



FORM 56-1 ONE REPORT 2022
KRUNGTHAI CARD PUBLIC COMPANY LIMITED

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Report of the Board of
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on Financial Reports

A portrait of a middle-aged man with dark hair, wearing a dark grey suit jacket over a white button-down shirt. He is looking off to the side with a thoughtful expression. His arms are crossed, and a gold-toned watch with a blue dial is visible on his left wrist. The background is a solid dark grey.

“ I am confident that KTC is an organization that is well prepared to adapt to change and meet customer expectations.

We are committed to being an organization with a strong foundation and a corporate culture based on trust in order to handle all changes and respond to all stakeholders.

”

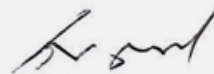
MESSAGE FROM THE CHAIRMAN

In the year 2022, the COVID-19 alert levels has eased as the situation is stabilized and current variants are considered manageable. Regardless of the stabilized situation, every businesses need to consider factors and issues relating to the economic situation, global political developments, oil prices, inflation, and exchange rates, and implement adequate strategic approaches to cope, withstand, and overcome any potential negative impacts. KTC is a flexible organization that adapts to the shifting business landscape with the goal of increasing profitability every year. In 2022, it is another year that KTC reached a new high profit. Over the five year period from 2016 to 2022, our average annual growth rate of accumulated net profit was over 20%, and the return on equity was 24%, while the debt-to-equity remained low at 2.2 times.

2023 will be the year of significant transformations for KTC, including the restructuring of the organization into a flat structure under a new generation of appointed executives. With the restructuring efforts in 2022, in conjunction with the development of a uniformed mindset among employees, the change of leadership from one generation to another generation has been facilitated in a seamless and sustained manner. This helps maintain the driving force behind the organization. Another aspect is the integration of IT infrastructure and the promotion of essential skills development among employees in order to support future growth and efficient data management that prioritizes efficiency and security. This will establish a stronger foundation of high-quality data base. In 2023, KTC P Berm Car for Cash Business will experience substantial growth and become another important core business alongside the existing credit card and unsecured personal loan businesses. With KTC's strong foundation, I am confident that KTC is an organization that is well prepared to adapt to change and meet customer expectations. We are committed to being an organization with a strong foundation and a corporate culture based on trust in order to handle all changes and respond to all stakeholders. Our goal is to create growth in total asset and maximize highest profits continuously.

The Board of Directors has given importance to reviewing and approving the company's vision, mission, short-term and long-term strategies, as well as essential policies. The Boards also continuously oversees the implementation of policies in accordance with the establish guidelines. Furthermore, KTC is dedicated to follow good corporate governance practices as outlined by the Stock Exchange of Thailand including promoting fairness in business, human rights and gender diversity, fair labor practices, and anti-corruption. The company also actively participates in social and environmental responsibility efforts.

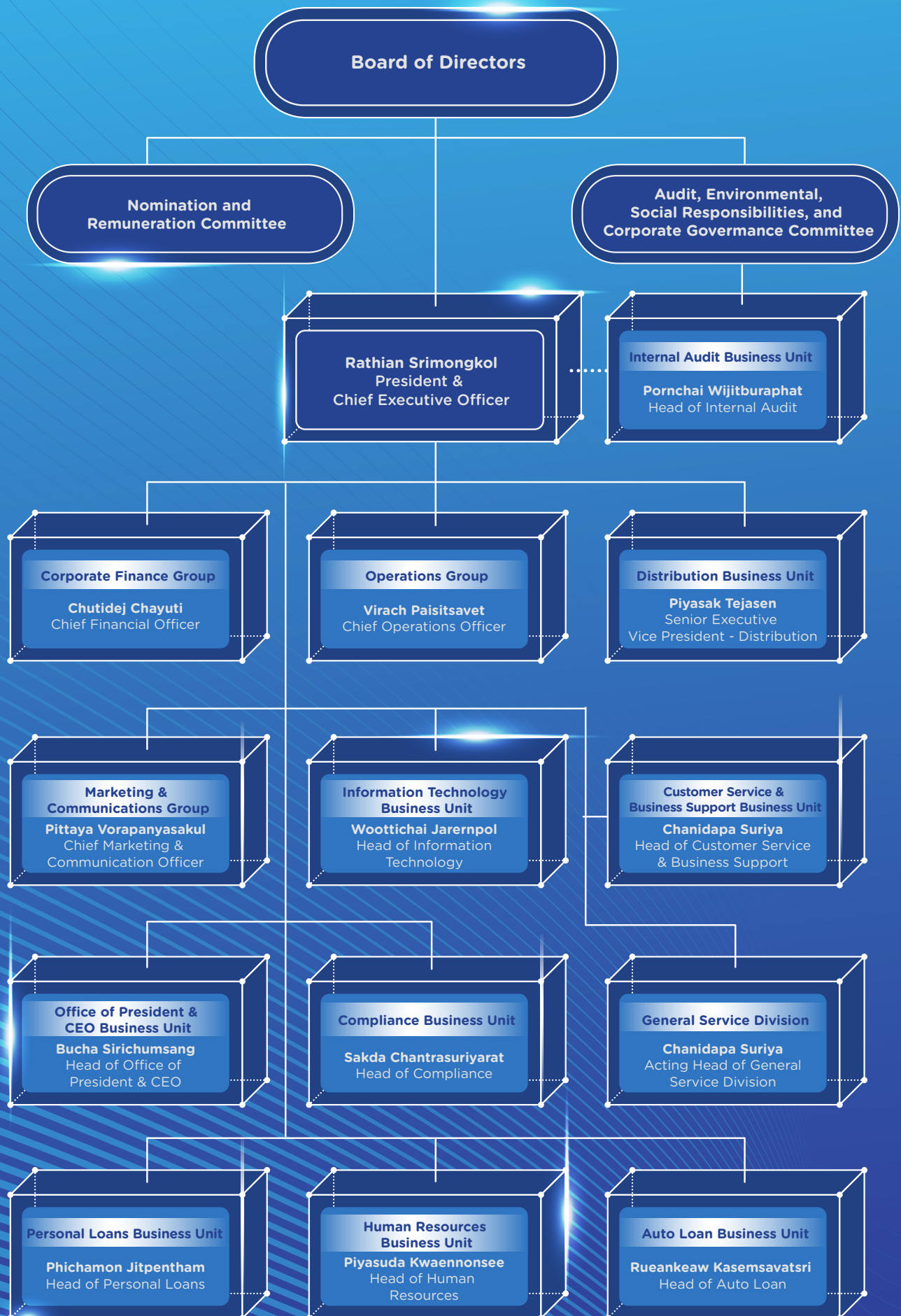
On behalf of the Board of Directors, I would like to extend their heartfelt appreciation to our shareholders, business partners, and all stakeholders for your ongoing trust and support for the continuous operation of KTC. Additionally, I would like to express my gratitude to the management team and employees for their dedicated collaboration in driving the company forward. I assure all stakeholders that KTC is dedicated to establishing a solid foundation and continuously improving to sustain growth.



(Mr. Prasong Poontaneat)

Chairman of the Board of Directors
Krungthai Card Public Company Limited

Organization Chart





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

63

Education

- Honorary Doctorate of Business Administration (Finance),
Rajamangala University of Technology Isan
- Honorary Doctorate 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

Nov 2022 - Present

- **Chairman of the Board of Directors**
Erawan Insurance Public Company Limited/
Non-Life Insurance

Oct 2021 - Present

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

Nov 2021 - Present

- **Chairperson of the Enterprise-wide Risk Management Committee/ 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

2018 - 2020

- **Permanent Secretary**
Ministry of Finance

2014 - 2018

- **Director - General**
The Revenue Department

2011 - 2014

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

2010 - 2011

- **Director - General**
Thai Customs Department

2009 - 2010

- **Inspector - General**
Ministry of Finance

Board of Director Experience

Oct 2022

- **Director**
Erawan Insurance Public Company Limited

2020

- **Chairman of the Board of Directors**
Krungthai Bank Public Company Limited (KTB)

2018 - 2020

- **Chairman of the Board of Directors**
TMB Bank Public Company Limited
- **Chairman of the Board of Directors**
Thanachart Bank Public Company Limited

2014 - 2020

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

2020 - 2022

- **Director and Chairperson of the Enterprise-wide Risk Management Committee**
Bangchak Corporation Public Company Limited/
Energy & Utilities
- **Qualified Director**
Anti-Money Laundering Office
- **Vice President**
Financial Institutions Development Fund

2011

- **Chairman of the Board of Directors**
Export-Import Bank of Thailand
- **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, Corporate Governance Committee/ Nomination and Remuneration Committee, and Independent Director

Date of Appointment

August 11, 2017

Age

68

Education

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

Training

2022

- **Wisdom for the Future: Harmonizing the Diverse Boards IOD National Director Conference 2022**
Thai Institute of Directors (IOD)
- **Easy Listening: Tips Audit Committee Should Not Miss Episode 2**
The Securities and Exchange

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

Aug 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



Sep 2019 - Present

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

Non-Listed Companies/ Other Organizations**2014 - Present**

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

2005 - Present

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

Experience**2020 - Jun 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**
Ayudhaya Development Leasing Co., Ltd./ Leasing

1997 - 2002

- **President/ Director**
Bank of Ayudhaya Public Company Limited/ Banking

1996 - 2003

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

1993 - 1997

- **President/ CEO**
Ayudhaya 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

Lieutenant General Apichat Chaoyadar

Position

Independent Director

Date of Appointment

December 16, 2016

Age

54

Education

- Master of Arts (International Relations),
Chulalongkorn University
- Bachelor of Science,
Chulachomklao Royal Military Academy

Training

2022 - 2023

- National Defence Course (NDC65)
Thailand National Defence College

2017

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

2003

- Diploma, Command and General Staff Officer
Course
Command and General Staff College, USA

% of KTC Shares Held

0%

Family Relationship

None



Work Experience

Listed Companies

Dec 2016 - Present

- Independent Director
Krungthai Card Public Company Limited/
Consumer Finance

Non-Listed Companies/ Other Organizations

Sep 2022 - Present

- Director-General, Defence Energy Department,
Defence Industry and Energy Centre
Office of the Permanent Secretary for Defence/
Ministry of Defence

Experience

2020 – Sep 2022

- **Chief, Military Affairs Coordination Officers to the Ministry of Foreign Affairs, Officer of Policy and Planning**

Office of the Permanent Secretary for Defence/
Ministry of Defence

2019 – Sep 2020

- **Deputy Director - General, Defence Energy Department**

Office of the Permanent Secretary for Defence/
Ministry of Defence

2018 – 2019

- **Chief of Staff, Defence Energy Department**

Office of the Permanent Secretary for Defence/
Ministry of Defence

2017 – 2018

- **Deputy Chief of Military Affairs Coordination officers to the MFA**

Office of the Permanent Secretary for Defence/
Ministry of Defence

2016 – 2017

- **Senior Expert**

Royal Thai Army/ Ministry of Defence/
Government

2015 – 2016

- **Senior Expert**

Office of the Permanent Secretary for Defence/
Ministry of Defence/ Government

2014 – 2015

- **Director**

Directorate of Intelligence/ Ministry of Defence/
Government

2011 – 2014

- **Military Attaches, Royal Thai Embassy, London**

Royal Thai Army/ Ministry of Defence/
Government

2003 – 2006

- **Instructor**

Command and General Staff College/
Royal Thai Army/ Educational Institute

BOARD OF DIRECTORS

Mr. Nathporn Chatusripitak

Position

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

Date of Appointment

April 20, 2018

Age

47

Education

- M.A. Finance,
The Wharton School, University of Pennsylvania, USA
- B.Sc., Magna Cum Laude, Electrical Engineering,
Control Systems,
Brown University, USA

Training

2022

- **Hot Issue for Directors: What Directors Need to Know about Digital Assets?**
Thai Institute of Directors
- **Director Leadership Certification Program (DLCP)**
Thai Institute of Directors

2021

- **Capital Market Academy Program #31**
Capital Market Academy

2020

- **The Rule of Law and Development (RoLD Program) 2020**
Thailand Institute of Justice
- **Top Executive Program on China Business Insights and Network (TEPCIAN) #1**
University of the Thai Chamber of Commerce
- **Director Leadership Certification Program (DLCP) #7**
Thai Institute of Directors
- **IT Governance and Cyber Resilience Program (ITG) #15**
Thai Institute of Directors

- **Advanced Audit Committee Program (AACP) #38**
Thai Institute of Directors
- ##### 2019
- **Financial Statement for Directors (FSD) #38**
Thai Institute of Directors
- ##### 2018
- **Director Certification Program (DCP) #265**
Thai Institute of Directors

% of KTC Shares Held

0%

Family Relationship

None



Work Experience

Listed Companies

2018 - Present

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

Non-Listed Companies/ Other Organizations

2020 - present

- **Honorary Volunteer**
Poh Teck Tung Foundation/ Public Service

2019 - present

- **Member, National Economic and Social Development Council (NESDC) Member, Competitiveness Promotion Subcommittee Member, Broadening Opportunities and Promoting Equality in Society Subcommittee Member, SMEs Development Subcommittee Member, Economic Restructuring Subcommittee**
Office of National Economic and Social Development Council/ Public Sector
- **Advisor to the Board**
Creative Economy Agency/ Public Sector

2018 - present

- **Chairman**
Thailand Future Foundation/ Public Service

2017 - present

- **Member, National Economic Reform Committee**
National Economic Reform Committee/
Public Sector
- **Member, New Economy Academy Board**
Ministry of Commerce/ Public Sector

Experience

2021 - 2022

- **Member, Bill Drafting National Economic and Social Development Strategy No.13 (2023 - 2027)**
Office of National Economic and Social Development Council

2019 - 2022

- **Member, Program Promoting Committee, Spearhead Research and Innovation Program on Provincial and Regional Development 4.0**
National Research Council of Thailand

2018 - 2021

- **Member**
Creative Economy Policy Committee

2019 - 2020

- **Advisor to the Deputy Prime Minister (Mr. Somkid Jatusripitak)**
Office of the Prime Minister

2017 - 2020

- **Advisor to the Director**
Digital Economy Promotion Agency

2018 - 2019

- **Member**
Country Reform Steering Committee

2017 - 2019

- **Spokesperson to the Deputy Prime Minister in charge of Economy**
Office of the Prime Minister
- **Member, National Startup Committee**
Office of the Prime Minister
- **Advisor to the Minister of Commerce (Mr. Sontirat Sontijirawong)**
Ministry of Commerce
- **Advisor to the Minister to the Office of the Prime Minister (Mr. Kobsak Pootrakool)**
Office of the Prime Minister
- **MC of TV Program "The Insider" and "The Insider" Season 2**
MCOT HD

2016 - 2017

- **Advisor to the Minister to the Office of the Prime Minister (Mr. Suvit Maesincee)**
Office of the Prime Minister

2015 - 2017

- **Advisor to the Minister of Commerce (Ms. Apriradi Tantraporn)**
Ministry of Commerce

2014 - 2015

- **Advisor to the Minister of Commerce (General Chatchai Sarikulya)**
Ministry of Commerce

2012 - 2014

- **Senior Strategist**
Sasin Institute for Global Affair,
Chulalongkorn University

BOARD OF DIRECTORS

Mrs. Praralee Ratanaprasartporn

Position

Director

Date of Appointment

April 5, 2019

Age

53

Education

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

Training

2022

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

2020

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

2019

- **Identify and Behavior Creation**
Krungthai 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
- **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

Oct 2019 - Present

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

2019 - Present

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

Non-Listed Companies/ Other Organizations

Nov 2021 - Present

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

Feb 2021 - Present

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

Oct 2020 - Present

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

2017 - Present

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

Jan 2022 - Present

- **Qualified Director**
The Government Pension Fund

Experiences

2019 - Sep 2020

- **Director**
National Digital ID Co., Ltd./ Information and Communication

2018 - 2019

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

2016 - 2019

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

2014 - Feb 2020

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

2014 - 2016

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

2013 - 2014

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

BOARD OF DIRECTORS

Mr. Rungruang Sukkirdkijpiboon

Position

Director and Nomination and Remuneration Committee

Date of Appointment

January 1, 2022

Age

52

Education

- Master of Business Administration,
University of Arkansas at Little Rock,
Arkansas, USA
- Bachelor of Economics,
Thammasat University

Training

2003

- Advanced Manager Course
GE Capital Training

2000

- Quality Master Black Belt
GE Capital Training

1999

- Quality Black Belt
GE Capital Training

1998

- Design for Performance Change
Accenture Training Center, St Charles

1997

- Human Performance Design
Professional Education Center

1996

- Seminar Corplan' 96 Management Association

% of KTC Shares Held

0%

Family Relationship

None

Work Experience

Listed Companies

Jan 2022 - Present

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

Jul 2021 - Present

- Advisor to President
Krungthai Bank Public Company Limited/ Banking



Non-Listed Companies/ Other Organizations

Dec 2022 - Present

- **Chairman of the Risk Management Committee/
Director**
Krungthai Asset Management Public
Company Limited

Jan 2022 - Present

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

Nov 2021 - Present

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

Experience

Nov 2021 - Dec 2022

- **Director**
Arise by Infinitas Co., Ltd./ IT Resources

2018 - 2021

- **CEO**
Central JD Fintech Co., Ltd./ FinTech

2017 - 2018

- **Chief Customer Officer**
Central Group/ Retail Business

2016 - 2017

- **Advisor**
Chubb Samaggi Insurance Public Company
Limited/ Insurance

BOARD OF DIRECTORS

Mr. Natapong Vanarat

Position

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

Date of Appointment

May 1, 2022

Age

40

Education

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

Training

Nov 2022

- Hot Issue for Directors: What Directors Need to Know about Digital Assets?
Thai Institute of Directors Association (IOD)

Jul 2022

- Easy Listening: Accounting Tips that AC Should Not Miss EP. 2
The Securities and Exchange Commission (SEC)

Apr 2022

- 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

May 2022 - Present

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

Jan 2022 - Present

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

Non-Listed Companies/ Other Organizations

Jan 2023 - Present

- **Director**
Export-Import Bank of Thailand (EXIM
Thailand)/ State-owned specialized financial
institution

Jan 2022 - Present

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

2019 - Present

- **Seconded to the Secretariat of the Prime Minister, working as policy affairs coordinator for the Secretary General (Mr. Distat Hotrakitya), the Secretariat of the Prime Minister**
The Secretariat of the Prime Minister/
Government

Experience

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 - 2016

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

BOARD OF DIRECTORS

Mr. Rathian Srimongkol

Position

President & Chief Executive Officer/ Director

Date of Appointment

January 1, 2012

Age

63

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

2022

- **Orchestrating Winning Performance (OWP)**
Lausanne
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

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

Feb 2021 - Present

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

XSpring Capital Public Company Limited/
Investment in various businesses both Thailand and overseas

2009 - Present

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

Indorama Ventures Public Company Limited/
Chemicals Business

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

- **Director**

Krungthai Advisory Company Limited/ Holding Business

- **Chairman/ Authorized Director**

XSpring Digital Company Limited/ Digital Asset Business

- **Chairman/ Authorized Director**

XSpring AMC Asset Management Company Limited/ Asset Management Business

Mar 2021 - Present

- **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**Feb 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 - Nov 2020

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

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



EXECUTIVES



EXECUTIVES

EXECUTIVES

Mr. Rathian Srimongkol

Position

President & Chief Executive Officer/ Director

Date of Appointment

January 1, 2012

Age

63

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

2022

- **Orchestrating Winning Performance (OWP)**
Lausanne
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

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

Feb 2021 - Present

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

XSpring Capital Public Company Limited/
Investment in various businesses both Thailand and overseas

2009 - Present

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

Indorama Ventures Public Company Limited/
Chemicals Business

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

- **Director**

Krungthai Advisory Company Limited/ Holding Business

- **Chairman/ Authorized Director**

XSpring Digital Company Limited/ Digital Asset Business

- **Chairman/ Authorized Director**

XSpring AMC Asset Management Company Limited/ Asset Management Business

Mar 2021 - Present

- **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**Feb 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 - Nov 2020

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

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

EXECUTIVES

Mr. Chutidej Chayuti

Position

Chief Financial Officer

The person taking the highest responsibility in finance and accounting

Date of Appointment

February 1, 2006

Age

60

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

2022

- **The Executive Program in Energy Literacy for a Sustainable Future (TEA 16)**
Thailand Energy Academy (TEA)
- **TLCA CFO Professional Development Program (TLCA CFO CPD): "Restructuring Business for Growth"**
Thai Listed Companies Association
- **TLCA CFO Professional Development Program (TLCA CFO CPD): "Economic Update for CFO"**
Thai Listed Companies Association
- **TLCA CFO Professional Development Program (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, Thailand

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 - Present

- **Chief Financial Officer**

The person taking the highest responsibility in finance and accounting

Corporate Finance Group/ Krungthai Card Public Company Limited/ Consumer Finance

Non-Listed Companies/ Other Organizations

Jun 2021 - Present

- **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

EXECUTIVES

Mr. Virach Paisitsavet

Position

Chief Operations Officer

Date of Appointment

February 16, 2012

Age

61

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 (GSPA 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

Jan 2017 - Present

- Chief Operations Officer
Operations Control & Merchant Operations Business Unit, Credit Acceptance Business Unit, Operations Support Business Unit, Merchant Acquiring Business Unit/ Krunghthai Card Public Company Limited/ Consumer Finance

Non-Listed Companies/ Other Organizations

Jun 2021 - Present

- **Chairman**

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

Experience

2012 - Jan 2017

- **Senior Executive Vice President**

Operations/ 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

EXECUTIVES

Mr. Piyasak Tejasen

Position

Senior Executive Vice President - Distribution

Date of Appointment

August 15, 2005

Age

58

Education

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

Training

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/ Krungthai Card Public Company Limited/
Consumer Finance

Non-Listed Companies/ Other Organizations
None

Experience

2019 - 2020

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

EXECUTIVES

Mrs. Pittaya Vorapanyasakul

Position

Chief Marketing & Communication Officer

Date of Appointment

February 17, 2014

Age

61

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

1997 - Present

- **Chief Marketing & Communication Officer**
Credit Card Marketing, Corporate Communications
and Online Acquisition, Public Relations/ Krungthai
Card Public Company Limited/ Consumer Finance

Non-Listed Companies/ Other Organizations
None

Experience

2005 - 2010

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

EXECUTIVES

Mr. Bucha Sirichumsang

Position

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

Date of Appointment

November 1, 2007

Age

60

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 - Present

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



EXECUTIVES

Mr. Woottichai Jarernpol

Position

Head of Information Technology

Date of Appointment

December 17, 2015

Age

61

Education

- Bachelor's Degree, Statistic,
Chulalongkorn University

Training

2022

- Executive Leadership Program - OWP 2022
Lausanne
IMD
- 2022 Gartner Executive Programs
Gartner
- VMware Explore 2022
VMware Inc
- Executive Summit AWS re: Invent 2022
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
AWS
- Visa-China Market Immersion
2018
- IT Management Program 2018
Cisco Systems Inc.
- VMware Executive Leadership Summit 2018
VMware Inc.
- 2018 Gartner Executive Programs
Gartner
- Oracle Leaders Circle 2018
Oracle
- Executive Summit AWS re: Invent 2018
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

EXECUTIVES

Mr. Sakda Chantrasuriyarat

Position

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

Date of Appointment

May 1, 2014

Age

60

Education

- Master of Accountancy, Chulalongkorn University
- Bachelor of Accountancy, Chulalongkorn University

Training

2022

- **PCI/DSS Awareness**
Krungthai Card Public Company Limited
- **ISO/IEC 27001:2013 and ISO/IEC 27701:2019**
Krungthai Card Public Company Limited
- **AML/CFT & WMD 2022**
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

2021

- **AML/CFT & WMD 2021**
Krungthai Card Public Company Limited
- **Risk Awareness 2021**
Krungthai Card Public Company Limited
- **Critical Thinking & Problem Solving (Virtual Classroom)**
Beyond Training
- **Digital Adoption in Organization (Virtual Classroom)**
Beyond Training

- **IT Security Awareness**
Krungthai Card Public Company Limited
 - **ISO/IEC 27001:2013 and ISO/IEC 27701:2019**
Krungthai Card Public Company Limited
 - **Corporate Governance Policy & Code of Conduct**
Krungthai Card Public Company Limited
- ##### 2020
- **E-Signature**
Krungthai Card Public Company Limited
 - **Land inspection criteria, and the rules for registration of land**
Krungthai Card Public Company Limited
 - **Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing: AML/CTPF Training 2020**
Anti-Money Laundering Officer
- ##### 2019
- **Business Management for Sustainability**
Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.



