truthful facts, and shall not mislead or provide incomplete information to buyers or sellers of assets / products and services. Importantly, the employees should avoid accepting gifts or rewards, or attending private functions or receptions hosted by buyers or sellers of assets/products and services, or by a group of particular interest, so as to avoid any possible accusations and prevent an inclination to show favor in return for such special treatment on later occasions. Procurement process, condition, and agreement are made fairly. Business partners are also provided knowledge, and skills to improve their potential, service, and production to the industries standards. Business partners are also convinced to respect human rights and treat their labor fairly, as well as taking responsibility in monitoring, assess the social and environmental aspects of business to develop a sustainable business relationship.

#### **Business Alliances**

The Company is firmly determined to comply with agreements made with its business alliances and provide assistance in a manner, which allows mutual business benefits.

#### **Competitors**

The Company has no policy to falsify or distort competitors' facts or cause damage to reputation of its competitors. At the same time, it avoids making deals or discussions with employees of other agencies or financial institutions on issues concerning geographical locations, marketing, customer segmentation, interest rates, fees, products, services or business plans, which might affect the Company's business competition.

#### **Corporate Social and Environmental Responsibility**

The Company strives to be a good corporate citizen by conducting its business with best interests to the society and the country. The Company also contributes to various social service activities and participates in social, community and environmental development projects as well as aims to create and preserve natural resources.

In order for their social and environmental responsibility projects and initiatives to achieve tangible results

and truly benefits the society and environment, the Company's Board of Directors and executives with their recognition of such importance not just raise employees's awareness of the social and environmental responsibility but also include it as one of the Company's missions in which additional details can be found in the 'Sustainability Report' or through [www.ktc.co.th](http://www.ktc.co.th).

#### **Board of Directors and Management**

The Company's Board of Directors and management are well aware of their rights, and strive to be a role model in exercising the rights and performing their duties as specified by the Company. At the same time, they recognize equitable and fair treatment of the rights of all Company's stakeholders.

#### **Employees**

The Company realizes the value of its human resources as a significant driving force for its organization, hence its effort of recruiting and hiring people with qualified skills and experiences regardless of their sex, gender, color, race, national origin, religion, or other status irrelevant to their performance. The Company offers employees salary rates and remuneration packages at the level comparable to other leading companies and takes also into its consideration of employees annual KPI (Key Performance Indicator) and economic trends. At the same time, the Company recognizes the significance of its personnel potential development by organizing various trainings on a regular basis to keep up with rising competition in financial industry. Training programs include management skills, sales and marketing, customer service, commercial lending, corporate governance, and information technology risk management.

In addition, other than those required by law, the Company provides employees with additional benefits in order to improve their quality of life and well-beings. The Company also aims to ensure safety to life and property as well as a healthy working environment. A clear policy of not violating human rights is as well enforced.

In doing its business, the Company has a clear policy on not infringing any intellectual properties or copyrights and has set a guideline regarding to the infringement. Moreover, the Company's directors emphasize on customers' safety and privacy, so the Company outlines information technology policy, information technology

security policy, and personal information protection policy for executives and employees as a guideline to protect information system security. In addition, the Company has allocated budgets and resources for information technology security and cyber security work to be appropriate and sufficient to accommodate changes that may incurred in the future.

Please refer to the details in the Sustainability Report under section “Information Security and Cyber Security”

## Government Sector

The Company supports operations of the public sector and acts in compliance with rules and regulations established by regulatory organizations, working in conjunction with them to promote and support collaboration in activities run by related governmental agencies in order to preserve national stability and growth.

### 3.2 Anti-Corruption Policy

The Company’s ideal is to conduct business with professional ethics and commitment to social responsibility and to every group of stakeholders on the principle of good governance and in accordance with the Company’s policy on stakeholder treatment. In 2013, the Company participated in the “Thai Private Sector Collective Action Against Corruption (CAC)” to express its intention and determination to fight corruption in every way possible. To ensure that the Company’s anti-corruption policy defines responsibilities, guidelines and requirements suitable and sufficient for preventing and fighting corruption in all business activities of the Company and in order for the Company to be able to make prudent decisions on any business dealings that risk involving corruption, the Company has prepared a written “Anti-Corruption Policy” under the Corporate Governance Policy to serve as guidelines for conducting business and achieving its goal of becoming a sustainable organization. On June 30, 2022, the Company was certified and extended its membership of “Thai Private Sector Collective Action Against Corruption (CAC).

## Definition

**Corruption (herein)** means all forms of bribery including an offer of, request for, promise of, commitment to do or

authorization or receipt of “anything of value” (money, assets or other improper benefits) to/ from any government official or any other person or entity including persons or entities in the private or commercial sector, directly or indirectly, where it is intended to induce the recipient to misuse his or her position or to obtain an improper “business advantage” or to refer business to the Company in particular or to acquire/ maintain any other improper business advantage unless otherwise specified by law, rules and regulations, announcement, local tradition or customary business practice.

## Anti-Corruption Policy

No Company’s Director, management or employee shall commit or accept corruption in any form, directly or indirectly.

## Roles and Responsibilities

- 1) The Company’s Board of Directors share a responsibility of putting an emphasis on developing a policy and ensuring that anti-corruption system is efficiently supported and implemented. This is to guarantee the Company’s management is aware of the anti-corruption’s importance, and eventually makes it a corporate culture.
- 2) The Audit, Environmental, Social Responsibilities, and Corporate Governance Committee is responsible for reviewing the financial reporting and accounting system, the internal audit system and the risk management system to ensure that these are concise and are carried out in compliance with international standards in an efficient way.
- 3) The Company’s chief executive officer and management team are responsible for establishing systems as well as encouraging and promoting the anti-corruption policy in order to communicate with the Company’s staff and stakeholders. They also share a responsibility to review the appropriateness of standard and procedure to ensure conformity with changes in the business environment, rules and regulations, and applicable law.
- 4) The Internal Audit Business Unit of the Company has a responsibility to monitor and review operations, and reassure a compliance with the established policy, guidelines, authorizations, rules and regulations, applicable law and requirements of regulatory bodies,

which is sufficient for dealing with possible risks associated with corruption, along with an ability to report effectively to the Audit Committee.

- 5) The Enterprise Risk Management Division is responsible for the development of tools that evaluates corruption risk, as well as perform the evaluation of corruption risk, and summarize the evaluation results and report to the risk committee. The department must re-evaluate the corruption risk annually.

#### Operational Guidelines

- 1) The Company's Board of Directors, management and staff at all levels shall comply with the Anti-Corruption Policy without getting involved in scandals, directly or indirectly.
- 2) The Company's staffs shall not ignore any corrupt practices in association with the Company. They shall cooperate closely on the investigation of facts. In the event of a concern or enquiry, they shall consult with their superiors or designated persons responsible for monitoring the compliance with rules and regulations, or through various channels as specified by the Company.
- 3) The Company treats its employees equitably and extends protection to those opposing or reporting corruption cases in association with the Company. The Company has developed measures to safeguard whistleblowers or those who cooperate in the investigation, fact finding or the reporting of corruption cases, as specified by the Company.
- 4) Any action that is carried out as per Anti-Corruption policy, should follow the related practices described in Corporate Governance Policies, Business Ethic Guideline and Standard Operating Procedure (SOP), including other practices that the Company see fit to keep this policy. Therefore, all executives, managements and employees in all level should take extra care in the following actions;
  - 4.1) Giving or receiving gifts, presents, feasts or other kind of benefits. Any expenses related to giving or receiving of gifts, presents or other kind of benefits should be in accordance with the Business Ethic Guideline or the Company's regulation.
  - 4.2) All form of money or assets donated for the charity or public benefit purpose, including the sponsorship of any kind, should be backed with intention statement, or donation request documents, or with receipt of payment or official thank you letter.
  - 4.3) There must be no kind of bribery in business relations and procurement contract procedure. The procurement contract procedure should be carried out as per procurement and outsourced guide line. Moreover, the operation and business contact of the Company should be conducted with honesty and with transparency, and in accordance with related laws and business regulations.
  - 4.4) The Company has no policy to support financially, or donate any kind of asset for the political purposes to any political party, political group, or politician, anyone or any party that has been found guilty of corruption charge, such action will be considered guilty in violation of company's operation regulation, and could be faced with criminal justice if such action violates the law.
- 5) Corruption is deemed to be a violation of operational rules and regulations established by the Company. Committing corruption should be subject to legal punishment if that practice is considered illegal.
- 6) The Company attaches importance of publicizing, educating and promoting a better understanding among any other persons concerned or engaged in or associated with the Company, or work on issues that might have impact on the Company with regard to operating in compliance with this anti-corruption policy.
- 7) The Company is committed to building and preserving a corporate culture that considers corruption an unacceptable practice, regardless of any corrupt or wrongful practices for one's own benefit or the benefit of others.
- 8) The Company established human resource management process starting from the recruitment, training, evaluation, remuneration, and promotion with emphasis on anti-corruption.



### 3.3 Whistle blowing and Filing a Complaint

It is the Company's policy to encourage customers and the general public to lodge their complaints or comments through the following channels:

- Call Center 02 123 5000 (24 hours)
- Complaint Center 02 123 5000
- Website: <http://www.ktc.co.th>
- E-Mail: [CSERVICE@ktc.co.th](mailto:CSERVICE@ktc.co.th)
- Mailing Address: Krungthai Card Public Company Limited 591 United Business Centre II, 14<sup>th</sup> FL., Sukhumvit 33 Rd, North Klongton, Wattana, Bangkok 10110

Staff members are able to submit complaints or send feedback and comments to the Company's Board of Directors and management directly via E-mails.

Please refer to the details of the Anti-Corruption process in the Sustainability Report under Economic Dimension, sub-topic "Anti-Corruption and Bribery".

## Section 4: Disclosure of Information and Transparency

### 4.1 Disclosure of Information as prescribed in the Disclosure Guidelines for Listed Company

The Company ensures that the disclosure of material information regarding to its business, including financial and other information, is complete, transparent and timely, in accordance with the requirements of the Securities and Exchange Commission Office (SEC Office) and the Stock Exchange of Thailand (SET). In addition to being disclosed through the Form 56-1 One Report or the Sustainability Report, such information is mainly available on the Company's website in both Thai and English and, therefore, the shareholders, the customers and those interested can access the information easily, fairly and reliably.

The material information that is disclosed, for instance, the work done by the Board of Directors in the past year, the training courses taken by the directors, the roles and duties of the Board of Directors and the Sub-Committees, the number of meetings held in the past year and the number of times each director attended those meetings, the directors' opinions on performance of duties and policies, the remuneration of the directors and the executives commensurate with their obligations and responsibilities, the shareholding

structure, the business conduct, the results of operation, the Corporate Governance Policy, the Code of Conduct, the business goals, and the policy or conduct on economic, social and environmental dimension.

### 4.2 Disclosure of Company and Customer Information to Requesting Agencies and Third Parties

Government agencies or private enterprises, with or without legal authority, are able to request or verify company's information under the following terms and conditions:

- 1) Agencies with legal authority to request information, documentary evidences for verification or request the Company's employees to testify or appear as witness in court of law, Legal Execution Department (LED), Revenue Department, Department of Special Investigation (DSI), Royal Thai Police, Office of the National Counter Corruption Commission (NCCC), Anti-Money Laundering Office (AMLO), Office of the Narcotic Control Board (ONCB), Office of the Securities and Exchange Commission of Thailand (SEC), Social Security Office (SSO), Office of the Consumer Protection Board (OCPB), Office of the Auditor General, Ministry of Finance Inspector General, Office of the Ombudsman and Bank of Thailand, for instance. Such agencies are able to request information and documentary evidences concerning application for credit card/ personal loan account, spending and payment information, and available credit balance for instance, for further verification.
- 2) The Company shall not disclose information to agencies and persons without legal authority to request for verification of information, which includes government agencies and private enterprises as well as the general public, who generally request for verification of personal data.

### 4.3 Investor Relations Department

The Company has established Investor Relations Department to be responsible for providing and disseminating the Company's information and updates on its activities. This is to ensure a better understanding as well as foster and maintain a good relationship between the Company and all groups of stakeholders, including all types of investors (retail, institutional and general investors), stock analysts, local and foreign fund managers, customers, regulatory government

agencies, others concerned, and the general public. All stakeholders shall be provided with the Company's information on equal and fair basis.

The Company distributes such information through diverse channels and in various formats, including one-on-one meetings, Opportunity Day, SET Digital Roadshow, Analyst Briefings, local and international road shows, disclosure in Form 56-1 One Report or other reports through website [www.ktc.co.th](http://www.ktc.co.th) or other forms of electronic communications (such as E-mail or SETLink). For example,

#### Contact Information

**Contact Person:** Ms. Apisama Na Songkhla

**Phone:** 02 828 5067, 02 828 5059

**Address:** Krungthai Card Public Company Limited  
591 United Business Centre II, 14<sup>th</sup> FL.,  
Sukhumvit 33 Rd, North Klongton,  
Wattana, Bangkok 10110

**E-Mail:** [irktc@ktc.co.th](mailto:irktc@ktc.co.th)

**Website:** <https://www.ktc.co.th/en/investor-relations>

Moreover, the Company has assigned its Public & Corporate Affairs Business Unit to distribute all the latest news and information through a variety of mass media on many occasions.

In 2023, the Company has presented performance to analysts, investors, employees, and related parties on a regular basis as shown in the table below:

Types of Activities	Activities in 2023 (Times)
Domestic Roadshow	14
Press Meeting	21
Credit Rating Review	1
Conference Call	15
Company Visit	14
Participation in the SET Opportunity Day	4
Analyst Briefing	4
SET Digital Roadshow	1
Activities for Bondholder Relations	15

## Section 5: Responsibilities of the Board of Directors

### 5.1 Independence from the Management of the Company

The Board of Directors assumes responsibility for the stewardship of the Company and is truly independent from the management team, and as part of this stewardship, has an obligation to act in the best interest of the Company and its shareholders. By clearly separating the duty and responsibility between the Board of Directors and management, the Board of Directors shall develop policies and supervise the Company's work process to ensure full compliance with the respective policies, lawfully and ethically. Moreover, for proper check-and-balance, the Chairman of the Board of Directors and the Chief Executive Officer are all different persons.

### 5.2 Appropriateness of the Board of Directors

The number of Directors is in accordance with the Company's Articles of Association, Article 11, which requires that "The Board of Directors has at least 5 and at most 15 members as determined by law. No less than half of the total number of elected directors must reside in the Kingdom of Thailand". Moreover, every director must possess qualifications as required by laws and regulations.

On December 31, 2023, the Board consists of 8 Directors; 4 are independent directors, 2 non-executive directors, and 2 executive.



### 5.3 Terms of Office of Directors

Terms of office of Directors will be in accordance with the respective charters governing each committee and the Company's Articles of Association, Article 13, which requires that one-third of the directors shall retire at the next Annual General Meeting of Shareholders. If the whole number of directors cannot be exactly divided into three groups, the number of retiring directors must be closest to one-third. Unless otherwise agreed among themselves, the directors to retire for the first and second time shall be drawn by lots and for going forward, the directors with longest serving shall retire next. Nonetheless, retiring directors who complete their terms of office are eligible for reappointment.

In addition, following good corporate governance, terms of office of independent directors are limited to no more than 9 years. In 2023, the average term of office of directors was 3.42 years.

### 5.4 Transparency in Nomination and Appointment of Board Members and Chief Executive Officer

#### The Board of Directors Appointment Process

The Company appoints the Nominating and Remuneration Committee to review and select candidates for the Board of Directors' appointment. Candidates shall be qualified individuals without prohibited characteristics according to the rules and regulations defined by the Stock Exchange of Thailand, the Securities and Exchange Commission or other related authorities. Each candidate must own qualified characters of transparency and integrity, along with possess suitable knowledge, skills and experience as required by the Company regardless of right, sex, gender, race, or religion, by taking proportion, number, and diversity of the board of directors into account as seem appropriated in each division. Moreover, the Company considers existing directors' knowledge and specialize expertise in order to look for directors who possess additional skills and knowledge that considered necessary to nominate that candidate for the Board of Directors appointment to the Company's shareholders, together with register and report the change to any related parties within specified period. The board of directors has considered implementing a Board Skill Matrix to encompass knowledge, skills, expertise, and experience to be used as a tool in assessing the qualifications of current board members and for future board member recruitment. This includes areas such as finance, marketing, risk

management, information technology, and legal matters. The current Board of Directors possesses knowledge, skills, and experience that are beneficial for managing the Company and guiding its strategic direction and operational plans. Additionally, the Company's Board of Directors must include independent directors who meet the qualifications outlined in the Securities and Exchange Commission's announcement as outlined in Form 56-1 One Report under the topic "Corporate Governance Structure and Material Facts related to the Board, Sub-Committees, Executives, Employees and Others," sub-topic "Sub-Committees of the Board," with at least one-third of the board members being independent and a minimum of three individuals. Currently, the Company exceeds the required number of independent directors as mandated by law; however, those directors who complete their term may be re-elected as board members. Furthermore, the company has arranged orientation sessions for board members to understand their roles, responsibilities, as well as the Company's regulations and policies. This is aimed at enhancing the board members' understanding of the company's operations and providing continuous knowledge through various channels regularly.

#### Appointment of Directors

Directors are generally appointed in two cases as follows:

**Case #1:** New directors are appointed to replace retiring directors. These persons stand for election by shareholders at the next Annual General Meeting to fill the vacant position(s). Upon completing the term of office, retiring directors may stand for re-election.

**Case #2:** In case of appointment of new directors to replace those stepping down prior to completing the term of office, the Company's Board of Directors, no less than three-fourth of the total votes of the remaining directors, elects highly qualified candidates, and are not prohibited persons, to fill up the vacant directorship position(s), whose term of office lasts for the same period of time as the remaining term of office of the resigned director(s).

#### Shareholders' Right to Elect Directors

The Annual General Meeting of Shareholders shall elect the Director based on the following criteria:

- 1) For each shareholder, one (1) share equals one (1) vote (One Share One Vote) unless the shareholder holds preferred stocks, of which holders are destined to have inferior rights to vote than common shareholders.
- 2) Each shareholder is allowed to use all his/her existing votes (as specified in 1.) to elect one or more directors. However, the shareholder is not allowed to transfer a portion or all of the votes to any other person.
- 3) Top candidates with the highest votes shall be appointed as directors. The number of directors equal to what is required or intended to fill vacancies. In the event that number of the candidates receiving the most votes is more than the seats available at that time, then the Chairman of the meeting shall have the final vote.

Furthermore, the Company has provided shareholders with the opportunity to propose agenda items for the annual general meeting, as well as nominate individuals with suitable qualifications for board positions, prior to the annual general meeting. Shareholders may unofficially submit their proposals via email to [agm@ktc.co.th](mailto:agm@ktc.co.th) or through the Company's website [www.ktc.co.th](http://www.ktc.co.th) before sending the official registered mail. This submission period occurs annually between October 1, 2022 and January 31, 2023. Proposed candidates will undergo evaluation by the Nomination and Remuneration Committee/ Company Board, and the results of the evaluation will be communicated to shareholders through the company's and the Stock Exchange of Thailand's websites in March of each year. Shareholders will also be informed of the evaluation outcomes at the Annual General Meeting of Shareholders.

#### **Appointment of Directors**

The Board of Directors give thorough consideration towards the criteria used in the selection of the Chairman of the Board of Directors of the Company in case that the position is vacated. The Board of Directors is authorized to nominate an individual to hold a position of the Chairman of the Board providing that the nominees possess required qualifications, knowledge, capability, and experience in the management of Credit Card business or Financial/ Banking institutions and/ or other businesses related to Credit Cards. The nominees must also have a total vision suitable to manage the organization.

## **5.5 Performance of the Board of Directors**

### **Setting Policies and Overseeing the Management**

With integrity and prudence, the Company's Board of Directors is obliged to promote the best interest of shareholders, especially in terms of approving the Company's vision, mission, strategies, and significant matters concerning the Company's business directions and policies as well as its business plans and annual budget based on logical reasoning, comprehensive business environment and social analysis, and social responsibility. At the end of the second quarter of each year, the Company's Board of Directors shall convene a meeting to review the policies and goals. In the last quarter, they shall set up a business plan for the upcoming year in order that it can be forwarded to the management for a brainstorming session with members of the management team from various functions, to set effective business strategies in order to achieve common goals.

Additionally, the Company's Board of Directors is responsible for ensuring that the performance of the management team is fully aligned with the Company's goals by using key specified performance indicators (KPIs). The performance shall be evaluated from the beginning of the year, on a monthly and quarterly basis, in order that the operational status can be monitored at all stages. If the performance has fallen below the target, the Board is responsible for identifying causes and finding solutions to problems. At the end of the year, the Board shall evaluate the performance of the management team in comparison with the KPIs defined in the Company's Performance Agreement (PA). The Company determines those KPIs based on a performance measurement of the Balance Scorecard model which considers four perspectives of business as follows.

**Financial Perspective.** Each department uses its financial data such as income, expense or customer's spending to create its KPIs.

**Customer Perspective.** Any departments providing services to customers such as Contact Center determine their KPIs according to their service performance such as numbers of calls requesting for service, referrals of the Company's services from satisfied customers and numbers of complaints etc.

**Internal Process Perspective.** Any departments relating to the Company's working process improvement or internal process determine their KPIs according to efficiency in their internal management such as average of service score as indicated in SLA or enhancement of working system or process beneficial for customer services etc.