- **Information Security Management Systems (ISMS)**
Lead Auditor Standard ISO/IEC 27001:2013
Business improvement organization (BSI)
 - **Personal Data Protection Act, BE 2019**
(Process & Procedure)
Kasetsart University Research and Development
Institute together with Digital Media Laws Institution
 - **"1st THAILAND DIGITAL ID SYMPOSIUM 2019"**
National Credit Bureau
 - **Personal Data Protection Act, BE 2019 & Digital Act**
Krungthai Card Public Company Limited
- 2018**
- **EU General Data Protection Regulation-EU GDPR**
Faculty of Law, Chulalongkorn University
 - **General Data Protection Regulation (GDPR)**
KPMG Phoomchai Tax Ltd.
 - **Guidelines for receiving property or any other benefits that are incentives for the offense**
Krungthai Bank Public Company Limited
 - **Fintech & Cryptocurrency vs. Law Enforcement**
Thammasat University and Faculty of Law
 - **National Credit Bureau member 2018**
National Credit Bureau
 - **Standard course anti-money laundering and combatting the financing of terrorism for reporter**
Anti-Money Laundering Office, Class 2
- 2017**
- **Annual Audit Committee Conference KTB Group 2017: AACC 2017 (Regulatory Landscape in Cybersecurity and Cybercrime)**
Krungthai Bank Public Company Limited
 - **Keep up with Technological crime**
Krungthai Card Public Company Limited
- 2016**
- **CSR for Child-Friendly Business**
Krungthai Card Public Company Limited and
Thaipat Institute
- 2015**
- **Safety Officer: Management Level, Class 1**
Krungthai Card Public Company Limited
 - **Leader as a Coach (Workshop)**
Krungthai Card Public Company Limited
- 2014**
- **Corporate Governance**
Krungthai Card Public Company Limited
 - **Corporate Social Responsibility (CSR-in Process)**
Krungthai Card Public Company Limited

2013

- **Compliance Training Program, Class 1**
The Securities and Exchange Commission,
Thailand
- **Anti-Money Laundering Act and Counter Terrorism Finance Act**
Anti-Money Laundering Office (AMLO)

% of KTC Shares Held

0%

Family Relationship

None

Work Experience

Listed Companies

2014 - Present

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

Non-Listed Companies/ Other Organizations

None

Experience

2006 - 2014

- **Department Head**
Compliance Department/ Thanachart Bank Public
Company Limited/ Banking

2005 - 2006

- **Assistant Managing Director**
Compliance Function/ MFC Asset Management
Public Company Limited/ Fund Management

EXECUTIVES

Ms. Phichamon Jitpentham

Position

Head of Personal Loans

Date of Appointment

May 1, 2018

Age

47

Education

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

Training

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 Limited
- **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

EXECUTIVES

Ms. Chanidapa Suriya

Position

Head of Customer Service and Business Support
Business Unit

Date of Appointment

November 1, 2022

Age

50

Education

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

Training

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 and Business Support Business Unit**
Customer Service and Business Support Business Unit/ 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

2019 - Present

- **Chairman of the Board of Directors**
KTC NANO Co., Ltd./ Nano Finance Service Business

Experience

2017 - 2018

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

2016 - 2017

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

2015 - 2016

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

2013 - 2015

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

EXECUTIVES

Ms. Piyasuda Kwaennonsee

Position

Head of Human Resources

Date of Appointment

August 16, 2022

Age

50

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

Aug 2022 - Present

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



Non-Listed Companies/ Other Organizations
None

Experience

Oct 2018 - Aug 2022

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

Jun 2003 - Sep 2018

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

Mar 2003 - Jun 2003

- Payroll Executive
Human Resources/ Coca-Cola Services (Asia) Ltd/
Coordinate and supervise the operations of
companies in the region

Apr 1994 - Feb 2003

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

EXECUTIVES

Ms. Rueankeaw Kasemsavatsri

Position

Head of Auto Loan

Date of Appointment

September 1, 2020

Age

44

Education

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

Training

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**
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**
LUKKID
- **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

Feb 2011 - Present

- **Head of Auto Loan**

Auto Loan/ Krunghthai 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

May 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.

INTERNAL AUDIT AND COMPLIANCE

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

55

Education

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

Training

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 4th 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

INTERNAL AUDIT AND COMPLIANCE

Mr. Sakda Chantrasuriyarat

Position

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

Date of Appointment

May 1, 2014

Age

60

Education

- Master of Accountancy, Chulalongkorn University
- Bachelor of Accountancy, Chulalongkorn University

Training

2022

- **PCI/DSS Awareness**
Krungthai Card Public Company Limited
- **ISO/IEC 27001:2013 and ISO/IEC 27701:2019**
Krungthai Card Public Company Limited
- **AML/CFT & WMD 2022**
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

2021

- **AML/CFT & WMD 2021**
Krungthai Card Public Company Limited
- **Risk Awareness 2021**
Krungthai Card Public Company Limited
- **Critical Thinking & Problem Solving (Virtual Classroom)**
Beyond Training
- **Digital Adoption in Organization (Virtual Classroom)**
Beyond Training



- **IT Security Awareness**
Krungthai Card Public Company Limited
 - **ISO/IEC 27001:2013 and ISO/IEC 27701:2019**
Krungthai Card Public Company Limited
 - **Corporate Governance Policy & Code of Conduct**
Krungthai Card Public Company Limited
- #### 2020
- **E-Signature**
Krungthai Card Public Company Limited
 - **Land inspection criteria, and the rules for registration of land**
Krungthai Card Public Company Limited
 - **Anti-Money Laundering and Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing: AML/CTPF Training 2020**
Anti-Money Laundering Officer
- #### 2019
- **Business Management for Sustainability**
Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

- **Information Security Management Systems (ISMS)**
Lead Auditor Standard ISO/IEC 27001:2013
Business improvement organization (BSI)
- **Personal Data Protection Act, BE 2019**
(Process & Procedure)
Kasetsart University Research and Development
Institute together with Digital Media Laws Institution
- **"1st THAILAND DIGITAL ID SYMPOSIUM 2019"**
National Credit Bureau
- **Personal Data Protection Act, BE 2019 & Digital Act**
Krungthai Card Public Company Limited

2018

- **EU General Data Protection Regulation-EU GDPR**
Faculty of Law Chulalongkorn University
- **General Data Protection Regulation (GDPR)**
KPMG Phoomchai Tax Ltd.
- **Guidelines for receiving property or any other benefits that are incentives for the offense.**
Krungthai Bank Public Company Limited
- **Fintech & Cryptocurrency vs. Law Enforcement**
Thammasat University and Faculty of Law
- **National Credit Bureau member 2018**
National Credit Bureau
- **Standard course anti-money laundering and combatting the financing of terrorism for reporter**
Anti-Money Laundering Office, Class 2

2017

- **Annual Audit Committee Conference KTB Group 2017: AACC 2017 (Regulatory Landscape in Cybersecurity and Cybercrime)**
Krungthai Bank Public Company Limited
- **Keep up with Technological crime**
Krungthai Card Public Company Limited

2016

- **CSR for Child-Friendly Business**
Krungthai Card Public Company Limited and
Thaipat Institute

2015

- **Safety Officer: Management Level, Class 1**
Krungthai Card Public Company Limited
- **Leader as a Coach (Workshop)**
Krungthai Card Public Company Limited

2014

- **Corporate Governance**
Krungthai Card Public Company Limited
- **Corporate Social Responsibility (CSR-in Process)**
Krungthai Card Public Company Limited

2013

- **Compliance Training Program, Class 1**
The Securities and Exchange Commission,
Thailand
- **Anti-Money Laundering Act and Counter Terrorism Finance Act**
Anti-Money Laundering Office (AMLO)

% of KTC Shares Held

0%

Family Relationship

None

Work Experience

Listed Companies

2014 - Present

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

Non-Listed Companies/ Other Organizations

None

Experience

2006 - 2014

- **Department Head**
Compliance Department/ Thanachart Bank Public
Company Limited/ Banking

2005 - 2006

- **Assistant Managing Director**
Compliance Function/ MFC Asset Management
Public Company Limited/ Fund Management

COMPANY SECRETARY

Mr. Peerapong Pitrpibulpatit

Position

Deputy Head of Office of President & CEO/
Company Secretary

Date of Appointment

May 16, 2007

Age

53

Education

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

Training

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

2007 - Present

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



Non-Listed Companies/ Other Organizations

May 2021 - Present

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

Aug 2020 - Present

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

Experience

1995 - 2007

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

FINANCIAL CONTROLLER

Mrs. Rojjana Ussayaporn

Position

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

Date of Appointment

April 1, 2021

Age

56

Education

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

Training

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.
(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.
- **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

2020 - Present

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

Non-Listed Companies/ Other Organizations
None

Experience

1996 - 2020

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

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, Associate, Subsidiaries and the Related companies.

Name list	Krungthai Card Public Company Limited	Associate	Sub sidiaries				Related Companies																	
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Mr. Prasong Poontaneat	A,G,BB								G,T	A														
Mr. Praphaisith Tankeyura	C,G,N						Q	H						G,S										
Mr. Natapong Vanarat*	E,G																					G,S		
Mr. Nathporn Chatusripitak	E,G																							
Lieutenant General Apichat Chaiyadar	G																							
Mrs. Paralee Ratanaprasartporn	I	I				K					I	I				I								
Mr. Rungruang Sukkirdkijpiboon	I,N					W					I	I				I							I,CC	
Mr. Rathian Srimongkol	I,L	I												B,D,F,P				A,M,X,O	A,O	A,O	O,Y	A,O		
Mr. Chutidej Chayuti	Z				I																			
Mr. Virach Paisitsavet	AA				A																			
Ms. Chanidapa Suriya	U		A	A	I																			
Ms. Rueankeaw Kasemsavatsri	U		H	I	I																			
Mr. Peerapong Pitrpibulpatit	J,V															R,G,S								

Remark

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

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

- | | |
|--|--|
| 1 = Krungthai Advisory Co., Ltd. | 12 = Indorama Ventures Public Co., Ltd. |
| 2 = KTC PICO (Bangkok) Co., Ltd. | 13 = Thai Oil Public Co., Ltd. |
| 3 = KTC NANO Co., Ltd. | 14 = Green Resources Public Co., Ltd. |
| 4 = KTB Leasing Co., Ltd. | 15 = Arise by Infinitas Co., Ltd. |
| 5 = Krungthai Bank Public Co., Ltd. | 16 = XSpring Capital Public Co., Ltd. |
| 6 = JWS Construction Group | 17 = XSpring Digital Co., Ltd. |
| 7 = Boathouse Hua Hin Co., Ltd. | 18 = XSpring AMC Asset Management Co., Ltd. |
| 8 = Bangchak Corporation Public Co., Ltd. | 19 = Krungthai XSpring Securities Co., Ltd. |
| 9 = Erawan Insurance Public Co., Ltd. | 20 = XSpring Asset Management Co., Ltd. |
| 10 = Krungthai-AXA Life Insurance Public Co., Ltd. | 21 = Sahacogen (Chonburi) Public Co., Ltd. |
| 11 = Infinitas by Krungthai Co., Ltd. | 22 = Krungthai Asset Management Public Co., Ltd. |

(*) Mr. Natapong Vanarat has taken the position of Independent Director and the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee From 1 May 2022 onwards

The background of the slide is a dense, abstract pattern of 3D cubes in various shades of blue, ranging from dark navy to light cyan. The cubes are arranged in a way that creates a sense of depth and perspective, with some cubes appearing to float above others. The overall effect is a modern, geometric, and professional aesthetic.

ORGANIZATIONAL STRUCTURE AND OPERATION OF THE GROUP OF COMPANIES

ORGANIZATIONAL STRUCTURE AND OPERATION OF THE GROUP OF COMPANIES



Policy and Business Overview

Company Background

Krungthai Card Public Company Limited (“the Company” or “KTC”) 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 subsidiary companies in order to provide full range of financial products covering provincial retail lending business under the regulations, occupational retail lending business, e-money business, hire purchase and leasing business, as well as holding business to support the Company’s business operations to create sustainable long-term returns. The Company was registered as a juristic person on December 4, 1996, with an initial authorized capital of 50 million baht, and was transformed into a public company limited under the name of Krungthai Card Public Company Limited on July 2, 2002. Later, on September 9, 2002, the Extraordinary General Meeting had resolved to increase the Company’s authorized capital with the addition of 950 million baht by means of right offerings to Krungthai Bank Public Company Limited (“the Bank”) as a former shareholder for 44 million shares and public offerings for 51 million shares. Hence, the total authorized capital was raised to 1,000 million baht with a total of 100 million shares. And on October 28, 2002, the Company was listed in the Stock Exchange of Thailand.

On December 12, 2002, the Company’s Extraordinary General Meeting had resolved to raise additional authorized capital of 50 million baht, which was allotted for 5 million shares at par value of 10 baht each, as a reserve for the exercising of stock warrants issued and offered to employees following the ESOP program. Afterwards, on November 3, 2003, the Extraordinary General Meeting had resolved to increase another 1,530,162,000 baht by right offerings of 150 million shares to existing shareholders with a ratio of 1:1.5 and had allocated 3,016,200 shares to prepare for the additional right-exercising of the

warrant holders under ESOP program which was resulted from the change in warrant exercise ratio. Consequently, as of December 31, 2003, the Company had a total authorized capital of 2,580,162,000 baht and paid-up capital totalling 2,500,000,000 baht. In addition, on March 17, 2008, the 5-year stock warrants had reached its expiry date. As of December 31, 2008, total number of people who exercised the warrants was 4,885,950 contracts whereas 114,050 contracts were not exercised. Therefore, the remaining common shares after warrant exercising were at 182,793 shares.

On April 30, 2009, the Annual General Shareholders’ Meeting had resolved to reduce its authorized capital from 2,580,162,000 baht to 2,578,334,070 baht by cancelling 182,793 common shares which had already been registered but had not yet been publicly offered, with par value of 10 baht per share. These were remaining shares from the right-exercising of stock warrants issued and offered to the Company’s management and employees under ESOP program which were already expired. In addition, the Company had already registered the decrease of authorized capital with the Ministry of Commerce on May 12, 2009.

On July 6, 2018, the Extraordinary General Meeting had resolved to change the Company’s par value from 10 baht per share to 1 baht per share. The change was registered on July 9, 2018, resulting in an increase in total number of shares from 257,833,407 to 2,578,334,070 and such change had already been registered with the Ministry of Commerce.

As of December 31, 2022, the Company had a total registered and paid-up capital of 2,578,334,070 baht with a total of 3,289,839 accounts which consisted of 2,550,592 credit card accounts and 739,247 personal loan accounts.

The Company had received business excellence awards for its consumer finance service and other awards apart from business operations during the past 3 years as follows:

2020

- KTC received the “Thailand’s Top Corporate Brand Value” award under the Financial Sector category for the year 2016, 2018, 2019, and 2020 with its brand value amounted to 7,333 million baht, 18,815 million baht, 45,363 million baht, and 57,060 million baht respectively. The survey was done by the Department of Marketing (Master in Branding and Marketing), Faculty of Commerce and Accountancy, Chulalongkorn University in collaboration with the Stock Exchange of Thailand and the Manager media affiliate in which the corporate brand value is calculated based on the CBS Valuation (Corporate Brand Success Valuation) formula where marketing, financial, and accounting concepts are systematically integrated, making it possible to calculate a corporate’s brand value into objective financial numbers.

2021

- KTC received the Outstanding Company Performance Awards for Business Excellence with a market capitalization of over 100 billion baht.
- KTC received a rating upgrade to AA in the MSCI ESG Rating assessment under Consumer Finance category. This assessment reassures investors that the Company is performing well in accordance with the Environmental, Social and Governance. The MSCI ESG Research is an organization with expertise and credibility in ESG indexing at the international level.

2022

- KTC was included in “The Sustainability Yearbook 2022” as the only member from Thailand in the Diversified Financial Services and Capital Markets industry. KTC considers Environmental, Social and Governance (ESG) in conducting sustainable business and focusing on balanced growth of great business performance and social responsibility. Corporate Sustainability Assessment was conducted by S&P Global.
- KTC received the Excellent Organization Award for developing people in cybersecurity from the National Cyber Security Agency (NCSA). KTC is among the top 30 model organizations to actively support their personnel to participate in the NCSA project, which aims to develop intensive knowledge and deep understanding of the inherent risks arising from cybersecurity threats in the context of digital world.
- KTC received an honourable award as KTC was selected to be on the list of Thailand Sustainability Investment (THSI) for the fourth consecutive year from 2019-2022. The award handover took place at “SET Awards 2021” which was held by the Stock Exchange of Thailand in collaboration with Money and Banking Magazine. The key indicators of finance sector cover the information system security and transaction accountability in line with the issues that investors are interested to increase the long-term ability in business competition.
- KTC was selected as a member of the Stock Exchange of Thailand’s Sustainability Investment (SETTHSI) index for the third consecutive year from 2020 - 2022.
- KTC was granted international standard certificates, ISO/IEC 27001:2013 ISMS - Information Security Management System from BSI Group (Thailand) Company Limited during 2019-2022 and ISO/IEC 27701:2019 Personal Information Management System during 2020-2022 for its overall organization as the first and only financial institution in Thailand that possesses safe and efficient information management system.

2022

- KTC received a rating A in the MSCI ESG Rating assessment under Consumer Finance category. This assessment reassures investors that the Company is performing well in accordance with the Environmental, Social and Governance. The MSCI ESG Research is an organization with expertise and credibility in ESG indexing at the international level.
- KTC was added to the MSCI Global Standard Index since May 2020 until present. It is benchmark index by Morgan Stanley Capital International (MSCI), the world's leading company that weights stock market index at international level.
- KTC was selected as a constituent company in FTSE4 Good Index under Financial Services category by FTSE Russell for the second consecutive year from 2021 - 2022.
- KTC was chosen for the seventh consecutive year from 2016-2022 by Thaipat Institute as one of the 100 listed companies with outstanding performance in Environmental, Social and Governance (ESG) dimensions.
- KTC received "Excellent" rating, the highest award in the Corporate Governance Report of Thai Listed Companies survey conducted by the Thai Institute of Directors Association (IOD) for the seventh consecutive year from 2016-2022.
- KTC received a "100%" rating from the 2022 Annual General Shareholders' Meeting Quality survey conducted by the Thai Investors Association, Thai Listed Companies Association, and the Securities and Exchange Commission in which KTC also received this rating in 2017, 2019, 2021 and 2022
- KTC received the ASEAN CG Scorecard 2021 award under ASEAN Asset Class PLCs category which was rewarded to registered Thai companies with an average score of 97.50 or above in the ASEAN region. The event was sponsored by the ASEAN Capital Markets Forum (ACMF) and the Asian Development Bank (ADB) to honour and commemorate ASEAN listed companies that have undertook their businesses adhered to the good corporate governance principles. The evaluator is the corporate governance expert of each country. The evaluator in Thailand was the Thai Institute of Directors Association (IOD).

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, which can be seen from the effective debt collection coordinating process.

Above all, we believe that success does not happen from only inside the Company. 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 2020-2022

2020

- KTC reduced its interest rate ceiling and credit line usage fee as specified by the Bank of Thailand on August 1, 2020. For all KTC credit card types, annual interest rate plus credit usage fee rate is up to 16%. For “KTC PROUD” Revolving Loan and “KTC CASH” Multipurpose loan cards, overall annual interest and credit usage fee is at maximum rate of 25%. Furthermore, KTC also lowers its minimum payment rates for credit cards from originally 10% to 5% from March 26, 2020 to December 31, 2022. Meanwhile, “KTC PROUD” Revolving Loan debtors currently receive a minimum installment payment rate of 3% which is already within the relief guideline. In addition, KTC provides relief programs for retail customers who have been directly affected by the COVID-19 outbreak such as restructuring debt to long term loan, reducing installment payment by 30% for three consecutive installments etc. and the ending of relief programs was extended to June 30, 2021.
- KTC hosted the “KTC Supplier’s Day” to exchange knowledge with over 60 suppliers and business partners. Topics included sustainable business development in accordance with the SDGs (Sustainable Development Goals), the significance of human rights, as well as the preparation to comply with the Personal Data Protection Act B.E. 2562 which became effective in June 2021. KPMG Phoomchai Business Advisory Ltd. and Pricewaterhouse Coopers Consulting (Thailand) Limited joined the event as guest speakers.
- KTC and the Bank for Agriculture and Agricultural Cooperatives (BAAC) jointly signed the business cooperation agreement, “QR Code and e-Commerce Merchant Service Project”, to expand payment service for goods and services to include QR Payment via Alipay’s E-Wallet and KTC credit card for agricultural entrepreneurs who are members of BAAC’s Nong Homchang Shop in which a pilot launch was covered with 500 leading merchants nationwide.
- KTC launched its new loan business, “KTC P BERM, which consisted of “Car Title Loans” and “Motorcycle Title Loans”. Product is offered as an option for all occupations to gain access to funds in a legitimate, transparent and fair manner.
- KTC launched the revamped “KTC PROUD-UNIONPAY” cash card, boosting convenience with 4-in-1 function, Withdraw-Transfer-Swipe-Pay, in one card, with even more convenience if used together with “KTC Mobile” application and immediately receive money transfer into all bank accounts with no fees.
- KTC created a #CreditcardIsFor...30 days 30 stories video clips to invite consumers and cardmembers to ponder on “Thoughts and Realities”, highlighting 30 credit

2020

card functions and special privileges in support of cashless society under the New Normal lifestyle. Video's contents are straightforward, easy to understand, informative and valuable in accordance with KTC's Brand Values and are broadcasted on social media platforms like Facebook, YouTube and Twitter.

- In 2020, TRIS Rating assessed the Company's rating at A+

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.
- Due to the COVID-19 outbreak, there was a lock-down periodically which had an impact on partners' business operations and credit card spending volume. KTC worked closely with partners who could still operate their business such as supermarkets, convenient stores, petrol stations, food delivery, and online shopping, etc. The Company also supported partners who added channels to sell products and services via website or social commerce by promoting their stores activities through KTC's media, using KTC FOREVER points to redeem discount or cash back, and monthly installment, etc. In addition, the Company regularly communicated with partners closely about their situation to jointly plan marketing strategy to be ready when the outbreak eases.
- In the 4th quarter of the year, which was the festive season, KTC launched Step it Up with KTC FOREVER campaign reinforcing the concept of unlimited rewards. Cardmembers enjoy more value on KTC FOREVER points than usual from two forms of value special privileges: conveniently redeem 999 points or points in the amount equivalent to the transaction for discounts or special privileges. Cardmembers redeem via a variety of redemption channels that are in line with a new era of consumer behavior at over 170 merchants nationwide under the Daily Transactions category, from October 1 to December 31, 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.
- KTC launched "KTC P BERM" cash card that comes with convenient functions, Swipe-Transfer-Withdraw for motorcycle title loan members. A bright red card with a big smile is P BERM new Brand Icon, passing on the fighting power full of hope to members of "KTC P BERM perseverant individuals" to carry their cards with pride. Furthermore, this cash card also adds financial confidence to life with revolving line of credit that can withdraw in case of emergency use and swipe to buy products. The highlights are easy loan, quick approval in 2 hours without any fees.
- KTC extended its relief programs for retail customers (both credit card and personal loan) who had been directly affected by the COVID-19 outbreak such as restructuring debt to long term loan, reducing installment payment by 30% for three consecutive

installments etc. and the ending of relief programs was extended to December 31, 2021.

- KTC introduced Artificial Intelligence technology to assist the Contact Center in 7 services, consisting of balance inquiring, payment inquiring, points balance, temporary credit line increasing, statement requesting, card activating, and application status inquiring by using the name “Kathi”.
- KTC as a cardmembers’ representative handed over 225,240 Baht donation funds collected from the Switch from Paper Statements to e-Statements project to Siriraj Foundation to support the caring for poor patients.
- 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 Krungthai Bank Public Company Limited (Krungthai 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. On May 21, 2021, the Company paid 50% of the ordinary shares purchase price to Krungthai Bank. On November 29, 2021, the Company adjusted the agreed purchase price and paid the outstanding amount to Krungthai Bank which considered that the payment date was completed as agreed in the Share purchase Agreement.
- On April 1, 2021, the Company replaced Financial Controller from Ms. Pranee Rattakam to Mrs.Rojjana Ussayaporn.
- On April 8, 2021, the Company appointed Mr.Pongsit Chaichatpornasuk as a Chairman of the Board of Directors and a Chairman of Nomination and Remuneration Committee in replacement of Mr. Parinya Patanaphakdee, effective since April 8, 2021 onwards.
- On October 18, 2021, the Company notified the resignation of a Chairman of the Board of Directors and a Chairman of the Nomination and Remuneration Committee of Mr.Pongsit Chaichatpornasuk and on October 31, 2021, the Company appointed Mr. Prasong Poontaneat in replacement of Mr.Pongsit Chaichatpornasuk.
- On December 3, 2021, the Company notified the resignation of a Director and a Member of Nomination and Remuneration Committee of Mr. Pichit Jongsaliswang and on December 27, 2021, the Company appointed Mr. Rungruang Sukkirdkijpiboon in replacement of Mr. Pichit Jongsaliswang.
- In 2021, TRIS Rating upgraded the Company’s rating from A+ to AA-

2021

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.

2022

- KTC organized the 26th Legal Execution Mediation Expo helping KTC's debtors to have an opportunity to negotiate debt repayment conveniently, quickly, and fairly without any expenses with a mediator as a medium to find a way to settle the case with mutual satisfaction, which will help debtors to have a better quality of life. A total of 640 KTC's debtors successfully registered to attend the expo and entered the mediation process with a capital of over 65 million baht, reducing debtors' expenses by 3,568,562.13 baht.
- KTC joined forces with JCB to launch "KTC JCB ULTIMATE" credit card on March 11, 2022, a credit card of the highest tier. KTC is the first credit card company in Thailand that issued a top-tier credit card with premium privileges from a wide variety of merchant partners that match with premium lifestyles. The card is suitable for target groups with income more than 50,000 baht who love to travel with a fine dining lifestyle and often shop online. This is in line with KTC's strategy this year which focuses on expanding its new customer base to the high-end segment.
- KTC joined forces with Agoda, the leading travel platform, to launch the first co-branded "KTC - AGODA MASTERCARD" credit card in Asia offering special privileges for hotel, accommodation, and flight reservations as well as other full-service travel and tourism-related services via the Agoda's digital platform in the most cost-effective way in respond to the trend of tourism that is starting to recover.
- KTC joined forces with Bangchak and The Suankularb College Alumni Association Under The Royal Patronage, to launch the co-branded "KTC - BANGCHAK - SUANKULARB VISA PLATINUM" credit card, targeting Suankularb alumni and parents, connecting their bond of over 140 years from generation to generation, with many offers and special privileges such as earning 1 KTC FOREVER point for every 25 baht spent with the credit card, redeeming every 100 points into 12 baht donation money towards The Suankularb College Alumni Association, and earning 1% cash back at Bangchak gas stations, as well as receiving various special discounts from KTC partner stores and the Suankularb alumni network.
- KTC joined forces with Google as one of the first credit cards to provide Google Pay service and allow official payments via Google Wallet, which gives cardmembers the option to use KTC VISA and KTC MASTERCARD credit cards payment services more conveniently and safely on their Android smartphones, enabling them to touch and pay via Google Pay simply and quickly at all contactless points of purchase.
- KTC showcased at the "BOT Digital Finance Conference 2022", demonstrating "MAAI by KTC" (My by KTC), a loyalty platform which supports business partners with fully integrated Customer Relationship Management (CRM) program. Visitors can experience and enjoy privileges offered on MAAI by KTC app such as rewards redemption from various partners exclusively selected for this event.
- KTC launched the new image "KTC PROUD MASTERCARD" Cash Card with a modern vertical card design that is in line with the new generation's lifestyle, boosted convenience with more functions and ready-to-use Swipe-Transfer-Withdraw-Pay functions for online shopping with one card. It is also more convenient when used in conjunction with the "KTC Mobile" app to receive transferred money from any bank accounts free of charge 24 hours a day, free of charge, and pay in 0% interest installments for up to 24 months at participating stores."

2022

- KTC hosted a Wealth Building Seminar for “KTC PROUD” cashcardmembers in the episode “How to Create a Facebook Page and Sale via Online Platform” where members attended the seminar and workshops session period for full 3 hours. The Wealth Building Seminar is an exclusive knowledge-sharing activity continuously held for members to support opportunities for members to up skill and knowledge for further career and income enhancement. KTC will select seminar topics that are mainly useful, trendy and meet members’ needs.
- KTC hosted “KTC FIT Talks 7: How to Deal with Online Risks and Threats” seminar to build confidence in the security of online transactions to prepare medias and Thais to be equipped to deal with risks and threats in the increasingly concerning the cyber world. KTC puts a spotlight on its position as the leader in the consumer finance business that supports the development of online financial transactions and management to effectively prevent digital fraud through 4 main components: Personnel-Operational Process-Technology-Data Management with advice on how to spot and prevent various forms of online fraud.
- KTC launched “KTC P BERM” cash card that comes with convenient functions, Swipe-Transfer-Withdraw for car title loan members. Customers can choose the type of card, either UnionPay or MasterCard, that passing on the fighting power full of hope to members of “KTC P BERM perseverant individuals” to carry their cards with pride. Moreover, this cash card also adds financial confidence to life with revolving line of credit that can withdraw in case of emergency use and swipe to buy products. It is another option for those who have a car and registration book under their name.
- In November 2022, KTC P BERM business expanded its service “KTC P BERM CAR FOR CASH” through KTB branches by opening a channel for a full process from applying to approving loans. The bank officer can perform an acquisition process for customers via KTC’s tablet device which loans can be approved within 1 hour and receive money immediately at more than 900 branches of KTB nationwide.
- KTC supports social equity to sustainably reduce inequality in Thai society and announces as the first financial institution in Thailand to looking after the welfare of sexually diverse employees and their unregistered couples, such as health insurance benefits for all positions, marriage and bereavement benefits, and treatment in line with LGBTQI+ gender equality.
- In 2022, TRIS Rating maintained the Company’s rating at AA-
- On April 8, 2022, the Company notified the resignation of an Independent Director and an Audit, Environmental, Social Responsibilities, and Corporate Governance Committee of Mrs. Nampung Wongsmit, and on April 21, 2022, the Company appointed Mr. Natapong Vanarat in replacement of Mrs. Nampung Wongsmit.
- KTC joined “Debt Resolution Expo” held during September 26, 2022 – January 31, 2023 to help vulnerable groups of debtors who may be further affected by the higher cost of living. The expo was cooperated by the Ministry of Finance, the Bank of Thailand, and more than 60 financial institutions/financial service providers both from private and public sectors (SFIs)

2022

- On November 14, 2022, the Company appointed Mr. Prasong Poontaneat, a Chairman of the Board of Directors and a Chairman of Nomination and Remuneration Committee, as an Independent Director. Thereby, the Company's number of independent directors increased to 5 out of 8 directors.
- On November 28, 2022, KTC hosted "KTC Supplier's Day" event for knowledge sharing with over 42 business partners and 26 suppliers about how to deal with online risks and threats, which is one of the sustainability issues that KTC emphasizes on enhancing knowledge and understanding so that suppliers can adapt and apply information security and cyber security that suit their organizations which is in line with KTC's operation.
- As of December 31, 2022, KTC had a total of 12 KTC TOUCH service points with 8 in Bangkok, 3 in metropolitan areas, and 1 in Chiang Mai. KTC TOUCH service points provide services for credit card application, personal loan services, payment services, as well as provide information related to KTC's financial products.

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 2022, 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 "Corporate Group Structure and Business Operations" 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, 14th Floor, Sukhumvit Road, North Klongton, Wattana, Bangkok 10110
Telephone	:	02 828 5067, 02 828 5059
E-Mail	:	irktc@ktc.co.th
Website	:	www.ktc.co.th/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

Customer Contact Center : 02 123 5000

Telephone : 02 123 5100

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

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

Telephone : 02 123 5300

3. KTC Pico (Chonburi) Co., Ltd.

Address : 89/457 Moo 6, Tumbon Borwin,
Sriracha, Chonburi

Telephone : 02 123 5300

4. KTC Pico (Pathum Thani) Co., Ltd.

Address : 94 Future Park Rangsit, 2nd Floor,
Room PLZ.2SHP012B/2, Paholyothin
Road, Tumbon Prachatipat,
Thanyaburi, Pathum Thani

Telephone : 02 123 5300

5. KTC Pico (Samut Prakarn) Co., Ltd.

Address : 200/63 Moo 1, Tumbon Bang Sao
Thong, Bang Sao Thong,
Samut Prakan

Telephone : 02 123 5300

6. KTC Pico (Samut Sakhon) Co., Ltd.

Address : 322/90 Ekachai Road, Tumbon
Mahachai, Muang Samut Sakhon,
Samut Sakhon

Telephone : 02 123 5300

7. KTC Nano Co., Ltd.

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

Telephone : 02 123 5300

8. KTB Leasing Co., Ltd.

Address : 20 Suan Mali Building, 6th-8th Floor,
Yukol 2 Road, Wat Thepsirin,
Pom Prap Sattru Phai, Bangkok 10100

Telephone : 02 299 3888, 02 299 3800

9. Krungthai Advisory Co., Ltd.

Address : 35 Nana Nua Building, 5th Floor,
Sukhumvit Road, North Klongton,
Wattana, Bangkok 10110

Telephone : 02 639 3591

10. KTC Prepaid Co., Ltd.

Address : Head Office at 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, 2022, the Company had registered capital and paid-up capital of totaling 2,578 million baht, divided into 2,578,334,070 ordinary shares of one baht each.

BUSINESS NATURE

Krungthai Card Public Company Limited (“the Company” or “KTC”) 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 a full range of financial products covering provincial retail lending business, occupational retail lending business, e-money business, hire purchase and leasing business, as well as holding business to support the Company’s business operations to create sustainable long-term returns.

Revenue Structure (2020 - 2022)

KTC’s revenue structure consists of interest income and fees from its two main businesses: credit card business and personal loan business. As for the fee income, the Company also records the credit line usage fee, calculated from the outstanding balance of receivable, as an income. Effective as of August 1, 2020, according to the Bank of Thailand’s announcement, the Company could charge interest rates for credit card and personal loan including credit usage fees up to 16% and 25% per annum, respectively. As for personal loans under supervision, such as auto title loan was charged at a rate of 24% per annum where the difference in interest rates and fees incurred between the Civil and Commercial Code and the regulations from the Bank of Thailand was recorded as income from fees for using the credit line. In addition, KTC also has other sources of income such as profit from exchange rate, other income and so forth.

In addition, the Company acquired KTB Leasing Co., Ltd.’s ordinary shares in May 2021 to operate business of hire purchase and financial lease services, which generated income from car leasing for the Company in 2021.

The revenue structure based on the financial statements in the past 3 years during 2020 - 2022 is as follows;

Revenue Structure	2020 (Original)		2021		2022	
	MB	%	MB	%	MB	%
Credit Card Revenue	12,587	57.1%	12,288	57.3%	13,652	58.8%
(1) Interest Income ⁽¹⁾	6,611	30.0%	6,501	30.3%	7,051	30.4%
(2) Fee Income	4,294	19.5%	4,088	19.1%	4,833	18.2%
(3) Recovery Income	1,681	7.6%	1,699	7.9%	1,768	7.6%
Personal Loan Revenue	9,177	41.6%	8,643	40.3%	8,872	38.2%
(1) Interest Income ⁽¹⁾	7,556	34.3%	7,009	32.7%	7,220	31.1%
(2) Fee Income	183	0.8%	142	0.6%	97	0.4%
(3) Recovery Income	1,437	6.5%	1,492	7.0%	1,555	6.7%
Leasing Revenue	N/A	N/A	243	1.1%	250	1.1%
(1) Interest Income ⁽¹⁾	N/A	N/A	104	0.5%	110	0.5%
(2) Fee Income	N/A	N/A	63	0.3%	43	0.2%
(3) Recovery Income	N/A	N/A	75	0.3%	97	0.4%
Other Income⁽²⁾	292	1.3%	269	1.3%	456	1.9%
Total Revenue	22,055	100.0%	21,442	100.0%	23,231	100.0%

Source: 2020-2021 financial statements audited by Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.
2022 financial statements audited by EY Office Limited

Note: ⁽¹⁾ Credit Usage fee is included in interest income.









⁽²⁾ 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

Issuing business is a business of KTC as an issuing bank that is authorized to issue credit cards with these logos    and  on credit cards. Visa International (Thailand) Ltd. (Visa), Mastercard Asia/Pacific Pte., Ltd (Mastercard), JCB International Co., Ltd., (JCB) and UNIONPAY International Co., Ltd. (UnionPay) act as central payment authorities between issuing banks/ companies and banks/ stores. Credit cardholders can choose whether to use a credit card issued in conjunction with Visa, MasterCard, JCB or UnionPay and the cards can be used to pay for goods and services instead of cash at all member stores that have    and  logos.





The Company consistently focused on development of business and marketing plans to foster business growth by increasing the number of cards and expanding the customer base. In collaboration with its partners, the Company jointly promoted spending via KTC credit cards and established long-term relationship. KTC implemented four core strategies as follows:

1. Expand customer base to higher level by targeting customers with an income of more than 50,000 Baht
2. Issue credit cards with Co-Brand to expand credit card base.
3. Increase partner base to a group of premium and lifestyle stores to support the new target groups of upper income customers.
4. Focus on the use of KTC FOREVER points as an important tool in marketing activities by highlighting the unexpired points and creating value added from using the points to redeem products, service and special privileges.

Finally, the Company still recognized the importance of market research and new business opportunities in order to offer benefits and privileges that best match the needs and lifestyles of cardholders. This approach represents another growth strategy. Over the year, the Company issued the credit cards to customers as follows.





Number of Credit Cards and Credit Card Receivables	2020	2021	2022
Total Number of Credit Cards (Cards)	2,575,684	2,515,110	2,550,592
Growth (%)	2.6%	(2.4%)	1.4%
Credit Card Receivables – net (Million Baht)	56,017	56,075	65,031
Growth (%)	4.7%	0.1%	16.0%

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.
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 cardmembers affected by the COVID-19 epidemic announced by the Bank of Thailand, the Company has had measures to help with credit for credit cardmembers 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 Krungthai 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 after a successful transaction. 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 500 Baht. 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:** Personal assistant service for all types of credit cardmembers of KTC VISA INFINITE/ KTC WORLD MASTERCARD/ KTC UNIONPAY ASIA PRESTIGE DIAMOND, which the members can directly contact KTC VIP service at 02 123 5555 extension 3 to reach 4 following assistances worldwide:
 - Worldwide medical emergency assistance
 - Domestic roadside emergency assistance
 - Home emergency assistance
 - Worldwide personal secretary service

- **JCB Platinum Services for KTC JCB PLATINUM credit cardholders:** To serve information needs of customers, more than 69 Concierge Service centers are located worldwide to provide credit card membership services as follows:

- 9 JCB Plaza Lounges
- More than 60 Airport Lounges in 40 airports for a total of 10 countries.

- **Automatic payment for monthly bills:** The customers are able to pay bills through all types of credit cards, such as landline, mobile phone and internet services.

- **KTC NEWSLETTER/ KTC e-Newsletter:** The newsletter updates cardmembers with news and information about latest privileges and services.

- **“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:

1 million Baht

- For all credit card types that belong to KTC VISA CLASSIC/ KTC MASTERCARD CLASSIC

4 million Baht

- For all credit card types that belong to KTC VISA GOLD/ KTC MASTERCARD/ KTC TITANIUM MASTERCARD

8 million Baht

- 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 40,000 Baht per claim.

20 million Baht

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

40 million Baht

- 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 100,000 Baht per claim.





- **KTC FOREVER point accumulation program:** One KTC FOREVER Reward point is earned for every 25 Baht 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 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 cardmembers 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, 24 hours a day, including holidays or www.ktcworld.co.th
- **Fitbit Pay:** Cardmembers can make payment for goods and services with all types of KTC Visa and KTC Mastercard credit cards via a Fitbit smartwatch at participating stores that accept contactless payment. This secure service is easy and convenient to use.
- **Garmin Pay:** This payment service via Garmin smartwatch with all types of KTC Visa and Mastercard credit cards is available for payment of goods and services at participating stores that accept contactless payment.
- **Google Pay:** Service that facilitates KTC VISA and KTC MASTERCARD credit cardmembers, 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
 - KTC LINE Official Account
 - Facebook at www.facebook.com/KtcRealPrivilege
 - Twitter at twitter.com/KtcRealPrivilege
 - Instagram at [@ktccard](https://www.instagram.com/ktccard)
 - Youtube at www.youtube.com/c/KTCCard1
 - Tiktok at KTC Card

- **KTC U SHOP:** Online shopping services, where the KTC credit cardmembers 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, LINE: @KTCUSHOP and Facebook: KTC USHOP
- **KTC Mobile Application:** enabling KTC credit cardmembers to manage online transactions by themselves via KTC Mobile application, which supports on iOS/Android/ Huawei's HarmonyOS operating systems.
- **KTC Online:** Credit cardmembers can make transactions via online channels by themselves through the website 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.
- **Krungthai bank branches and employees:** There are more than 980 branches nationwide
- **Outsource sales channel:** The Company uses outsource services to introduce KTC financial products to individuals and juristic persons. Independent product recommenders are located in every region in the country to serve customers inclusively and quickly.
- **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 cardmembers, including trying to find new channels by doing business in a synergy manner with marketing alliances and various alliances.
- **Digital channel:** In response to changing consumer behaviors as we are moving further toward a digital society, KTC has developed online channels and digital platforms to facilitate product application process.
- Customers can complete and submit an application form through our main website www.ktc.co.th, KTC online platforms, or online platforms of our partners. Through our 24/7 services, customers can send KTC's service staff any messages at any time so that our staff can revert back as soon as possible.
- **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.
- **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.

- **Applications:** Krungthai NEXT/ Krungthai Care (Line Official Account)/ Krungthai Connex/ Krungthai Care (Facebook) are new online channels of Krungthai Bank to expand the member base for customers who are interested in KTC products. Customers can simply apply by themselves via KTB NEXT application.

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 application 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 counter
- 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/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 45-180 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 in order 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, 2022, the Company's losses from credit card frauds and personal loan scams amounted to 5.41 million Baht, or 0.002% 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) device of 27,878 units, 27,752 units, and 27,606 units in the year 2020, 2021, and 2022 respectively.

(A) Types of Acquiring Business services

There are 4 types of acquiring businesses as follows.

- 1. Payment via Electronic Data Capture (KTC EDC)** – currently the Company offers (1) EDC for Visa, Mastercard, JCB and UnionPay and (2) EDC for Alipay O2O payment.
- 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/ debit cards and Alipay to make a payment with aforementioned methods which are convenient and quick for customers.

Merchants must open deposits account with Krungthai 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, 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, 2022, the Company had total of 43,929 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 Krungthai 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 also uses a Credit Scoring system to process and analyze 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 Personal Loan is suitable for people with an income over 15,000 Baht. 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 12,000 Baht. 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 36 installments, which customers can choose to pay back at least 3% of the total outstanding balance, but not less than 300 Baht, at participated merchants across the country.

No. of Personal Loan Account and Personal loan Receivables	2020	2021	2022
Number of Accounts (Accounts)	808,772	751,676	739,247
Growth (%)	(9.0%)	(7.1%)	(1.7%)
Personal Loan Receivables-net (Million Baht)	26,777	26,013	28,547
Growth (%)	(1.7%)	(2.9%)	9.7%

(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 sends approval letter or rejection letter to applicant. Table showing installment rate is enclosed in the letter of approval. Once approved, the Company will transfer cash to applicant’s bank account within the day of approval for Krungthai Bank, Kasikorn Bank, and Bangkok Bank. For 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 counter
- 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/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 2 main products: car title loan and motorcycle title loan

The Company has started car title loan products since October 2019, motorcycle title loan products since July 2020. Two types of loans are installment loans that the customer has to 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 two 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 8,000 Baht or more (or business owners with sales of 30,000 Baht or more). It is a loan paid in installments with equal payment amount every month. The maximum interest rate is 24% per annum. The maximum 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 a form of 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.

(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 Krungthai Bank counter, or via Automated Teller Machine (ATM), or via Cash Deposit Machine (CDM) at Krungthai 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 cardmembers. 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 / Krungthai Advisory Company Limited)

KTB Leasing Company Limited operates business in types of hire purchase and financial lease. In May 2021, Krungthai Card purchased KTB Leasing Company Ltd. (KTBL)'s ordinary shares, resulting in the Krungthai Bank holding 24.95% and KTC holding 75.05% after the acquisition. KTBL has expanded its business to expand its credit customer base by releasing car hire purchase loans since June 2021. The company has issued loans for car leasing to retail customers since June 2021 and has provided commercial loans for trucks and construction machinery since January 2022.

KTB Leasing Company Limited Process

1) The Applicant contacts the Company for loan application

The applicant can register for loan by contacting the Company via the following channels;

- 1.1) Commercial loans
- Branches of KTB Leasing Co., Ltd.
 - Krungthai Bank Public Co., Ltd.
 - Business partners as authorized dealers of trucks and/or construction machinery of various brands
- 1.2) Retail loans
- Register via the Company Website (www.ktc.co.th)
 - Branches of KTB Leasing Co., Ltd.
 - KTC Touch
 - Call Center: P BERM Service 02 123 5300 or KTC Phone 02 123 5000
 - Loan sales representative
 - Business partners' channels that act as the loan sales representative

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 (Retail loans) system along with collateral to set credit limit, interest rate, including fee are set according to the business regulations.

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

3.1) Commercial loans

The Company shall notify the approval of the credit line or refusal of hire purchase loans to applicants after the known results of consideration through the branches of KTB Leasing Co., Ltd. In case the hire purchase loans application is approved, the Company will arrange for signing a contract. When the hire purchase loans applicant signs such contract, the Company will then transfer money to the bank account of the dealers of trucks and/or construction machinery as sellers of the properties shown in the contract of hire purchase loans applicant according to the specified period as well as the Company's regulations and guidelines.

3.2) Retail loans

The Company notifies the approval of the credit limit or refusal to grant credit to the loan applicant as soon as the result of the consideration is known through the Company's representative who handles the application. In the event that the loan request is approved, the Company arranges a hire purchase contract together with a rate of installment payments table for each applicant. When the applicant signs a hire purchase contract with the Company, the Company transfers the money to the bank account of the loan applicant within the date the loan is approved.

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

The Company delivers a payment card to the customer within 7 days after the loan transaction has been approved so that the customer can use the card to pay for such credit through various payment channels provided by the Company as follows:

4.1) Commercial loans

Customers can choose payment methods according to various payment channels provided by the Company as follows:

- Direct Debit of Krungthai Bank Public Co., Ltd.
- Bill payment or money transfer at the bank counter or through ATM or CDM of Krungthai Bank (free of charge) and banks/ payment service providers (service charges applied according to the bank/ service provider's conditions), namely Bangkok Bank, Kasikorn Bank, Bank of Ayudhya, Siam Commercial Bank, TMBThanachart Bank, AIS/ True/ Big C/ Lotus counters and Thai post offices nationwide
- Delivery of post-dated checks according to number of installments in the specified credit conditions

4.2) Retail loans

- Pay at the bank counter or through an automated teller machine (ATM) or a cash deposit machine (CDM) of Krungthai Bank (free of charge) and banks/payment service providers (charges are charged according to the conditions of banks/payment service providers) such as Bangkok Bank, Kasikorn Bank, Bank of Ayudhya, Siam Commercial Bank, TMBThanachart bank, AIS/ True/ Big C/ Lotus counters and Thailand Post.
- Pay via Mobile Banking system

5). 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 waive the payment by considering the needs and reasons under a closely risk control system according to the Debt Collection Act B.E. 2558 (2015), regulations and announcements of the strictly defined external regulators.

KTC PICO (Bangkok) Company Limited provincial-level microfinance service (Pico Plus), provides a credit line of not more than 100,000 Baht 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 50,000 Baht, and and not exceeding 28% for the credit line exceeding 50,000 Baht. KTC Pico (Bangkok) Co., Ltd. currently holds shares in KTC Pico Co., Ltd. in 4 other provinces, namely Chonburi, Samut Prakan, Samut Sakhon and Pathum Thani. Regarding to Pico finance business, the Company keeps on monitoring the market overview closely, due to the high uncertainty of the economy causing the slowdown of its business operation.

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 15,000 Baht. 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 100,000 Baht at an interest rate of no more than 33% per annum since August 1, 2020. Currently, the Company is in the process of studying and preparing to enter the Nano finance business since the Company foresees the potential and growth opportunities whereas the overall market becomes more obvious. Nevertheless, the direction of the economic situation must also be considered.

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. Krungthai Bank holds 24.95% of total shares while KTC holds 75.05% of total shares.