**Learning and Growth Perspective.** Any departments relating to human resource development or corporate governance set their KPIs according to learning results or development results such as human resource and skill development for better performance, no warnings or no official remarks from any regulatory bodies etc.

Moreover, the Board has responsibility to control and monitor the performance of the management team to ensure transparency, proper corporate governance, and risk management.

**Guidelines for Serving as a Director at Other Companies:**

- 1) **Director:** A director shall serve as director of no more than 5 of the listed companies unless otherwise approved by the Board of Directors.
- 2) **Chief Executive Officer:** Regarding the Company's CEO who serves as director at other companies, he/she is allowed to serve other listed companies if it does not affect his/ her performance at the Company, and they do not use his/ her authority or position at the Company to do anything in association with such companies. It is also required to seek approval by the Board of Directors before serving as director at other companies and disclose information concerning that directorship to shareholders in the Annual Registration Form 56-1 One Report.
- 3) **All other positions:** follow the Company's Employee Handbook.

**Other Board Committees**

The Board of Directors may set up additional committees and other related sub-committees, as they see appropriate and relevant to a specific circumstance, to assist in studying and reviewing tasks as needed and to ensure operational efficiency and effectiveness of the Board of Directors.

Please refer to the details regarding other sub-committees in the topic of "Corporate Governance Structure and

Material Facts related to the Board, Sub-Committees, Executives, Employees and Others" under the sub-topic "Sub-committees".

**Director Self-Assessment**

The Company proposes that self-assessment of the Board should be done once a year to reflect levels of performance in accordance with the Company's Guidelines for Good Corporate Governance Practice. This can be divided into four categories, including the assessment of the entire Board of Directors, the individual director, cross-evaluation with other board members, and subcommittees. Areas of evaluation cover the following details.

- 1) The assessment of the entire Board of Directors has six key areas to be evaluated, including the composition of the board and qualifications of Board members, roles and responsibilities of the Board, Board of Directors' code of conduct, Communication of the Board of Directors, relationship between the Board of Directors and the Company's management, and preparation and organization of meetings.
- 2) The assessment of individual director (self-assessment) has six key areas to be evaluated, which covers core competencies, independence, preparedness, roles and responsibilities as a Director, practice as a Director and vision for long-term value creation.
- 3) Individual cross-evaluation has six key areas to be evaluated, consisting of the composition of the sub-committee and qualifications of the members, roles and responsibilities of the sub-committee, its code of conduct, communication skills, relationship with the Company's management, and preparation and organization of meetings.
- 4) Subcommittee assessment has six key areas to be evaluated, covering structure and qualification of the subcommittee, role, responsibilities, guideline, communication, relationship, and the preparation and the handling of meetings.

Each assessment form contains a comments section to allow the directors and the sub-committees to give feedback or suggestions to the Board members. In addition, the results of the evaluation shall be forwarded to all the Company's board members to lead to performance optimization and then to promote good corporate governance within the Company.

This enables the Company to do business in a way that helps achieve continued and stable growth based on efficiency, transparency and justification that give confidence to all stakeholders.

In 2023, the Company mandated that the Board of Directors and every sub-committee member hold an assessment session whose results were further submitted to the Board of Directors for consideration in the first meeting of 2024 held on January 19, 2024. The assessment details are listed as follow;

Evaluation Topics	Average Score (Total Score is 5)
The assessment of the entire Board of Directors	4.78
The assessment of individual director (Self-Assessment)	4.71
The assessment of individual director (Cross-Assessment)	4.90
Sub-committee assessment	4.89
• Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	
• Nomination and Remuneration Committee	4.96

#### Performance Evaluation of the President & CEO

##### Performance Evaluation Criteria

The Company evaluates the President & CEO performance once a year from January-December by using Key Performance Indicators (“KPI”), which defines the Company’s business strategies and goals in each year. Corporate KPI is also used to assess all employees including the management capability assessment based on the organization’s Core Value and Core Competency.

##### Procedure/ Evaluation Process

The Board of Directors appointed the Nomination and Remuneration Committees to define criteria, consider and evaluate the performance and present evaluation results to the Board of Directors, and approve an appropriate remuneration.

##### Evaluation Results

The Board of Directors Meeting No. 1/2023 has considered performance evaluation results and remuneration of the Chief Executive Officer. However, the Chief Executive Officer’s performance evaluation results are considered confidential information not to be disclosed.

##### Development of Directors and Executives

The Company encourages and provides training and educational programs for board members and management on regular basis. Additionally, when the new board members are appointed, the Company provides an induction program for newly elected directors to get fully informed about the business plan of exiting products and services, capital and shareholding structure, organization structure, legal considerations for serving as director at a listed company. The training and induction programs are designed to cover the following:

- 1) Board composition and board meetings
- 2) Board meeting calendar and agendas
- 3) Standard agendas
- 4) Scope of business permitted from regulators and related laws
- 5) Capital and shareholding structure, affidavit, memorandum of association, Articles of Association, and the minutes of Annual General Meeting
- 6) Corporate governance policies, and business ethics handbook
- 7) Related party transaction
- 8) Management and usage of inside information
- 9) Directors & Officers Liability Insurance
- 10) The Bank of Thailand and related regulatory agencies inspection results
- 11) Status of actions resulting from the inspection results of the Bank of Thailand and related regulatory agencies.
- 12) Vision Mission and the Company's strategies
- 13) Directorship in subsidiary, ventures, and related companies
- 14) Organization structure and list of executives
- 15) Lay out of the head quarters

The Company not only organizes a presentation for newly elected directors to have a clear picture of the Company's policies, its overall business operations and performance, as well as other related matters, but the Company also reports the new director's appointment to related authorities. Moreover, the Board of Directors also encourages board members, executives, and company secretary to participate in various seminars and training programs that enhance their knowledge and experience which leading to the Company's operating efficiency. Furthermore, the Securities and Exchange Commission and the Stock Exchange of Thailand stated the qualifications of the Chief Financial Officer (CFO) and the person supervising accounting that they must attend the continuing development training course in accounting knowledge.

In 2023, lists of seminar and training course related to good corporate governance of directors, CFO, and person supervising accounting are as follows.

No.	Name	Position	Training	Institution
1.	Mr. Praphaisith Tankeyura	Chairman of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee/ Nomination and Remuneration Committee/ Independent Director	Roadmap for M&A Success	EY Office Company Limited
			Digital Finance	EY Office Company Limited
2.	Mr. Natapong Vanarat	Audit, Environmental, Social Responsibilities, and Corporate Governance Committee/ Independent Director	The Civil Service Executive Development Program: Visionary and Moral Leadership (Class 97)	Office of the Civil Service Commission (OCSC)
3.	Mr. Somchai Kuvijitsuwan <sup>(2)</sup>	Audit, Environmental, Social Responsibilities, and Corporate Governance Committee/ Independent Director	Director Leadership Certification Program (DLCP) 11/2023	Thai Institute of Directors (IOD)
4.	Mr. Nathporn Chatusripitak <sup>(1)</sup>	Audit, Environmental, Social Responsibilities, and Corporate Governance Committee/ Independent Director	The Executive Program in Energy Literacy for a Sustainable Future (TEA 17)	Thailand Energy Academy (TEA)
5.	Mr. Chutidej Chayuti	Chief Financial Officer The person taking the highest responsibility in finance and accounting (Mr. Chutidej Chayuti has resigned from Company directorship due to his retirement, effective from January 1, 2024 onwards)	CFO Conference 2023 “Embracing Changes & Unveiling the Path to Business Resilience and Success”	Federation of Accounting Professions
			TLCA CFO CPD: Risk Management for CFOs	Thai Listed Companies Association
			TLCA CFO CPD: Economic Update for CFO	Thai Listed Companies Association

No.	Name	Position	Training	Institution
6.	Mrs. Rojjana Ussayaporn	Head of Financial Accounting Division and Acting Head of Finance, The person supervising accounting (Chief Accountant) (End date on December 31, 2023) Chief Financial Officer The person taking the highest responsibility in finance and accounting (Effective date on January 1, 2024)	Revision of Thai Financial Reporting Standards 2023 and Fraud Risk Management in an organization	Department of Business Development
			CFO Conference 2023: Embracing Changes & Unveiling the Path to Business Resilience and Success	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
			CFO & Tax Forum	EY Office Company Limited
			Electronic Tax Systems in Thailand 2023	NYC Management co., Ltd
			CFO Refresher: ESG Integration into Strategy, Disclosure and Reporting for listed company	The Stock Exchange of Thailand
7.	Ms. Natsaran Boonlertthaweesuk	Head of Financial Accounting Division and Acting Head of Product Accounting Department, The person supervising accounting (Chief Accountant) (Effective date on January 1, 2024)	Accounting vs Tax (Income and Expense)	Department of Business Development (DBD)
			Digital Accounting	Department of Business Development (DBD)
			Digital Confirmation for Smart Auditing	Federation of Accounting Professions Under The Royal Patronage of His Majesty The King
			CFO & Tax Forum: Leading through change	EY Office Company Limited
			Financial Reporting Standard TFRS year 2023, the direction of TFRS that will be improved in the future, and Case Study of accounting issues in practice.	The Stock Exchange of Thailand

**Remark:**

- <sup>(1)</sup> On October 31, 2023, the Company notified the resignation of an Independent Director and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee of Mr. Nathporn Chatusripitak, effective since November 1, 2023 onwards.
- <sup>(2)</sup> On November 20, 2023, the Company appointed Mr. Somchai Kuvijitsuwan as an Independent Director and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee in replacement of Mr. Nathporn Chatusripitak effective since November 20, 2023



### **The Board of Directors Meetings**

The Company's Board of Directors meets regularly at least 12 times a year. Members of the Board are required to attend of no less than 75% of total number of annual meetings and all members must follow this guideline. The meetings are held monthly and scheduled in advance for the whole year. Additional meetings can also be arranged based on appropriate circumstances. Meeting agenda items are clearly categorized such as chairman's report, approval of minutes of the previous meeting, matters arising from the last meeting, policies, lending, debt restructuring, investment, assets acquiring and disposing, procurement, human resources, matters to be considered, matters to be notified, and other matters. For any agenda items required the meeting resolution, the number of attending Board members needs to be at least two-third of total Board members. The secretary of the Board of Directors will distribute the meeting invitation, along with meeting agendas and ancillary documents to the Board members no later than 7 days prior to the meeting date both in electronic format via email and/or in hard copies for convenience and paper saving. The secretary will also record the minutes of the meeting in written form and file the minutes approved by the Board of Directors for further review.

In 2023, an average meeting attendance of the Board members was 98.7% of total number of annual meetings in 2023 (more than two-third of total Board members attended the meeting). All the Board of Directors attended the meeting to consider and approve the annual budget and formulate identifying the Company's annual strategy.

In addition, the Board of Directors requires that at least once a year, non-executive directors organize the meeting among themselves without any executive directors attending to openly discuss issues concerning the Company's business, matters of interest, as well as to evaluate CEO performance. Consequently, the meeting results shall be notified to the CEO.

In 2023, the Board members set up 2 meetings without the participant of executive directors before the meeting started which were held on June 16, 2023 and December 20, 2023.

### **Governance of Inside Information**

The Company attaches great importance to transparency and equitable treatment to all stakeholders, including institutional investors, analysts, retail investors, as well

as local and international investors, regarding the provision of information related to the Company's operations. It is the Company's policy to provide information to outsiders and identify specific persons who may provide the information. To ensure that investors receive accurate and relevant information, the Company has established measures to prevent the use of internal information by providing important information undisclosed to the public and is significant to changes in the Company's operations. A restricted disclosure is made only to a limited audience, and information shall be disclosed to persons or authorities concerned.

The Company also requires Board members, management, and employees to sign a confidentiality agreement and/or agreement on the use of insider information. The Company has also established measures to prevent Board members, management, and employees from using the Company's confidential information for personal gain. Violations of these rules may lead to disciplinary action by the Company as well as serious criminal and civil penalties as follow:

- 1) Directors, management, and employees are prohibited from publishing or disclosing any internal or confidential Company information to outsiders or non-affiliated parties in any way, knowing that those individuals may use the information for their personal gain in trading of Company's securities, unless the disclosure is under the responsibilities as stated by law.
- 2) Directors, management, and employees are prohibited from using the Company's internal or confidential information to trade Company's securities for the interest of personal or related parties.
- 3) Directors, management, or employees with internal or confidential information must be careful when storing and disposing documents (original and copies), including confidential electronic files that may be inappropriately exposed. This can be prevented by installing passwords on the files, for example.
- 4) Directors, management, or employees with internal or confidential information must be careful when engaging in conversations with both insiders and outsiders in order to prevent unrelated individuals from acquiring any information.
- 5) In order to set up an effective control system to prevent leakage of internal or confidential information, the Company has assigned a group of employees/

departments responsible for handling such information. By doing so, only limited employees/ departments can access internal or confidential information.

6) Directors, management, or employees are prohibited from sharing financial statements or any other information significant to changes in stock prices, or allowing any other persons to use such information 15 days prior to the public announcement of financial statements and/or any other information that impact stock prices of the Company and/or its subsidiaries (if any). Also, trading of the Company's securities are prohibited during the first 24 hours after all of such information has been disclosed to the public, in which the timeline is announced by the Company. This is to prevent the use of financial or confidential information for any other benefits for oneself or others due to the information one obtained.

7) The Boards or working committees that concurred, acknowledged, or approved special projects that may have an effect on the decision to invest in the Company's securities are prohibited to reveal, disclose, or use the information for trading the Company's securities until such projects have been publicly disclosed, no longer in effect, or terminated. The trading can only take place after the first 24 hours of public disclosure have passed. The working committees may choose to sign Confidential Agreement with outsourced consultants prior to launching the projects.

8) In case that any directors, management, or employees wish to trade the Company's securities, the below procedures must be followed:

8.1) the Board of Directors and first line level management with the names listed on the SEC's director and management data system, as well as their spouses, legal or de facto and minor children (individuals required to report) are to file the report on Change of Securities and Derivatives Holding (Form 59) to SEC via SEC online system within 3 business days from the date of purchase, sales, transfer, acceptance of transfer of securities or derivatives.

Directors and first line level management with the names not listed on the SEC's director and management data system are to submit the Form 59 via SEC online system within 7 business days from the date of purchase, sales,

transfer, acceptance of transfer of securities or derivatives.

In addition, directors and management are required to notify the Corporate Secretary Division who then will present the information to the Company's secretary. The record of the changes, along with total number of securities owned by those required to report will be summarized and presented to the Board of Directors on a monthly basis.

8.2) Management and employees who are not mentioned in section 8.1), are to report to the Compliance Business Unit within 3 business days from the date of purchase, sale, transfer, or acceptance of transfer securities of Krungthai Card Public Company Limited.

9) All Directors, managements and employees shall strictly follow these requirements. Failure to comply with these requirements may be liable and be subjected to the penalties under the related Laws. In addition, any employee failure to comply with these requirements also constitutes a breach of disciplinary on the disclosure of the key internal information shall be subjected to disciplinary actions ranging from a warning, wage cutting, suspension without pay to termination as the case may be depending on cases seriousness.

Furthermore, in order to create knowledge and awareness about the prevention of insider trading, the Company provides knowledge and understanding to directors, executives and employees regarding to such matters' regulations via various communication channels such as arranging employees to sign an acknowledgment of compliance policy, orientation course training, preparing a summary of the disclosure regulations or the use of the Company's inside information, as well as training and assessment through online courses annually. In addition, the Company has communicated the blackout period for securities trading, as well as disciplinary guidelines in case the Board of Directors or executives have changed the holding of securities to executives and employees regularly.

In the year 2023, there were no instances of non-compliance with relevant guidelines regarding the reporting of cases involving the trading of company securities by employees.

## Code of Conduct

The Company's Board of Directors has established Code of Conduct. The Code of Conduct was to be reviewed regularly to ensure that the guidelines comply with the laws or the Company's internal changes. The Code of Conduct was constructed in accordance with international standards, in which every level of employees can easily access these guidelines through the Company's website and intranet system. Directors, management, and employees are to uphold these guidelines with the following main topics:

1. Message from the Chairman
2. Business Practices
3. Key topics in Business Practices are as follow:
  - Keep control of corporate assets and the Company's interests
  - Conflicts of interest
  - Ensuring the confidentiality of the company
  - Giving or receiving gifts, presents, feasts or other kinds of benefits
  - Rights of Shareholders and Shareholders' Meeting
  - Disclosure of information and relationship with investors
  - Prevention of money laundering and counter terrorism
  - Treatment to Stakeholders
  - Corporate social and environmental responsibility
  - Safety, Sanitation, and work environment
  - Respect for human rights
4. Monitoring and Supporting Practices

To ensure that directors, executives, and employees possess the knowledge and understand the principles of corporate governance, the Anti-Corruption policy, and business code of conduct, the Company has set up training through the orientation program, incorporated with a signing to acknowledge and comply with the policy and business. Moreover, the Company also organizes knowledge and understanding review sessions annually.

In 2023, there are no directors, executives, or employees taking any actions that violate the Company's business ethics.

## Succession Plan

The Company initiated the Succession Planning program to outline and search for personnel who possess adequate qualifications with knowledge and capacity

that match the Company's operational direction for sustainable growth in the future. The Company has prepared 2 parts together. The first one is the person who will replace or hold a senior executive position (key position) and another one is the person with highly impact the organization's operation position (critical position). There must be someone holding these 2 positions all the time to prevent business interruption. The procedures and selection processes needed to be systematically laid out with proper principles and well agreed upon. The Company initially focuses on the selection of internal employees who have experienced with well accepted performance. Then knowledge and leadership development are provided so they will be ready to manage people to carry on the Company's mission. It is also regarded as good management practice to protect all stakeholders, business partners, and customers' interests.

In the year 2023, the Company had several senior executives in key positions reaching retirement age. The company had individuals prepared to succeed in these key positions to ensure continuity in business operations. This resulted in smooth management transitions with no significant impact internally or externally.

## Major Changes and Development of the Company's Policies, Guidelines, and Corporate Governance Principles in the Past Year

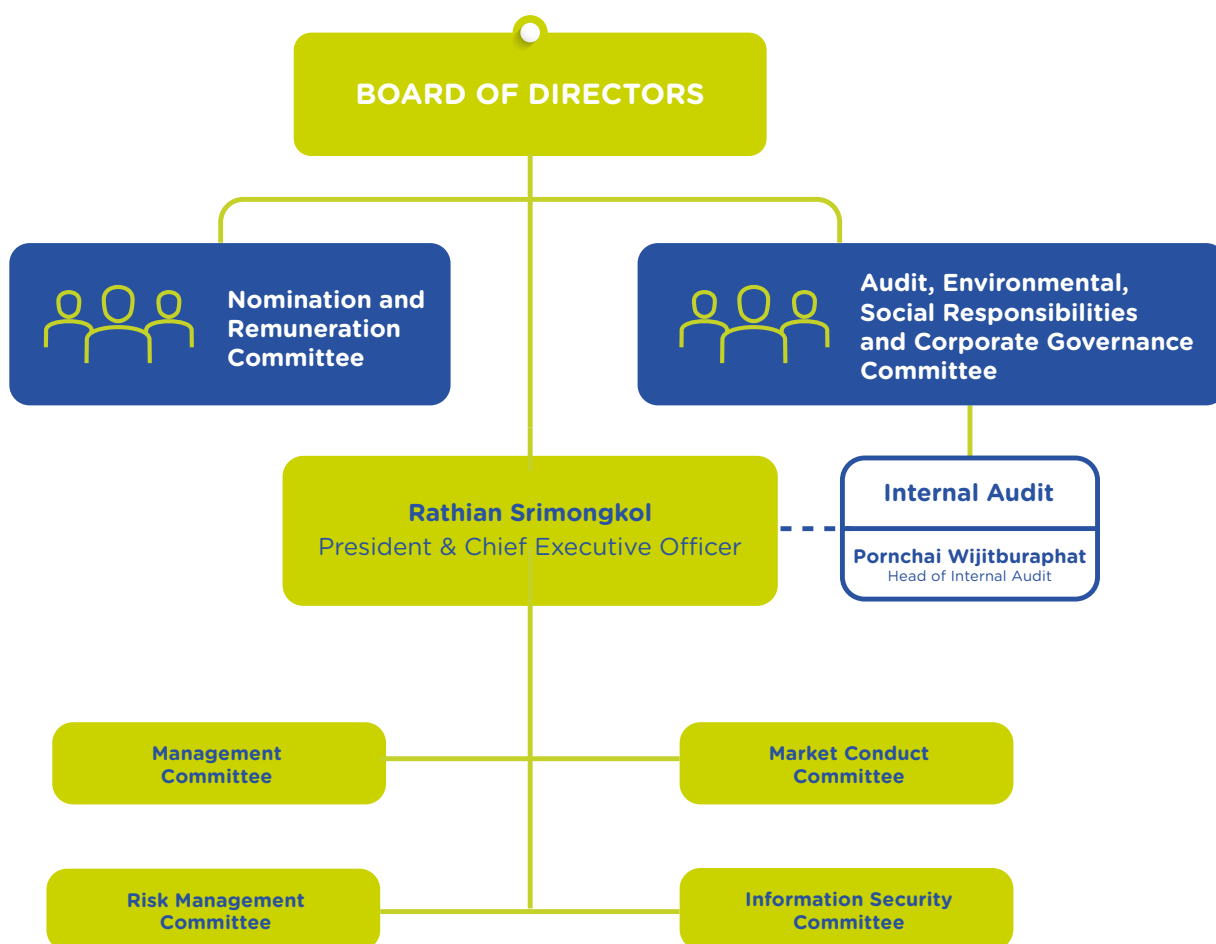
The Company commits to develop various projects in accordance with good corporate governance for Listed Companies, including good corporate governance assessment criteria both domestically and internationally where the Company's Board of Directors has considered and adapted appropriately to suit environmental and corporate governance framework. In 2023, the Company developed many business operations such as reviewing corporate governance policy and code of conduct, the Charter of sub-committees, anti-corruption policy and guideline, providing education to directors, executives, employees, business partners, and external parties on various topics that are crucial to the business operation through various communication channels as well as determining the Company's sustainable development action plan. As a result of this commitment, the Company has received numerous excellent corporate governance awards. For more information, please refer to the details in the Sustainability Report.