Krungthai Advisory Company Limited (KTBA) conducts business as a holding company where KTC and Krungthai Bank made a joint venture agreement on October 30, 2020. KTC purchased ordinary shares in KTBA from Krungthai Bank. As a result, Krungthai Bank holds 76.00% of total shares while KTC holds 24.00% of total shares.

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 Krungthai 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.

The Overview of Consumer Finance Industry

The Overview of Consumer Finance Industry

Thai economy at the end of 2022 expanded by 2.6% compared to the end of 2021 which stood at 1.5% due to the easing of government control measures, the recovery of domestic spending, the normalization of economic activities, and the revival of tourism and exports of goods and services. These factors led to the recovery of various private sector businesses, which have shown signs of improvement. For the year 2023, Thai economy is expected to continue expanding, driven by the recovery of the tourism and private consumption sectors, reflected in the continuous increase in tourist numbers and support from the service sector, employment growth, and improved labor income. The Bank of Thailand projected its economic growth for the year 2023 at 3.7% (projected as of November 2022). The continuous recovery of both the tourism and private consumption sectors is expected to help mitigate the impact of the global economic risks, which may slow down, and potentially lead to an increase in consumer credit demand.

The overall consumer finance industry has grown compared to the previous year. The industry's total consumer finance receivables as of December 31, 2022, equaled to Baht 1,263,430 million, increased by 17.9% compared to 2021 which equaled to Baht 1,164,927 million.

Table: Growth of Consumer Finance Receivables

Year	2018 ⁽²⁾	2019 ⁽²⁾⁽³⁾	2020 ⁽²⁾	2021 ⁽²⁾	2022
Consumer Finance Receivables (Million Baht) ⁽¹⁾	798,189	1,034,705	1,027,215	1,164,927	1,263,430
Growth (%YoY)	7.3%	29.6%	(0.7%)	13.4%	17.9%

Source: The Bank of Thailand (BOT)

⁽¹⁾ Consumer finance receivables are calculated by combining credit card receivables and personal loan receivables.

⁽²⁾ In 2019, 2020, 2021 and 2022, the Bank of Thailand adjusted the historical data for the year 2018, 2019, 2020 and 2021.

⁽³⁾ For the industry data since February, 2019 (BOT published on April 10, 2019), the Bank of Thailand has included car title loan into personal loan receivables.

Consumer finance receivables consist of credit card receivables and personal loan receivables. The Bank of Thailand's reports publish information primarily collected from the two major types of consumer finance operators as follows:

(1) Commercial bank consists of Thai commercial banks and Foreign bank branches, which are regulated by the Bank of Thailand, and engaged in consumer finance business, such as Bangkok Bank, Kasikorn Bank, Siam Commercial Bank, Citibank and so forth.

(2) Non-bank operator constitutes of business operator registered with the Ministry of Commerce whose objective is to operate a regulated retail loan business, including credit card and personal loan which categorized to unsecured and auto secured personal loan including occupational loan (Nano Finance) and electronic payment service; however, they are not permitted to provide deposit services. These types of lenders are instrumental in helping further divert borrowings of low-income customers who represent a large group of borrowers into the system.

As of the third quarter of 2022, Thailand's household debt to GDP accounted for 86.8% compared to the end of 2021 which stood at 90.1%. The declining trend is due to the improving GDP following the economic recovery after the easing of COVID-19 control measures and the reopening of the country to international tourism, as well as the high inflation-adjusted prices that have increased. However, this does not yet reflect the ongoing problem of increasing household debt, as some groups of Thai households still face slower income growth than their expenses, and interest rates have risen over the past year. The top four categories of high household debt are still 1) home mortgage loans, 2) consumer loans, 3) business loans, and 4) car/motorcycle loans or leases.

Table: Thailand's Household Debt

Thailand's Household Debt	2018	2019	2020	2021	As of 3Q/2022
Household Debt (Million Baht)	12,829,199	13,488,883	14,028,850	14,576,844	14,903,216
Household Debt to GDP (%)	78.4	79.9	89.7	90.1	86.8

Source: The Bank of Thailand

Overview of Credit Card Industry

(1) Competitive landscape in credit card business

At the end of 2022, when considering the number of credit card accounts which grew by 3.6%, outstanding credit increased by 5.4%, spending through credit cards (excluding cash advances) expanded by 21.1%, and cash advances increased by 27.9%. This is due to the increased confidence of consumers and economic activities returning to normal.

Currently, the credit card business is operating under increasingly competitive conditions from both existing service providers and new entrants to the market. Despite this, the business is expected to continue growing in the future, as consumer spending via credit cards is expected to continue increasing in line with changing consumer behavior. Consumers are increasingly favoring electronic payment methods over cash, especially through mobile banking and the rapidly growing e-commerce industry, thus supporting the trend towards electronic payment. Additionally, the development of technology and innovations in credit card payment have expanded the use of credit cards, such as the development of QR payment for credit card payments. In response to these trends, credit card businesses are adjusting their strategies to accommodate these evolving payment transactions.

As of December 31, 2022, credit card accounts were a total of 25.7 million accounts in the system with 3.6% growth rate and total credit card loan amounted to Baht 482,966 million, grew 5.4% from the previous year. Please refer to more details about the industry in the following tables.

Table: Number of Credit Cards

Number of Credit Card (Accounts)	2018	2019	2020	2021 ⁽¹⁾	As of December 31, 2022		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	10,593,555	11,618,919	11,732,994	12,182,642	9,787,240	38.0%	(19.7%)
Non-Bank	11,511,999	12,001,455	12,430,927	12,666,643	15,946,683	62.0%	25.9%
Total	22,105,554	23,620,374	24,163,921	24,849,285	25,733,923	100.0%	3.6%

Source: The Bank of Thailand

⁽¹⁾ In 2022, the Bank of Thailand adjusted the historical data for the year 2021

Table: Credit Card Receivables

Credit Card Receivables (Million Baht)	2018	2019	2020	2021 ⁽¹⁾	As of December 31, 2022		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	253,434	279,429	272,918	278,808	242,169	50.1%	(13.1%)
Non-Bank	165,313	177,661	176,814	179,373	240,797	49.9%	34.2%
Total	418,747	457,090	449,733	458,181	482,966	100.0%	5.4%

Source: The Bank of Thailand

⁽¹⁾ In 2022, the Bank of Thailand adjusted the historical data for the year 2021

In 2022, total industry's credit card spending amounted to Baht 2,004,737 million, increased by 21.5% from the previous year due to the gradual recovery of domestic spending and number of foreign tourists that has began and expected to continue, together with the government's stimulus measures.

Table: Total Credit Card Spending

Total Credit Card Spending (Million Baht)	2018	2019	2020	2021 ⁽¹⁾	As of December 31, 2022		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	1,128,330	1,231,979	1,073,488	1,079,309	1,302,884	65.0%	20.7%
Non-Bank	602,158	653,746	570,221	570,182	701,853	35.0%	23.1%
Total	1,730,488	1,885,725	1,643,709	1,649,491	2,004,737	100.0%	21.5%

Source: The Bank of Thailand

⁽¹⁾ In 2022, the Bank of Thailand adjusted the historical data for the year 2021

In 2022, total industry's credit card spending (excluding cash advance) amounted to Baht 1,880,499 million, increased 21.1% from the same period last year.

Table: Credit Card Spending (Excluding Cash Advance)

Credit Card Spending (Excluding Cash Advance) (Million Baht)	2018	2019	2020	2021 ⁽¹⁾	As of December 31, 2022		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	1,053,131	1,145,498	1,011,706	1,032,877	1,246,582	66.3%	20.7%
Non-Bank	531,352	576,535	515,306	519,469	633,917	33.7%	22.0%
Total	1,584,483	1,722,033	1,527,013	1,522,345	1,880,499	100.0%	21.1%

Source: The Bank of Thailand

⁽¹⁾ In 2022, the Bank of Thailand adjusted the historical data for the year 2021

Total industry's cash advance in 2022 has a value of Baht 124,238 million, an expansion of 27.9% from the same period of 2021 which saw a significant decrease in the cash advance amount due to the slowing down of Thai economy.

Table: Cash Advance in Credit Card Business

Cash Advance (Million Baht)	2018	2019	2020	2021 ⁽¹⁾	As of December 31, 2022		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	75,199	86,481	61,781	46,432	56,303	45.3%	21.3%
Non-Bank	70,806	77,211	54,914	50,713	67,936	54.7%	34.0%
Total	146,005	163,692	116,696	97,145	124,238	100.0%	27.9%

Source: The Bank of Thailand

⁽¹⁾ In 2022, the Bank of Thailand adjusted for the historical data for the year 2021

(2) KTC credit card business compared to the industry

In 2022, the credit card industry has shown a good recovery trend, following a significant contraction in 2020-2021 due to the COVID-19 pandemic, country lockdowns, and the global economic slowdown. Credit Card spending has gradually increased in line with the improving economy, with the reopening of global activities and economic events returning to normal. However, the growth of the business is limited by the decreased ability of consumers to repay debts, leading financial institutions to increase scrutiny in approving debts and focus on improving the quality of their loan portfolio.

When comparing KTC credit card business to the industry, it was found that in 2022 the Company's credit card spending amounted to Baht 238,257 million compared to Baht 195,727 million in 2021, increased by 21.7% while the industry grew at 21.5% (increased from Baht 1,649,491 million to Baht 2,004,737 million). The Company's market share in 2022 stood at 11.9%.

In terms of credit card receivables, as of December 31, 2022, the Company's credit card receivables amounted to Baht 69,462 million and its market share stood at 14.4%. Moreover, the Company's credit card receivables increased by 15.4% while the industry grew by 5.4%.

The Company, in collaboration with Visa, Mastercard, JCB and UnionPay, jointly expanded the cardmember base, boosted spending across various categories of products and services, which fulfill lifestyles of cardmembers, and also expanded the partnership base to offer additional benefits and privileges in new categories for cardmembers. As a result, in 2022, the number of credit cards equaled to 2.6 million accounts and its market share stood at 9.9%.

As of December 31, 2022, the industry's NPL ratio stood at 1.9%, increased from 1.8% in 2021. After scrutinizing NPL ratio of each group in 2022, it was found that commercial bank's NPL ratio stood at 2.3% of total receivables while non-bank operator's NPL ratio stood at 1.6% of total receivables. As of December 31, 2022, KTC's NPL ratio stood at 1.1% of total receivables, which was lower than the industry ratio.

Table: Comparison between KTC Credit Card Business and the Industry

	2018	2019	2020	2021	2022
Industry Number of Credit Card Accounts (Million Accounts)	22.1	23.6	24.2	24.8	25.7
KTC Number of Cards (Million Cards)	2.4	2.5	2.6	2.5	2.6
KTC Number of Cards to Industry (%)	10.8%	10.6%	10.7%	10.1%	9.9%
Industry Credit Card Spending (Million Baht) ⁽¹⁾	1,730,488	1,885,725	1,643,709	1,649,491	2,004,737
KTC Credit Card Spending (Million Baht) ⁽¹⁾	193,101	213,629	197,087	195,727	238,257
KTC Credit Card Spending to Industry (%)	11.2%	11.3%	12.0%	11.9%	11.9%
Industry Credit Card Receivables (Million Baht)	418,747	457,090	449,733	458,181	482,966
KTC Credit Card Receivables (Million Baht)	51,062	56,653	60,235	60,201	69,462
KTC Credit Card Receivables to Industry (%)	12.2%	12.4%	13.4%	13.1%	14.4%
Industry - NPL Ratio (%)	1.8%	1.9%	1.9%	1.8%	1.9%
KTC - NPL Ratio (%)	1.0%	0.9%	1.3%	1.2%	1.1%

Source: The Bank of Thailand

⁽¹⁾ Credit card spending includes cash advance

Overview of Personal Loan Business

(1) Competitive landscape in personal loan business

For the past year, overall personal loan under supervision remained expanding. By looking into further details, both unsecured personal loans and auto title loans were still growing as loans demand existed which implied that there were still opportunities to grow in this industry.

As of December 31, 2022, number of the industry's personal loan accounts stood to 22.5 million accounts, grew 20.5% from 18.6 million accounts in the same period last year. The competition in personal loan business continues to persist as the market offers high margin products that attracted the operators.

Table: Number of Personal Loan Accounts

Number of Personal Loan Account (Accounts) ⁽¹⁾	2018	2019 ⁽²⁾	2020	2021 ⁽³⁾	As of December 31, 2022		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	2,507,964	3,611,409	3,283,407	3,792,925	4,423,104	19.7%	16.6%
Non-Bank	10,901,127	12,612,337	13,682,599	14,851,424	18,040,591	80.3%	21.5%
Total	13,409,091	16,223,746	16,966,006	18,644,349	22,463,695	100.0%	20.5%

Source: The Bank of Thailand

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

⁽²⁾ For the industry data since February 2019 (BOT published on April, 10 2019), BOT has included car title loan into personal loan.

⁽³⁾ In 2022, the Bank of Thailand adjusted the historical data for the year 2021

In 2022, total outstanding personal loan balances amounted to Baht 849,152 million, increased 20.0% from the same period last year.

Table: Outstanding Balance of Personal Loan Business

Personal Loan Outstanding Balance (Million Baht) ⁽¹⁾	2018	2019 ⁽²⁾	2020	2021 ⁽³⁾	As of December 31, 2022		
					Amount	Portion (%)	Growth (%YoY)
Commercial Bank	166,942	254,345	225,325	310,253	323,703	38.1%	4.3%
Non-Bank	216,361	325,443	355,129	397,462	525,448	61.9%	32.2%
Total	383,303	579,788	580,454	707,715	849,152	100.0%	20.0%

Source: The Bank of Thailand

⁽¹⁾ Only principal (after deducting deferred income) is counted in Outstanding Balance.

⁽²⁾ For the industry data since February 2019 (BOT published on April, 10 2019), BOT has included car title loan into personal loan.

⁽³⁾ In 2022, the Bank of Thailand adjusted the historical data for the year 2021

(2) KTC personal loan business compared to the industry

As of December 31, 2022, KTC held 739,247 million personal loan accounts, decreased by 1.7% primarily due to closure of inactive accounts, while the industry recorded a growth rate of 20.5%. The Company's market share of personal loan accounts dropped to 3.3%. At the end of 2022, KTC's outstanding personal loan balances amounted to Baht 32,283 million, increased by 10.4% and the Company's total outstanding receivables accounted for 3.8% of the industry. The Company aims to expand the new membership base to reach potential customers group by offering KTC PROUD cash card boosted convenience and complete with Swipe-Transfer-Withdraw-Pay functions to customers who have regular income and higher income base together with focusing on improving the quality of loan portfolio.

When scrutinizing non-performing loans (NPL), it was found that in 2022 the industry's NPL ratio increased from 2.7% to 4.3%. As of December 31, 2022, the Company's NPL ratio downed to 2.8% from 2.9% in 2021 mainly due to the Company still focuses on controlling the quality of its receivables portfolio and expands its portfolio cautiously.

Table: Comparison between KTC Personal Loan Business and the Industry

	2018	2019 ⁽³⁾	2020	2021 ⁽⁴⁾	2022
Number of Personal Loan Accounts – Industry (Accounts) ⁽¹⁾	13,409,248	16,223,746	16,966,006	18,644,349	22,463,695
KTC Number of Personal Loan Accounts (Accounts)	951,882	888,342	808,772	751,676	739,247
KTC Personal Loan Accounts to Industry (%)	7.1%	5.5%	4.8%	4.0%	3.3%
Industry Personal Outstanding Loan (Million Baht) ⁽²⁾	383,303	579,788	580,454	707,715	849,152
KTC Personal Loan Receivables (Million Baht)	26,821	28,933	29,915	29,235	32,283
KTC Personal Loan Receivables to Industry (%)	7.0%	5.0%	5.2%	4.1%	3.8%
KTC NPL to Industry (%)	2.5%	3.0%	3.1%	2.7%	4.3%
KTC NPL Ratio (%)	0.8%	0.9%	2.7%	2.9%	2.8%

Source: The Bank of Thailand

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

⁽²⁾Personal loan without assets or property as collateral, including lending originated from hire purchase and lease of goods that are not normally sold by operator except for cars and motorcycles, but excluding loan for education, traveling loan for overseas employment, loan for medical treatment, loan for staff welfare where the employer has signed contract with the personal loan operator and other loans as prescribed by the Bank of Thailand.

⁽³⁾For the industry data since February 2019 (BOT published on April, 10 2019), BOT has included car title loan into personal loan.

⁽⁴⁾In 2022, the Bank of Thailand adjusted the historical data for the year 2021

Overview of Auto Title Loan Business

(1) Competitive landscape in auto title loan business

In the past year, the auto title loan business has experienced high growth rates, as a result of the impact of COVID-19 on the general public, including some targeted groups who needed loans to cover their daily expenses or businesses in need of capital to revitalize during the country's reopening period. This includes both bank and non-bank business operators who have returned to the market. Auto title loan are a type of loan that can be controlled because customers must provide their vehicle registration as collateral. However, the market leaders are still non-bank business operators, who are more flexible in their approval criteria, and their main strategy is to increase the number of branches to provide loans that cover the entire country.

As of December 31, 2022, number of the industry's auto title loan accounts stood at 5.1 million accounts, grew by 20.7% from 4.2 million accounts in the same period last year.

Table: Number of Auto Title Loan Accounts

Number of Auto Title Loan Account (Accounts)	2021	As of December 31, 2022		
		Amount	Portion (%)	Growth (%YoY)
Commercial Bank	175,083	192,491	3.8%	9.9%
Non-Bank	4,025,141	4,877,429	96.2%	21.2%
Total	4,200,224	5,069,920	100.0%	20.7%

Source: The Bank of Thailand

As of December 31, 2022, the industry's outstanding auto title loan balances equaled to Baht 247,518 million, grew 36.7% from Baht 181,124 million in the same period last year.

Table: Outstanding Balance of Auto Title Loan Business

Auto Title Loan Outstanding Balance (Million Baht)	2021	As of December 31, 2022		
		Amount	Portion (%)	Growth (%YoY)
Commercial Bank	31,661	37,814	15.3%	19.4%
Non-Bank	149,463	209,704	84.7%	40.3%
Total	181,124	247,518	100.0%	36.7%

Source: The Bank of Thailand

(2) KTC auto title loan business compared to the industry

As of December 31, 2022, the Company's outstanding auto title loan receivables equaled to Baht 1,135 million while the industry's outstanding auto title loan receivables equaled to Baht 247,518 million. The Company aims to expand this business by seeking target customers with financial needs who own a vehicle along side maintaining a high quality of its debtors.

Overview of Pico Finance Industry

Competition in Pico Finance Business

Most of the businesses in the Pico finance market are small-scale operators with limited business areas and locations. Many of these businesses have limited capital, which often results in sporadic loan disbursements. The loan application process and criteria have become more complex than in the past, making it more difficult for some operators to qualify. Some service providers have relatively long approval periods and have become less attractive to new operators due to the decreasing trend in loan quality. As a result, it has become challenging to attract new businesses into the market.

Table: Number of Pico Finance Accounts and its Outstanding Loans

Year	2018	2019	2020	2021	As of November 30, 2022	
					Amount	Growth (%YoY)
Number of Accounts (Accounts)	23,905	109,368	219,915	286,191	306,706	7.7%
Total Outstanding Balance (Million Baht)	641	2,844	4,549	5,539	6,398	15.0%

Source: Fiscal Policy Office (as of December 31, 2022)

As of November 30, 2022, the number of Pico finance business accounts in the industry was 306,706 accounts, an increase of 7.7% compared to the same period in 2021, which had 284,842 accounts. Meanwhile, the outstanding loan balance of the Pico finance business in the industry was valued at Baht 6,398 million, an increase of 15.0% compared to the same period in 2021, which had an outstanding loan balance of Baht 5,563 million.

Regarding to Pico finance business, the company keeps on monitoring the market overview closely due to the high uncertainty of the economy causing the slowdown of its business operation.

Overview of Nano Finance Industry

Competition in Nano Finance Business

Nano finance loans have continued to expand since last year, due to the COVID-19 situation in 2020, where service providers adapted to digital technology to respond to the financial needs of the target group. They have utilized application platforms to reduce costs and offer more flexible loan considerations.

Table: Number of Nano Finance Accounts and its Outstanding Loans

Year	2018	2019	2020	2021	As of December 31, 2022	
					Amount	Growth (%YoY)
Number of Accounts (Accounts)	2,038,841	1,172,889	774,316	1,300,367	1,852,679	42.5%
Total Outstanding Balance (Million Baht)	35,635	19,318	17,441	23,458	33,486	42.7%

Source: The Bank of Thailand

As of December 31, 2022, the number of Nano finance business accounts was 1,852,679 accounts, an increase of 42.5% compared to the same period in 2021, which had 1,300,367 accounts. Meanwhile, the outstanding loan balance of the nano-finance business was valued at Baht 33,486 million, an increase of 42.7% compared to the same period in 2021, which had an outstanding loan balance of Baht 23,458 million.

Currently, the Company is in the process of studying and preparing to enter the Nano finance business since the Company foresees the potential and growth opportunities whereas the overall market becomes more obvious. Nevertheless, the direction of the economic situation must also be considered.

Overview of Hire Purchase and Leasing Industry

(1) Competition and competitors in hire purchase and leasing business

In the past year, the overall leasing business has grown in line with the gradual recovery of the economy. Commercial banks continue to dominate the market. In the latter half of 2022, there was an increase in interest rates, and the board regarding cars and motorcycles hire purchase business as a contract regulated business B.E. 2022, which is crucial for controlling leasing interest rates, leading to increased financial costs. Meanwhile, lending interest rates have to be lowered according to the announcement of the Office of the Consumer Protection Board (OCPB). Therefore, it was a year where non-bank lenders in particular had to adjust their business plans for 2023 to ensure that costs and risks were at an appropriate level.

Overall, the leasing and hire purchase industry in 2023 is expected to show a slight increase in growth compared to previous years, which were impacted by the economic slowdown since 2020. This led to a contraction in consumer demand and a decline in leasing and hire purchase businesses. However, competition in the industry remains intense, with both financial institutions, commercial banks, non-bank leasing and hire-purchase companies, and dealerships all targeting the personal car loan market, including new and used cars as well as commercial vehicles.

(2) Overview of hire purchase and leasing market

In 2022, there was a significant change regarding the announcement from the board regarding cars and motorcycles hire purchase business as a contract regulated business B.E. 2022. The key point was to control the interest ceiling for hire purchase and leasing contracts, which must be calculated based on the effective interest rate per year. For new cars, the interest rate must not exceed 10% per year, for used cars, it must not exceed 15% per year, and for motorcycles, it must not exceed 23% per year. This will help create more transparency and confidence in consumers towards the process of releasing car leasing loans.

For the year 2023, it is believed that the leasing business will have increased competition, resulting in pressure on the profitability of commercial banks and non-bank business groups. This is due to the increase in interest rates since the end of 2022, which has led to increased competition, cost pressures, and a rise in financial costs that follow the market interest rate increase. Interest rates during an uptrend and fluctuating oil prices may lead to a slowdown in the growth of the leasing market. However, inflationary pressure may affect the ability to purchase new cars, resulting in continuous growth of the second-hand car market. In summary, the leasing business will continue to grow, although there may be periods of slowdown.

In the area of the hire purchase business, it is operated by KTB Leasing Company Limited ("KTBL"), which was acquired by KTC in 2021 and currently holds a 75.05% stake in KTBL. The hire purchase portfolio is still small due to the company's recent entry into the market. To stimulate growth in its hire purchase business, the company focuses on releasing commercial loans. In addition, the company continues to offer hire purchase products to retail customers, but it will consider and prioritize the quality of customers before extending credit. The company also maintains a continuous focus on managing the quality of its existing debtors.

Business Trends and the Company's Strategy in 2023

1) Business Trends and Strategy of Credit Card Business in 2023

In 2023, KTC shall focus on the quality of cardmember portfolio management and stimulating card spending in 3 main categories namely dining and hotel dining, online shopping and travel in response to the recovery of tourism. The target growth of card spending is 10% or approximately Baht 264,000 million.

The marketing strategies of KTC credit card business in 2023 can be briefly summarized as follows:

1) Management of cardmember portfolios to

maximize quality with the creative and attractive marketing programs to generate the continual spending for cardmembers. In addition, the automation system is applied in the process of managing member relations at every phase. Regarding to new customers, the activation program shall be set up to activate their card spending within the first 30 days. Meanwhile, permanent credit line increase program and credit card upgrade program are provided for active prime members to increase higher spending. On the other hand, the Win Back inactive program is applied for inactive members to encourage their spending.