The Board of Directors reviewed the Corporate Governance Policy for 2023 to align with the Corporate Governance Code (CG Code) of the Securities and Exchange Commission and the Stock Exchange of Thailand, or other related regulatory bodies. The Company has appropriately applied changes to its business following good corporate governance guidelines. On the other hand, the Company has rationally explained the reasons for not being able to comply with the aforementioned policy. In 2023, the Company has no practices that are inconsistent with good corporate governance according to the CG Code.

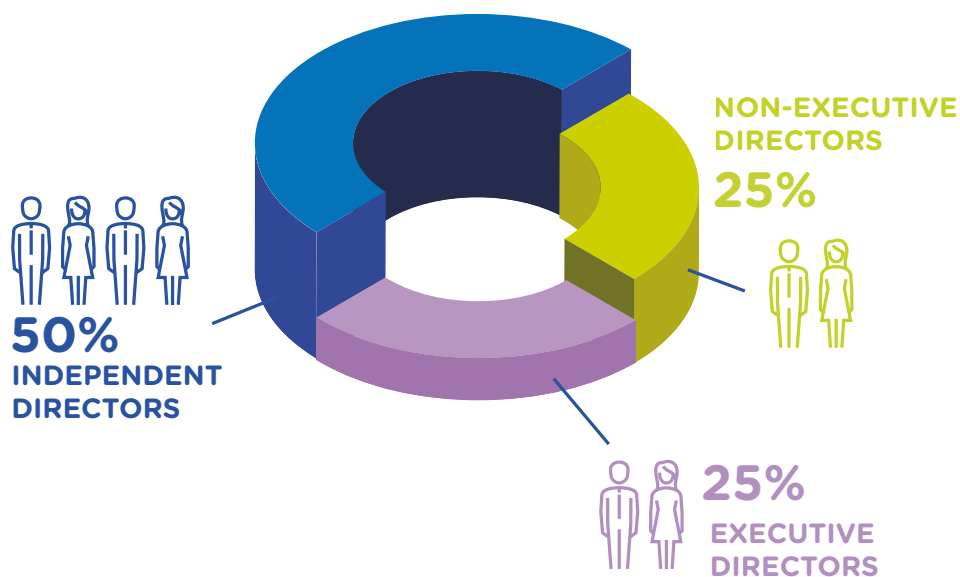
# Corporate Governance Structure and Material Facts related to the Board, Sub-Committees, Executives, Employees and Others

## Corporate Governance Structure as of December 31, 2023

### Organization Chart



## Information of the Board of Directors



### Board of Directors Structure

As of December 31, 2023, the Board of Directors comprised of 8 members, including 2 executives, 2 non-executive directors, and 4 independent directors. This composition ensures the board can carry out its duties independently, fostering an efficient decision-making process. The Company selectively recruits directors who are qualified with diverse background, expertise, leadership qualities, farsighted vision, morality and ethics, transparent work experience, and the ability to express own opinions independently.

Furthermore, it is mandated that the chairman of the Board of Directors and the Chief Executive Officer (CEO) must not be the same individual, ensuring a distinct separation of powers and responsibilities between them. The Company specifies that the board chairman serves as the policy leader, while the CEO acts as the management leader. This approach fosters a balanced power structure within the Company's operations.

The Company's organizational framework encompasses the Board of Directors, the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, and the Nomination and Remuneration Committee. Provisions regarding the powers, duties, appointment, and dismissal of the board or sub-committees are stipulated in the Company's regulations. These regulations are registered with the public company limited registrar at the Department of Business Development, Ministry of Commerce, and are outlined in the charters of these committees.

Please refer to additional details of the Board of Directors in Topic: "Corporate Governance Policy, Section 5: The Board of Directors' responsibilities"

## Board of Directors

### Board of Directors

The details regarding the Board of Directors, the Board Secretary, the Company Secretary, and the Report of changes in common shareholding ownership and forward contracts of Krungthai Card Public Company Limited are outlined below.

Name	Position	Holding amount (KTC Stock & Derivatives) as of Dec 31, 2022	Historical Trading from Jan - Dec 2023	Holding amount (KTC Stock & Derivatives) as of Dec 31, 2023
1. Mr. Prasong Poontaneat	Independent Director/ Chairman/ Chairman of Nomination and Remuneration Committee	0	-	0
Spouse and Minor Children		0	-	0
2. Mr. Praphaisith Tankeyura	Independent Director/ Chairman of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee/ Nomination and Remuneration Committee	0	-	0
Spouse and Minor Children		0	-	0
3. Mr. Natapong Vanarat	Independent Director/ Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	0	-	0
Spouse and Minor Children		0	-	0
4. Mr. Somchai Kuvijitsuwan <sup>(2)</sup>	Independent Director/ Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	0	-	0
Spouse and Minor Children		0	-	0
5. Mrs. Praralee Ratanaprasartporn <sup>(1)</sup>	Director/ Nomination and Remuneration Committee	0	-	0
Spouse and Minor Children		0	-	0
6. Mr. Rathian Srimongkol <sup>(1)</sup>	Director	0	-	0
Spouse and Minor Children		0	-	0
7. Ms. Kornkanok Fuengfung <sup>(2)</sup>	Director	0	-	0
Spouse and Minor Children		0	-	0
8. Mrs. Pittaya Vorapanyasakul <sup>(1), (2)</sup>	Director/ President & CEO	0	-	0
Spouse and Minor Children		0	-	0
9. Mr. Bucha Sirichumsang	Secretary of the Board of Directors	0	-	0
Spouse and Minor Children		0	-	0
10. Mr. Peerapong Pitrpibulpatit	Company Secretary	0	-	0
Spouse and Minor Children		0	-	0



**Remark:** <sup>(1)</sup> On August 23, 2023, the Company appointed Mrs. Praralee Ratanaprasartporn, director, to assume a position of Nomination and Remuneration Committee, effective since August 23, 2023 onwards and appointed Mrs. Pittaya Vorapanyasakul as President and Chief Executive Officer in replacement of Mr. Rathian Srimongkol, effective since January 1, 2024 onwards.

<sup>(2)</sup> On November 20, 2023, the Company appointed directors and independent directors in replacement of resigned directors effective since November 20, 2023, as follows:

- Appointed Ms. Kornkanok Fuengfung as director in replacement of Mr. Rungruang Sukkirdkijiboon.
- Appointed Mr. Somchai Kuvijitsuwan as independent director and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee in replacement of Mr. Nathporn Chatusripitak.
- Appointed Mrs. Pittaya Vorapanyasakul as director in replacement of Lieutenant General Apichat Chaiyadar.

During the year 2023, there were no instances of misconduct observed among any Directors, the Company Secretary, or the Board Secretary. This includes any actions deemed as the misuse of internal or confidential company information for personal profit or for the benefit of third parties through securities trading.

Please refer to additional details of backgrounds and work experiences of the Company Executives in topic “Details about directors, executives, person with controlling power, and company secretary”

## **Duties of the Board of Directors**

### **Chairman’s duty and responsibility**

- 1) The Chairman must not hold the position of President or CEO.
- 2) The Chairman must directly oversee and monitor the performance of subcommittees to ensure they efficiently carry out their duties in alignment with the organization’s targets and objectives.
- 3) The Chairman must ensure that all directors actively contribute to promoting an ethical organizational culture and adhere to principles of good governance.
- 4) The Chairman is responsible for presiding over Shareholder’s meetings and ensuring that they adhere to the stated regulations and agenda.
- 5) The Chairman is tasked with convening Board of Director’s meetings and providing timely delivery of meeting notices and related documents to ensure that the Board receives sufficient information.
- 6) The Chairman must allocate adequate time for executives to present proposals and for directors to thoroughly discuss proposed issues, fostering critical and independent thinking among the directors.
- 7) The Chairman must enhance and cultivate positive relationships between the Board of Directors, management, and shareholders.

## **Issues to be considered by company’s Board of Directors**

- 1) Issues required by law to be approved by Board of Directors.
- 2) Issues required by company’s regulation to be approved by Board of Directors.
- 3) Issues that management considered appropriate to request approval or issues qualified by Board of Director’s regulation to request approval, such as company’s business expansion etc.

## **Scope of authorities and duties**

- 1) Each director has one vote on each matter of meeting resolution, which is subject to majority vote of the board members present. If votes in such are equal, it shall be decided by the chairman of the meeting who casts the final vote.
- 2) Should any meeting committee have a direct personal interest concerning the meeting issue, he/ she can’t vote on such issue. In such case, the chairman has the right to ask that committee to temporarily leave the meeting.
- 3) All the Company’s businesses are subject to the authority of the Board of Directors to perform. The authority of the Board of Directors registered with the Department of Business Development, Ministry of Commerce, requires that two (2) Directors put their signature as well as by the Company’s official stamp when undertaking actions on its behalf.

- 4) Directors may assign a director or directors to perform any actions on behalf of the Board of Directors.
- 5) Directors may determine the name of authorized signatory directors of the Company who can sign and affix the seal to bind the Company.
- 6) In case of a vacancy in the Board of Directors or Independent Director for reasons other than the termination of the term of office, the Board of Directors shall elect a person who has qualifications and is not prohibited by law from acting as such, as the substitute director at the next meeting of the Board of Directors, unless the remaining term of office of the said director is less than two months. The resolution of the Board of Directors shall be by a vote of not less than three-fourths of the number of directors remaining. The substitute director shall hold office only for the remaining term of office of the director whom he or she replaces.
- 7) The Board of Directors may appoint any person to conduct the Company's operation under the control of the Board of Directors or authorize that person to perform any action, within the certain period which the Board of Directors deems appropriate. The Board of Directors may cancel, revoke, change or amend such authorities as appropriate.
- 8) Any Director who has a conflict of interest in any transaction shall not be allowed to participate in the consideration and approval of such transaction.
- 9) The Board of Directors may approve payment of interim dividends for shareholders from time to time as the Board of Directors may recommend if appropriate considering the profits and retained earnings position of the Company. This payment should be reported to the next Shareholders' Meeting.
- 10) Any transaction which requires approval from the Company's Shareholders pursuant to the Public Company Limited Act B.E.2535 (1992), the Board of Directors must obtain prior approval from the Shareholders' Meeting e.g. considering and approving balance sheet and profit and loss statements, allocation of profit and capital

reserve, the election of a director to replace a director who retired by rotation and specifying remuneration, appointing all or some of auditors and fixing the auditing fee, the sale or transfer of the whole or important parts of the business of the Company to other persons, the purchase or acceptance of transfer of the business of other companies by the Company, the making, amending or terminating of contracts with respect to the granting of a hire of the whole or important parts of the business of the Company, the entrustment of the management of the business of the Company to any other person or the amalgamation of the business with other persons with the purpose of profit and loss sharing.

#### **Assignment of Executive Power to the Managing Director and President & CEO**

The Board of Directors' Meeting No.16/2005 held on December 16, 2005 passed a resolution to amend the power of attorney dated July 5, 2002 to be suitable and in accordance with the Company's operations. The power of attorney dated December 16, 2005 is based on the same principle as the previous power of attorney that authorized the Managing Director (currently, the President and Chief Executive Officer) to conduct and manage the Company's operation, to specify the value of transactions which the Company's officer may be authorized to approve and to consider and approve the operations of each department of the Company.

However, the President & CEO is not authorized to approve related transactions, the acquisition or disposition of important assets of the Company, and/or any transaction that the President & CEO or any person has an interest or has a conflict-of-interest in. These are required to receive the approval from the Audit Committee and/or the Board of Directors, and/or the Shareholders' Meeting as the case may be. As such and in order to conform with the requirement stipulated in Article 89/12 of the Securities and Exchange Act B.E. 2535 (No. 4), the Management has proposed to the Board of Directors, In Meeting No. 13/2551 which was held on September 19, 2008, to give consideration and approval in cases where related persons are to enter into commercial transactions. A resolution was passed therefore requiring the Management to evaluate any commercial agreements

or transactions or business deals with the Related Persons as stipulated in the Securities and Exchange Laws. Such commercial agreements, transactions or business deals shall be executed in a prudent manner with the business partners. Provided that a director, executive officer, or Related Persons (in general business transactions) shall enter in such commercial agreements, transactions, or business deals or with the same bargaining power with ordinary business partners. This provision extends to any existing transactions or transactions that may be constructed in the future. The Management shall specify the requirements and framework as a guideline for implementing and prepare such transaction reports to propose in the reasonable time to the Audit Committee and the Board of Directors.

The Board of Directors' Meeting No.15/2011 held on December 6, 2011 resolved that Mr. Rathian Srimongkol be appointed as the President & CEO in place of Mr. Niwatt Chittalarn, who retired on December 31, 2011. The Board of Directors' Meeting No.1/2012, later, resolved that Mr. Rathian Srimongkol be appointed as a director replacing Mr. Niwatt Chittalarn.

Subsequently, during the Board of Directors meeting No. 10/2023 held on August 23, 2023, a resolution was passed to appoint Mrs. Pittaya Vorapanyasakul as the Chief Executive Officer, replacing Mr. Rathian Srimongkol, who is scheduled to retire on December 31, 2023. Mrs. Pittaya Vorapanyasakul's appointment is effective from January 1, 2024, onwards. Additionally, during the Board of Directors meeting No. 14/2023 convened on November 20, 2023, a resolution was adopted to appoint Mrs. Pittaya Vorapanyasakul as a member of the Board of Directors, replacing Lieutenant General Apichat Chaiyadar, effective from November 20, 2023, onwards.

The Chief Executive Officer is responsible for the governance, and management of the Company to be consistent with the strategy, policies, and target in accordance to which was established by the Board

of Directors. The Chief Executive Officer's main responsibilities are as follows:

- 1) Direct the Company in accordance to the Board of Directors' established strategies, policies, guideline, and target.
- 2) Manage the business in line with the strategy and budget approved from the Board of Directors, and protect the Company's and shareholders' interests.
- 3) Provide guidance and direction to employees to meet their objective and duties.
- 4) Create relation and cooperation's between firm, business units, and organizations both domestic and foreign.
- 5) Act as representatives of the Company to conduct business with external organization, regulators, or any legally binding actions assigned by the Board of directors, within the Company's objective.
- 6) Review other functions assigned by the Board of Directors and Subcommittees.

Hence, as of December 31, 2023, the Company's authorized signatories were composed of 8 persons as follows:

1. Mr. Prasong Poontaneat
2. Mr. Praphaisith Tankeyura
3. Mr. Natapong Vanarat
4. Mrs. Praralee Ratanaprasartporn <sup>(1)</sup>
5. Mr. Rathian Srimongkol
6. Mr. Somchai Kuvijitsuwan <sup>(2)</sup>
7. Ms. Kornkanok Fuengfung <sup>(2)</sup>
8. Mrs. Pittaya Vorapanyasakul <sup>(1), (2)</sup>

Signing Conditions: Two of directors can jointly sign and affix the Company's seal.

**Remark:**<sup>(1)</sup> On August 23, 2023, the Company appointed Mrs. Praralee Ratanaprasartporn, director, to assume a position of Nomination and Remuneration Committee, effective since August 23, 2023 onwards and appointed Mrs. Pittaya Vorapanyasakul as President and Chief Executive Officer in replacement of Mr. Rathian Srimongkol, effective since January 1, 2024 onwards.

- <sup>(2)</sup> On November 20, 2023, the Company appointed directors and independent directors in replacement of resigned directors effective since November 20, 2023, as follows:
- Appointed Ms. Kornkanok Fuengfung as director in replacement of Mr. Rungruang Sukkirdkijpiboon.
  - Appointed Mr. Somchai Kuvijitsuwan as independent director and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee in replacement of Mr. Nathporn Chatusripitak.
  - Appointed Mrs. Pittaya Vorapanyasakul as director in replacement of Lieutenant General Apichat Chaiyadar.

## Sub-committee

### Independent Directors and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee

#### Independent Director

As of December 31, 2023, The Company has a total of 4 independent directors, namely Mr. Prasong Poontaneat, Mr. Praphaisith Tankeyura, Mr. Somchai Kuvijitsuwan, and Mr. Natapong Vanarat. These individuals possess the qualifications of an independent committee member as prescribed in the SEC rules. Moreover, the Company also defines independence of independent directors in the charter of the Audit Committee.

Definition of the independence of independent directors consists of the following details.

1. The independent director does not hold more than one percent of the total voting shares of the Company, parent company, subsidiary, associated company or juristic person that may have a conflict of interest. This includes the shares held by the related parties.
2. The independent director is not director who is involved in management, staff, employees, consultants who receive a regular salary, a controlling person of the Company, parent company, subsidiary, associated company, same level subsidiary or juristic person that may have conflicts of interest (at present and 2 years prior to the appointment).
3. The independent director is not related by blood or legal registration in the form of a father, mother, spouse, sibling, and children, including children's spouse with executives, major shareholder, controlling person, or person who shall be nominated as an executive, or controlling person of the Company or subsidiary.
4. The independent director does not have a business relationship with the Company, parent company, subsidiary, associated company, or a juristic person that may have conflicts of interest (at present and 2 years prior to the appointment).
5. The independent director is not a director appointed as a representative of a director of the Company, a representative of a major shareholder of the Company, or a representative of a shareholder of the Company which is a related person of the major shareholder of the Company.
6. The independent director is not a director appointed by the Board of Directors to make decisions on the operations of the Company, parent company, subsidiary, associated company, same level subsidiary or juristic person that may have conflicts of interest.
7. The independent director is not a director of the Company's parent company, subsidiary, or a subsidiary of another company at the same level as the Company which is a public company limited.
8. The independent director does not have any characteristics that hinder the capability to express independent opinions.

#### The Audit, Environmental, Social Responsibilities, and Corporate Governance Committee

As of December 31, 2023, the Audit, Environmental, Social Responsibilities, and Corporate Governance Committees were composed of 3 independent directors, with 1 member serving as the chairman of the Audit Committee and 2 members serving as members of the audit committee, as outlined below:

Name	Position
1. Mr. Praphaisith Tankeyura	Chairman of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee
2. Mr. Somchai Kuvijitsuwan <sup>(1)</sup>	Audit, Environmental, Social Responsibilities, and Corporate Governance Committee
3. Mr. Natapong Vanarat	Audit, Environmental, Social Responsibilities, and Corporate Governance Committee

**Remark:**

<sup>(1)</sup> Mr. Nathporn Chatusripitak resigned from the position of independent director and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, effective from November 1, 2023. Consequently, the board of directors appointed Mr. Somchai Kuwijitwansuwan to assume the position, effective from November 20, 2023.

### Scope of Work of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee

The Board of Directors or the Shareholders' meeting is responsible for appointing a minimum of 3 audit committee members from independent directors. All members of the audit committee have completed one of the training programs offered by the Thai Institute of Directors Association (IOD), including the Audit Committee program, Finance for Non-Finance Directors, Director Certification Program, Roles of the Compensation Committee, or Director Accreditation Program. Additionally, Mr. Praphaisith Tankeyura, serving as the chairman of the audit committee, possesses adequate expertise in accounting and finance, enabling him to assess the credibility of financial statements and understand the reasons behind changes in financial reports and their implications. The Audit, Environmental, Social Responsibilities, and Corporate Governance Committee must maintain independence and impartiality, without any conflicts of interest, whether direct or indirect. This is necessary for the committee to fulfill its duties autonomously and provide impartial advice.

Authorities and duties of the audit committee are stated in the charter on the rules and guidelines of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, and published on [www.ktc.co.th/en/sustainability-development/corporate-governance](http://www.ktc.co.th/en/sustainability-development/corporate-governance)

### Duties of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee

**The Audit Committee's duties are divided into as follows:**

#### Audit responsibilities

1. Conduct review to ensure that the Company has accurate and adequate financial reporting.
2. Conduct review to ensure that the Company has appropriate and effective internal control system and internal audit system, determine the autonomy of the internal audit unit, and endorse appointment, transfer or dismissal of a head of the internal audit unit or other units responsible for internal audit.
3. Conduct review to ensure that the Company complies with the securities and exchange law, SET requirements, and other relevant laws.
4. Selectively recruit, nominate, and appoint an independent individual to fulfill the duties of company auditors, propose auditor compensation, and attend meetings with auditors without the presence of management at least once a year.
5. Review connected and conflict of interest transactions to ensure compliance with relevant laws and SET requirements to ensure that these transactions are reasonable and executed with utmost regard for the Company's interests.
6. Prepare the Audit Committee's oversight report which is disclosed in an annual report of the Company. This report must be signed off by the

chairman of the Audit Committee and must contain at least the following information:

- (6.1) Opinions on the accuracy, completeness and credibility of financial statements of the Company;
  - (6.2) Opinions on the adequacy of the internal control system of the Company;
  - (6.3) Opinions on the compliance with the securities and exchange law, SET requirements, and relevant laws;
  - (6.4) Opinions on the suitability of auditors;
  - (6.5) Opinions on potential conflict of interest transactions;
  - (6.6) Number of audit committee meetings and attendance record of each member;
  - (6.7) Overall opinions or observations regarding the fulfillment of duties under the charter of the Audit Committee;
  - (6.8) Other matters within the scope of duties and responsibilities designated by the Board of Directors that general shareholders and investors should be informed.
- 7. Review the accuracy of referred documents and the self-assessment form relating to anti-corruption measures in businesses of the Private Sector Collective Action Coalition Against Corruption.
  - 8. Perform other duties designated by the Board of Directors and endorsed by the Audit Committee.

#### **Environmental, social and governance responsibilities**

- 1. Review environment, social and governance policies of the Company to ensure compliance with international standards and recommendations of concerned institutes or agencies.
- 2. Propose company guidelines that conform to the principles of corporate governance with social responsibility.
- 3. Perform oversight of the Company's operations to ensure compliance with the principles of corporate governance.
- 4. Review best practices of corporate governance for the Board of Directors or sub-committees.
- 5. Foster corporate governance culture and engage in corporate social responsibility activities for sustainable development, promote proper understanding among employees at all levels, and ensure practical outcomes.
- 6. Propose a guideline on the Company's code of business conduct and the code of good practice with various stakeholder groups.
- 7. Impart environmental, social and governance policies to environmental, social and governance working groups.
- 8. Perform other duties designated by the Board of Directors.

## The Nomination and Remuneration Committee

As of December 31, 2023, the Nomination and Remuneration Committee comprised of 3 members which are of 1 member as chairman of Nomination and Remuneration Committee and 2 members as nomination and remuneration committee members as follows:

Name	Position
1. Mr. Prasong Poontaneat	Independent Director and Chairman of Nomination and Remuneration Committee
2. Mr. Praphaisith Tankeyura	Independent Director and Nomination and Remuneration Committee
3. Mrs. Praralee Ratanaprasartporn <sup>(1)</sup>	Nomination and Remuneration Committee

**Remark:**

- <sup>(1)</sup> The board of directors appointed Mrs. Praralee Ratanaprasartporn as a Nomination and Remuneration Committee in replacement of Mr. Rungruang Sukkirdkijiboon, who resigned before the end of his term, effective from November 23, 2023.

The Company's Board of Directors appoints at least three non-executive directors as members of the Nomination and Remuneration Committee. Their qualifications are as follows:

1. Possess core competency, experience, knowledge and understanding of qualifications, roles and responsibilities of the Nomination and Remuneration Committee.
2. Chairman of the Nomination and Remuneration Committee should be independent director in order to enable the Committee to perform independently.

Authorities and duties of the Nomination and Remuneration Committee are stated in the Charter on the Nomination and Remuneration Committee, and also published on the website <https://www.ktc.co.th/en/sustainability-development/corporate-governance>

The Board of Directors approved the Charter of rules and guidelines for the Nomination and Remuneration Committee which set out the duties of the Nomination and Remuneration Committee as follows:

1. Determine the qualifications of the Directors, Executives Directors and Chief Executive Officer according to the structure, size and complements as required by law, directors and/or the resolutions of the Shareholders' Meeting.

2. The process of sourcing, selecting, and recommending individuals who possess the necessary qualifications in accordance with established criteria, without discrimination or prejudice towards any individual based on personal characteristics such as gender, gender identity, ethnicity, nationality, or religion, in order to hold the position of director, executive, or sub-committee member within the company and carry out the direct authority and responsibilities delegated by the company's board of directors, in accordance with the company's regulations and by laws.
3. Consider establishing criteria, guidelines for evaluating the performance of the board of directors and Chief Executive Officer, in order to present to the board of directors for approval. The process of evaluating the performance of the Chief Executive Officer should be carried out by the board of directors to select and determine the compensation in evaluating the performance.

As for the review of criteria and guidelines for performance appraisal of management executives, except Chief Executive Officer, the Chief Executive Officer shall conduct such review and present evaluation results to the Nomination and Remuneration Committee for endorsement.

4. Propose criteria, policy for compensation, and guidelines for the distribution of compensation and other benefits for the company's board of



directors, executives, and committees' members. This is to be considered and presented to the board of directors for approval, taking into account their respective duties and responsibilities. The guidelines are to be aligned with the duties, practices comparable to peer companies, the Company's operating performance, and general market conditions.

5. Determine extension of retirement age and early retirement age of executive directors for consideration and propose to the Board of Directors Meeting for further notification.
6. Prepare a management succession plan to proactively groom a candidate to replace management executive who is due to retire or cannot perform his or her duties so as to ensure business continuity.
7. Ensure that committee's size and composition are appropriate for the organization, and propose adjustments to suit changing environment. The board of directors must consist of individuals with knowledge, ability, expertise, and relevant experience in various fields, according to the company's defined Skill Matrix. This aligns with the business's direction, goals, both present and future, as well as the company's sustainable development.
8. The Nomination and Remuneration Committee may appoint any person to assume the position of secretary to the Nomination and Remuneration Committee.
9. Perform any acts related to nomination and remuneration as assigned by the Board of Directors of the Company.

## Sub-Committee

The company has established several sub-committees, including the Management Sub-Committee, the Risk Management Sub-Committee, the Information Security Sub-Committee, and the Market Conduct Sub-Committee. Each sub-committee consists of executives from various business units, appointed by the Chief Executive Officer. These sub-committees are responsible for streamlining operations in line with principles of good corporate governance, enhancing the company's workflow for greater efficiency, and promoting positive connections and coordination across the company's business activities.

## Management Executives

### Management Executives

As of December 31, 2023, the details regarding company executives and the report on changes in common shareholding ownership and forward contracts of Krungthai Card Public Company Limited are as follows:

Name	Position	Holding amount (KTC Stock & Derivatives) as of Dec 31, 2022	Historical Trading from Jan - Dec 2023	Holding amount (KTC Stock & Derivatives) as of Dec 31, 2023
1. Mr. Rathian Srimongkol Spouse and Minor Children	President & CEO	0 0	- -	0 0
2. Mr. Chutidej Chayuti Spouse and Minor Children	Chief Financial Officer	0 0	- -	0 0
3. Mr. Virach Paisitsavet Spouse and Minor Children	Chief Operations Officer	0 0	- -	0 0
4. Mr. Piyasak Tejasen Spouse and Minor Children	Senior Executive Vice President - Distribution	0 0	- -	0 0
5. Mrs. Pittaya Vorapanyasakul Spouse and Minor Children	Chief Marketing & Communications Officer	0 0	- -	0 0
6. Mr. Bucha Sirichumsang Spouse and Minor Children	Head of Office of President & CEO	0 0	- -	0 0
7. Mr. Woottichai Jarenpol Spouse and Minor Children	Head of Information Technology	0 0	- -	0 0
8. Ms. Phichamon Jitpentham Spouse and Minor Children	Head of Personal Loans	0 0	- -	0 0
9. Ms. Chanidapa Suriya Spouse and Minor Children	Head of Customer Service and Business Support	0 0	- -	0 0
10. Ms. Rueankeaw Kasemsavatsri Spouse and Minor Children	Head of Auto Loan	20,000 0	- -	20,000 0
11. Ms. Piyasuda Kwaennonsee Spouse and Minor Children	Head of Human Resources	0 0	- -	0 0
12. Ms. Chotika Thanawaleekul <sup>(1)</sup> Spouse and Minor Children	Head of Compliance	0 0	- -	0 0

**Remark:**

<sup>(1)</sup> Notice from the Company No. 19/2023 regarding the appointment of executives effective from July 1, 2023

Throughout the year 2023, it was not found that any executive committed misconduct regarded as use of internal or confidential information to benefit from trading of company securities for personal gain or third party's benefits.

Please refer to additional details of backgrounds and work experience of management executives in the topic: "Details about directors, executives, persons with controlling interest, and company secretary"

## **The Board of Directors and Executive Remuneration Policy**

The Company's policy is to maintain compensation of directors and sub-committee members at a suitable level. In the process, The Company proposes compensation rates determined by the Nomination and Remuneration Committee to be suitable pay rates which commensurate with responsibilities of committee members. Then, compensation rates are proposed to the Board of Directors for consideration before presenting the proposed compensation to the 2023 annual general meeting of shareholders for consideration. On April 7, 2023, the shareholders' meeting resolved to approve compensation of committee members, which would be effective until a shareholders' meeting resolved to change the resolution. A summary is briefly presented below:

### **1. Remuneration for the Board of Directors is paid as a monthly flat rate as follows.**

a. The Chairman	25,000 Baht per month
b. The Vice Chairman	22,500 Baht per month
c. Other Members	20,000 Baht per month

If the board convenes more than once a month, attending directors shall be entitled to receive extra compensation at 1.5 times their monthly base rate.

### **2. Remuneration for the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee is paid as monthly flat rate as follows.**

a. The Chairman	25,000 Baht per month
b. Other Members	20,000 Baht per month

### **3. Remuneration for the Nomination and Remuneration Committee is paid as monthly flat rate as follows.**

a. The Chairman	20,000 Baht per month
b. Other Members	16,000 Baht per month

Moreover, the Board of Directors Meeting No. 2/2023 on February 10, 2023, resolved to submit a proposal of a special remuneration to directors amounted to 29,660,000 Baht for the 2022 operating performance, aside from monthly compensation for consideration and approval. A special remuneration amount is approximately 1.0% of the dividend paid to shareholders.

The allocation criteria are based on the resolution of the Board of Directors Meeting No. 13/2020 on October 15, 2020 which stated that if directors who are entitled to receive a bonus request for a waiver or not to receive total or partial amount of bonus, the Board of Directors will consider returning those amounts of bonus to the Company.

For the executive' remuneration policies, the Nomination and Remuneration Committee is responsible for proposing remuneration guidelines and policies which include salaries, bonuses, and other benefits to the Board of Directors for consideration to be in line with performance evaluation, roles and responsibilities, an industry's guidelines and practices, operating performance, and market conditions.

## The Board of Directors and Executive Remuneration

For remuneration for the Board of Directors, please refer to additional details of remuneration for the Board of Directors in Topic: “Report on Key Operating Results related to Corporate Governance”, sub- topic “Meeting Attendance and Remuneration for Individual Directors”.

### Executive Remuneration

Remuneration	December 31, 2022		December 31, 2023	
	Persons	Remuneration (Baht)	Persons	Remuneration (Baht)
Salary <sup>(1)</sup>	12	84,255,950	12	87,388,602
Special remuneration <sup>(2)</sup>	12	112,950,012	12	117,596,466
Provident Fund	12	4,868,829	12	4,937,006
Social Security Contribution	12	79,350	12	108,000
Long-term management remuneration for the post employment benefit <sup>(3)</sup>	12	1,329,020	12	1,665,674
<b>Total</b>		203,483,161		211,695,748

#### Remark:

- <sup>(1)</sup> Executive remuneration does not include director's compensation of Mr. Rathian Srimongkol.
- <sup>(2)</sup> Executive's special remuneration does not include director's special remuneration of Mr. Rathian Srimongkol.
- <sup>(3)</sup> Long-term executive remuneration constitutes executive benefits which are estimated from a present value of cash flow projection of future benefits as stipulated in the Thai Accounting Standard No. 19 Re: Employee Benefits which has been adopted by the Company since January 1, 2011. The Company recognizes employee benefit expenses as an employee expense in the profit and loss statement.

## Human Resource

### Human Resource

#### Number of full-time Employees

	2021	2022	2023
Number of full-time Employee	1,570	1,566	1,649
Growth Rate	(1.69%)	(0.25%)	5.30%

As of December 31, 2023, the Company employed 1,649 employees, increased by 5.30% from the same period last year. The Company's compensation policy is fair and transparent. Total compensation for the Company's personnel consists of executive compensation and employee expenses, including salary, overtime, social security contribution by the Company, special remuneration, provident fund contribution by the Company, as well as others compensation for the year 2023 amounted to Baht 2,694 million, increased by 7.7% from the total compensation of Baht 2,501 million in the same period last year.

Table showing the number of employees in each key function

Group / BU / Division / Department	Number of Employees As of December 31, 2023
President & Chief Executive Officer	2
<b>Corporate Finance Group</b>	<b>89</b>
- Finance Business Unit	87
<b>Marketing &amp; Communications Group</b>	<b>184</b>
- Credit Card Marketing Business Unit	59
- Digital Marketing & Online Acquisition Business Unit	40
- Marketing Communications & MAAI Business Business Unit	49
- Public & Corporate Affairs Division	9
- KTC World Travel Service Department	23
<b>Operations Group</b>	<b>308</b>
- Credit Acceptance Business Unit	132
- Merchant Acquiring Business Unit	40
- Operations Control & Merchant Operations Business Unit	135
<b>Auto Loan Business Unit</b>	<b>8</b>
<b>Compliance Business Unit</b>	<b>7</b>
<b>Customer Service &amp; Business Support Business Unit</b>	<b>419</b>
<b>Distribution Business Unit</b>	<b>207</b>
<b>Human Resources Business Unit</b>	<b>30</b>
<b>Information Technology Business Unit</b>	<b>89</b>
<b>Internal Audit Business Unit</b>	<b>16</b>
<b>Office of President &amp; CEO Business Unit</b>	<b>255</b>
<b>Personal Loans Business Unit</b>	<b>5</b>
<b>General Service Division</b>	<b>32</b>
<b>Total</b>	<b>1,649</b>

## The Provident Fund and the fund manager's selection policy

The Company set up a registered provident fund called “Thaimhankong”, Krungthai Card Public Company Limited (Provident Fund) so that employees can have savings for retirement, resignation, or disability. The employees can choose to apply for the Provident Fund member. The Company as an employer shall pay the contribution into the fund at the rate of 6% while employees can choose to contribute to the fund at the rate of 3% to 15% of their salary. Moreover, employees can elect the proportion of investment in mutual funds under the Provident Fund freely according to the investment policy they selected. The Company notifies employees quarterly that they can choose the proportion they want to contribute to the fund as they wish. The Company also encourages the provident fund committee to select fund managers who adopt a good Investment Governance Code (I Code) as it is an investment guideline that provides the best benefits for the Provident Fund members which are employees in the long run.

Number of employees who are members of the Provident Fund (employees)	Proportion of employees who are members of the Provident Fund / total number of employees (%)
1,422	86.23%

**Note:** Employees who join the Provident Fund are full-time employees

## Human Resource Policy

### Employee recruitment and motivation

The Company has a policy to recruit employees deemed necessary and appropriate for job openings. A hired candidate must have suitable qualifications, experience, and competence for the job regardless of origin, color, gender, sexuality, orientation, race, religion, beliefs, political opinions, family status or any other non-related operational factors. In the case of job vacancies, the company will prioritize internal employees before offering opportunities to external candidates. The company will provide additional training and development opportunities, as internal recruitment leads to a better understanding of the business, working practices, and work environment. This also provides employees with the chance to develop skills in other areas, which serves as an incentive for them to remain with the company for a long time. For positions that the company is unable to fill from within, the company will proceed with the recruitment process from the external labor market. The company uses its website as a platform ([www.ktc.co.th](http://www.ktc.co.th)) and Job Board as primary channels for recruitment and search for candidates, along with the use of various social media platforms such as Facebook, LinkedIn, Line@, and SMS as well as referrals from employees within the organizations.

These tools increase the reach and effectiveness of recruitment efforts, thereby helping to reach a wider target audience.

### Human resources development

The company has implemented a human resources development strategy for employees at all levels, with no restrictions on learning. Employees can request training both internally and externally, including on various platforms. Additionally, the company has integrated its business conduct policy into the design and procurement of knowledge resources or courses that promote important knowledge, skills, and abilities relevant to employees' roles, responsibilities, and job performance objectives. They are prepared to adapt to the changing social and business environment, especially in the digital age.

Throughout the year 2023, the Company organized internal seminars and study visits with external institutions, both domestically and internationally. Various learning programs and activities were conducted, including knowledge sharing exchanges within the organization, facilitated through classroom training, workshops, knowledge sharing activities, internal coaching to discuss and explore for the

individual potentials of employees, the establishment of specialized expert communities (Community of Practice: COP). Knowledge sharing from experts across various fields of work was promoted through initiatives known as KTC Made projects, exploring new knowledge or trends for employee updates via the KTC UNITE Platform. Additionally, e-Learning channels were utilized to provide learning materials accessible anywhere, anytime, and on any device. This included the addition of the KTC E-Library, an online library where employees could freely access, borrow, reserve, and select books based on their interests. These efforts aimed to provide employees with convenient access to knowledge sources for self-improvement, resulting in an average of 77.12 training hours per employee in the year 2023.

Please refer to additional details in the Sustainability Report, Topic: “Human Resource Management and Development”

#### **Development of personnel management system**

To raise the level of quality and internal standards, the Company had a policy that required the core function support unit to develop a standard operating procedure (SOP) manual, whereby an internal unit of human resources department developed these standards, completed 100% implementation, and set KPIs and goals for every task.

Moreover, the Company also placed emphasis on the development of Human Resources Information System which covers applying for a job, personnel selection, transfer, working hours record, overtime, performance appraisal, 360-degree assessment, and various types of leave, request for training approval, records of personal information of all types of employees, as well as other information, and the communication of information within the organization through KTC UNITE, and data processing and analysis. The aim is to ensure compatibility with various devices, including smart phone, so as to accommodate changing technologies and provide convenience and flexibility for employees, internal customers, and job applicants, who are an external customer, such as employee recruitment, testing, signing of employment contract, and resignation. In addition, the application of QR code is also beneficial to the recruitment process and training assessment, thereby enhancing flexibility when carrying out various

tasks. The HRIS implementation also conforms to organizational transformation toward digital workspace system.

#### **Guidelines on employee compensation and benefits**

The company has a strategy to adjust salary rates and benefits to be competitive in the market within the same business sector. The company participates in salary surveys with leading human resource consulting firms to guide their considerations in adjusting salary rates and benefits. The goal is to retain employees and remain competitive in the job market. The benefits provided by the company take into account the needs and well-being of employees at all levels and the organization as a whole. The benefits may be adjusted to align with changes in the economy to give employees a sense of security and assurance that the company is committed to their well-being.

#### **Respect for human rights**

Under a clear policy, the Company shall not engage in activities that infringe human rights relating to employee recruitment and personnel selection by refraining from hiring a child below 15 years old on a regular or contractual basis to perform regular or overtime work, irrespective of whether it is a paid or unpaid job. Moreover, the Company shall not discriminate based on similarities or differences in terms of native origin, color, gender, nationality, religion, belief, political views, family status, and so forth which are not related to work performance. Furthermore, the Company also respects the right to personal freedom and personal data protection. In case of services rendered by an external service provider, the Company shows respect for human rights of external service provider as prescribed in legal provisions.

Moreover, as the Company developed the corporate governance policy and the code of conduct manual, which provides a safe channel for any employees or stakeholders to give tip-off information or file a complaint about corruption or non-compliance with the code of conduct with a related business unit. The Company will protect whistleblower's identity by concealing names or personal information of the whistleblower or a person who cooperates in the investigation. Besides, it will not demote or punish the accused person and will not treat him or her unfairly. In 2023, no complaint about infringement



of human rights was filed by any employee, trade partner or person residing in the vicinity of the Company. Such conducts can assure that the Company's business conducts do not or are not likely to affect local communities.

Please refer to additional details in the Sustainability Report, Topic: "Human Rights" and "Anti-Corruption and Bribery"

#### **Occupational health, safety and environment**

Due to the Company's concern over health and safety of employees, it is committed to fostering and implanting occupational health and safety consciousness among employees and to maintaining a safe and healthy workplace to prevent work-related accidents, injuries or illnesses. Therefore, the

Company provides a suitable workplace environment and designates a person in charge of each floor, lighting, and clean water in a responsible work area. Moreover, the Company also provides rest and leisure areas where employees can have casual conversation, and it sets up an on-site clinic with registered nurse staffing during office hours to provide first aid treatment to employees. In addition, restrooms are always kept clean and maintained in good hygienic conditions, and annual emergency drills are conducted to ensure the safety of employees in the event of any abnormal incidents. Basic safety training is provided to employees on a regular basis each year.

Please refer to additional details in the Sustainability Report, Topic: "Occupational Health and Safety"

### **Other Important Information**

#### **Company secretary, Head of Internal Audit and Head of Compliance, and Financial Controller**

##### **The Company's Secretary**

To comply with the 2017 corporate governance principles for listed companies (CG Code) and the provisions of the Securities and Exchange Act 1992 (Code of Law Edition), the Board of Directors Meeting No. 12/2008 held on August 13, 2008 resolved to appoint Mr. Peerapong Pitrpibulpatit as company secretary. The Company secretary's scope of responsibilities includes the following:

1. Ensure the Company's activities are in compliance with applicable laws, rules and regulations;
2. Support the Board of Directors regarding Board meetings and the Annual General Meeting of Shareholders, and ensure these are conducted with accuracy on a regular basis and in compliance with laws, rules and regulations;
3. Prepare and File the following documents:
  - a. registers of Directors
  - b. Board of Directors meeting invitation, minutes of board meetings, company's Annual Report
  - c. annual general meetings invitation (AGM), minutes of annual general meetings
4. Filing Conflict of Interest Report disclosed by Directors and management;
5. Follow up the result of the implementation of resolutions of Board meetings and the Annual General Meeting of Shareholders;
6. Giving legal opinion regarding any company-related law and regulations;
7. Oversee matters regarding Corporate Governance;
8. Advise and cooperate with secretaries of board committees;
9. Contact and communicate with shareholders to keep them informed of the rights of shareholders and updates on the Company's operations;
10. Perform any activity as regulated by The Securities and Exchange Commission (SEC).