2) Expansion of customer base especially for those

who have monthly income of Baht 50,000 to Baht 200,000 with the privileges of the matching lifestyles to attract new customers to apply for credit cards.

3) Marketing programs execution to stimulate

spending of KTC credit card which focus on 3 main categories: dining and hotel dining, online shopping and travel. Moreover, KTC continues cooperating with other business partners who aim for the same business goals towards marketing activities that respond to all main spending categories of members to create higher brand awareness and engagement.

4) Collaboration with local partners through

marketing campaigns and activities to expand provincial cardmember base in order to capture new customers for credit card application.

5) Management of marketing communications to

maximize efficiency through emphasizing the content marketing both online and offline platform to increase KTC brand awareness and reach more target groups.

6) Expansion of merchant acquiring business

The Company focuses on market expansion through suitable payment services to support the requirement of merchants and customers in various business groups to create good service experiences for merchants and create sustainable growth for the Company. Hence, KTC emphasizes on payment services both offline and online channels whether full payment, KTC Installment Payment or point redemption of KTC FOREVER including the Merchant Helpdesk service which is available throughout 24 hours. The strategies to expand merchant acquiring business is the collaboration with banking and business partners to promote a one-stop service and facilitate merchants in terms of payment and sale management systems, including the online shops and stores to support the rapid growth of e-Commerce and Social Commerce businesses; in addition, the development of services and new payment products to support the business growth which currently changes from cash receipts to credit card payments. This is considered as a part of key driving for Thailand towards cashless society in accordance with the policies of the governments. Besides, the Company focuses on the development of collaboration framework between Krungthai Bank and KTC to integrate and expand business opportunities, leading to higher revenue base of the Company.

2) Business Trends and Strategy of Personal Loans Business in 2023

In 2023, the personal loans business will expand continually from 2022 due to the growing economic trend leading to more demands on personal loans. The strategy of KTC's personal loans business in 2023 still aims for maintaining good quality portfolios in line with constant product development to respond to the requirements of consumers. Therefore, KTC emphasizes on KTC PROUD cash card marketing through the highlight of swipe-transfer-withdraw-pay function for online shopping.

Furthermore, the strategic plan in 2023 shall emphasize more on the online channels in response to consumers' changing behaviors. KTC provides online channel for loan application (electronic application) in which the customers can apply for loan by themselves and boosts convenience with cash withdrawal online channel through KTC mobile application linked with Prompt-Pay account that allows the customers to transfer cash to 15 different bank accounts. Regarding to the increase in customers communication channels to reach the target groups and strong bond between KTC and over 700,000 KTC PROUD members, KTC also conducts the integrated seminar for the second jobs to increase income and promote payment discipline through the debt clearing program. It is expected that by the end of 2023 the portfolio of personal loans will grow by 7% with about 110,000 new "KTC PROUD" members.

3) Business Trends and Strategy of Auto Title Loan Business in 2023

Auto title loan business tends to have a high potential for expansion in 2023 due to the country reopening affected to the economic situation after the COVID-19 pandemic; therefore, the demand on loans has continuously increased. In addition, auto title loan is considered as low risk business which can certain degree of screening and controlling the portfolio quality since the customers must take a car registration book as collateral. The overall industry is likely to be more competitive as the financial institutions, both bank and non-bank, pay more attention in this business.

Regarding to the strategy of auto title loan business - KTC P BERM Car for Cash in 2023, the Company continues to focus on expanding member bases towards continuous business growth which can be summarized as follows:

- **Product:** customer base expansion in P BERM Car for Cash is main priority by focusing on those who have the limitation on income statement namely agriculturist, merchants and small business owners. Additionally, the adjustment of terms and conditions for collateral consideration is set to be more flexible and suitable for target groups as well as the highlight on the strengths of the KTC P BERM cash card which provides a variety of product features, such as, cash withdrawal or purchase of products through cash cards is also executed.
- **Distribution Channels:** it emphasizes on the main distribution channel through the branches of Krungthai Bank by adjusting the service to full process service, from loan application to approval, in which the bankers can proceed the whole procedures via Tablet device to get loan approval within 1 hour and receive cash at more than 900 branches of Krungthai Bank nationwide. Besides, the outsource sales and online acquisition channels which are the two main distribution channels shall be strengthened including the expansion to new other channels as well.
- **Process Excellency:** it emphasizes on the improvement of loans application process to be safe, convenient and fast continuously by applying the new technologies in the loan application process, such as, a transaction via Tablet device or an online application for loan approval with P BERM Delivery service that notifies the real-time approval results and money transfer to customers' accounts immediately within 1 hour in order to create the best experience in getting large amount of loan approval from anywhere every day for customers.

- **Brand awareness:** it emphasizes on communication for brand awareness of 'KTC P BERM Car for Cash' to broaden target groups, especially those who live in main cities. The communication focuses on the product name of 'KTC P BERM Car for Cash' through various main media, both online and offline channels, especially the popular influential media which match the target group's behaviors to make the product known and catch more customers attention.

4) Business trends and strategy of MAAI by KTC in 2023

Currently, many businesses realize the importance of CRM to build good relationships with customers aiming to create brand loyalty and re-purchase behaviors which are the opportunity for expansion of membership base. Therefore, the effective management of digital loyalty program can become an important tool to help businesses reach to target groups and meet the needs of customers. Also, it shall create more positive experience to the brands.

MAAI by KTC has experiences in loyalty program management and understands the different nature of business partners in each industry and the customers' needs in each diverse business group. Hence, MAAI by KTC's business strategy focuses on the customization of product design based on the different nature of each operation to create a good experience which is a competitive advantage and increase more chances for business expansion to partners. Besides, in 2023, MAAI by KTC plans to expand partners base from large business groups to medium-sized businesses that require for loyalty program and enhance MAAI points redemption shops and stores so that the member can access more comprehensive and diverse benefits to support the needs of customers for maximum efficiency. Moreover, brand awareness of MAAI by KTC is created by emphasizing product communication to target industrial groups towards a better understanding on the product.

5) Business Trends and Strategies of Hire Purchase and Leasing Business in 2023

Hire purchase and leasing business was decelerated during the past 2-3 years; however, it is expected that the business trend will get better, and the sales promotions might be promoted for entrepreneurs. The total number of hire purchase and leasing in 2022 was higher than last year. Furthermore, the marketing plan of hire purchase and leasing requires coordination, relationships with dealers to approach the customers and impressive services for customers. Regarding to the trend of hire purchase and car leasing in 2023, it is likely that passenger cars and commercial cars should have more expanded from the recovery of the tourism. Similarly, the number of passenger cars might also have increased from the economic recovery, particularly the use of electric vehicle car (EV Car) due to the fuel oil energy saving in most of consumers. As the result, car manufacturer gradually launches more new models EV Cars which currently become quite popular.

For the strategy of hire purchase and leasing business in 2023, the Company focuses on expanding customer bases, both business and retail loans. The strategy of leasing business remains on serving corporate and individual customers who require to purchase assets in the category of trucks and/or heavy industrial machinery for business operations of customers under the CUP Strategy as follows:

- **Channel:** it adheres to build good relationships with branches of the Krungthai Bank Public Co., Ltd. and increases the number of business partners, especially the authorized dealers of truck manufacturers and/or construction machinery of different brands. This is to create dispersion and reduce the bargaining power of any particular dealers while expand more channels to get to individual customers in merchant line who own trucks and/or construction machinery and lack the opportunity to access funding sources through the service of Sales and Hire Purchase Back to enhance liquidity for customers.
- **Utilization:** it commits to build good relationships continuously with the existing business partners, especially the authorized dealer group, to stimulate the increase in new customers acquiring to the Company.
- **People:** it focuses on increasing potential and enhancing skills in various fields to employees, such as loans knowledge and value of customer service cultivation

In addition to the retail loan, the Company mainly emphasizes the used car leasing business.

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 and recording data in magnetic stripe and microchips:** plastic card will be embossed in its front 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 stripe 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, 2022, the shareholders' equity of the Group amounted to Baht 31,576 million, comprising paid-up capital of Baht 2,578 million, ordinary share premium of Baht 1,892 million, retained earnings (appropriated retained earnings required by law and unappropriated retained earnings) of Baht 26,455 million. Furthermore, the Group has surplus on business combination under common control and other components of equity amounted of Baht 428 million, and non-controlling interest of Baht 223 million. Moreover, total liabilities amounted to Baht 70,220 million.

As of December 31, 2022, key sources of liabilities were from issuances of debentures, long-term borrowing from financial institutions and bills of exchange, total amounted to Baht 61,635 million.

The total credit line of KTC was Baht 34,340 million, comprising a short-term credit line of Baht 28,340 million (Baht 18,030 million from Krungthai Bank) and a long-term credit line of Baht 6,000 million. However, KTC used partial of credit line in amount of Baht 13,631 million; therefore, at the end of 2022, the available of credit line was Baht 20,709 million. Meanwhile, the total credit line of KTC and its subsidiaries were Baht 35,471 million and its total available credit line was Baht 20,740 million.

Assets for business operations

(Please refer to additional details under the "Assets for business operations" topic)

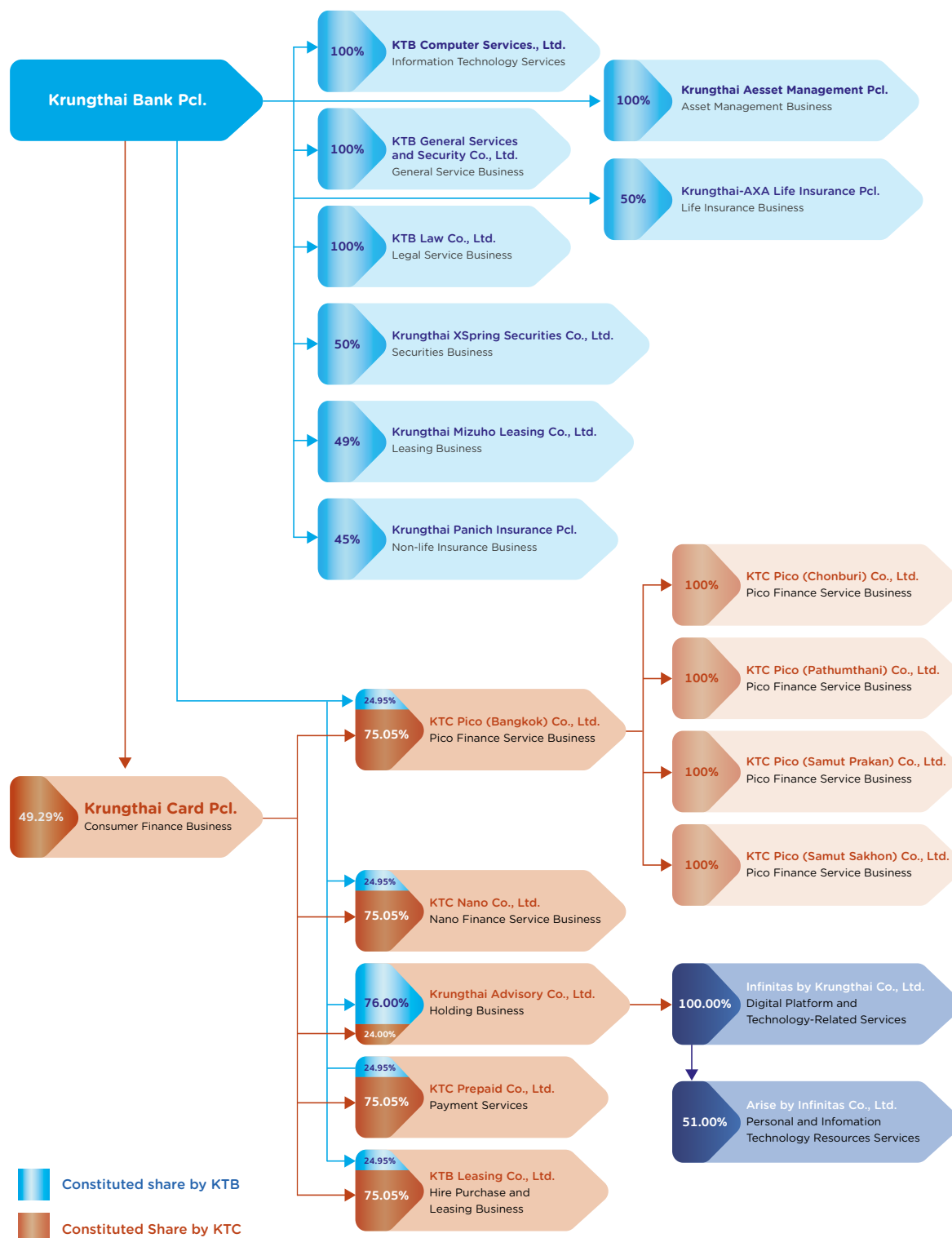
Work that has not yet been delivered

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, 2022, the major shareholder of Krungthai Card Public Company Limited is Krungthai Bank Public Company Limited 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 engages in provincial multipurpose loan under supervision (Pico Plus) with Krungthai Card Public Company Limited and Krungthai Bank Public Company Limited as shareholders. Furthermore, KTC Pico (Bangkok) Company Limited owns 100% stake in KTC Pico (Chonburi)/ (Pathum Thani)/ (Samut Prakan)/ (Samut Sakhon).

Shareholding information at the book closing date as of December 31, 2022 consisted of 2 shareholders as follows.

No.	Name	Number of Shares	Shareholding (%)
1.	Krungthai Card Public Company Limited	4,503,000	75.05%
2.	Krungthai Bank Public Company Limited	1,497,000	24.95%
	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 Krungthai Bank Public Company Limited.

Shareholding information at the book closing date as of December 31, 2022 consisted of 2 shareholders as follows.

No.	Name	Number of Shares	Shareholding (%)
1.	Krungthai Card Public Company Limited	3,752,500	75.05%
2.	Krungthai Bank Public Company Limited	1,247,500	24.95%
	TOTAL	5,000,000	100.00%

Shareholding structure of Krungthai Advisory Company Limited

Krungthai Advisory Company Limited is a holding company owned by Krungthai Card Public Company Limited and Krungthai Bank Public Company Limited. On November 6, 2020, Krungthai Advisory Company Limited purchased the capital increase shares issued by Infinitas by Krungthai Company Limited and held 100% of its registered capital. Moreover, Infinitas by Krungthai Company Limited has acquired 51% of shares of Arise by Infinitas Company Limited, a digital platform service and technology-related services.

Shareholding information at the book closing date as of December 31, 2022 consisted of 2 shareholders as follows.

No.	Name	Number of Shares	Shareholding (%)
1.	Krungthai Card Public Company Limited	7,200,000	24.00%
2.	Krungthai Bank Public Company Limited	22,800,000	76.00%
	TOTAL	30,000,000	100.00%

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 Krungthai Bank Public Company Limited hold the company's stock.

Shareholding information at the book closing date as of December 31, 2022 consisted of 2 shareholders as follows.

No.	Name	Number of Shares	Shareholding (%)
1.	Krungthai Card Public Company Limited	7,505,000	75.05%
2.	Krungthai 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 Krungthai Bank Public Company Limited are shareholders.

Shareholding information at the book closing date as of December 31, 2022 consisted of 2 shareholders as follows.

No.	Name	Number of Shares	Shareholding (%)
1.	Krungthai Card Public Company Limited	75,050,000	75.05%
2.	Krungthai 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

Krungthai 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 Krungthai 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 and personal loan in order to achieve sustainable growth, which has been well supported by Krungthai Bank as a major shareholder of the Company. With its several branches both in Bangkok and provincial areas, Krungthai Bank is the main distribution channel to introduce KTC's products to the bank's customers, the same way the bank has offered other products of its subsidiaries.

Hence, KTC has collaborated with Krungthai Bank in every aspect to create strategies, develop 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 Relation division with assigned staffs specifically to facilitate the Bank's personnel in various aspects such as product training, selling techniques, seminar on documentation required by products, credit card and product advisory that meet the needs of target audience that comply with the market conduct guidelines, as well as promotional campaigns offered for first-entry applications, which in turn will help sales personnel be able to swiftly and effectively expand number of members in each products. Moreover, KTC set up government relation unit to coordinate contacts with the public sector to offer credit card services so as to facilitate government entities' management of budget requisition and expenditure related to meeting, seminar and travel arrangements for the sake of convenience and security. Such collaboration involves transferring knowledge, building, and strengthening reciprocal relationships and aims to establish base for sustainable growth through programs for membership base expansion via the Bank's online channels, including various applications like Krungthai NEXT (KTB NEXT), Krungthai Care (Line Official Account), Krungthai Connex and Krungthai Care (Facebook), which are new channels apart from main network channels. Customers who keen on KTC products can apply for membership on KTB NEXT application by themselves.
- Under the "credit cardmembership base expansion among KTB Wealth customers" program, KTC collaborated with the Bank to undertake product introduction to increase the number of new applications of KTC - KTB PRECIOUS PLUS VISA INFINITE, KTC - KTB PRECIOUS PLUS VISA SIGNATURE, and KTC - KTB PRECIOUS VISA SIGNATURE credit cards throughout the year. By the end of 2022, more than 35,000 cards had been issued.
- KTC credit card application via Krungthai NEXT program is aimed to expand KTC credit card base for KTB's existing and new customers, publicized through various channels of the Bank.
- "KTC P BERM Car for Cash" introduction program has been carried out at Krungthai Bank's branches. Interested customers can submit and leave

application details with bank branch staff. Then, KTC staff will revert back within 15 minutes to inform them of scheduled appointment and proceed with credit application and approval process. Customers can find out approval status and receive transferred money within two hours. Early last year this program was first implemented in more than 300 Krungthai Bank's branches in the Greater Bangkok metropolitan. Subsequently, program implementation had been rolled out to bank branches throughout the country.

Marketing Usage Program

- The project offered various privileges from a wide variety of partners to KTB Wealth customers having KTC - KTB PRECIOUS PLUS VISA INFINITE, KTC - KTB PRECIOUS PLUS VISA SIGNATURE and KTC - KTB PRECIOUS VISA SIGNATURE credit cards.
- The project of easy home loan payment via credit card. Cardmembers can pay their housing loan installments with their cards throughout the loan contract period while receiving the same interest rate as cash installment payment, together with collect KTC FOREVER for home loan payment.
- Under the KTB foreign currency exchange program, members could exchange foreign currencies via credit card at Krungthai Bank's branches with free of charge.
- Privilege and discount program in various categories of merchants (such as shopping, bookstores, travelling, and etc) which are KTC's alliances for Krungthai bank 's debit cardmember.
- Under the lighten the burden program, KTC offered privileges to Krungthai Bank's customers paying premium for life and health insurance of Krungthai-AXA Life Insurance at Krungthai 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.
- A joint promotion program at Krungthai Bank's booth at Money Expo gave special offers to KTC cardmembers paying premium for life and health insurance of Krungthai-AXA Life Insurance via KTC credit cards.

- The 0% interest installment program for insurance products of Krungthai Panich Insurance Public Company Limited and Dhipaya Insurance Public Company Limited, sold through Krungthai Bank channels both at KTB branches and the Krungthai NEXT application.
- The purchase of Krungthai Asset Management Company's RMF or SSF using KTC credit cards via Krungthai Bank branches and the Krungthai NEXT application.

Merchant Acquiring

- With regard to expansion of a base of KTC card accepting merchants, KTC staff at merchant acquiring business unit collaborated with Krungthai Bank staff to service Krungthai 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 Krungthai 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 system linkage project has established a linkage between KTC Mobile application and Krungthai Bank's mobile application called Krungthai NEXT, thereby allowing cardmembers to check KTC card account information on Krungthai NEXT and make payment for credit card spending from a saving or current account at Krungthai Bank via KTC Mobile application. Consequently, KTC cardmembers having a bank account linked to Krungthai NEXT can pay for KTC card spending via KTC Mobile application without having to switch to using Krungthai NEXT.

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, 2022 and other shareholders consisted of:

No.	Name	Number of Shares	Shareholding (%)
1.	KRUNGTHAI BANK PUBLIC COMPANY LIMITED	1,270,908,500	49.29%
2.	MR. MONGKOL PRAKITCHAIWATTANA	260,950,000	10.12%
3.	THAI NVDR	231,235,093	8.97%
4.	MS. CHANTANA JIRATTITEPAT	119,274,600	4.63%
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 ⁽¹⁾	39,408,461	1.53%
9.	MAY BANK KIM ENG SECURITIES (THAILAND) PLC	25,860,700	1.00%
10.	MS. JARUWAN PHATRAPANYADEE	22,556,000	0.87%
11.	Other shareholders	361,562,516	14.02%
	TOTAL	2,578,334,070	100.00%

Source: Thailand Securities Depository Co., Ltd. (TSD)

Remark: ⁽¹⁾ Nominee accounts that do not reveal ultimate shareholders

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. As at the end of 2022, Krungthai Bank had two proxies appointed as directors: Mr. Rungruang Sukkirdkijpiboon holding directorship and membership in the Nomination and Compensation Committee and Mrs. Praralee Ratanaprasartporn, the Board of Directors of Krungthai Card.

Shareholder of Infinitas by Krungthai Company Limited

Infinitas by Krungthai Company Limited engages in research and development for Digital Platform as a Service and Innovation, with Krungthai Advisory Company Limited holding 100% of the company's registered shares. On November 6, 2020, the Company issued an additional capital increase amounted to 260 million baht, resulted in the total value of registered shares to increase to 300 million baht with par value of 10 baht per share.

Shareholder information at the book closing date as of December 31, 2022 is shown as follows.

Name	Number of Shares	Shareholding (%)
Krungthai Advisory Company Limited	30,000,000	100.00%

Remark: The Company and Krungthai Bank. hold 24% and 76% stakes in Krungthai Advisory a holding company, respectively.

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 five million warrant units were offered with an offering price of Baht 10 per unit and a term of no more than five 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 five 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, 2022, 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 securities

The Company does not issue shares or convertible securities as an underlying securities.

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, 2022, the shareholders' equity of the Company amounted to Baht 31,576 million, comprising of Baht 2,578 million in paid-up capital, ordinary share premium of Baht 1,892 million, surplus on business combination under common control and other components of equity of Baht 428 million, retained earnings (appropriated retained earnings required by law and unappropriated retained earnings) of Baht 26,455 million, and non-controlling interest of Baht 223 million. Moreover, total liabilities amounted to Baht 70,220 million.