### The Company's Head of Internal Audit and Head of Compliance

The Company's Head of Internal Audit is Mr. Pornchai Wijitburaphat and the Head of Compliance is Ms. Chotika Thanawaleekul. Their roles are to perform the audit function, to supervise the business operations to have a good internal control system, appropriate risk management system and in compliance with guidelines specified by law, or regulatory bodies, or the Company.

### Financial Controller

A person who was appointed to directly oversee the Company's accounting practice in accordance with Thai Financial Reporting Standards and generally accepted accounting principle in Thailand is Mrs. Rojjana Ussayaporn (End date on December 31, 2023).

As of January 1, 2024 onwards, Miss Natsaran Boonlertthaweesuk has been designated with direct responsibility for controlling and overseeing accounting practices. Her role entails overseeing the Financial Accounting Division of the Company and ensuring compliance with financial reporting standards and generally accepted accounting practices in Thailand.

Please refer to additional details in topic: "Profiles of Internal Audit and Compliance, and Financial Controller"

### Investor Relations Department

The Company established Investor Relations Department to be responsible for providing and disseminating the Company's information and updates on its activities. This is to ensure a better understanding as well as foster and maintain a good relationship between the Company and all groups of stakeholders, including all types of investors (retail, institutional and general investors), stock analysts, local and foreign fund managers, customers, regulatory government agencies, others concerned, and the general public. All stakeholders shall be provided with the Company's information on equal and fair basis.

Please refer to additional details in Topic: "Corporate Governance Policy, Section 4: Information disclosure and transparency"

### Remuneration to the Auditor

#### 1. Audit Fee

The Company paid the audit fee for the auditing period of 2023 to EY Office Limited for total amount of 5,980,000 Baht.

#### 2. Non-Audit Fee

- None -

### A person assigned as a representative in Thailand and contact information (In case of a foreign company)

- None -

# Report on Key Operating Results Related to Corporate Governance

## Summary of the Board's Performance in the Past Year

In 2023, the Board of Directors convened 16 board meetings including 2 board meetings without the presence of management in accordance with the responsibilities of directors section under the corporate governance of the Company. The Board of Directors defines business directions and policies, including its business plans and annual budget as well as analyzes business environment, competitors, and environmental and social responsibility thoroughly. The Board of Directors convened a meeting to review the policies and goals at the end of the second quarter of each year and to set up a business plan for the upcoming year in the last quarter of the year in order to forward it to the management for a brainstorming session with members of the management team from various functions and set the effective business strategies in order to achieve common goals, as well as focus on managing various risks and internal control with measures and proper process to close the risk gaps. Additionally, the directors also attended training courses to develop relevant knowledge and skills.

Despite the easing of the COVID-19 outbreak situation, the Board of Directors remains committed to ensuring the hygiene and safety of all stakeholders; in addition, the Company also collaborated with government sector, for example, supporting debtors in adhering to relief measures outlined by the Bank of Thailand and other relevant authorities as deemed appropriate, conducting shareholder meeting via electronic media to comply with relevant laws, setting the meetings of the Board of Directors and sub-committees through both online and on-site platforms as well as providing hygiene cares for all employees and so forth.

Besides, the directors who are representatives from the Bank also played an important role to give opinions, including lay down policies that are independent without interfering or controlling the Company's business operation and conflicts of interest.

The Bank's various policies that are positively supportive of the Company are passed on under the rules that must be followed.

At the end of 2023, the Company examined the directors' qualifications whereby all directors have no prohibited characteristics for holding director position in accordance with guidelines set by the regulatory bodies, namely required directors to submit conflict of interest report, including evaluated directors' performance to ensure that they perform their duties appropriately in accordance with the principles of good corporate governance.

## Nomination and Appointment of the Board of Directors

The Company adopts a selective approach in the recruitment of directors, seeking individuals who possess a diverse background, expertise, leadership capabilities, visionary outlook, strong moral and ethical principles, transparent work history, and the ability to express independent opinions. Additionally, prospective directors must meet the necessary qualifications to serve as directors and independent directors in compliance with regulations mandated by regulatory bodies.

Furthermore, the Board of Directors has implemented a Board Skill Matrix to delineate the qualifications, knowledge, skills, and past experiences required of directors for effective business operation and management. This matrix serves as a guideline for nominating directors to fill vacancies resulting from resignations or retirements, ensuring that the board maintains a well-rounded and capable composition.

## Nomination, Appointment, and Removal of the Board of Directors

- 1) **The Nomination and Remuneration Committee** shall select and nominate qualified persons as described for the position of directors and propose to the Board of Directors' Meeting or the Shareholders' Meeting for consideration and

approval according to the Company's Articles of Association on a case-by-case basis.

**2) The Shareholders' Meeting** shall pass a resolution to appoint directors by majority vote; each shareholder shall have one vote for one share and vote for each candidate individually. After the vote, the candidates shall be ranked in order descending from the highest number of votes received to the lowest and shall be appointed as directors in that order until the positions are filled, in case of the equality of votes cast for candidates in descending order causing the number of directors to be exceeded, the chairman shall make the final decision. The number of the directors of the Company must not exceed 5 persons.

**3) The Board of Directors** shall elect one of the directors to be the chairman of the Board. In the case where the Board of Directors deems it expedient, the Board of Directors may elect one or several directors to be vice-chairman.

**4) In Every Annual General Meeting**, at least or the closest number of one-third of total directors shall be resigned from the Board. The resigned directors shall be re-appointed by the Shareholders' Meeting.

**5) The Meeting of Shareholders** may pass a resolution to remove any director from office prior to vacancy as a result of the termination of the term of office of the director, by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote and the total number of shares being not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.

**6) In Case of a Vacancy in the Board of Directors** or Independent Director for other reasons except the termination of the term of office, the Board of Directors shall elect a qualified person who is not prohibited by laws as the substitute director in the next Board meeting, unless the remaining term of office of the previous director is less than two months. The resolution of the Board of Directors shall be by a vote of not less

than three-fourths of the number of directors remaining. The substitute director shall hold office for the remaining term of office of the previous director.

For further information on the criteria for nominating directors, independent directors, and the chief executive officer, including performance evaluation of such individuals, kindly find in section 5 "Responsibilities of the Board of Directors" under the "Corporate Governance Policy" topic.

## **Meeting Attendance and Remuneration for Individual Directors**

### **Board of Directors Meeting**

The Corporate Governance policy specifies that the Board of Directors shall convene the meeting at least 12 times a year and individual directors required to attend at least 75% of total number of meetings for the whole year where the Company predetermines meeting schedules of the board and sub-committees throughout the year. However, the additional meeting may be arranged when deemed appropriate. Generally, main meeting agenda items include quarterly review of financial statements, review of key policies, and monitoring operating performance of the Company. In any agenda that the Board of Directors must cast their votes in a meeting, at least two-thirds of the directors must be presented. The Office of President & CEO Business Unit distributes the meeting invitation, agendas, and documents to the directors at least 7 days prior to the meeting via E-mail and/ or in hard copy as requested to facilitate the directors to consider the meeting's agenda and its documents beforehand and reduce meeting printed documents significantly.

In each meeting, notetaking and minutes of meeting must be arranged and presented to the committees before receiving endorsement in the next meeting. Minutes of committee meetings endorsed by committees are retained for examination by committees and concerned entities.

As of December 31, 2023, the Company convened totalling 16 meetings of the Board of Directors, 12 meetings of the Board of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, 8 meetings of the Board of Nomination and Remuneration Committee and 1 Annual General Meeting.

The details of meeting attendance of each director are as follows:

Name	Board of Director's Meeting Total 16 Meetings	Audit, Environmental, Social Responsibilities, and Corporate Governance Committee's Meeting Total 12 Meetings	Nomination Remuneration Committee's Meeting Total 8 Meetings	2023 Annual General Meeting Total 1 Meeting
1. Mr. Prasong Poontaneat	16/16	-	8/8	1/1
2. Mr. Praphaisith Tankeyura	16/16	12/12	8/8	1/1
3. Mr. Natapong Vanarat	16/16	12/12	-	1/1
4. Mrs. Praralee Ratanaprasartporn <sup>(2)</sup>	15/16	-	3/3	1/1
5. Mr. Rathian Srimongkol <sup>(2)</sup>	16/16	-	-	1/1
6. Mr. Somchai Kuvijitsuwan <sup>(5)</sup>	2/2	1/1	-	-
7. Ms. Kornkanok Fuengfung <sup>(5)</sup>	2/2	-	-	-
8. Mrs. Pittaya Vorapanyasakul <sup>(2), (5)</sup>	2/2	-	-	-
<b>Director Resigned During Y2023</b>				
1. Mr. Rungruang Sukkirdkijpiboon <sup>(1), (5)</sup>	9/9	-	4/4	1/1
2. Lieutenant General Apichat Chaiyadar <sup>(3), (5)</sup>	12/12	-	-	1/1
3. Mr. Nathporn Chatusripitak <sup>(4), (5)</sup>	11/12	9/10	-	1/1

**Remark:** <sup>(1)</sup> On August 7, 2023, the Company notified the resignation of a Director and Nomination and Remuneration Committee of Mr. Rungruang Sukkirdkijpiboon, effective since August 15, 2023 onwards.

<sup>(2)</sup> On August 23, 2023, the Company appointed Mrs. Praralee Ratanaprasartporn, a Director, as a Nomination and Remuneration Committee, effective since August 23, 2023 onwards and appointed Mrs. Pittaya Vorapanyasakul as a President and Chief Executive Officer in replacement of Mr. Rathian Srimongkol, effective since January 1, 2024 onwards.

<sup>(3)</sup> On October 24, 2023, the Company notified the resignation of an Independent Director of Lieutenant General Apichat Chaiyadar, effective since November 1, 2023 onwards.

<sup>(4)</sup> On October 31, 2023, the Company notified the resignation of an Independent Director and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee of Mr. Nathporn Chatusripitak, effective since November 1, 2023 onwards.

<sup>(5)</sup> On November 20, 2023, the Company appointed directors and independent directors in replacement of resigned directors effective since November 20, 2023 onwards as follows:

- Appointed Ms. Kornkanok Fuengfung as a Director in replacement of Mr. Rungruang Sukkirdkijpiboon.
- Appointed Mr. Somchai Kuvijitsuwan as an Independent Director and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee in replacement of Mr. Nathporn Chatusripitak.
- Appointed Mrs. Pittaya Vorapanyasakul as a Director in replacement of Lieutenant General Apichat Chaiyadar.

Furthermore, the Board of Directors convened 2 board meetings last year without the presence of management on June 16, 2023 and December 20, 2023 in order to comply with the corporate governance policy of the Company. In these meetings, the Board of Directors reviewed and commented about the roles and responsibilities of Company's directors.

#### Compensation of the Directors

As of December 31, 2023, total monthly compensation and special remuneration of the Directors which were paid to committee members in the capacity of director amounted to 29,326,840 Baht (including director compensation for Mr. Rathian Srimongkol and a special remuneration for the Board of Directors), which in line with the director remuneration policy approved by the Annual General Shareholders Meeting. Total executive compensation amounted to 211,695,748 Baht. Therefore, total compensation for directors and executives amounted to 241,022,588 Baht in which the details are as follows.

Name	Position	Remuneration Received in Year 2023 (Baht)
1. Mr. Prasong Poontaneat	Independent Director/ Chairman of the Board of Directors/ Chairman of Nomination and Remuneration Committee	<ul style="list-style-type: none"> <li>- Compensation for board chairman 350,000 Baht</li> <li>- Chairman of Nomination and Remuneration Committee 240,000 Baht</li> <li>- Special remuneration 4,493,940 Baht</li> <li>- Total compensation 5,083,940 Baht</li> </ul>
2. Mr. Praphaisith Tankeyura	Independent Director/ Chairman of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee/ Member of Nomination and Remuneration Committee	<ul style="list-style-type: none"> <li>- Compensation for independent director 280,000 Baht</li> <li>- Chairman of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee 300,000 Baht</li> <li>- Member of Nomination and Remuneration Committee 192,000 Baht</li> <li>- Special remuneration 3,595,150 Baht</li> <li>- Total compensation 4,367,150 Baht</li> </ul>
3. Mr. Natapong Vanarat	Independent Director/ Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	<ul style="list-style-type: none"> <li>- Compensation for independent director 280,000 Baht</li> <li>- Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee 240,000 Baht</li> <li>- Special remuneration 2,413,180 Baht</li> <li>- Total compensation 2,933,180 Baht</li> </ul>
4. Mrs. Praralee Ratanaprasartporn <sup>(2)</sup>	Director/ Member of Nomination and Remuneration Committee	<ul style="list-style-type: none"> <li>- Refrained from receiving any compensation.</li> </ul>
5. Mr. Rathian Srimongkol <sup>(2)</sup>	Director	<ul style="list-style-type: none"> <li>- Compensation for director 280,000 Baht</li> <li>- Special remuneration 3,595,150 Baht</li> <li>- Total compensation 3,875,150 Baht</li> </ul>

Name	Position	Remuneration Received in Year 2023 (Baht)
6. Mr. Somchai Kuvijitsuwan <sup>(5)</sup>	Independent Director/ Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	- Compensation for independent director 40,000 Baht - Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee 40,000 Baht - Total compensation 80,000 Baht
7. Ms. Kornkanok Fuengfung <sup>(5)</sup>	Director	- Compensation for director 40,000 Baht - Total compensation 40,000 Baht
8. Mrs. Pittaya Vorapanyasakul <sup>(2), (5)</sup>	Director/ President & Chief Executive Officer	- Compensation for director 40,000 Baht - Total compensation 40,000 Baht
<b>Director Resigned</b>		
1. Mr. Rungruang Sukkirdkijpiboon <sup>(1), (5)</sup>	Director/ Member of Nomination and Remuneration Committee	- Compensation for director 160,000 Baht - Member of the Nomination and Remuneration Committee 120,000 Baht - Special remuneration 3,595,150 Baht - Total compensation 3,875,150 Baht
2. Lieutenant General Apichat Chaiyadar <sup>(3), (5)</sup>	Independent Director	- Compensation for independent director 230,000 Baht - Special remuneration 3,595,150 Baht - Total compensation 3,825,150 Baht
3. Mr. Nathporn Chatusripitak <sup>(4), (5)</sup>	Independent Director/ Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	- Compensation for independent director 230,000 Baht - Member of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee 200,000 Baht - Special remuneration 3,595,150 Baht - Total compensation 4,025,150 Baht
4. Mrs. Nampung Wongsmith <sup>(6)</sup>	Independent Director/ Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	- Special remuneration 1,181,970 Baht - Total compensation 1,181,970 Baht

**Remark:** <sup>(1)</sup> On August 7, 2023, the Company notified the resignation of a Director and Nomination and Remuneration Committee of Mr. Rungruang Sukkirdkijpiboon, effective since August 15, 2023 onwards.

<sup>(2)</sup> On August 23, 2023, the Company appointed Mrs. Praralee Ratanaprasartporn, a Director, as a Nomination and Remuneration Committee, effective since August 23, 2023 onwards and appointed Mrs. Pittaya Vorapanyasakul as a President and Chief Executive Officer in replacement of Mr. Rathian Srimongkol, effective since January 1, 2024 onwards.

<sup>(3)</sup> On October 24, 2023, the Company notified the resignation of an Independent Director of Lieutenant General Apichat Chaiyadar, effective since November 1, 2023 onwards.

<sup>(4)</sup> On October 31, 2023, the Company notified the resignation of an Independent Director and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee of Mr. Nathporn Chatusripitak, effective since November 1, 2023 onwards.

<sup>(5)</sup> On November 20, 2023, the Company appointed directors and independent directors in replacement of resigned directors effective since November 20, 2023 onwards as follows:

- Appointed Ms. Kornkanok Fuengfung as a Director in replacement of Mr. Rungruang Sukkirdkijpiboon.
- Appointed Mr. Somchai Kuvijitsuwan as an Independent Director and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee in replacement of Mr. Nathporn Chatusripitak.
- Appointed Mrs. Pittaya Vorapanyasakul as a Director in replacement of Lieutenant General Apichat Chaiyadar.

<sup>(6)</sup> Mrs. Nampung Wongsmith resigned from an Independent Director and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, effective since April 30, 2022.



## Corporate Governance of the Company's Subsidiaries and associated companies

The Company as a parent company oversees its subsidiary or associated firms to safeguard its investments by appointing its representatives as directors, based on their shareholding in these companies. These appointed individuals must meet the necessary qualifications as per regulatory requirements, ensuring smooth business operations aligned with the parent company's policies.

The Company provides insource services to subsidiaries or associated companies based on service agreements, while also overseeing these entities through the Risk Management Committee. This oversight includes reviewing monthly risk assessments. When subsidiaries or associated companies intend to introduce new financial products, they must first present all relevant details to the Risk Management Committee for evaluation of risks and product specifics. Following the assessment by the Risk Management Committee, the proposal will then be presented to either the Board of Directors or the designated personnel within the subsidiaries or associated companies for approval. Given the Company's involvement in financial services, the managing director of subsidiaries or associated entities is tasked with outlining their strategic plans to align with and support the Company's overall business strategy.

To ensure that subsidiaries and associated companies have adequate and concise internal control and risk management system, the Company sets up corporate governance in the form of 3<sup>rd</sup> of defense by organizing organizational structure, developing SOP manuals, performing risk assessment, and auditing various operations. Moreover, an auditing process on related company transactions between the Company and subsidiaries and associated companies has been implemented. Furthermore, level of authority to approve transactions is set in accordance with regulations of regulatory bodies or execution authority, as well as reporting financial information according to accounting standards. Related transactions information between the group and related parties was collected and reported to the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee and the Board of Directors respectively on a regular basis.

## Monitoring on Compliance with Corporate Governance Policies and Practices

The Board of Directors oversees the approval and regular review of the Company's policies on an annual basis. These policies serve as guidelines for employees to adhere in the proper execution of their duties. Additionally, the corporate governance policy, which encompasses the anti-corruption policy and code of conduct manual, undergoes an annual review process. Awareness of these policies is promoted among employees through educational materials distributed annually. The Company also specifies additional guidelines as follows:

- 1) Preventing Conflicts of Interest:** The Company has set guidelines for approving related parties transactions in which the directors and executives with conflicts of interest are prohibited from making approvals, or they are to disclose information that might bear any conflicts of interest or related parties transactions and so forth.
- 2) The Use of Inside Information for their Own Benefits:** The Company monitors the use of inside information in compliance with the law or good corporate governance principles by specifying blackout period for the trading of the Company's securities, as well as requiring the Board of Directors, executives, or employees to report trading movement of securities transactions in accordance with criteria specified by law or the Company regulations and so forth.
- 3) Anti-Corruption:** The Company has established an anti-corruption policy, integrated within its corporate governance framework and risk assessment protocols. This policy outlines measures to prevent corruption risks and includes the establishment of whistleblowing channels along with protective measures for whistleblowers. Additionally, the Company is actively engaged in combating corruption by participating in the Thai private sector network against fraud and holds certification as a member of the "Thai Private Sector Collective Action Against Corruption (CAC)". Furthermore, the Company encourages its suppliers and related business partners to also become part of this network, demonstrating its commitment to

fostering a culture of transparency and integrity throughout its business ecosystem.

**4) Providing Code of Conduct Violations Reporting Channels, Including Whistleblowing:** The Company provides channels for stakeholders to report whistleblowing or events that are contrary to the policy or code of conduct, whereby the Company has measures to protect whistleblowers, including preventive measures from its recurrence.

In this regard, details of monitoring on compliance with corporate governance policies and code of conduct manual can be found in Form 56-1 One Report, under the “Report from the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, Corporate Governance Policy, and Sustainability Report” topic.

## **Report of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee’s Performance in the Past Year**

The Board of Directors appointed the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee to be responsible for audit, corporate governance, and sustainable development. For further information on this sub-committee, please see Form 56-1 One Report, under the “Corporate Governance Structure and Material Facts Related to the Board, Sub-Committees, Executives, Employees and others and Report from the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee” topic.

## **Performance Summary of Other Sub-Committees**

In addition to the appointment of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, the Board of Directors has appointed the Nomination and Remuneration Committee to be responsible for various aspects of work such as determining qualifications of committee members, including performance evaluation guidelines and remuneration policy for directors or executives and so forth.

More details on sub-committee can be found in Form 56-1 One Report, under the “Corporate Governance Structure and Report of the Nomination and Remuneration Committee’s Responsibilities” topic.

# Internal Control and Related Parties Transactions

## Internal Control

### Summary of the Board of Directors' Opinion Regarding the Company's Internal Control System

The Company's Board of Directors and executives give importance to and are well aware that internal control system is an important mechanism that gives confidence to the Company's management in reducing business risks and allowing the business to run efficiently by appropriately allocating resources to achieve the duly set business target goals.

The Company's Board of Directors has assigned the Audit, Environmental, Social Responsibilities and Corporate Governance Committee (Audit Committee) to oversee that the Company's internal control and risk management systems are appropriate and effective, including to ensure that the Company punctually complies with relevant laws and regulations without conflicts of interest or related parties transactions. The Audit Committee is also responsible for monitoring and overseeing the operation of the Company, assuring the Company's assets are not used for illegal or unauthorized purposes, and protecting the Company's assets by preventing leakage, loss, fraud, or misconduct. The Company has established a check and balance mechanism. Besides, the Company implemented measures such as monitoring, controlling, and conducting internal audits to ensure that a company's operations align with the principles of corporate governance in relation to anti-corruption and business ethics. An independent Internal audit business unit is responsible for auditing and evaluating efficiency and sufficiency of the internal control, risk management, and corporate governance systems in the operations of all the Company's departments. In doing this, the Company has adapted and applied international standard frameworks of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) and the Enterprise Risk Management. Moreover, the Company placed great importance on protecting information, cyber security, including personal data, in compliance with the Personal Data Protection Act B.E. 2562 (2019). The Company also applied the guidelines of information security management system ISO/IEC 27001:2013 and of

personal information management ISO/IEC 27701:2019, which are the international standards for information security and personal information, throughout the entire organization with the aim to perfect of the internal control and risk management to maximize the efficiency and effectiveness of the Company's operations. Additionally, the Company's establishes the compliance business unit to update and study all the laws, regulations, announcements, and orders related to the Company's business operation and further publicize them for employees' understanding, as well as supervising and ensuring the Company's proper business operation.

Additionally, the Audit Committee has evaluated the sufficiency of the internal control system and reported to the Board of Directors on a yearly basis with reference to "Internal Control Sufficiency Evaluation Form" of The Securities and Exchange Commission. The assessment results are disclosed in "Report from the Audit Environmental Social and Governance Committee" in the Form 56-1 One Report for the year 2023.

In the year 2023, the Company found no significant flaws in the Company's internal control system, details of which are as follows:

- **Environment of Control:** The Company has established a good internal control environment by organizing clear and suitable organizational structure and chain of command, and also setting business goals and Key Performance Indicators (KPI) for evaluating efficiency of performance in accordance with the organization's goals. The Company has also arranged for written authority and operation manuals as guidelines for the Company's daily operation. In addition, the Company has also instilled all its executives and employees with the awareness of good corporate governance by establishing a Good Corporate Governance Policy, Business Morality, and Ethics of the Company's Directors, Executives and Staff, and also arranging for ongoing promotion activities to educate the Company's employees and increase their awareness of working transparently and fairly, taking into account of all groups of stakeholders, on yearly basis.
- **Risk Assessment:** Apart from assessing the sufficiency of the internal control system with reference to the "Internal Control Sufficiency Evaluation Form" in accordance with

COSO Framework (The Committee of Sponsoring Organizations of the Treadway Commission) of The Securities and Exchange Commission, the Company has also conducted annual self-risk assessment in due compliance with the Guideline on Supervision on the Finance Business Group of the Bank of Thailand which covering significant risks such as strategic risk, credit risk, market risk, liquidity risk, information technology risk and operational risk. Such self-risk assessment was conducted by evaluating the relevant risks level, risks management quality, risks trends, and specifying method and direction for managing or controlling such relevant risks. The Company has submitted the outcome of the aforesaid self-risk assessment to Krung Thai Bank Public Company Limited for its further reporting to the Risk Management Committee of the Financial Business Group

- **Control on Management's Operation:** The Company has clearly divided duties and responsibilities of each managerial position and reviewed the authority and operation manuals to match perfectly with the Company's current organizational and operational structures. The Company, on regular basis, re-examines and verifies that its business performance is in due compliance with relevant rules, regulations, articles of association as well as authority and operation manuals, to ensure the Company's efficient operation with sufficient and appropriate internal control system. Concerning Related Parties Transaction, the Company's Board of Directors has approved a principle for making commercial agreements in the form of Related Parties Transaction to conform with the aforementioned laws and regulations, by allowing the Company's Management to do commercial transactions, programs or agreement with related parties according to the definition given to Related Parties Transaction under the laws governing securities and exchange. However, the said commercial transaction, program or agreement shall be in the same manner as an ordinary person would do with a general contracting party in the same situation, with normal bargaining power and no influence in the status of a director, executive or related person (transactions with general commercial agreements). The aforesaid includes ongoing programs and programs that may occur in the future. The Company's Management shall, for this purpose, set the regulatory framework as guideline for operation and prepare a summary report of the said Related Parties Transaction to be considered and approved respectively by the Audit Committee and the Board of Directors Meetings within a reasonable time. If the Company has Related Parties Transaction that may

have conflict in the future, the Company would arrange for the Audit Committee to consider the appropriateness of the said transaction. If the Audit Committee has no expertise in considering the Related Parties Transactions, the Company will arrange for people with special expertise such as auditor, property appraiser or law firm etc., who are independent from influences of the Company and the conflicted person, to give opinions on the said transaction.

- **Information and Data Communication Systems:** The Company gives importance to information system and data communication, as well as promotes and supports continuous system development, so that all information is accurate and up to date. The Company uses modern and efficient information technology system, including data security starting from data collection, data processing, and data tracking, so that the Company's operation and the Management's or stakeholders' using of important information are complete, accurate, and sufficient in a timely manner for making business decisions. There is also a policy on security of information technology and data usage, and establishment of KTC UNITE system as internal communication channel for publicizing policies, rules, regulations, orders and operation manuals, including news and other messages and information throughout the organization.

In addition, the Company has assigned the Company Secretary to be responsible for preparing the information and supporting documents for the meeting in advance, with summary of comments and resolutions of the meeting clearly stated in the minutes of every Board of Directors Meeting. For outsiders, the Company also set up communication channels for outsiders to complain or inform the fraud clues through the channel specified by the Company.

- **Monitoring and Evaluation Systems:** The Company's Board of Directors has established an internal control system that covers all aspects, such as accounting and finance, operation, compliance with laws and regulations, and property custody. The Company has monitored its business performance according to the set targets by having Board of Directors Meeting and a hierarchical monitoring system, levelling from the Board of Directors and the Management team, to monitor the goals and oversee the implementation of all strategic plans, plans, and projects that are operating under Annual Business Plan approved regularly by the Board of Directors, by

regularly comparing business goals with the operating results and further reporting to the Board of Directors.

In addition, the Company has arranged for regular audit on the compliance of internal control system by responsible person in the responsible business unit, and having the internal audit business unit perform operational inspection and report the results independently to the Audit Committee. In 2023, the Audit Committee held 12 meetings.

In the Audit Committee Meeting No. 12/2023, on December 20, 2023, the Audit Committee assessed the internal control system from the evaluation report and concluded that, from the assessment of internal control system in 5 aspects, among others include internal control, risk assessment, operational control, information and communication system, and tracking system, the Audit Committee was of the opinion that the Company has sufficient internal control system and suitable for the Company's business operation. The risk management is at an acceptable level, accounting systems and financial reports are accurate and reliable as well as in due compliance with the laws and regulations related to the Company's business operation.

### **Head of Internal Audit and Head of Compliance of the Company**

The Company's Head of Internal Audit is Mr. Pornchai Wijitburaphat and Head of Compliance of the Company is Ms. Chotika Thanawaleekul.

(Please find more details in "Profiles of Internal Audit and Compliance" topics)

The Audit Committee is of the opinion that the qualifications of the Head of Internal Audit and Head of Compliance are appropriate, and they both perform their duties efficiently.

However, the appointment, evaluation, dismissal, transfer or employment termination of Head of Internal Audit must be approved by the Audit Committee.

**Head of Internal Audit** has the following responsibilities:

1. Assessing the sufficiency and effectiveness of the working process and the information system, internal control and risk management under the mission and

scope of the audit operation.

2. Reporting key issues about the controlling process of all the Company's activities and ways to improve the process of those activities.

3. Giving suggestion to the Company's Management for efficient, effective and economical business operation with good corporate governance.

4. Proposing information about the progress and performance of the annual audit plan and the sufficiency of resources needed in the audit process.

5. Coordinating and supervising the monitoring and other controlling process such as risk management, compliance with rules and regulations, security, ethics, environment, and auditing.

6. Performing other duties related to internal audit as assigned by the Audit Committee.

**Head of Compliance** has the following responsibilities:

1. Supervising and reviewing to ensure that the Company has complied with the laws and regulations of The Stock Exchange of Thailand or other governmental agencies' regulations.

2. Providing legal opinions to the Company's Board of Directors and the Management to ensure that the Company's business operation complies with the laws and regulations of The Stock Exchange of Thailand or other governmental agencies' regulations, as well as following up with the Management to suspend any transaction or action that may violate the aforesaid laws and regulations.

3. Reviewing evidence in a suspicious event that a transaction or any action may violate the laws or regulations of The Stock Exchange of Thailand or other governmental agencies' regulations, which has or may affect the Company's financial status and performance significantly.

4. Coordinating with Head of Internal Audit and the Audit Committee in order to review or jointly find guidelines for the Company to have an appropriate and effective internal control and internal audit systems.

5. Participating in consideration, determination and recommendation regarding suitability in the Company's operation, to ensure the Company's compliance with policy, guidelines, rules or regulations, and correctly comply with all recommendations specified by laws.

6. Being center of information dissemination as well as providing knowledge and advice to various departments within the Company regarding work procedures in order to comply with the laws, rules and regulations that should be followed.

## Related Parties Transactions

The Company has Related Parties Transaction with related companies for the period ended December 31, 2023, including Krung Thai Bank PCL (“KTB”)/ KTB General Services and Security Co., Ltd. (“KTBGS”)/ Krungthai Asset Management PCL (“KTAM”)/ Krungthai Panich Insurance PCL (“KPI”)/ Krungthai-AXA Life Insurance PCL (“KTAXA”)/ KTC Pico (Bangkok) Co., Ltd./ KTC Nano Co., Ltd./ KTC Prepaid Co., Ltd./ KTB Leasing Co., Ltd. (“KTBL”), consists of the following:

Related parties	Relationship to the Company	Description and transaction size
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company had a list of accrued expenses from transactions that the Company uses to receive payment through various service channels of Krung Thai Bank. According to Business Cooperation Agreement and related service requests in order to facilitate the Company's customers in paying credit card expenses, personal loan instalment payment, which is a normal trade transaction as of December 31, 2023, with accrued expenses under the contract of Baht 5.1 million.
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company entered into an Overdraft Loan Agreement with Krung Thai Bank in the financial amount of Baht 30 million for working capital. The Company will pay interest on a monthly basis by the Krung Thai Bank's month-end closing date, based on the overdraft rate for prime customers (MOR) as of December 31, 2023; the Company does not use funds in this loan amount.
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company received a credit limit of Baht 17,000 million to support the transaction and to be used as working capital for business expansion of the Company. The interest rate is based on the money market rate specified by Krung Thai Bank as of December 31, 2023. The Company has loan for this amount of Baht 2,280 million.
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company was granted a long-term loan of Baht 11,000 million from Krung Thai Bank for business operation with the interest rate based on the Capital Market Rate set by Krung Thai Bank. As of December 31, 2023, the Company borrowed money at the amount of Baht 9,500 million.



Related parties	Relationship to the Company	Description and transaction size
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company entered into a Call Loan Agreement in the amount not exceeding Baht 1,000 million. The agreement is issued by the Company to Krung Thai Bank, and the repayment is due on demand or up to 3 months to enhance the Company's liquidity. The Company agreed to pay interest at the rate stipulated in the promissory note. As of 31 December 2023, the Company has no debt and accrued interest for this loan.
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company had trade payables from transactions during the collection of customers and receiving payments from stores. In addition, there are other transactions from other transactions resulted from credit card settlement of the Company including transactions that the Company uses BAHTNET deposit account service from Krung Thai Bank, which is a normal business transaction as of December 31, 2023, in the amount of Baht 1,509 million.
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company had accrued expenses from transactions that the Company hired Krung Thai Bank to count and deposit money into the Company's deposit account as of December 31, 2023, in the amount of Baht 0.3 million.
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company had accrued expenses with marketing expenses in various programs including cooperation in expanding the credit cards and personal loans customer base and finding new stores, etc. As of December 31, 2023, the amount is Baht 16.4 million.
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company had accrued expenses from transactions that the Company uses Fleet Card services from Krung Thai Bank as of December 31, 2023, in the amount of Baht 0.5 million.
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company had other receivables from the transactions that the Company allowed Krung Thai Bank to sublease some office space on the G floor, UBC II Building (Sukhumvit 33) for use as a branch office of Krung Thai Bank as of December 31, 2023, in the amount of Baht 0.02 million.

Related parties	Relationship to the Company	Description and transaction size
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company had other receivables from KTC - KTB PRECIOUS PLUS VISA INFINITE, KTC - KTB PRECIOUS VISA SIGNATURE, and KTC - KTB PRECIOUS PLUS VISA SIGNATURE credit card issuance transaction with the Bank. The total amount as of December 31, 2023, is Baht 0.5 million.
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company had trade payables and accrued expenses from transactions that the Company hired KTB General Services and Security Co., Ltd. (KTBGS) for receiving-sending cash and/ or other assets as of December 31, 2023, amounted to Baht 5.4 million.
Krung Thai Bank PCL	Krung Thai Bank PCL holds 49.29% of the Company's issued shares.	The Company had other receivables from transactions that the Company provides payment services for RMF and SSF units of Krungthai Asset Management PCL (KTAM) via automated accounts on a monthly basis and via Electronic Data Capture as of December 31, 2023, in the amount of Baht 5.1 million.
Krungthai Asset Management PCL	Krung Thai Bank PCL holds 100% of shares.	The Company had accrued expenses from transactions that the Company has to send the provident fund membership fees to Krungthai Asset Management PCL, which is the fund manager, as of December 31, 2023, amounted to Baht 0.1 million.
Krungthai Panich Insurance PCL	Krung Thai Bank PCL holds 45% of shares.	The Company had other receivables from the transactions that the Company provides database management services and proceeds in the allocation and grants scheme for the offering of insurance and automobile insurance products of Krungthai Panich Insurance PCL (KPI) as of December 31, 2023, in the amount of Baht 1.4 million.
Krungthai-AXA Life Insurance PCL	Krung Thai Bank PCL holds 50% of shares.	The Company had trade receivables from Related Parties Transaction with Krungthai-AXA Life Insurance PCL (KTAXA) for marketing promotion expenses, with the amount of Baht 0.008 million as of December 31, 2023.

Related parties	Relationship to the Company	Description and transaction size
KTC Pico (Bangkok) Co., Ltd.	Krungthai Card PCL holds 100% of shares.	The Company borrowed short-term loans from KTC Pico (Bangkok) Co., Ltd. as of December 31, 2023, in the amount of Baht 16 million.
KTC Pico (Bangkok) Co., Ltd.	Krungthai Card PCL holds 100% of shares.	The Company had other receivables with KTC Pico (Bangkok) Co., Ltd. as of December 31, 2023, in the amount of Baht 0.04 million.
KTC Nano Co., Ltd.	Krung Thai Bank PCL holds 24.95% of shares and Krungthai Card PCL holds 75.05% of shares.	The Company borrowed short-term loans from KTC Nano Co., Ltd. as of December 31, 2023, in the amount of Baht 50 million.
KTC Nano Co., Ltd.	Krung Thai Bank PCL holds 24.95% of shares and Krungthai Card PCL holds 75.05% of shares.	The Company had other receivables with KTC Nano Co., Ltd. as of December 31, 2023, in the amount of Baht 0.02 million.
KTC Prepaid Co., Ltd.	Krung Thai Bank PCL holds 24.95% of shares and Krungthai Card PCL holds 75.05% of shares.	The Company borrowed short-term loans from KTC Prepaid Co., Ltd. As of December 31, 2023, the amount is Baht 101 million.
KTC Prepaid Co., Ltd.	Krung Thai Bank PCL holds 24.95% of shares and Krungthai Card PCL holds 75.05% of shares.	The Company had other receivables with KTC Prepaid Co., Ltd. As of December 31, 2023, the amount is Baht 0.02 million.
KTB Leasing Co., Ltd.	Krung Thai Bank PCL holds 24.95% of shares and Krungthai Card PCL holds 75.05% of shares.	The Company had accrued expenses transactions with KTB Leasing Co., Ltd., as of December 31, 2023, amounted to Baht 0.002 million
KTB Leasing Co., Ltd.	Krung Thai Bank PCL holds 24.95% of shares and Krungthai Card PCL holds 75.05% of shares.	The Company had other receivables transactions with KTB Leasing Co., Ltd., as of December 31, 2023, amounted to Baht 3.1 million.
KTB Leasing Co., Ltd.	Krung Thai Bank PCL holds 24.95% of shares and Krungthai Card PCL holds 75.05% of shares.	The Company had short-term lending to KTB Leasing Co., Ltd., as of December 31, 2023, amounted to Baht 2,195 million.

## Details of Related Parties Transaction

The Company has disclosed the details of Related Parties Transaction of companies that are associated with the Company, which are companies under the same control with the Company by holding shares and/or have common directors. The significant details of Related Parties Transaction with related companies are shown in note 27 to the financial statements: Transactions with related parties of the financial statements for the year ended December 31, 2023, which were audited by EY Office Limited. In this regard, the Company has Related Parties Transaction with related companies which are Krung Thai Bank PCL/ KTB General Services and Security Co., Ltd./ Krungthai Asset Management PCL/ Krungthai Panich Insurance PCL/ Krungthai-AXA Life Insurance PCL/ KTC Pico (Bangkok) Co., Ltd./ KTC Nano Co., Ltd./ KTC Prepaid Co., Ltd./ KTB Leasing Co., Ltd. Details as follows;

### Business Cooperation Agreement

The Company and Krung Thai Bank jointly entered into a business cooperation agreement to support each other's various business operations such as procurement of credit card members and personal loans through Krung Thai Bank's branch network, services for credit card payment and installment via Krung Thai Bank's various service channels, etc. Both parties agreed to enter into an agreement, contract, or service request separately and specifically by setting a time period for each transaction. The service fees, despite the additional adjustment, are subject to the market prices calculated as an amount at different rates according to the transaction volume, and are regarded as a normal practice of the Company. Before the expiration of the contract, both parties have agreed to jointly consider extending the duration of the contract and prepare an addendum to the agreement.

If the business cooperation agreement should be terminated, it shall not affect the agreement, contract, and/or service request that occurred under this Business Cooperation Agreement.

### Loan Agreement

The Company entered into a Loan Agreement with Krung Thai Bank in the total amount of Baht 18,000 million consisting of debt settlement agreement under promissory note in the amount of Baht 17,000 million with a repayment term of not more than 30 days, and

debt settlement agreement under promissory note in an amount not exceeding Baht 1,000 million (Call Loan), with repayment due on demand or not more than 3 months. Krung Thai Bank has approved an overdraft loan of Baht 30 million to the Company. In addition, the Company has entered into a Long-Term Loan Agreement with Krung Thai Bank at the total amount of Baht 11,000 million, in which the terms and conditions under the aforementioned loan agreement are normal trade terms. The interest rate between the Company and Krung Thai Bank is a normal rate as used with other parties.

### Memorandum of Agreement regarding Clearing of Debtor's Accounts for Debt Repayment

The Company uses services for accepting payment for goods/ services from debtors or any person who has a deposit account with the offices and/or branches of Krung Thai Bank, which agreed to pay for goods/ services to the Company by having Krung Thai Bank deduct money from the account of the debtor on behalf of the Company. The service fee of the transaction between the Company and Krung Thai Bank is the normal rate used in general. The terms and conditions of this memorandum shall be terminated once the Company and Krung Thai Bank both agree on the matter. The terms and conditions of employment are normal conditions that apply to other parties.

### Money Counting Service and Depositing Money into Deposit Account Agreement

The Company hired Krung Thai Bank to proceed with counting the money received from the delivery of KTB General Services and Security Co., Ltd. and put into the account of the Company. The agreement is valid for 1 year and can be extended for 1 year at a time. The service fees of the transaction between the Company and Krung Thai Bank is the rate that is suitable for the nature of work and time used in the operation. The terms and conditions of employment are normal conditions that apply to other parties.

### Usage of KTB Fleet Card service

The Company uses Fleet Card service with Krung Thai Bank to pay for fuel and other service fees for gas stations that are participating in the project with Krung Thai Bank. The Fleet Card is valid for 3 years. Upon expiration, Krung Thai Bank will issue a new Fleet Card which is

valid for 3 years at a time. The service fees and terms/conditions of using the transaction between the Company and Krung Thai Bank is a normal condition that applies to other parties.

### [Lease Agreement for Office Space at Krung Thai Bank building and Sublease Agreement of Office Building Area](#)

The Company leased some office space from Krung Thai Bank at Nana Nuea Building, located on the 2<sup>nd</sup> floor, to be used as a branch office or KTC TOUCH, according to the office lease agreement of Krung Thai Bank Office Building, Nana Nuea Building, to extend the lease period for another year, from January 17, 2023 to January 16, 2024. There will be no further extension when the lease period is due. Meanwhile, the Company allowed Krung Thai Bank to sublet some of the Company's office space on the G floor, unit number G102 of the UBC II Building to be used as a branch office of Krung Thai Bank, according to the 3-year sublease agreement dated from November 1, 2020 to October 31, 2023 and to extend the lease period for another 3 years to October 31, 2026.

The Company allowed its subsidiaries, such as KTC Nano Co., Ltd., KTC Prepaid Co., Ltd., and KTC Pico (Bangkok) Co., Ltd., to sublet the Company's office space at UBC II Building, while KTC Pico (Pathum Thani) Co., Ltd. and KTC Pico (Chonburi) Co., Ltd. sublet the Company's office space in other provinces as their head offices. Additionally, KTB Leasing Co., Ltd. sublet the Company's office space at UBC II Building and other provinces as their head offices. On November 1, 2023, KTC Pico (Pathum Thani) Co., Ltd. and to KTC Pico (Chonburi) Co., Ltd. entered into a memorandum of agreement to cancel the office space sublease agreement with the Company. Later the two subsidiaries terminated its operations and submitted notification to the Department of Business Development on December 14, 2023.