As of December 31, 2022, main sources of liabilities consisted of the followings:

1. Debenture issuance, short-term and long-term loans from financial institutions totaled Baht 61,635 million.
 - 1.1 The total amount of unmatured debentures was Baht 45,456 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, 2022 (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 2 of Krungthai Card PCL. scheduled to mature in 2023	3.50%	Nov 30, 2023	1,140	-

Type of Securities	Interest Rate	Maturity Date	Balance of Par Value and Unredeemed Debentures as of Dec 31, 2022 (Million Baht)	Bondholders' Representative
8. Debenture No. 8/2016 Series 3 of Krungthai Card PCL. scheduled to mature in 2026	4.00%	Nov 27, 2026	3,030	-
9. Debenture No. 9/2016 Series 1 of Krungthai Card PCL. scheduled to mature in 2023	3.50%	Dec 29, 2023	600	-
10. Debenture No. 9/2016 Series 2 of Krungthai Card PCL. scheduled to mature in 2026	4.00%	Dec 29, 2026	2,500	-
11. Debenture No. 3/2017 of Krungthai Card PCL. scheduled to mature in 2027	3.80%	Aug 3, 2027	1,500	-
12. Debenture No. 4/2017 of Krungthai Card PCL. scheduled to mature in 2027	3.65%	Aug 25, 2027	1,000	-
13. Debenture No. 5/2017 Series 2 of Krungthai Card PCL. scheduled to mature in 2027	3.50%	Oct 19, 2027	1,000	-
14. Debenture No. 6/2017 of Krungthai Card PCL. scheduled to mature in 2027	3.50%	Nov 16, 2027	2,000	-
15. Debenture No. 1/2018 Series 1 of Krungthai Card PCL. scheduled to mature in 2023	2.35%	Feb 16, 2023	1,000	-
16. Debenture No. 1/2018 Series 2 of Krungthai Card PCL. scheduled to mature in 2028	3.43%	Feb 16, 2028	1,250	-
17. 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
18. Debenture No. 2/2019 of Krungthai Card PCL. scheduled to mature in 2029	3.20%	Jul 25, 2029	1,500	-
19. Debenture No. 3/2019 of Krungthai Card PCL. scheduled to mature in 2029	2.80%	Oct 31, 2029	1,700	-
20. Debenture No. 4/2019 of Krungthai Card PCL. scheduled to mature in 2024	2.60%	Nov 8, 2024	415	-
21. Debenture No. 1/2020 of Krungthai Card PCL. scheduled to mature in 2030	2.65%	Jan 31, 2030	1,000	-

Type of Securities	Interest Rate	Maturity Date	Balance of Par Value and Unredeemed Debentures as of Dec 31, 2022 (Million Baht)	Bondholders' Representative
22. Debenture No. 2/2020 Series 2 of Krungthai Card PCL. scheduled to mature in 2023	2.23%	Sep 15, 2023	700	Bank of Ayudhya
23. Debenture No. 1/2021 of Krungthai Card PCL. scheduled to mature in 2024	Zero-coupon bond	Jan 19, 2024	3,000	Bank of Ayudhya
24. Debenture No. 2/2021 of Krungthai Card PCL. scheduled to mature in 2023	Zero-coupon bond	Mar 22, 2023	200	-
25. Debenture No. 3/2021 Series 1 of Krungthai Card PCL. scheduled to mature in 2023	1.17%	Mar 29, 2023	1,000	-
26. Debenture No. 3/2021 Series 2 of Krungthai Card PCL. scheduled to mature in 2024	1.53%	Mar 29, 2024	1,000	-
27. Debenture No. 4/2021 Series 1 of Krungthai Card PCL. scheduled to mature in 2024	1.22%	Aug 2, 2024	1,000	-
28. Debenture No. 4/2021 Series 2 of Krungthai Card PCL. scheduled to mature in 2031	2.90%	Aug 1, 2031	500	-
29. Debenture No. 5/2021 Series 1 of Krungthai Card PCL. scheduled to mature in 2024	Zero-coupon bond	Nov 20, 2024	1,000	-
30. Debenture No. 5/2021 Series 2 of Krungthai Card PCL. scheduled to mature in 2025	1.83%	Nov 19, 2025	1,500	-
31. Debenture No. 1/2022 of Krungthai Card PCL. scheduled to mature in 2025	1.59%	Mar 28, 2025	2,000	-
32. Debenture No. 2/2022 of Krungthai Card PCL. scheduled to mature in 2025	1.59%	Apr 4, 2025	1,000	-
33. Debenture No. 3/2022 of Krungthai Card PCL. scheduled to mature in 2027	3.00%	Jul 8, 2027	1,232	Bank of Ayudhya
34. Debenture No. 4/2022 of Krungthai Card PCL. scheduled to mature in 2025	2.52%	Sep 10, 2025	4,000	-
35. Debenture No. 5/2022 of Krungthai Card PCL. scheduled to mature in 2024	Zero-coupon bond	Oct 3, 2024	830	-

Type of Securities	Interest Rate	Maturity Date	Balance of Par Value and Unredeemed Debentures as of Dec 31, 2022 (Million Baht)	Bondholders' Representative
36. Debenture No. 6/2022 of Krungthai Card PCL. scheduled to mature in 2026	3.38%	Nov 18, 2026	2,100	-

Note : The above debentures do not have early redemption features (put/call option).

Note : Debenture no. 2, 7-10 were intended to raise funds to finance business operation and expansion and for repayment of loans.

Note : Debenture no. 13-16 were intended to raise funds to finance business operation and expansion.

Note : Debenture no. 17 was intended to raise funds for repayment of loans worth around Baht 7,000 million and/or finance business operation and expansion in August.

Note : Debenture no. 18 was intended to raise funds for repayment of loans worth around Baht 1,500 million in July 2019.

Note : Debenture no. 19 was intended to raise funds for repayment of loans worth around Baht 1,700 million in November 2019.

Note : Debenture no. 21 was intended to raise funds for repayment of loans worth around Baht 1,000 million in February 2020.

Note : Debenture no. 22 were intended to raise funds for repayment of loans worth around Baht 2,500 million in September 2020.

Note : Debenture no. 23 was intended to raise funds for repayment of loan and/or as working capital in February 2021.

Note : Debenture no. 25-26 were intended to raise funds for repayment of loan and/or as working capital in April 2021.

Note : Debenture no. 27-28 were intended to raise funds for repayment of loan and/or as working capital in August 2021.

Note : Debenture no. 29-30 were intended to raise funds around Baht 2,500 million for repayment of loan and/or finance business operation and expansion in November 2021.

Note : Debenture no. 31-32 were intended to raise funds around Baht 3,000 million for repayment of loan and/or finance business operation and expansion in April 2022

Note : Debenture no. 33 was intended to raise funds for repayment of loan and/or as working capital in July 2022

Note : Debenture no. 34 was intended to raise funds for repayment of loan and/or as working capital in September 2022

Note : Debenture no. 35 was intended to raise funds for repayment of loan and/or as working capital in 2022

Note : Debenture no. 36 was intended to raise funds for repayment of loan in 2022

Note : Debenture no. 1, 3-6, 11-12, 20 and 24 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 6,000 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 10,179 million at a money market interest rate.

2. The total credit line of KTC was Baht 34,340 million, comprising a short-term credit line of Baht 28,340 million (Baht 18,030 million from Krungthai Bank) and a long-term credit line of Baht 6,000 million. However, KTC used partial of credit line in the amount of Baht 13,631 million; therefore, at the end of 2022, the available of credit line was Baht 20,709 million. Meanwhile, the total credit line of KTC and its subsidiaries were Baht 35,471 million and its total available credit line was Baht 20,740 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:

Performance Year	Earnings Per Share (Baht)	Dividend Per Share (Baht)	Dividend Payout Ratio (%)
2019	2.14	0.88	41.1%
2020	2.07	0.88	42.5%
2021	2.28	1.00	41.2%

RISK MANAGEMENT



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 the Chief Executive Officers and executives from each business units oversees the organizational risk management and ensures that the organization reaches the acceptable level of its goal. Moreover, 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 1st line and 2nd 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 in order to accommodate various 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 yearly reviewed 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 Krungthai Bank Public Company Limited and in compliance with the consolidated supervision regulations 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 Krungthai Bank Public Company Limited, respectively.

For more details, please consider risk and crisis management and sustainable supply chain management from the 2022 Sustainability Report, which is another separate document on the Company's website at <https://www.ktc.co.th/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 to 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.

The COVID-19 pandemic caused uncertainty in the beginning of 2022, impacting the economy, lifestyle, spending, and customers’ debt repayment abilities. Despite these challenges, once the country fully opened and economic activities resumed, the Company was able to achieve the targeted plans and saw the continuing growth in card spending. The expansion of the credit card and personal loan portfolios with acceptable NPLs, along with a focus on careful customer selection and retaining existing customers, led to a higher net profit in 2022 compared to the previous year.

Business risk

Credit rating risk

The Company attaches great importance to high-risk management regarding to 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 the Company’s provision, corresponding to the Thai Financial Reporting Standards (TFRS9).

Default risk

The COVID-19 pandemic has greatly reduced its severity, leading to a resurgence of economic activity following the full reopening of the country. The reliefs of various measures have led to a consistent recovery in tourism from both foreign tourists and domestic spending. However, each business has an uneven recovery, a K-shape graph, due to the factors such as production cost, inflation and the rise in interest rates. Despite higher household income and consumer confidence, the rise in cost of living is putting pressure on consumption growth and is likely to impact the debt service ability among vulnerable debtors.

The Company has continued to conduct business with caution; credit approval criteria have been revised corresponding to the highly uncertain economic conditions. Customer analysis and screening, therefore, use more information in various dimensions in order to accurately assess debt serviceability and default risk in the future. All these factors need to be in line with the Company's risk appetite. At the same time, the Company maintains its level of competitiveness in retail loan businesses.

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 current status of the debtor and provide timely assistance if required. These measures have been put in place since the early stages of the COVID-19 outbreak, resulting in a low risk of non-payment from customers. As of December 31, 2022, the Company's total amount of loans including accrued interest, equal to Baht 104,197 million, and the allowance of doubtful accounts with the amount of Baht 8,782 million and the trade receivables of Baht 95,402 million. The proportion of non-performing loans of credit card debtors and personal loan receivables as of December 31, 2022 were 1.1 percent and 2.8 percent 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 cardholders and personal loan customers. Accordingly, the Company acquired a 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 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.
- 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 Krungthai Bank Public Company Limited ("Bank")

When the back-office services contract expired at the end of the service provision period on March 31, 2018, the Company and Krungthai Bank adopted a mutual cooperation policy to support one another in various areas of business operations.

On March 30, 2018, both parties entered into a five-year business cooperation contract, which has been effective since 1 April 2018. The Company and Krungthai Bank have agreed to jointly consider extending their business cooperation agreement before the terms end on March 31, 2023. 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 due to heightened competition arising from an increasing number of business operators

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 a long period of time and undertaken investment and development of novel products and services to maximize customer value 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, 2022, the ratios of gross credit card receivables and gross personal loan receivables of KTC compared to the average of industry were 14.4% and 3.8% respectively. Additionally, as of December 31, 2021 these ratios stood at 13.1% and 4.1% 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 to 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 (KRIs). These matters were regularly reported to the Risk Management Committee and the Board so that such information could be used for formulating a risk management policy and developing a suitable risk management system as a tool for assessing the adequacy of the internal control system. 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 has complied with the Personal Data Protection Act B.E. 2562, and issued

standard guidelines and operating procedures to maintain data security that are succinct and are in accordance with international standards 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 data access information 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 files used in operations and carried out a quarterly inspection and penetrating testing of the Company's system and network yearly. 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 attaches importance on preventing and monitoring damage from credit card fraud. Currently, the Company uses Chip Card and EMV Technology which is the most secure system, replacing the magnetic stripe system. There are also work plans to introduce the Chip technology into personal loan cards for newly issued credit cards or renew the existing credit card, including issuing new replacement cards to increase the security of cash withdrawal transactions via ATM, which has a very high fraud trend nowadays. In 2015, the Company changed all new cards to Chip Cards, while the old cards are in the process of gradually replacing them as well as invested in a highly efficient Online Fraud Detection system for both cards and merchants and has a team to monitor 24 hours a day. Moreover, 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 10,000 Baht, e-Commerce transaction exceeds 100 Baht 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 2022, credit card and personal credit fraud losses were equivalent to Baht 5.41 million, accounting for 0.002% 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 to 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.

As of December 31, 2022, the Group had total borrowings of Baht 61,635 million, comprising of loans from affiliated financial institution (Krungthai Bank) in amount of Baht 11,230 million, other financial institutions in amount of Baht 4,949 million and in amount of Baht 45,456 million from debentures. The Group had total loans including accrued interest of Baht 104,194 million. The Group had total credit line and available credit line of Baht 35,471 million and Baht 20,740 million respectively. Meanwhile, the total credit line of KTC was Baht 34,340 million; a short-term line of Baht 28,340 million (from Krungthai Bank of Baht 18,030 million) and a long-term line from Krungthai Bank of Baht 6,000 million. Nevertheless, during the year 2022, KTC spent these credit line which generated an available credit line totaling of Baht 20,709 million.

As of December 31, 2022, the Group's D/E ratio stood at 2.22 times which was lower than the level of debt obligations stated in the debenture prospectus requiring that the Company must maintain D/E ratio at the level not greater than 10 times.

Interest rate risk

Interest rate risk is the risk arising from changes in interest rates of rate-sensitive items in the list of assets and liabilities, which may have negative impacts on net interest income. To mitigate the effects of changing interest rates on financing cost, the Company thus sought short-term and long-term loans with fixed and floating interest rates by adjusting the ratio of each type of loan to correspond with interest rate trends and its 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 is the risk arising from information technology services in business operations which impact on the work systems, information system or the operations of the Company, such as cyber threats, the effects of the pandemic on the employees and customer service. This risk can cause the financial loss or reputation loss of 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. This was to control and manage cyber threat and data security, starting from the identifying risks such as cyber threat risk, IT operational risk, IT project risk, Information Security Risk (security, availability, reliability of information), risk analysis and assessment, risk control and management, risk monitoring and reporting on risk management performance.

The Company implemented risk management from the impact of the spread of the COVID-19 pandemic by using digital workplace technology, including Virtual Desktop Infrastructure (VDI) system, which could support work from home and operations of important Company's departments to increase workers' safety amid the pandemic.

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's reputation risk management determines risk indicators based on risk assessment factors set out by the Bank of Thailand, identifies existing control measures and evaluates the efficiency and adequacy of such risk control measures. The Company also has appropriate risk management such as complaint handling process, public relations process, timely monitoring of events that tarnish the Company's reputation, etc. The Company also monitors, and controls risks to an acceptable level and summarizes the risk management report to the Risk Management Committee.

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 2022, which is a separate document on the Company's website at <https://www.ktc.co.th/sustainability-development>.

Social Risk

Human Rights Risks

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, prepared and reviewed the business ethics handbook, 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 2022, 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.

For more information on human rights management, please consider the Sustainability Report for the year 2022, which is a separate document on the Company's website at <https://www.ktc.co.th/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 5 independent directors or 62.5% 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 2022, which is a separate document on the Company's website at <https://www.ktc.co.th/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	
Definitions	Currently, the development of the digital economy has made technology, information systems and data become more important tools for driving a business. The technological advancement has changed customer behaviors to increasingly proceed the transaction via online channels and mobile applications. As a result, inevitably, the business operation has encountered various forms of cyber threats including data breach. Hence, effective cyber security, as well as appropriate risk management and development of human resources, processes, and information technology tools against cyber threats and data leaks play a crucial role to maintain confidence in all groups of stakeholders.
Impacts	The Company's development of products and services requires information technology to meet the needs of customers and provide satisfied service experiences. As a result, it is vital that the Company maintains the infrastructure and information system with caution to prevent data leaks, cyberattacks and cybercrime, as these incidents have both financial and non-financial impacts such as being fined by the authorities or regulators; losing trust from customers and stakeholders which can affect the Company's credibility and image in both short term and long term.
Mitigation Plans	<ul style="list-style-type: none"> • The Company established information technology policy, information security policy and personal data protection policy which were reviewed annually and approved by the Board of Directors. • The Company established relevant Standard Operating Procedure (SOP) for cyber security management. • The Company established, reviewed and tested the Disaster Recovery Plan annually to prepare for important events related to the security and availability of the IT system. • The Company adopted the ISO/IEC 27701:2019 standard for privacy information management and the ISO/IEC 27001:2013, the information security management system. • The Company organized trainings for directors, executives, employees and business partners to raise awareness of protection of personal information, PCI DSS and cyber security. • The Company established measures for information security in alignment with international standards and PCI DSS. • The Company's cyber security is audited internally and externally on a yearly basis.

2. Climate Change

Definitions	<p>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.</p>
Impacts	<p>Natural disasters and extreme weather from climate change or physical risk may disrupt business operation of the Company and business partners, 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.</p>
Mitigation Plans	<ul style="list-style-type: none"> • The Company set up responsible lending criteria by considering customers' risk levels based on financial status and ability to pay debt and implemented measures to assist debtors who have been affected. • The Company set up the Business Continuity Plan, 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. • The Company supported environmentally friendly management including educating employees and promoting campaign 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. • The Company promoted 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.

3. Changes in Laws and Regulations

Definitions	<p>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.</p>
Impacts	<p>Changes of rules and regulations may affect the work process, work system, operating cost, performance, profitability and corporate's image. Failing to comply with the regulations may lead to warnings, fines or even revoked its license to operate.</p>
Mitigation Plans	<ul style="list-style-type: none"> • The Company put its policies and operational procedures in place. The approved policies and procedures are announced to all employees to implement in practice. • The Compliance Business Unit monitored announcements, 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. • The Company appointed a coordinator with relevant regulatory agencies. • The Company participated, discussed and exchanged ideas with people in the same industry such as credit card club, personal loan club and so forth. • The Company annually organized trainings for employees to raise awareness or update the regulations of the regulatory agencies.

4. Debt Crises

Definitions	<p>The impacts of the COVID-19 pandemic, the protracted Russo-Ukrainian war and the tensions between the most powerful countries are key factors contributing to accelerate inflation rate globally. Many central banks, including Bank of Thailand, have continually raised policy rates. In addition, the high inflation rate and public debt including ongoing energy crisis cause the cost of living crisis. They also made analysts and financial institutions to anticipate a recession for the global economic growth that could impact businesses and society including decrease in ability to pay debt which could lead to widespread defaults and ultimately a debt crisis in the economy.</p>
Impacts	<p>If there is a debt crisis and widespread defaults on the business and retail loans, there will be an increase in the Company's non-performing loans (NPLs). Hence, the Company needs to set aside more provision to cover expected credit loss in alignment with the relevant standards and regulatory requirements. This would affect the overall performance of the Company to achieve the goals and may damage the Company's reputation.</p>
Mitigation Plans	<ul style="list-style-type: none"> • Designed various products and promoted financial inclusion to alleviate household liquidity problems in crisis. • Determined credit approval criteria according to customer's risk level and the ability to pay debt. • Monitored customer defaults, by designated departments, and implemented measures to help customers before defaulting. • 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. • Provided preliminary assistance for members through KTC Phone service center. • Provided assistance for debtors affected by disasters, economic conditions and epidemics. Debtors affected by the COVID-19 outbreak were assisted in accordance with the official guidelines and conditions that have been continually announced on the KTC website.

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 form (Form 69-BASE-II&HNW), the prospectus supplement form (Form 69-Supplement), and Form 69-Pricing of debt securities.

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:



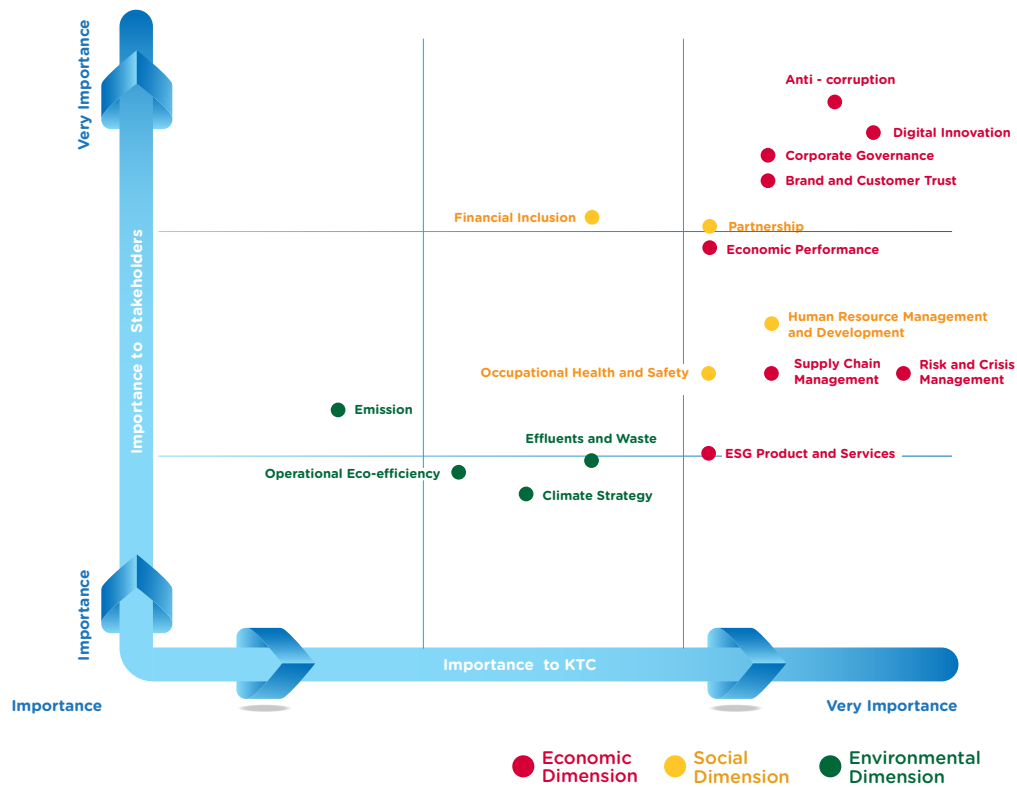
Sustainable Development Management Structure



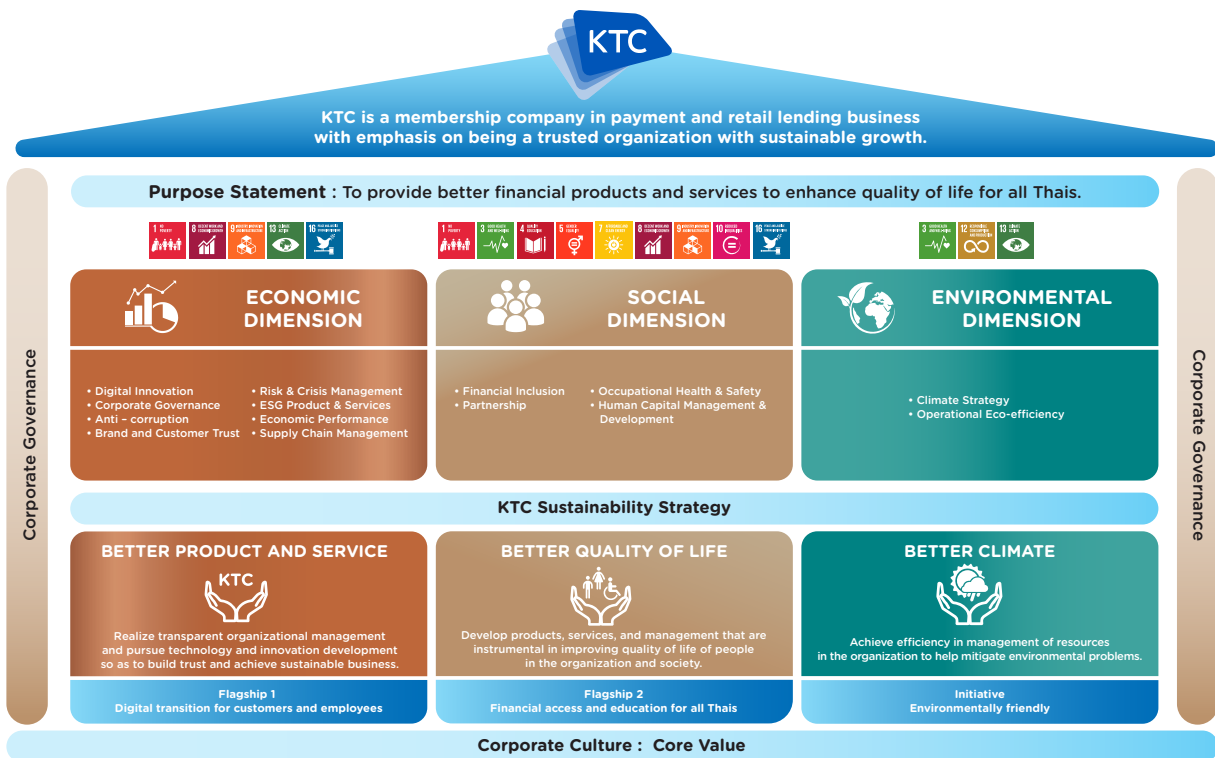
Stakeholder Impact Management in Business Value Chain

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) in accordance with the sustainable development framework and its scope of report.

Key Sustainability Issues



Sustainable Development by Spirit Framework



The Company disclosed the above information in “KTC and Sustainable Development” topic in the Sustainability Report 2022.

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 in product and service development, establishment of security and privacy, and presentation of various kinds of privileges in order to create great customer satisfaction and experience. Moreover, KTC also consistently helped debtors affected by COVID-19 situation through 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 2022.

Social Dimension

Social Policy and Practice

Social strategy : Better quality of life

Key flagship initiative : Financial access and education for all Thais

KTC developed various financial products and services for customers with alternatives to choose only products and services suited to 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. Moreover, KTC played a role in promoting financial literacy to support and improve the quality of life of Thai people through various programs and activities while developing and equipping the organization’s personnel with the ability to describe product features and convey relevant messages distinctly, clearly completely and accurately. The aim is to enable service users to make a decision to choose the right financial product and to equip KTC staff with crucial knowledge and skills to cope with ongoing changes.

Social Performance

The social performance is disclosed in “Social Dimension” topic in the Sustainability Report 2022.

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, and participated 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 2021.

Honourable Awards

From the aforementioned sustainability operations in 2022, KTC received various prestigious awards as revealed in “Honourable Awards” topic in the Sustainability Report 2022.

Please find further details on sustainability operation from the Sustainability Report 2022, which is disclosed on the Company’s website at <https://www.ktc.co.th/sustainability-development>

MANAGEMENT DISCUSSION AND ANALYSIS



Summarized Report of the Certified Public Accountants for Financial Statements year 2020, 2021 and 2022

Audit of financial statements for the year ended December 31, 2020

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, 2020, 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, 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.