The rent and other expenses of transactions between KTC and Krung Thai Bank and between KTC and other aforementioned companies are of suitable rates. The terms and conditions of the lease are normal conditions that apply to other parties.

### [Memorandum of Agreement for Money Transfer via ITMX Switching Settlement System](#)

The Company uses the Krung Thai Bank's BAHTNET deposit account service to pay the balance for transactions

made through the ITMX system of National ITMX Co., Ltd., including receiving money transfer according to the balance list in the BAHTNET account for transactions made via ITMX system into the Company's deposit account, in which the Company agreed to pay service fees to Krung Thai Bank. The service fees and terms/conditions between the Company and Krung Thai Bank are normal conditions that apply to other parties. The terms and conditions of this memorandum shall be terminated once the Company and Krung Thai Bank both agree on the matter.

### [Credit Card and Personal Loan Advisor Appointment Agreement and Memorandum of Cooperation in Expanding KTC Credit Card Customer Base with a Deposit Account with Krung Thai Bank](#)

The Company has collaborated with Krung Thai Bank in the project to expand customer base of credit card and personal loan products through the branches of Krung Thai Bank nationwide, according to the Credit Card and Personal Loan Advisor Appointment Agreement dated August 29, 2007. In 2021, The Company has appointed Krung Thai Bank to identify and verify customers' identity of those who apply for the Company's credit card and personal loan services via e-KYC and arrange for applicants to sign e-Consent letter to disclose credit information every time customers apply for a new product. In 2022, Krung Thai Bank provided support for expanding KTC P BERM Car for Cash loans. In 2023, Krung Thai Bank also provided support to the Company for expanding credit card customer base of KTB Precious Plus and KTB Precious, as well as KTC PROUD cash card. Furthermore, the Company has specified clearer terms and conditions for introducing KTC P BERM Car for Cash (Motor Bike) product. The service fees of the transactions between the Company and Krung Thai Bank are suitable rate for the services.

The Company has a project to expand credit card membership base for customers who already have deposit accounts with Krung Thai Bank, by agreeing to deposit the principal in the deposit account as collateral for credit card debt repayment to the Company. Krung Thai Bank has cooperated in presenting KTC credit card products to such target customers according to the memorandum of cooperation in expanding KTC credit card customer base with a deposit account with Krung Thai Bank, dated June 5, 2018.

On May 7, 2021, both parties have jointly redefined the definition of KTC credit cardmembers to support services provided to corporate customers according to the addendum attached to the memorandum of cooperation in expanding KTC credit card customer base with a deposit account with Krung Thai Bank (NO.1).

On September 20, 2021, the Company has agreed to appoint KTB Leasing Company Limited as the credit card and personal loan advisor to general consumers under the Credit Card and Personal Loan Advisor Appointment Agreement. The terms and conditions of services are normal conditions that apply to other parties.

All three agreements shall be terminated once Krung Thai Bank and the Company, or the Company and KTB Leasing both agree on the matter.

### Memorandum of Agreement for Additional Payment Channels for KTB Housing Loan

The Company has a project to provide additional channels for paying installment of KTB Housing Loan by withdrawing cash advance from the KTC credit card automatically and take the money withdrawn into the savings account of the KTC credit cardmembers deposited with Krung Thai Bank for payment of KTB Housing Loan for KTC credit cardmembers with Krung Thai Bank, which the Company charges the marketing promotion fee from Krung Thai Bank at the rate that is suitable for the service. The terms and conditions of this memorandum shall be terminated once the Company and Krung Thai Bank both agree on the matter. The terms and conditions of service are normal conditions that apply to other parties.

### Name Sharing Agreement for the issuance of credit card

The Company has agreed to cooperate with Krung Thai Bank to issue KTC - KTB PRECIOUS PLUS VISA INFINITE to provide Infinite level benefits to KTB PRECIOUS PLUS customers of Krung Thai Bank according to the Name Sharing Agreement for the issuance of KTC - KTB PRECIOUS PLUS VISA INFINITE which was created and effective from October 16, 2012 onwards. Later on December 3, 2014, the Company co-issued KTC - KTB PRECIOUS VISA SIGNATURE and KTC - KTB PRECIOUS PLUS VISA SIGNATURE with Krung Thai Bank to provide Signature level benefits to KTB PRECIOUS and KTB

PRECIOUS PLUS customers of Krung Thai Bank according to the Name Sharing Agreement for the issuance of KTC - KTB PRECIOUS VISA SIGNATURE and KTC - KTB PRECIOUS PLUS VISA SIGNATURE credit card whereby terms and conditions of the aforementioned Name Sharing Agreement are normal conditions that apply to other parties.

KTC and Krung Thai Bank has agreed to jointly prepare the addendum attached to the memorandum of the Name Sharing Agreement of KTC - KTB PRECIOUS PLUS VISA INFINITE, KTC - KTB PRECIOUS VISA SIGNATURE, and KTC - KTB PRECIOUS PLUS VISA SIGNATURE credit card dated October 15, 2021 to provide benefits to all three types of credit cardmembers. In 2023, the Company set credit card referral fees for Krung Thai Bank, effective from January 1, 2023 onwards.

The Name Sharing Agreement shall be terminated once the Company and Krung Thai Bank both agree on the matter. The terms and conditions of agreement are normal conditions that apply to other parties.

### Payment Agent Appointment Agreement

Krung Thai Bank has appointed the Company as an agent to accept payment of service fees from the users on behalf of Krung Thai Bank, by operating via online connection to deposit money into a deposit account and/or any other account as specified by Krung Thai Bank. According to the Payment Agent Appointment Agreement dated May 5, 2017, the contract is scheduled for 6 months, effective from May 5, 2017 to November 4, 2017. Subsequently, the Company and Krung Thai Bank entered into the Payment Agent Appointment Agreement dated April 27, 2018, and noted in the addendum at the end of the 1<sup>st</sup> Payment Agent Appointment Agreement dated June 25, 2018. Every item shall become effective on the agreement date in order to provide service to new users in the business operation of Krung Thai Bank. When the said agreement is expired without either party being terminated, the agreement is considered in effect for 6 months each time starting from the expiration date of each agreement. The transaction fees between Krung Thai Bank and the Company are appropriate for the nature of work and time used in the operation. The terms and conditions of service are normal conditions that apply to other parties.



## Card Payment Service Agreement for KTC Members via Krung Thai Bank Branches

The Company has agreed to use KTC credit cards and KTC PROUD cash card (formerly known as KTC PROUD Ready Credit Card) payment service through the office or branch of Krung Thai Bank according to the Card Payment Service Agreement for KTC members via Krung Thai Bank branches, effective from April 1, 2018 onwards. The terms and conditions of this agreement shall be terminated once the Company and Krung Thai Bank both agree on the matter. The transaction fee of this service is fixed for a period of 2 years. After the said period, the counterparty shall set a new service rate. If the new service fee is not fixed, the same service fee shall be applied for a period of 2 years each. The service fee of this agreement is of normal rate that are used by the public, which is calculated based on the amount of transactions performed. The terms and conditions are normal conditions that apply to other parties.

## Cash Withdrawal Service Agreement via ATM

For the convenience of KTC credit card and KTC PROUD cash card (formerly KTC PROUD ready credit card) holders to withdraw and/or receive loans via KTB ATMS and ATM Pool machines, the Company has entered into the cash withdrawal via ATM service agreement, dated May 3, 2018, with Krung Thai Bank, effective from April 1, 2018 onwards and shall be terminated once the Company and Krung Thai Bank both agree on the matter. There has been a change in the method of service fee payment by KTC to Krung Thai Bank to be performed through electronic channels as noted in the addendum at the end of the agreement dated July 25, 2019. The service rates between the Company and Krung Thai Bank under this agreement are in accordance with the market price and are calculated based on the number of transactions. The terms and conditions of service are normal conditions applicable to other parties.

## Memorandum of Agreement for the PointPay Project Collaboration

In 2022, KTC and Krung Thai Bank agreed to collaborate on the PointPay project. As part of this collaboration, KTB developed a digital platform that allows customers who use KTC's application to redeem their accumulated points (known as MAAI BY KTC) for goods/ services at participating stores via KTB's application. Both parties

jointly organized promotional events to support the PointPay project, including the distribution of PointPay project promotional documents to KTB's Thung Ngern stores through the Total Mail Solutions (TMS) service, which includes envelope stuffing, printing, and delivery using a closed-loop printing service.

## Cash and/ or other Assets Delivery Service Agreement and Premise & Logistic Management Agreement

On February 14, 2005, the Company hired KTB General Services and Security Co., Ltd. ("KTBGS"), in which Krung Thai Bank holds 100% of shares. KTBGS is a cash delivery service provider and/ or other assets including coin exchange service, and widely known as a provider of cash transfers by safety cars for commercial banks and financial institutions. The agreement has a 4-year service period, and KTC and KTBGS have agreed to stipulate the annual service fee in accordance to the addendum attached at the end of the agreement.

On June 4, 2021, the Company has agreed to receive various types of internal administrative services from KTBGS according to the 3-year Premise & Logistic Management Agreement, ending on April 30, 2024. In 2022, the Company received document management services for financial product applications of KTC, including the collection and organization of applications and supporting documents, as well as Know Your Customer (KYC) identity verification services from KTBGS, according to the additional agreement appended to the Premise & Logistic management contract. In 2023, the Company hired KTBGS for KTC P BERM Car for Cash (Big Bike) loan application service.

The service fee of transactions between the Company and KTBGS is suitable for the type of work and working time. The terms and conditions of service are normal conditions that apply to other parties.

## Memorandum of Agreement for Accepting Payment for Investment Units

The Company supports the business operations of Krungthai Asset Management Public Company Limited ("KTAM") in which Krung Thai Bank holds 100% of the shares. The Company provides payment services for RMF and SSF units of KTAM by automatically debiting credit card accounts of KTC credit cardmembers on



a monthly basis, and one-time off, and receives payment of investment units through an Electronic Data Capture (EDC). The Company has made a memorandum of agreement with KTAM, effective from July 1, 2013 onwards, and shall be terminated once the Company and KTAM both agree on the matter. In 2022, KTAM and the Company expanded their services to allow KTC credit cardmembers who invest in various funds of KTAM to make unit payment with their credit cards through the online payment system. The service fees of the transaction between the Company and KTAM are suitable for the type of work and working time. The terms and conditions of service are normal conditions that apply to other parties.

### Provident Fund

The Company has established Provident Fund and provides employees of the Company to be member of the Provident Fund. Krungthai Asset Management PCL (KTAM), where Krung Thai Bank PCL is a shareholder in the rate of 100%, is the Fund Manager effective since January 1, 2002. Notwithstanding, KTAM provides asset management businesses for institutions, organizations and large state enterprises under license of mutual fund management, private fund and provident fund, and subject to the fund's regulations, employee of the Company can decide to pay savings into the fund at the rate of 3 per centum to 15 per centum, and the Company shall pay the contribution into the fund at the rate of 6 per centum. Terms/ Conditions for fund management are normal condition for using with other parties.

### Database Management Service Agreement and Performing its Action in Project Allocation and Providing Insurance and Car Insurance Benefits

The Company shall perform database management service and its action in project allocation and provide insurance and car insurance benefits to KTC credit cardmember. By cooperating with Krungthai Panich Insurance PCL ("KPI"), in which Krung Thai Bank PCL holds 45% shares, who is a non-life insurance company with a complete range of services, to present car insurance and other insurance products to KTC credit cardmembers. The agreement is effective from September 26, 2011 and March 1, 2012, respectively. On May 21, 2018, parties jointly entered into an insurance sales contract project, which was effective from February 15, 2018, and has prepared a memorandum of understanding on the project of offering car insurance and accident insurance, dated April 21, 2018,

effective from May 1, 2018 and expire when the Company and KPI agree to terminate the agreement. The service fee of transactions between the Company and KPI is suitable for the type of work and time consumed. The terms and conditions of service are normal conditions applicable to other parties.

### Sales Promotion Project

The Company has performed sales promotion project with Krungthai-AXA Life Insurance PCL ("KTAXA"), in which Krung Thai Bank holds 50% of its shares. KTAXA is an insurance company and a Financial Planning Consultant (FPC). KTAXA's customers can purchase life insurance and accident insurance products with KTC credit card under memorandum and participated terms of sales promotion by the cooperation of the Company and KTAXA. The Company and KTAXA have entered into a business cooperation agreement, dated June 4, 2018, to promote the payment of insurance premiums using KTC credit cards, which took effect on May 1, 2018 and shall be terminated upon a consensus of both parties.

The promotional fee and service fee of transactions between the Company and KTAXA are suitable for the type of work and time consumed. The terms and conditions of service are normal conditions applicable to other parties.

### Loaning Money by Issuing Bills to Related Companies

The Company has borrowed money by issuing bill of exchange to a related company at the interest rate based on the Money Market Rate, due upon request for up to one year and without collateral. As of December 31, 2023, the Company has borrowed by issuing bill of exchange to Krung Thai Bank at the amount of Baht 2,280 million and long term loan at the amount of Baht 9,500 million.

### Loaning Money from Subsidiaries

In 2022, the Company borrowed short-term loans from related parties such as KTC Pico (Bangkok) Co., Ltd., KTC Nano Co., Ltd., KTC Prepaid Co., Ltd. and KTB Leasing Co., Ltd. at the rate referenced from the short-term interest rate that Krung Thai Bank may charge from the Company. If the Company borrows money from the bank or as the terms agreed upon by the Company and its subsidiaries, the repayment period is within one year from the date of the contract. If the loan term is extended, the Company

and its subsidiaries will attach an addendum at the end of the Financial Support Agreement.

In 2023, the Company repaid some loans, both the principal and interest to KTC Pico (Bangkok) Co., Ltd.

### Lending Money to Subsidiaries

The Company agrees to provide financial support to KTB Leasing Co., Ltd. in the form of revolving loan at the rate referenced from the short-term interest rate that Krung Thai Bank may charge from the Company if the Company borrows money from the bank or as agreed by both parties according to the Financial Support Agreement, which the repayment period is within one year from the date of the contract. If there are changes to the relevant terms and conditions, the Company and its subsidiaries will attach an addendum at the end of the Financial Support Agreement.

### Support Services for Subsidiaries

In order to provide flexibility in conducting loan business of subsidiaries, the Company entered into an Insourcing Service Agreement, dated August 6, 2020, with KTC Nano Co., Ltd., KTC Pico (Bangkok) Co., Ltd. and its group—KTC Pico (Pathum Thani) Co., Ltd., KTC Pico (Samut Prakan) Co., Ltd., KTC Pico (Samut Sakhon) Co., Ltd., and KTC Pico (Chonburi) Co., Ltd.. The Company also supports business operations of KTC Prepaid Co., Ltd. and KTB Leasing Co., Ltd. according to Insourcing Service Agreement, dated February 25, 2021, and June 29, 2021 respectively. In 2022, KTC agreed to collaborate with KTC Prepaid Co., Ltd. to expand the scope of services to better support the business operations of KTC Prepaid Co., Ltd., according to the addendum to the Insourcing Services Agreement (1<sup>st</sup>). Additionally, KTC acted as an agent to receive payment for goods and services from customers on behalf of KTC Prepaid Co., Ltd., as stipulated in the appointed agent agreement for payment collection services.

The related parties transaction fees between aforementioned companies are suitable for the type of work and working time. The terms and conditions of service are normal conditions that apply to other parties.

### Surrendering of Licenses and Dissolution of Subsidiaries

KTC agreed to buy 24.95% of the total shares of KTC Pico (Bangkok) Co., Ltd. from Krung Thai Bank. Thus, the Company now holds 100.00% of the total shares of KTC Pico (Bangkok) Co., Ltd. in order to enhance the flexibility to surrender the business operation license and dissolve subsidiaries.

The share value is the company's book value price as of June 30, 2023 in which the terms and conditions of contract are normal conditions that apply to other parties.

### The Audit Committee's Opinion Relating to Related Parties Transactions

The Audit, Environmental, Social Responsibilities and Corporate Governance Committee has considered and commented that the Company's related transactions are beneficial to the Company, conducted in a normal business practice with no special conditions and no transfer of interests between the Company and related parties. In addition, the fees or interest rates between the Company and related parties are determined based on the normal rates or the calculation from other parties. The committee is also responsible for information disclosure in accordance with the criteria for calculating the transaction size. In all transactions, the Company has complied with the regulations set by the SEC and the Stock Exchange of Thailand regarding the related parties transaction and the acquisition or disposition of assets in all respects.

The Company has disclosed the Audit Committee Report under the "Audit Committee Report" topic in the Form 56-1 One Report Year 2023.

### Related Parties Transactions Policy and Acquiring or Disposing of the Company's Properties in the Future

Subject to the Securities and Exchange Act B.E. 2535 (1992) section 89/12 and the Notification of the Capital Market Supervisory Board No. TorChor21/2551 in the subject of Rules for Related Parties Transactions, including additional amendment, prescribing that performing a transaction with related person in accordance with the meaning as prescribed by laws, which is related company transaction with

directors, executives or related persons, shall be approved by the shareholders' meeting unless such transaction is exempted transaction such as a transaction which is a trade agreement in the manner that reasonable person would do with a party in the same situation by bargaining power of trade without any influence in such persons' status as a directors, executives or related persons as the case may be. It shall be Fair and at Arm's Length which is approved by the Board of Directors or in accordance with the principles which were approved by the Board of Directors.

In this regard, Board of Directors meeting on September 19, 2008 approved principles of performing trade agreement which is a transaction between related parties to conform with the laws as above-mentioned. The principles mentioned that "the management department can perform transactions, list or trade agreement which is related parties transactions in accordance with the meaning as prescribed by the Securities and Exchange law, notwithstanding, the said transactions, list or terms shall be in the manner that reasonable person would do with a party in the same situation by bargaining power of trade without any influence in such persons' status as a directors, executives or related persons ("Transaction with General Trade Terms"), including ongoing transactions and transactions which may happen in the future. The management department can fix framework for being guideline of practice and provide summary report of such transaction to the Audit Committee Meeting and the Board of Directors' Meeting for acknowledgement as appropriate.

Therefore, related parties transactions and/ or acquiring or disposing of the Company's properties shall comply with the Securities and Exchange law, regulations of the Stock Exchange of Thailand and principles of making transaction with general trade terms which shall be transactions between related persons in accordance with the approval from the Board of Directors of such company, including the compliance with disclosure information, related parties transactions and acquiring or disposing of the Company's properties.

If the Company shall perform related parties transactions with the person that may have conflict in the future, the Company may provide the Audit Committee for being considered suitability of such transaction. If the Audit Committee has no expertise in considering to related parties transactions, the Company shall provide persons with special expertise such as audit, appraiser or the law office, which is independent from the Company and the persons who may have conflict, to be the person who gives an opinion relating to such related parties transactions. The Audit Committee's opinion or any person's opinion with special expertise shall be used to support the Board of Directors' or shareholders' decision, as the case may be, to ensure that the above-mentioned transaction will not be transfer benefits between companies, related persons and/ or shareholders of the Company. The Company shall consider the maximum benefits of all shareholders, especially minority shareholders. Notwithstanding, directors or shareholders, who have the conflict of interest relating to related parties transactions, or acquiring or disposing of the Company's properties, are not entitled to vote upon such matters.

## Assets for Business Operations

### Key Fixed Assets

#### Right-of-Use Assets and Fixed Assets

The Company owns right-of use assets for buildings and vehicles under the office lease agreement to utilize as the head office, subsidiary companies and branches including the vehicle lease agreement for business operations. Furthermore, the Company also owns fixed assets in leasehold improvements and equipment which consists of office lease improvements, furniture and office equipment, vehicles and assets under installation. These details as of December 31, 2021, 2022 and 2023 are as follows.

(Unit: Million Baht)	December 31, 2021	December 31, 2022	December 31, 2023
Right-of-use assets	360	331	507
Leasehold improvements and equipment	415	348	421

#### Loans to customers

KTC and its subsidiaries classify loans to customers and accrued interest receivable detailed into 3 stages based on changes in credit risk since initial recognition as follows.

- Stage 1 : No significant increase in credit risk (Performing)
- Stage 2 : Significant increase of credit risk (Under-Performing)
- Stage 3 : Impairment of credit (Non-Performing)

For lease receivable (including hire-purchase and finance lease), KTC and its subsidiaries acknowledge the expected credit loss according to the Simplified Approach by accepting that the amount of expected credit loss is consistent with expected credit loss of lease receivable throughout the period.

The Company has loans to customers and accrued interest receivable classified into 3 types as follow:

## (1) Loans to credit card customers

As of December 31, 2021, 2022 and 2023, details of loans to credit card customers are as follows.

(Unit: Million Baht)	December 31, 2021		December 31, 2022		December 31, 2023	
	Amount	%	Amount	%	Amount	%
Credit Card Receivables	59,953	100.00	69,174	100.00	74,132	100.00
Stage 1	53,716	89.60	62,185	89.90	65,882	88.87
Stage 2	5,499	9.17	6,258	9.05	7,400	9.98
Stage 3	738	1.23	730	1.05	851	1.15
<b>Add</b> Accrued interest receivables and undue interest receivables	248		288		309	
Total loans to customers and accrued interest receivables	60,201		69,462		74,441	
<b>Less</b> Allowance for expected credit loss	(4,127)		(4,431)		(4,827)	
Credit Card Receivables - net	56,075		65,031		69,614	

Source : 2021 financial statement audited by Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

2022 - 2023 financial statement audited by EY Office Limited.