Financial Statement

KRUNGTHAI CARD PUBLIC COMPANY LIMITED STATEMENT OF FINANCIAL POSITION

Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statement		
	2020 (Restated)	2021	2022
Assets			
Current assets			
Cash and cash equivalents	2,197	2,363	2,182
Loans to customers and accrued interest receivables, net – current portion	83,836	82,443	94,014
Other receivables	486	434	485
Other current financial assets	-	3	-
Total current assets	86,520	85,243	96,681
Non-current assets			
Loans to customers and accrued interest receivables, net - non-current portion	1,111	501	1,388
Other non-current financial assets	5	2	2
Investments in subsidiaries and an associate	73	83	106
Properties for sale	90	44	39
Leasehold improvements and equipment	496	415	348
Right-of-use assets	486	360	331
Intangible assets	486	449	483
Deferred tax assets	2,247	2,292	2,344
Other non-current assets	79	82	74
Total non-current assets	5,074	4,228	5,115
Total Assets	91,594	89,471	101,796

KRUNGTHAI CARD PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)

Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statement		
	2020 (Restated)	2021	2022
Liabilities and shareholders' equity			
Current liabilities			
Short-term borrowings	15,739	9,130	10,179
Trade payables	1,470	753	1,820
Accrued interest expenses	328	272	280
Income tax payable	663	735	924
Accrued expenses	1,141	1,178	1,287
Other payables	1,311	1,669	809
Current portion of lease liabilities	227	215	161
Current portion of long-term debentures	8,780	9,500	4,639
Deferred income for reward points	2,346	2,481	2,587
Total Current Liabilities	32,005	25,934	22,687
Non-current liabilities			
Lease liabilities, net of current portion	263	152	176
Long-term borrowings	-	1,500	6,000
Long-term debentures, net of current portion	34,700	34,273	40,817
Provisions for employee benefits	515	528	541
Total Non-current Liabilities	35,478	36,453	47,533
Total liabilities	67,482	62,387	70,220

KRUNGTHAI CARD PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)

Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statement		
	2020 (Restated)	2021	2022
Share Capital			
- Authorized share capital 2,578,334,070 ordinary shares of Baht 1 each	2,578	2,578	2,578
Issued and paid 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
Other components of equity	-	-	5
Retained Earning			
- Appropriated - legal reserve	258	258	258
- Unappropriated	18,071	21,685	26,197
Equity attributable to owners of the parent	22,799	26,836	31,353
Non-controlling interests	1,313	248	223
Total shareholders' equity	24,112	27,084	31,576
Total liabilities and shareholders' equity	91,594	89,471	101,796

KRUNGTHAI CARD PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statement		
	2020 (Restated)	2021	2022
Income			
Interest income	10,538	10,673	11,379
Fee and service income	8,380	7,234	7,976
Bad debt recovery	3,204	3,266	3,421
Gain on exchange rate, net	45	22	61
Other income	284	246	395
Total revenue	22,452	21,442	23,231
Expenses			
Administrative expenses	7,283	7,064	7,872
Management remuneration	240	262	244
Expected credit loss	6,489	5,456	4,868
Total expenses	14,012	12,781	12,985
Operating income	8,439	8,661	10,246
Finance costs	1,560	1,416	1,392
Share of profit of investments in an associate	0.8	11	17
Profit before income tax	6,880	7,255	8,871
Income tax expense	1,372	1,467	1,818
Net profit for the year	5,508	5,789	7,054

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 Statement		
	2020 (Restated)	2021	2022
Other comprehensive income			
Transactions that will never be reclassified subsequently to profit or loss			
Gain (loss) on remeasurements of defined benefit plans	30	5	14
Share of other comprehensive income from investments in an associate	-	-	5
Income tax relating to other comprehensive income for items that will not be reclassified to profit or loss	(6)	(1)	(3)
Other comprehensive income (loss) for the year	24	4	16
Total comprehensive income for the year	5,533	5,792	7,070
Profit (loss) attributable to			
Owners of the parent	5,333	5,879	7,079
Non-controlling interests	175	(90)	(26)
	5,508	5,789	7,054
Total comprehensive income (loss) attributable to			
Owners of the parent	5,360	5,883	7,095
Non-controlling interests	172	(90)	(26)
	5,533	5,792	7,070
Basic earnings per share (Baht)	2.07	2.28	2.75

KRUNGTHAI CARD PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS

Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statement		
	2020 (Restated)	2021	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax	6,880	7,255	8,871
Adjustments to reconcile profit before income tax to net cash received (paid) from operating activities:			
Amortisation of discount on investments in debt securities	0.01	(0.002)	(0.003)
Share of profit from investments in an associate	(1)	(11)	(17)
Employee benefits expense	51	69	45
Depreciation and amortisation	530	594	549
(Gain) loss on disposal and write-off of leasehold improvements and equipment, net	(0.3)	(1)	2
Loss on write off of computer software	-	1	2
Loss on impairment of properties for sale	(3)	18	24
Provision expenses (Reversal)	(11)	-	-
Expected credit loss	6,489	5,456	4,868
Interest expenses	1,540	1,397	1,374
Profit from operating activities before changes in operating assets and liabilities	15,476	14,779	15,719
Operating assets (increase) decrease			
Loans to customers and accrued interest receivables, net	(6,592)	(3,452)	(17,328)
Other receivables	132	52	(49)
Properties for sale	(77)	28	(19)
Other non-current assets	3	(3)	9
Operating liabilities increase (decrease)			
Trade payables	(296)	(722)	1,009
Accrued interest expenses	4	-	-
Accrued expenses	(87)	38	108
Other payables	(235)	359	(861)
Deferred income for reward points	69	135	106
Cash provided by (used in) operating activities	8,395	11,214	(1,306)
Interest expense paid	(1,555)	(1,388)	(1,269)
Employee benefits paid	(39)	(51)	(19)
Income tax paid	(1,332)	(1,441)	(1,683)
Net cash provided by (used in) operating activities	5,469	8,334	(4,277)

KRUNGTHAI CARD PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)

Audited by EY Office Limited

Unit: Million Baht	Consolidated Financial Statement		
	2020 (Restated)	2021	2022
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash received from redemption of financial assets	4	-	3
Cash paid for investments in a subsidiary	(72)	(551)	-
Cash paid for purchase of leasehold improvements and equipment	(211)	(95)	(118)
Cash paid for purchase of computer software	(128)	(134)	(112)
Cash received from sale of leasehold improvements and equipment	5	2	2
Net cash used in investing activities	(401)	(779)	(226)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash received from (paid for) short-term borrowings, net	694	(6,620)	1,024
Cash paid for long-term borrowings from related party	(23)	-	-
Cash received from long-term borrowings	-	1,500	4,500
Cash received from issuance of long-term debentures	3,500	9,031	11,123
Cash paid for redemption of long-term debentures	(6,185)	(8,780)	(9,500)
Cash paid for lease liabilities	(184)	(253)	(247)
Dividend paid	(2,269)	(2,269)	(2,578)
Proceeds from ordinary shares issued of subsidiaries from non-controlling interest	25	-	-
Net cash provided by (used in) financing activities	(4,442)	(7,390)	4,322
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	626	165	(181)
CASH AND CASH EQUIVALENTS AS AT JANUARY 1	1,572	2,197	2,363
CASH AND CASH EQUIVALENTS AS AT DECEMBER 31	2,197	2,363	2,182

Key Financial Ratio

	Unit	As of December 31, 2020 (Original)	As of December 31, 2021	As of December 31, 2022
Profitability Ratio				
Net Profit Margin	%	24.2%	27.4% ⁽³⁾	30.5%
Return on Equity (ROE)	%	25.0%	23.6%	24.3%
Average Interest Received ⁽¹⁾	%	16.0%	14.9%	14.6%
Average Cost of Fund	%	2.7%	2.5%	2.4%
Net Interest Margin	%	13.4%	12.4%	12.2%
Efficiency Ratio				
Net Interest Income/Total Asset ⁽²⁾	%	14.5%	13.7%	13.6%
Return on Asset (ROA)	%	6.1%	6.6%	7.4%
Asset Turnover	times	0.3	0.2	0.2
Financial Ratio				
Debt to Equity (D/E)	times	2.9	2.3	2.2
Loan to Borrowing	%	157.0%	170.3%	169.1%
Interest Coverage Ratio	times	5.3	6.1	7.4
Dividend Payout Ratio	%	42.5%	41.2%	41.5% ⁽⁴⁾
Asset Quality Ratio				
Allowance for Expected Credit Loss to Total Loans	%	8.2%	10.5%	8.4%
Expected Credit Loss/Total Loans	%	7.3%	5.9%	4.7%
Total NPL	%	1.8%	3.6%	1.8%
NPL Credit Card	%	1.3%	1.2%	1.1%
NPL Personal Loan	%	2.7%	2.9%	2.8%
NPL Leasing	%	-	54.3%	8.9%

⁽¹⁾ Credit usage fee is included in the calculation

⁽²⁾ Interest revenue is included credit usage fee

⁽³⁾ Use Profit Attributable to Owners of the Parent to calculate for Net Profit Margin from the first half of 2021 onwards

⁽⁴⁾ The right to receive dividends is unconfirmed until approved in the Annual General Shareholders Meeting 2023 (No. 21)

Commentary and analysis for the Company's financial positions performance 2020, 2021, and 2022

Commentary for the Company's financial statements 2020, 2021, and 2022

Basis of preparation and presentation of the financial statements 2020, 2021, and 2022

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 2022

Executive Summary

In 2022, Krungthai Card Public Company Limited and its subsidiaries ("the Group") was able to record high in net profit in the separate financial statements of Krungthai Card Public Company Limited ("KTC") equaled to Baht 7,140 million whereas its consolidated financial statements of the Group equaled to Baht 7,079 million, increased by 14.2% and 20.4% respectively from the same period last year.

2022 was another good year for the Group for both credit card and personal loan business in which portfolios grew better than expected and expanded by 15.4% (YoY) and 10.4% (YoY) respectively. Furthermore, credit card spending volume continued to increase after everyone resumed their normal lives as in the pre-COVID period. As the country was opened, more foreign tourists entered the country together with more activities from domestic. Even though KTC P BERM Car for Cash portfolio showed slower growth than projected, it began to accelerate in the last quarter by continual cooperating closely with Krungthai Bank ("KTB"). Its target of new booking portfolio at year ended 2023 is set to Baht 9,000 million. However, the balance of its new receivables at the year ended 2022 equaled to Baht 1,055 million which was a quality portfolio with low NPL ratio. Although the total portfolio of credit card and personal loan is expanding, the Group still emphasized on the strict criteria for customers' credit approval. Thus, provisions and write-offs will be fluctuated according to the nature of each portfolio. While, its calculation model has not been changed in any way, which still covers risks that might occur in the future appropriately. On the other hand, the legacy portfolio of lease receivables would be gradually written-off in 2022 and its value will be decreased in the following year. As a result, the total expected credit losses decreased. Moreover, the finance costs are well-managed; therefore, the financial costs also decreased. Whereas the administrative expense increased from acquiring new customers and marketing promotional campaign to invest in portfolio expansion. Total revenue grew mainly from an increase of interest income and fee income which expanded in response to an increase in business volume. Consequently, the Group was able to reach the new highest profit record once again.

Performance Overview for the Year 2022 and 4Q22

Y2022 Financial Statement (Unit: Million Baht)	Consolidated Financial Statement			Seperate Financial Statement		
	Y2021	Y2022	Growth (% YoY)	Y2021	Y2022	Growth (% YoY)
Total Revenues	21,442	23,231	8%	21,172	22,966	8%
Bad Debt Recovery	3,266	3,421	5%	3,191	3,323	4%
Total Operating Cost	7,326	8,117	11%	7,081	7,896	12%
Finance Costs	1,416	1,392	(2%)	1,407	1,383	(2%)
Share of Profit (Loss) from Investments in an associate	11	17	63%	-	-	-
Profit before Expected Credit Loss	12,711	13,740	8%	12,685	13,687	8%
Expected Credit Loss	5,456	4,868	(11%)	4,863	4,746	(2%)
Bad Debt	5,726	5,770	1%	4,869	3,927	(19%)
Doubtful Accounts (Reversal)	(270)	(902)	(434%)	(6)	819	12,626%
Profit before Income Tax	7,255	8,871	22%	7,822	8,941	14%
Income Tax Expense	1,467	1,818	24%	1,571	1,801	15%
Net Profit	5,789	7,054	22%	6,251	7,140	14%
Total Comprehensive Income (Loss)						
Owner of the parent	5,879	7,079	20%	6,251	7,140	14%
Non-controlling interests	(90)	(26)	(71%)	-	-	-
Earning per Shares	2.28	2.75	20%	2.42	2.77	14%

4 th Quarter Financial Statement (Unit: Million Baht)	Consolidated Financial Statement			Seperate Financial Statement		
	4Q21	4Q22	Growth (% YoY)	4Q21	4Q22	Growth (% YoY)
Total Revenues	5,512	6,253	13%	5,452	6,182	13%
Bad Debt Recovery	848	855	1%	828	836	1%
Total Operating Cost	1,923	2,276	18%	1,877	2,141	14%
Finance Costs	344	378	10%	342	375	9%
Share of Profit (Loss) from Investments in an associate	2	10	352%	-	-	-
Profit before Expected Credit Loss	3,247	3,609	11%	3,233	3,666	13%
Expected Credit Loss	1,832	1,508	(18%)	1,207	1,513	25%
Bad Debt	1,190	1,314	10%	1,180	1,204	2%
Doubtful Accounts (Reversal)	642	194	(70%)	27	309	1,050%
Profit before Income Tax	1,414	2,101	49%	2,026	2,153	6%
Income Tax Expense	290	456	57%	408	435	7%
Net Profit	1,124	1,645	46%	1,618	1,718	6%
Total Comprehensive Income (Loss)						
Owner of the parent	1,248	1,666	33%	1,618	1,718	6%
Non- controlling interests	(124)	(21)	(83%)	-	-	-
Earning per Shares	0.48	0.65	33%	0.63	0.67	6%

- **Total portfolio expanded from the growing credit card and personal loan business.** At the end of 2022, total loan to customers and accrued interest receivables equaled to Baht 104,194 million, expanded by 12.5% (YoY), comprising of credit card receivables in amount of Baht 69,462 million, increased by 15.4% (YoY), personal loan receivables in amount of Baht 32,283 million, increased by 10.4% (YoY) and leasing receivables in amount of Baht 2,449 million, decreased by 23.5% (YoY). In 2022, the Group wrote off the existing debt with full provisions and prepared to acquire new commercial leasing loans customers which expected to increase substantially in 2023. By the end of 2022, the new booking of KTC P BERM Car for Cash was equivalent to Baht 1,055 million and the new booking of Commercial Loan was equivalent to Baht 1,372 million.
- **Card spending volume increased 21.7% (YoY).** Economic activities are continuously picking up from the fully opened country policy which led to higher domestic spending. As a result, Credit card spending volume rose which generated the volume equaled to Baht 238,257 million at year ended 2022, higher than the same period of 2019 or pre-COVID-19 period and tends to continuously increase in 2023. For 4Q22 and the year 2022, the credit card spending volume of KTC expanded by 19.3% and 21.7% which amounted to Baht 69,225 million and Baht 238,257 million respectively. KTC's total member base amounted to 3,289,839 accounts, comprising of 2,550,592 credit card accounts, increased by 1.4% (YoY) and 739,247 personal loan accounts, decreased by 1.7% (YoY) due to the closure of inactive accounts.

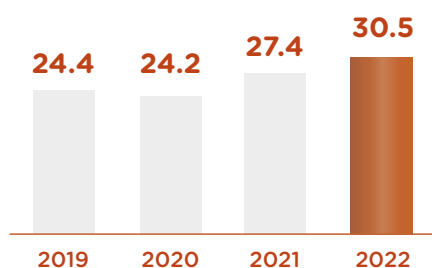
- **Cost of fund continuously well managed.** For the year 2022, the Group managed its cost of fund efficiently; the cost of fund was 2.4%, decreased from the same period last year at 2.5%. An average interest income was 14.6%, decreased from the same period last year at 14.9%. As a result, the net interest margin for the year 2022 decreased to 12.2% from 12.4% in the same period last year.
- **The portfolio quality constantly improved.** NPL Ratio (% of total NPL) for 4Q22 was at 1.8%, decreased from 3Q22 and 4Q21 at 2.0% and 3.6% respectively. The NPL of credit cards, personal loans and lease receivables was at 1.1%, 2.8% and 8.9% respectively. Total NPL decreased from 4Q21 by Baht 3,317 million and from 3Q22 by Baht 1,917 million, remaining amounted to Baht 1,846 million in 4Q22 due mainly to a significant decrease in NPL of lease receivables (KTBL) from the written-off of existing debt with full provisions since 3Q22. However, the total NPL of the Group was still at a satisfactory level due to rigorous debt collections and ongoing operations.

	4Q2021		3Q2022		4Q2022	
	NPL	%Total Receivables	NPL	%Total Receivables	NPL	%Total Receivables
Total NPL	3,317	3.6%	1,917	2.0%	1,846	1.8%
NPL - Credit Card	738	1.2%	783	1.2%	730	1.1%
NPL - Personal Loan	843	2.9%	920	3.0%	896	2.8%
NPL - Leasing	1,736	54.3%	214	11.1%	219	8.9%

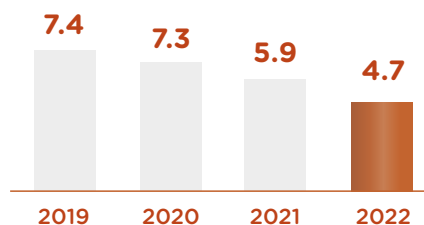
- **Total revenue increased by 8.3% (YoY).** The total revenue of the Group for the year 2022 equaled to Baht 23,231 million from an increase of interest income (including credit usage fee) and fee income by 5.6% (YoY) and 15.8% (YoY) respectively.
- **Bad debt recovery increased by 4.7% (YoY), equaled to Baht 3,421 million.** The Group was able to maintain good debt collection capability, total bad debt recovery for the year 2022 equaled to Baht 3,421 million, comprising of KTC amounted to Baht 3,323 million, increased by 4.1% (YoY) and KTBL amounted to Baht 98 million, increased by 29.4% (YoY).
- **Total expense for the year 2022 equaled to Baht 14,377 million, rose by 1.3% (YoY)** due to administrative expense increased by 10.8% (YoY) mainly from an increase in marketing expense by 34.5% (YoY) and fee and service expense by 16.2% (YoY). Meanwhile, expected credit loss decreased by 10.8% (YoY) and finance costs dropped by 1.6% (YoY).
- **The allowance for expected credit loss increased 11.1% (YoY).** For the year 2022, the allowance for expected credit loss of the company in the separate financial statement equaled to Baht 8,168 million, increased by 11.1% (YoY) while in the consolidated financial statement equaled to Baht 8,792 million, decreased by 9.3% (YoY) as the allowance for expected credit loss from personal loans and credit cards increased by 16.0% (YoY) and 7.4% (YoY) respectively. While the allowance for expected credit loss from lease receivables decreased by 73.4% (YoY). In addition, NPL of lease receivables (KTBL) decreased significantly from the written-off of existing debt with full provisions. Thus, total NPL decreased, resulting in NPL coverage ratio in the separate and consolidated financial statements for the year 2022 increased to 502.1% and 476.3% respectively.

Key Financial Ratio

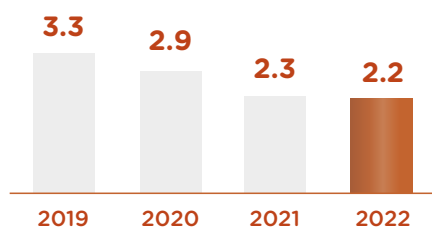
Net Profit Margin
(Unit: %)



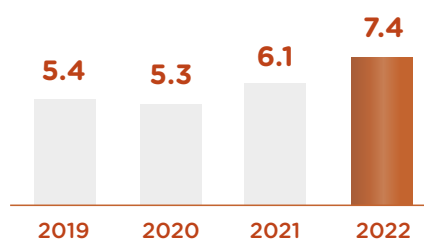
ECL/Total Receivables
(Unit: %)



Debt to Equity (D/E) Ratio
(Unit : Times)



Interest Coverage Ratio
(Unit : Times)



Key Financial Ratio	Y2021 (Seperate)	Y2022 (Seperate)	Y2021 (Consolidated)	Y2022 (Consolidated)
Earnings per Share (Baht)	2.42	2.77	2.28	2.75
Book Value per share (Baht)	10.4	12.2	10.5	12.2
Cost to Income	33.4%	34.4%	34.2%	34.9%
Operating Cost to Income	26.6%	25.7%	27.3%	26.4%
NPL Coverage Ratio	464.8%	502.1%	292.2%	476.3%
Expected Credit Loss/Total Receivables	5.4%	4.7%	5.9%	4.7%
Allowance for Expected Credit Loss/Total Receivables	8.2%	8.0%	10.5%	8.4%
Return on Equity (ROE)	25.2%	24.6%	23.5%	24.3%
Return on Asset (ROA)	7.1%	7.6%	6.6%	7.4%
Dividend Payout Ratio	N/A	N/A	41.2%	41.5% ⁽¹⁾

⁽¹⁾ The right to receive dividends is unconfirmed until approved in the Annual General Shareholders Meeting 2023 (No. 21)

- **Efficient Cost of Fund management.** At the end of 2022, the Group's total borrowing equaled to Baht 61,635 million, increased by 13.3% (YoY) whereas sources of fund structure were both from short-term and long-term borrowings at the ratio of 24% : 76%. The Group distributed its sources of borrowing that derived from Thai commercial banks, securities companies, insurance companies and various funds, comprising of short-term loans from related financial institutions amounted to Baht 5,230 million and from other financial institutions amounted to Baht 4,949 million, long-term loans from KTB amounted to Baht 6,000 million and debentures amounted to Baht 45,456 million. Cost of fund for the year 2022

stood at 2.4%, decreased from the previous year at 2.5%. Debt-to-equity ratio stood at 2.2 times, which is well below the bond covenant limited at 10 times.

- **KTC's total credit lines equaled to Baht 34,340 million,** consisting of short-term credit lines of Baht 28,340 million (from KTB amounted of Baht 18,030 million) and long-term credit lines from KTB of Baht 6,000 million. As the company utilized some of those credit lines at amounted of Baht 13,631 million, at the end of 2022, its available credit lines equaled to Baht 20,709 million. Meanwhile, the Group's total credit line was Baht 35,471 million and available credit line was Baht 20,741 million.

Industry Overview

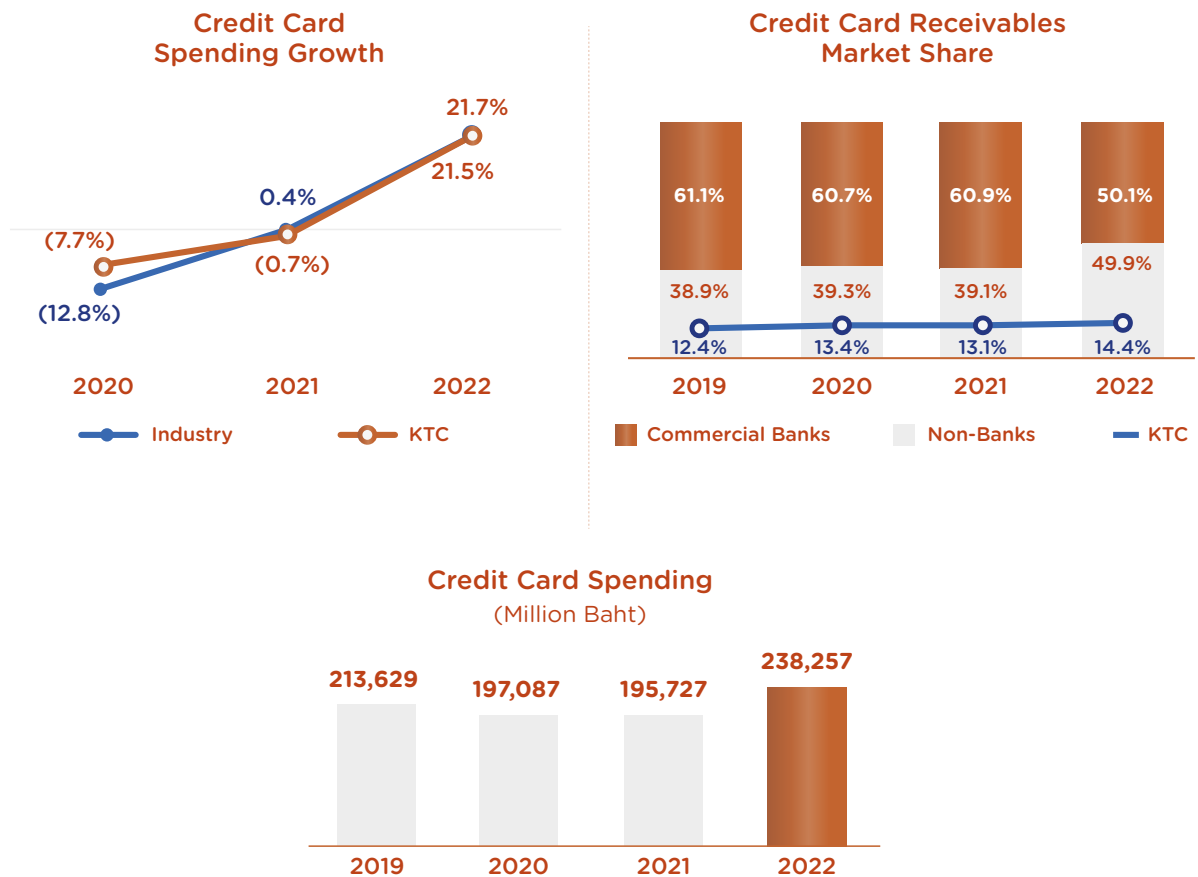
Thai economy at the end of 2022 expanded by 2.6% compared to the end of 2021 which stood at 1.5%. The economy expanded continuously mainly from the recovery of tourism and private sectors consumption, as reflected by the continuous increase in the number of tourists as well as the support from service sector and improved employment and labor income. BOT projected its economic growth for the year 2023 at 3.7% (projected as of November 2022). A recovery in both the tourism sector and private consumption will mitigate the risk of a global economic slowdown and might create a growing demand for consumers' personal loan.