## (2) Loans to personal loan customers

As of December 31, 2021, 2022 and 2023, details of loans to personal loan customers are as follows.

(Unit: Million Baht)	December 31, 2021		December 31, 2022		December 31, 2023	
	Amount	%	Amount	%	Amount	%
Personal Loan Receivables	28,895	100.00	31,886	100.00	34,302	100.00
Stage 1	23,213	80.33	25,558	80.15	27,093	78.98
Stage 2	4,840	16.75	5,432	17.04	6,185	18.03
Stage 3	843	2.92	896	2.81	1,024	2.99
<b>Add</b> Accrued interest receivables and undue interest receivables	340		397		415	
Total loans to customers and accrued interest receivables	29,235		32,283		34,716	
<b>Less</b> Allowance for expected credit loss	(3,222)		(3,736)		(4,104)	
Personal Loan Receivables - net	26,013		28,547		30,613	

Source : 2021 financial statement audited by Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

2022 - 2023 financial statement audited by EY Office Limited.

### (3) Loans to lease customers

As of December 31, 2021, 2022 and 2023, details of loans to lease customers are as follows.

(Unit: Million Baht)	December 31, 2021		December 31, 2022		December 31, 2023	
	Amount	%	Amount	%	Amount	%
Lease Receivables	3,199	100.00	2,449	100.00	3,189	100.00
Not over 30 days	1,328	41.51	2,010	82.08	1,835	57.53
31 – 90 days	135	4.23	220	8.97	790	24.77
91 days and over	1,736	54.26	219	8.95	564	17.70
<b>Less</b> Allowance for expected credit loss	(2,343)		(624)		(832)	
Lease Receivables - net	857		1,825		2,357	

Source : 2021 financial statement audited by Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.  
2022 - 2023 financial statement audited by EY Office Limited.

## Policy and Guidelines of Corporate Governance and Code of Business Conduct

The full details of Corporate Governance Policy and Code of Conduct are available on the Company's website on the "Corporate Governance" topic under "Sustainable Development" at link



<https://www.ktc.co.th/en/sustainability-development/corporate-governance>

Or scan via QR code



**Corporate Governance Policy**



**Code of Conduct**



## Report from the Audit, Environmental, Social Responsibilities and Corporate Governance Committee

### Dear Shareholders of Krungthai Card Public Company Limited

The Audit, Environmental, Social Responsibilities and Corporate Governance Committee (hereinafter referred to as “Audit Committee”) consists of 3 independent directors who are experts in various fields. The Audit Committee performs their duties within the scope of responsibilities assigned by the Board of Directors, in compliance with the announcement of the Capital Market Supervisory Board and the regulations of the Stock Exchange of Thailand. In 2023, there were 12 Audit Committee meetings, with the list of members of the Audit Committee and the proportion of the meeting as follows:

Name list	Position	Number of the Audit Committee meetings Totaling 12 times
1. Mr. Praphaisith Tankeyura	Chairman of the Audit Committee	12
2. Mr. Somchai Kuvijitsuwan <sup>(1)</sup>	Member of the Committee	1
3. Mr. Natapong Vanarat	Member of the Committee	12

**Note** <sup>(1)</sup> The Company announced the appointment of Mr. Somchai Kuvijitsuwan to perform as independent director and member of the Nomination and Remuneration Committee in replacement of Mr. Nathporn Chatusripitak, effective from November 20, 2023.

The head of the internal audit business unit is responsible for the secretary of the Audit Committee, and the head of compliance business unit acts as the assistant secretary of the Audit Committee.

### Audit Responsibilities

The Audit Committee performs their duties within the scope of responsibilities according to the Charter on Rules and Guidelines of the Audit Committee. The Audit Committee has an independence in exercising any discretions for the best interest of organization and encourage business operations with complete and transparent disclosure of information. It also reviews the Company’s operations to be in accordance with the policies, requirements, and related business laws, as well as considers the operating results of the regulatory unit. The Audit Committee also monitors and audits internal control system to ensure that the Company’s operation corresponds to the principles of corporate governance, anti-corruption and business ethics. At the Audit Committee’s meetings where the Committee jointly review the quarterly financial statements and the financial statements for the year 2023 together with the management, the auditors were invited to attend such meeting every time to approve the financial reports and ensure the correct preparation of those reports according to the generally accepted accounting principles, while considering on disclosure of important information, related transactions and other items that may cause conflicts of interest as appropriate and reliable. This included specific discussions with the auditors without the management’s participation in every quarter to acknowledge the problems from auditing as well as opinions and comments on the audit plan and the audit results by auditors before submitting to the Board of Directors for consideration.

The Audit Committee considered selecting the auditors from EY Office Limited to be the Company's auditors for the year 2023 by reviewing their knowledge, competence, experience, credibility, independence, and quality of past work, including appropriate remuneration, before proposing to the Board of Directors and the shareholders' meeting for consideration and appointment, together with the comments and suggestions to the Board of Directors.

In addition, the Audit Committee reviewed and assessed the Company's important risks, in line with the revision of internal control system and follow-up on results through the internal audit business unit, discussions with auditors and the Company's senior executives. From the assessment of the Company's internal control system, including the process, guidelines for business control, financial reports and risk management, there was an appropriate control system with adequate and continuous development.

In a bid to ensure the safety of the information and personal data, including service systems, in accordance with the cyber security standards of usage, accuracy, completeness and reliability for operations, the Company has been certified for the information security management system of ISO/IEC 27001:2013 and the personal data management standard of ISO/IEC 27701:2019, which are international standards for information security and personal data throughout the organization.

## **Environmental, Social Responsibilities and Corporate Governance**

The Board of Directors focuses on the importance of promotion and commitment for the Company's operations according to good corporate governance principles with more efficiency and confidence to all groups of stakeholders.

In 2023, the Audit Committee managed and performed duties as assigned by the Board of Directors with completeness and efficiency which could be briefly summarized as follows:

### **Rights of Shareholders**

- Regarding the 2023 Annual General Meeting of Shareholders on April 7, 2023, which was the electronic meeting. The Company provided information on the date, time, venue, and agenda of the meeting, as well as other matters related to decisions or approval at the meeting for shareholders to consider in advance according to the period specified by the Company's Articles of Association, laws or policies. According to the Emergency Decree on Electronic Meeting B.E. 2563 (2020), as well as related other laws and regulations.
- Shareholders were informed of the rules and regulations in the meeting, such as agenda and meeting documents, etc. Also, such information was posted on the Company's website in advance before sending the documents in a bid to provide an opportunity for shareholders in having sufficient time to study those documents. Additionally, shareholders were fully facilitated for exercising their rights to attend and vote at the meeting.

### **Equitable Treatment of Shareholders**

- The Company prioritizes the protection of investors' rights regardless of the number of shares held by shareholders and encourages all shareholders to exercise their legal rights.
- The Company recognizes the legal rights so that all shareholders, whether major shareholders, minor shareholders, domestic shareholders, foreign shareholders, or institutional shareholders, get the rights to attend and vote at the annual general meeting of shareholders, as well as the rights to vote for appointment or removal of directors individually, and the rights to vote for appointment and determination of annual remuneration of auditors. Minority shareholders were given the opportunity to propose meeting agendas and nominate persons to be considered for appointment as directors in advance between October 1, 2022 – January 31, 2023 through the Company's website and the Stock Exchange of Thailand. There was no minority shareholder proposing the agenda for the general meeting shareholders this time.

- The Company recognizes the rights of shareholders to receive news, as well as accurate, complete, sufficient and timely information for them to make decisions.
- The Company provides the shareholding structure of its subsidiaries, or associated companies without cross shareholding, which is disclosed on the Company's website: [www.ktc.co.th](http://www.ktc.co.th)
- The Company requires directors and executives to report their securities holdings according to Section 59 of the Securities and Exchange Act B.E. 2535 (1992). The Company's secretary is responsible for such report to the Board of Directors' meeting on a monthly basis. Employees who do not have legal obligations are also required to prepare a report on the purchase or sale of the Company's securities to be submitted to the compliance business unit within 3 business days.
- The Company's related party transactions with Krung Thai Bank Public Company Limited or other companies within the Bank's financial business groups are summarized and presented to the Audit Committee for opinions before submitting to the Board of Directors for acknowledgment. Besides, the Company organizes training to communicate rules relating to the prevention of conflicts of interest to directors, executives, and employees.

### **Board's Responsibilities**

- Review the corporate governance policy, anti-corruption policy and the code of conduct handbook for the year 2023 to be in accordance with the principles of good corporate governance of listed companies (CG Code) of the Securities and Exchange Commission, survey results of good corporate governance both domestically and internationally, legal requirements, including the sustainability assessment forms of various agencies by considering the consistency of the Company's business operations.
- Manage the Company's directors and all sub-committees to assess their duties for the year 2023.
- Attend various training courses to develop knowledge, abilities, and expertise in performing director duties, such as the courses offered by Thai Institute of Directors Association.
- Arrange for the meetings 2 times between directors without the participation of executives.
- Organize a meeting between the Audit Committee and the Chief Executive Officer.
- Review the Charter of the Audit, Environmental, Social Responsibilities and Corporate Governance for the year 2023.

### **Emphasis on Stakeholders**

- The Company focuses on the importance to all groups of stakeholders both internal and external with equity, whether shareholders, personnel, customers, business partners, competitors, creditors, government sector, social and environmental sectors. It takes into account the interests of all groups of stakeholders in the scope of laws, contracts, agreements, and regulations.
- Monitor and control for the implementation of guidelines on the use of inside information by having the announcements on disclosure requirements or use of the Company's insider information in a bid to prohibit directors, executives, or related persons with the inside information from trading securities or futures contracts during the silent period announced by the Company. Outside the silent period, trading securities or futures contracts are required to comply with the Company's announcement on the rules. Moreover, the Company organizes various trainings, to communicate on guidelines related to the use of inside information and other relevant rules in case of any changes in securities holdings for directors, executives and employees.

## Information Disclosure and Transparency

- The Company has a policy to disclose important information, both financial and non-financial, which may affect the interests of shareholders or any decisions in investment. The disclosure of information must be sufficient, accurate, complete, timely, and transparent. The information shall be disclosed through the Stock Exchange of Thailand or the Office of the Securities and Exchange Commission in accordance with the specified rules.
- There are various communication channels, such as the annual information disclosure form (56-1 One Report), the Sustainability Report (SD Report), management discussion and analysis, press release, the Company's website, the shareholders' meeting, the website of Stock Exchange of Thailand, including the organizing of Roadshow or Opportunity Day, etc.
- The Company assigns individuals responsible for providing the Company's information and news, e.g., Chief Executive Officer, line of executives, Investor Relations Department, etc.
- In case of updating information, it will be disclosed on the Company's website both Thai and English, such as the Company's Articles of Association or objectives, vision, mission, financial reports, analytical reports, important policies, including the Charter of the Company's sub-committees, sustainability reports, structure of business groups or organizational structure, internal control, etc. so that investors or those interested can study the information.

## Social Responsibilities and Sustainable Development

- Acknowledge and monitor changes in criteria related to sustainable development both domestically and internationally, such as human rights issues, guidelines for disclosure of environmental information, including trends regarding sustainability assessment criteria, etc.
- Consider and approve the result of strategic review, action plans, including sustainability goals both short-term and long-term to be used as a guideline for the Company's sustainability management.
- Provide opinions on sustainable development operations and approve the results of prioritization of materiality issues in term of the Company's sustainability to be in accordance with the sustainability development goals and business plans.
- Promote on the corporate social and environmental responsibilities after the work process (CSR After Work Process), such as public charities, provision of knowledge about products or services, including safety from product use, etc.

## Fostering Compliance with Corporate Governance Policy

To create a good realization among directors, executives, employees, including business partners, the Company has continuously provided knowledge development related to good corporate governance principles through various learning media as follows:

- 1) Organize trainings to educate directors who have been in the position during the year, including new executives and employees in orientation courses to learn the Company's information or important policies, principles of good corporate governance, anti-corruption, respect for human rights, social and environmental responsibilities, Manual of Business Ethics manual, etc.
- 2) Provide an annual test to assess knowledge, understanding and awareness under the topics of good corporate governance principles, anti-corruption, respect for human rights and Manual of Business Ethics manual.

With the cooperation of all directors, executives, and employees who are committed to operating with transparency and fairness based on good corporate governance, social responsibilities and environmental, as well as the roles of all stakeholders, the Company's corporate governance is evident as follows:

- 1) The Company received an MSCI ESG Ratings for the year 2023 at level BBB.
- 2) The Company was selected as a member of the global sustainability indices "FTSE4Good Index series" for the year 2023.
- 3) The Company was awarded an enduring SET ESG Rating with an AAA rating and selected as a member of ESG Index set by the Stock Exchange of Thailand for the fourth consecutive year from 2020 - 2023.
- 4) The Company was awarded an "excellent" rating from the Corporate Governance Report of Thai Listed Companies 2023 for the 8<sup>th</sup> consecutive year by the Association of Thai Listed Companies.
- 5) The Company received a score of 100 points from the quality assessment of the 2023 Annual General Meeting of Shareholders by Thai Investors Association.
- 6) The Company was certified for renewal of membership in the Thai Private Sector Collective Action Against Corruption since 2016 up to the present
- 7) The Company was invited to participate in the S&P Global Sustainability Assessment 2023
- 8) The Company was assessed at the level of ASEAN Asset Class from the ASEAN CORPORATE GOVERNANCE
- 9) The Company earn selection to the list of Top 100 outstanding companies with sustainable business operations (ESG100) for the 8<sup>th</sup> consecutive year by Thaipat Institute

The Board of Directors, executives, and employees agree that good corporate governance is an important factor in supporting the Company's operations to be efficient and sustainable. The Audit Committee for Environmental, Social Responsibilities and Corporate Governance, therefore, gives an importance to the Company's corporate governance, including the development of working process to achieve the economic, social, and environmental sustainability to meet international standards.

The Audit Committee obtains a good cooperation from the management, which can ensure that the Company has consistently performed its duties and responsibilities with commitment and efficiency in strengthening and developing its good corporate governance throughout the past year.

On behalf of the Audit Committee



(Mr. Praphaisith Tankeyura)

Chairman of the Audit, Environmental, Social Responsibilities and Corporate Governance  
Krunghthai Card Public Company Limited

# Report of The Nomination and Remuneration Committee's Responsibilities

## Dear Shareholders of Krungthai Card Public Company Limited

The Nomination and Remuneration Committee of Krungthai Card Public Company Limited ("the Company") consists of three members, two of them are independent directors. The Nomination and Remuneration Committee is responsible for fulfilling its duties as stipulated in the Committee's Charter, which includes, but is not limited to, reviewing the qualifications and criteria for the selection of directors and executives, establishing compensation policies, and determining performance evaluation guidelines.

The current composition of the Nominating and Remuneration Committee is as follows:

1. Mr. Prasong Poontaneat	Chairman of Nomination and Remuneration Committee and Independent Director
2. Mr. Praphaisith Tankeyura	Member of Nomination and Remuneration Committee and Independent Director
3. Mrs. Paralee Ratanaprasartporn <sup>(1)</sup>	Member of Nomination and Remuneration Committee

**Note:** <sup>(1)</sup> Mrs. Paralee Ratanaprasartporn has been appointed as a Member of Nomination and Remuneration Committee, replacing Mr. Rungruang Sukkirdkijpiboon effective from August 23, 2023 onwards.

In 2023, the Nomination and Remuneration Committee conducted a total of 8 meetings. The outcomes of these meetings were evaluated by the Board of Directors and/or the Annual General Meeting of Shareholders, in accordance with the provisions of the Nomination and Remuneration Committee Charter, as follows:

1. Appointment of Directors to Fulfill Their Terms: The Nomination and Remuneration Committee considered the appointment of directors. The selection process took into account diverse information for the purpose of nomination. Candidates had to possess the qualifications and meet the criteria set by the Bank of Thailand, the Stock Exchange of Thailand, the Securities and Exchange Commission (SEC), or relevant regulatory bodies.

The selection of candidates considered their qualifications, skills, knowledge, expertise, and experience in various fields relevant to the company's operations. Factors such as proportionality, quantity, and diversity were taken into account, while characteristics unrelated to management, such as gender, marital status, race, or religion, were not considered. Furthermore, the current skills, knowledge, and expertise of the existing board members, as outlined in the Board Skill Matrix, were assessed to identify additional skills and knowledge required for the effective governance of the company.

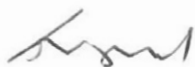
To provide an opportunity for minority shareholders, the company announced through its website and the stock market for shareholders to propose names of individuals in advance for consideration as directors. The nomination period was from October 1, 2022, to January 31, 2023. However, no minority shareholders proposed names of individuals in advance for consideration as directors. Therefore, the Nomination Committee proceeded to propose names of directors whose terms had expired, along with summarized information and backgrounds, for the consideration of shareholders at the meeting. The proposed directors are as follows:

1. Mr. Prasong Poontaneat	Chairman of the Board of Directors, Chairman of the Nomination and Remuneration Committee, and Independent Director
2. Lieutenant General Apichat Chaiyadar	Independent Director
3. Mr. Natapong Vanarat	Audit Committee Member, Responsible for Social and Environmental Responsibilities, and Independent Director

The shareholders attending the meeting passed a resolution by a significant majority of the total votes cast by the shareholders present and voting to reappoint the three directors whose terms had expired to continue serving as directors of the company.

2. Consideration of criteria and policies for payment of remuneration or other benefits for directors, executives, as well as sub-committees for the year 2023, for consideration or proposal to the company's board of directors for approval. The consideration should be appropriate and in line with roles, responsibilities, performance results, as well as practices that companies in the same type of business are using. The company's performance and market conditions should be taken into account to comply with good corporate governance principles.
3. Consideration of the proposal for the budget for salary adjustment and payment of special rewards for employees for the year 2023, to be presented to the company's board of directors for approval.
4. Consideration of established criteria and guidelines for evaluating the performance of the Chief Executive Officer for 2023, to be presented to the company's board of directors for approval.
5. Consideration and selection of a successor to the Chief Executive Officer whose retirement is approaching.
6. Consideration for the appointment of new directors to replace those who have resigned before the completion of their term. Additionally, the committee has also reviewed the appointment of directors for the Nominating and Remuneration Committee, as well as the Audit and Governance Committee, to replace those directors who have resigned before the completion of their term.
7. Consideration, review, and revision of the bylaws of the Nominating and Remuneration Committee for the year 2023 to ensure the alignment with the roles and responsibilities of the committee.
8. The Nominating and Remuneration Committee has conducted an evaluation of the performance of the Nominating and Remuneration Committee itself, with the results indicating a level of performance ranging from good to excellent.

On behalf of the Nominating and Remuneration Committee,



(Mr. Prasong Poontaneat)

Chairman of the Nomination and Remuneration Committee  
and Independent Director  
Krungthai Card Public Company Limited

**Note:** "Executive" refers to the senior executives, the top four management positions under the Chief Executive Officer (CEO). These individuals hold positions equivalent to the fourth-level executive positions\*, and it also includes executives in the accounting or finance departments at the level of Assistant Manager or above.

\* All executives who have direct reporting lines to the Chief Executive Officer according to the company's organizational structure, which refers to First Line managers, as well as executives holding the position of Senior Executive Vice President or equivalent.

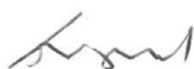


## Report of the Board of Directors' Responsibility on Financial Reports

### Dear Shareholders of Krungthai Card Public Company Limited

The Board of Directors of Krungthai Card Public Company Limited recognizes the importance of fulfilling its duties and responsibilities in accordance with the principles of good corporate governance and its responsibility for the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the Company as well as financial information presented in Form 56-1 One Report. Moreover, the Board of Directors also ensures that the Company carries out appropriate and efficient risk management, internal control system, and corporate governance in order to assure that financial information is accurate and adequate enough to maintain company assets and prevent potential risks arising from any significantly aberrant operation. The Company, under the directive of the Board of Directors, appointed the Audit, Environmental, Society and Governance Committee (Audit Committee), which is composed entirely of independent members, to take up the responsibility of ensuring quality of financial reports, internal control system, information disclosure to relevant parties, compliance with the principles of good corporate governance and business code of conduct as well as sustainable development framework at national and international levels and various processes in a complete, adequate and appropriate manner. The Audit Committee already expressed its opinions on these matters in the Audit Committee's report shown in this Form 56-1 One Report.

Furthermore, the Board of Directors concluded that overall internal control systems of the Company and its subsidiaries were generally adequate and appropriate and could reasonably assure the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the Company and consolidated operating results as at December 31, 2023 were accurate and complete in accordance with the financial reporting standards. To this end, the Company and its subsidiaries adopted a suitable accounting policy and consistently adhered to this policy and exercised prudent and sound discretion in the preparation of these financial reports. Therefore, these reports can reflect financial standing, operating performance, and financial information that are factually accurate and transparent for the benefits of stakeholders. It is noted that the financial statements were audited and commented unconditionally by independent certified public accountants.



(Mr. Prasong Poontaneat)  
Chairman of the Board of Directors  
Krungthai Card Public Company Limited



(Mrs. Pittaya Vorapanyasakul)  
Chief Executive Officer  
Krungthai Card Public Company Limited