Industry Data	Y2020	Y2021	Y2022
Credit Card Receivables (Million Baht)	449,733	458,181	482,966
Growth	(1.6%)	1.9%	5.4%
Proportion of KTC Credit Card Receivables VS Industry	13.4%	13.1%	14.4%
Amount of Credit Card (Cards)	24,163,921	24,849,285	25,733,923
Growth	2.3%	2.8%	3.6%
Proportion of KTC Credit Card VS Industry	10.7%	10.1%	9.9%
Credit Card Spending (Million Baht)	1,643,709	1,649,491	2,004,737
Growth	(12.8%)	0.4%	21.5%
Proportion of KTC Credit Card Spending VS Industry	12.0%	11.9%	11.9%
Personal Loan Receivables (Million Baht)	580,454	707,715	849,152
Growth	0.1%	21.9%	20.0%
Proportion of KTC Personal Loan Receivables VS Industry	5.2%	4.1%	3.8%

Source: The Bank of Thailand

Credit card and personal loan business began to grow continuously as evidenced by the total industry credit card receivables in 2022 equaled to Baht 482,966 million, expanded by 5.4% compared to the same period in 2021. The total card spending volume for the year 2022 equaled to Baht 2,004,737 million, expanded by 21.5%, while personal loan receivables for the year 2022 equaled to Baht 849,152 million, expanded by 20.0% due to consumer confidence as well as economic activities are back to normal.

The market share of KTC credit card receivables for 2022 was accounted for 14.4% of total industry and the market share of personal loan receivables was accounted for 3.8% of the industry.



Total Expense
(Million Baht)

14,377 | **1.3% YoY**

Finance Cost
(Million Baht)

1,392

Operating's Expense

8,117 Million Baht

	Y2021	% Total Revenue	Y2022	% Total Revenue	% Growth
Personal expense	2,422	11.3%	2,501	10.8%	3.2%
Marketing expense	652	3.0%	877	3.8%	34.5%
Fee and service expense	2,237	10.4%	2,599	11.2%	16.2%
Other administrative expense	2,015	9.4%	2,140	9.2%	6.2%

Expected Credit Loss (ECL)

4,868 Million Baht

	Y2021	% Total Revenue	Y2022	% Total Revenue	% Growth
ECL - Credit Card	2,404	11.2%	2,409	10.4%	0.2%
ECL - Personal loan	2,459	11.5%	2,337	10.1%	(5.0%)
ECL - Leasing	592	2.8%	122	0.5%	(79.5%)

Expense

- **Total operating cost increased by 10.8% (YoY)** for the year 2022, equaled to Baht 8,117 million, mainly from an increase of marketing expense by 34.5% (YoY) regarding to the recruiting of new members and higher marketing promotional campaign to invest in building additional membership portfolios. Moreover, fee and service expense increased by 16.2% (YoY) mainly from interchange fee as number of transactions increased. Cost to income for the year 2022 was at 34.9%, close to the previous year at 34.2%.
- **Expected credit losses for the year 2022 equaled to Baht 4,868 million, decreased by 10.8% (YoY)** as the Group was able to continuously well-control its portfolio quality. Thus, the written-off of credit card and personal loan receivables decreased. On the other hand, provisions increased in response to the expanding credit card and personal loan portfolio. The written-off of lease receivables (KTBL) increased due to the written-off of existing debt that had already been set aside.
- **Finance costs decreased.** Finance costs for the year 2022 equaled to Baht 1,392 million, decreased by 1.6% (YoY), resulting from efficient management and cost controlling at appropriate level.

Financial Position and Sources of Funds

- **The Group's assets increased.** The Group's assets as of December 31, 2022 equaled to Baht 101,796 million, increased by 13.8% (YoY). The main income-generating assets were loan to customers and accrued interest receivables, accounting for 93.7% of total assets or equaled to Baht 95,402 million, whereas the remaining of 6.3%, comprising of crucial assets such as cash and deferred tax assets, etc.
- **Total loan expanded by 12.5% (YoY)** with total portfolio equaled to Baht 104,194 million, comprising of total credit card receivables of Baht 69,462 million, total personal loan receivables of Baht 32,283 million, and total lease receivables of Baht 2,449 million. The Group's allowance for expected credit loss equaled to Baht 8,792 million, decreased by 9.3% (YoY) due to the written-off of KTBL lease receivables dropped by 73.4% (YoY).

The table shows loan to customers and accrued interest receivables

(Unit: Million Baht)	Consolidated Financial Statements as of December 31, 2022			
	Credit Card	Personal Loan	Leasing	Total
Stage 1	62,185	25,558	-	87,743
Stage 2	6,258	5,432	-	11,690
Stage 3	730	896	-	1,627
Financial assets applied simplified approach to calculate lifetime expected credit losses	-	-	2,449	2,449
Total loans to customers	69,174	31,886	2,449	103,509
Add Accrued interest receivables and undue interest receivables	288	397	-	685
Total loans to customers and accrued interest receivables	69,462	32,283	2,449	104,194
Less Allowance for expected credit loss	(4,431)	(3,736)	(624)	(8,792)
Total loans to customers and accrued interest receivables, net	65,031	28,547	1,825	95,402

The table shows changes in the allowance for expected credit losses

(Unit: Million Baht)	Allowance for Expected Credit Loss as of December 31, 2022				
	12-month ECL	Lifetime ECL: Not Credit Implied	Lifetime ECL: Credit Implied	Financial Assets Applied Simplified Approach to Calculate Lifetime ECL	Total
	(Stage 1)	(Stage 2)	(Stage 3)		
Balance as of January 1, 2022	3,918	2,365	1,066	2,343	9,691
Changes in staging	351	(378)	27	-	-
Changes in risk parameters	(363)	1,438	4,721	258	6,053
New financial assets originated or purchased	622	-	-	39	661
New financial assets derecognized	(280)	(642)	(747)	(174)	(1,844)
Written-off	-	-	(3,927)	(1,842)	(5,770)
Balance as of December 31, 2022	4,247	2,782	1,138	624	8,792

Impacts from the COVID-19 Outbreak

The Bank of Thailand (BOT) had issued measures to assist debtors who have been affected by the COVID-19 outbreak. These include the reduction of the minimum repayment rate, consideration of credit line extensions, deferring of installment payments and converting into low interest long-term loans. In this regard, the Group has complied with and followed the Bank of Thailand's guidelines on all measures to assist debtors in accordance with the BOT's sustainable debt settlement measures. As of December 31, 2022, the Group provided assistance to debtors in all statuses according to the Notification of the Bank of Thailand No. BOT. RPD2C.802/2564 equaled to Baht 1,986 million or 2.0% of total portfolio at the end of 2022.

2022 Target vs Actual

The Group operated its core business in line with the target. The Group generated profit attributable to owners of the parent in amount of Baht 7,079 million. Credit card spending volume for the year 2022 grew at 21.7% or equaled to Baht 238,257 million due to the recovery of domestic economy, an increase in spending as well as more active economic activities from both domestic spending and tourism sector that increased significantly. As the result, the card spending volume of the Group strongly grew substantially beyond the projection.

Target	2022 Target	2022 Actual	Notes
Net Profit (MB)	> 6,251	7,079	Revenue grew well, finance costs decreased and ECL dropped by 11% (YoY)
Total Receivables (MB)	> 100,000	104,194	Portfolio expanded from both credit card and personal loan business, as well as building new portfolio of KTC P BERM Car for Cash
Credit Card Spending Growth	10.0%	21.7%	Upward trend in spending growth from opening the country and accelerating recovery of Thai economy
Personal Loan Receivables Portfolio Growth	7.0%	10.4%	Loan grew faster than expected and still in high demand
New Booking of P BERM Car for Cash (MB)	11,500	1,055	Targeted Baht 10,000 million new booking for KTC P BERM Car for Cash by year ended 2023
Portfolio Quality (%Total NPL)	3.6%	1.8%	Well-controlled NPL whereas the portfolio keeps expanding

Personal loan business grew at 10.4% or equaled to Baht 32,283 million by focusing on new customers and retaining existing customers. The new booking of P BERM Car for Cash equaled to Baht 1,055 million which was in line with the adjusted target in 3Q22. Nevertheless, the Group still set the target for new booking of P BERM Car for Cash for the year 2023 in amount of Baht 9,000 million with the strategy for loan acquisition end-to-end process at Krungthai branches to facilitate customers to get loan approval and receive money within only 1 hour (Previously within 2 hours). The customers will experience quicker process and easier service access through more than 900 branches of KTB.

The Group's NPL at the end of 2022 was at 1.8% which was aligned with the total portfolio quality. Total loan portfolio equaled to Baht 104,194 million, with profit for the year 2022 equaled to Baht 7,079 million which was higher than the year 2021 as targeted.

Growth Direction in 2023

KTC's business direction in 2023 will have a great change in various aspects, including organizational structure, strategies, operating processes, technologies, and services to strengthen the organizational foundation with the concept of "A Transition to the New Foundation" under the framework of 3 driving dimensions as follows.

- Manage the whole business structure to align with IT and operating systems (Enterprise Architecture)
- Encourage KTC employees to develop important skills in various areas in order to move forward together with the company (Enterprise Skill Assets)
- Manage data information from planning data storage, data accessing as well as data destruction by focusing on safety, accuracy, and transparency (Enterprise Data Assets)

KTC is still striving to grow its payment business and retail lending business by paying special attention to increase KTC P BERM Car for Cash receivables and building up customer base to generate steady and sustainable profit. Meanwhile, credit card and personal loan business will grow at the accelerated rate by emphasizing on acquiring new customers as well as creating marketing activities in accordance with the changing circumstances. Thereby, marketing

expense and provisions may increase in line with the expanding portfolio. Nonetheless, the economy currently encounters with increasing finance costs which affected to higher in cost of fund, including higher marketing expense and provisions which would be varied based on portfolio quality. Moreover, the company will have constant developing business model, namely MAAI Loyalty Platform, which will not be generated income in the early stage. However, the company assures that it will achieve growth target in terms of credit card spending and portfolio expansion where NPL will not be higher than targeted.

KTBL business will focus on commercial loans acquisition, such as, trucks and its target of new booking for the year ended 2023 equals to Baht 3,000 million. Regarding to retail loans, the company continues to offer products to customers; however, loan approval will depend on customers' credit quality. The company continues to focus on managing the existing portfolio and aims to generate profit in 2023.

The year 2023 will be the transition period where new executives, or successors, are taking on various responsibilities. There will still be existing executives acting as a coach working closely to make the transition seamless and help drive the organization continuously.

Target	2023 Target
Net Profit	> Y2022
Total Portfolio Growth	15%
Credit Card Spending Growth	10%
Personal Loan Receivable Portfolio Growth	7%
New Booking of P BERM Car for Cash	9,000 MB
New Booking of Commercial Loans (KTBL)	3,000 MB
Portfolio Quality	Same as Y2022

The Sustainable Development

With the vision of “KTC is a membership company in payment and retail lending business with sustainability as key element”. KTC established a sustainability framework that integrated the company’s strategy and sustainability together under the basis of good governance and appropriate risk and cost management to meet business needs, sustainability key issues and corporate vision to be in line with the United Nations Sustainable Development Goals and the new normal.

The company prepared the 5-year sustainability strategy (2022-2026) covering 3 dimensions, namely the Economic Dimension (Better Product and Service), the Social Dimension (Better Quality of Life) and the Environment Dimension (Better Climate) by utilizing technology and digital innovation to develop operations, to launch and develop products and services that meet the needs and create a good experience and trust for members and stakeholders such as KTC Mobile, KTC QR PAY with information

security standards, cyber security and personal privacy information security, which leading to the creation of opportunities to access financial products and services for the people in the society thoroughly and mitigate the impact on the environment in a sustainable way. Moreover, the company continues to elevate its integration between business operations and sustainability in various dimensions continuously such as respecting human rights, employees’ health care, providing assistance to debtors affected by the COVID-19 situation, including raising environmental awareness and giving back to society through various activities. This represents a commitment to drive results in combining all 3 sustainability dimensions with a comprehensive business, to build stable business growth with balanced care for all stakeholders and to elevate its integrated sustainability and earn local and international recognition as a leading company in consumer finance business.

Performance analysis of each business for the year 2020, 2021, and 2022

The Group compares revenue from operation of each business for the year ended as of December 31, 2020, 2021, and 2022 to identify the ability to generate revenue from each business unit. The revenue structure for the year 2022 consists of credit card business, personal loan business, hire purchase and financial lease businesses which contributed to total revenue of 58.8%, 38.2%, and 1.9% respectively. Details of revenue (including bad debt recovery income) of each business are as follows:

Income by Business	For the year ending December 31, 2020 (Original)		For the year ending December 31, 2021		For the year ending December 31, 2022	
	MB	Portion	MB	Portion	MB	Portion
1. Credit Card Income	12,587	57.1%	12,288	57.3%	13,652	58.8%
2. Personal Loan Income	9,177	41.6%	8,643	40.3%	8,872	38.2%
3. Leasing Income	N/A	N/A	243	1.1%	250	1.1%
4. Other Incomes ⁽¹⁾	292	1.3%	269	1.3%	456	1.9%
Total	22,055	100.0%	21,442	100.0%	23,231	100.0%

⁽¹⁾ Other Incomes: other fee incomes, profit (loss) from exchange rate

1. The Income of Credit Card Business

Credit Card Income	For the year ending December 31, 2020 (Original)		For the year ending December 31, 2021		For the year ending December 31, 2022	
	MB	Portion	MB	Portion	MB	Portion
1. Credit Card Interest Income ⁽¹⁾	6,611	52.5%	6,501	52.9%	7,051	51.6%
2. Fee Incomes	4,294	34.1%	4,088	33.3%	4,833	35.4%
- Card Issuing	2,694	21.4%	2,468	20.1%	2,902	21.3%
- Merchant Acquiring	1,600	12.7%	1,620	13.2%	1,931	14.1%
3. Bad Debt Recovery-Credit card	1,681	13.4%	1,699	13.8%	1,768	13.0%
Total	12,587	100.0%	12,288	100.0%	13,652	100.0%

⁽¹⁾ 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 2022, the Group continued developing creative marketing campaigns by focusing in both online and offline marketing. Additionally, the Group sought to increase its cardmembers by launching new products and developing co-brand cards that cater to customers' needs and preferences. The goal was to establish the brand as a preferred choice in the long term and encourage frequent KTC card usage. In 2022, total interest income from credit card equaled to Baht 7,051 million, increased by 8.5% (YoY) as well as fee income equaled to Baht 4,833 million, increased by 18.2% (YoY), thanks to the loan expansion, economic recovery, which led economic activities to return to normal level. At the same time, recovery income equaled to Baht 1,768 million, increased by 4.1% (YoY) due to effective debt collection.

Credit Card Business	For the year ending December 31, 2020 (Original)	For the year ending December 31, 2021	For the year ending December 31, 2022
Number of Credit Card (Cards)	2,575,684	2,515,110	2,550,592
Growth (%YoY)	2.6%	(2.4%)	1.4%
Credit Card Receivables-net (Million Baht)	56,017	56,075	65,031
Growth (%YoY)	4.7%	0.1%	16.0%
Total Credit Card Spending ⁽¹⁾ (Million Baht)	197,087	195,727	238,257
Growth (%YoY)	(7.7%)	(0.7%)	21.7%

⁽¹⁾ Credit card spending including cash advance

Merchant Acquiring Business	For the year ending December 31, 2020 (Original)	For the year ending December 31, 2021	For the year ending December 31, 2022
Number of KTC Merchant ⁽¹⁾ (Merchants)	42,050	41,410	43,929
Growth (%YoY)	5.5%	(1.5%)	6.1%
Total Spending through KTC Merchants ⁽²⁾ (Million Baht)	68,887	67,023	80,485
Growth (%YoY)	(16.0%)	(2.7%)	20.1%
Fee Income from Merchant Acquiring Business (Million Baht)	1,600	1,620	1,931
Growth (%YoY)	(7.9%)	1.3%	19.2%

⁽¹⁾ Excluding cash advance outlets at the ending period

⁽²⁾ 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”, which consists of Car Title Loans and Motorcycle Title Loans.

In 2022, personal loan portfolio equaled to Baht 28,547 million, increased by 9.7% compared to the previous year due to the loan expansion. Interest income (including credit usage fee) from personal loan equaled to Baht 7,220 million, increased by 3.0% (YoY), while fee income equaled to Baht 97 million, decreased by 31.8% (YoY). Recovery income equaled to Baht 1,555 million, increased by 4.2% from the previous year.

Personal Loan Business	For the year ending December 31, 2020 (Original)	For the year ending December 31, 2021	For the year ending December 31, 2022
Personal Loan Receivables-net (Million Baht)	26,777	26,013	28,547
Growth (%YoY)	(1.7%)	(2.9%)	9.7%
Interest Income ⁽¹⁾ (Million Baht)	7,556	7,009	7,220
Growth (%YoY)	2.8%	(7.2%)	3.0%
Fee Income (Million Baht)	183	142	97
Growth (%YoY)	(2.1%)	(22.3%)	(31.8%)
Bad Debt Recovery-Personal Loan (Million Baht)	1,437	1,492	1,555
Growth (%YoY)	(6.0%)	3.8%	4.2%

⁽¹⁾ 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, 2022, the Group's lease receivables portfolio equaled to Baht 1,825 million including interest income, fee income, and recovery income equaled to Baht 110 million, Baht 43 million, and Baht 97 million respectively.

Leasing Business	For the year ending December 31, 2021	For the year ending December 31, 2022
Leasing Receivables-net (Million Baht)	857	1,825
Growth (% YoY)	N/A	113.0%
Interest Income ⁽¹⁾ (Million Baht)	104	110
Growth (% YoY)	N/A	6.0%
Fee Income (Million Baht)	63	43
Growth (% YoY)	N/A	(31.6%)
Bad Debt Recovery-Leasing (Million Baht)	75	97
Growth (% YoY)	N/A	29.3%

⁽¹⁾ Leasing's interest income including credit usage fee

The background is a complex, symmetrical, and fractal-like geometric pattern in shades of dark blue and black. It features a central circular motif from which various angular, rectangular, and triangular shapes radiate outwards, creating a sense of depth and architectural complexity. The pattern is highly detailed and recursive, resembling a stylized, futuristic tunnel or a complex data structure. The text 'FINANCIAL STATEMENT' is centered in the middle of the image, rendered in a clean, white, sans-serif font. The overall aesthetic is modern, technological, and professional.

FINANCIAL STATEMENT

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 2022, 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 2022, 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.

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 2022, the Group had loans to customers of Baht 95,402 million (representing 94 percent of total assets) and allowance for expected credit loss amounting to Baht 8,792 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, as well as notifications and guidelines announced by the Bank of Thailand.

Other Matter

The consolidated financial statements of Krungthai Card Public Company Limited and its subsidiaries (the Group) and the separate financial statements of Krungthai Card Public Company Limited for the year ended 31 December 2021, presented herein as comparative information, were audited by another auditor who, under his report dated 10 February 2022, expressed an unmodified opinion on those financial statements.

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.

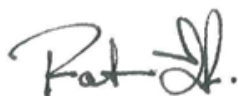
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding 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: 9 February 2023

Krungthai Card Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2022	2021	2022	2021
Assets					
Current assets					
Cash and cash equivalents		2,181,929,630	2,362,884,558	2,173,595,514	2,018,849,307
Loans to customers and					
accrued interest receivables, net - current portion	7	94,013,965,896	82,443,432,569	93,577,009,782	82,086,352,073
Short-term lending	27.1	-	-	746,000,000	-
Other receivables, net	8	485,291,735	434,057,147	431,967,354	420,884,864
Other current financial assets	9	-	3,000,323	-	3,000,323
Total current assets		96,681,187,261	85,243,374,597	96,928,572,650	84,529,086,567
Non-current assets					
Loans to customers and accrued interest					
receivables, net - non-current portion	7	1,387,838,283	500,988,951	-	-
Other non-current financial assets	9	1,997,569	1,994,431	1,987,569	1,984,431
Investments in subsidiaries and an associate	10	105,744,796	83,464,565	780,943,224	780,943,224
Properties for sale	11	39,051,626	43,787,662	-	-
Leasehold improvements and equipment	12	348,076,617	414,640,210	334,787,717	402,462,709
Right-of-use assets	13	330,910,963	359,782,239	317,919,957	345,259,477
Intangible assets	14	483,335,145	448,767,818	476,589,001	437,703,761
Deferred tax assets	15	2,344,336,128	2,292,094,928	1,669,654,436	1,600,388,259
Other non-current assets		73,512,342	82,194,251	70,910,592	79,667,126
Total non-current assets		5,114,803,469	4,227,715,055	3,652,792,496	3,648,408,987
Total assets		101,795,990,730	89,471,089,652	100,581,365,146	88,177,495,554

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 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2022	2021	2022	2021
Liabilities and shareholders' equity					
Liabilities					
Current liabilities					
Short-term borrowings	16, 27.1	10,178,974,634	9,129,971,164	9,278,304,586	8,230,491,720
Trade payables	27.1	1,820,142,592	753,241,629	1,777,688,316	746,664,277
Accrued interest expenses		280,401,691	272,019,844	279,986,819	271,400,828
Income tax payable		924,158,291	734,796,892	928,514,898	734,794,204
Accrued expenses		1,286,830,590	1,178,401,893	1,261,319,618	1,160,836,860
Other payables	17	808,524,907	1,669,371,417	805,209,106	1,627,619,977
Current portion of lease liabilities	13	161,484,227	214,609,667	155,256,447	200,507,195
Current portion of long-term debentures	18	4,639,493,550	9,500,000,000	4,639,493,550	9,500,000,000
Deferred income for reward points		2,587,145,713	2,481,225,762	2,587,145,713	2,481,225,762
Total current liabilities		22,687,156,195	25,933,638,268	21,712,919,053	24,953,540,823
Non-current liabilities					
Lease liabilities, net of current portion	13	175,545,371	151,583,707	168,666,811	151,040,454
Long-term borrowings	16, 27.1	6,000,000,000	1,500,000,000	6,000,000,000	1,500,000,000
Long-term debentures, net of current portion	18	40,816,762,678	34,273,049,113	40,816,762,678	34,273,049,113
Provisions for employee benefits	19	540,772,700	528,418,067	523,980,300	512,147,600
Total non-current liabilities		47,533,080,749	36,453,050,887	47,509,409,789	36,436,237,167
Total liabilities		70,220,236,944	62,386,689,155	69,222,328,842	61,389,777,990

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 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2022	2021	2022	2021
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		4,844,092	-	-	-
Retained earnings					
Appropriated - legal reserve	20	257,833,407	257,833,407	257,833,407	257,833,407
Unappropriated		26,196,702,458	21,684,686,692	26,631,060,106	22,059,741,366
Equity attributable to owners of the parent		31,353,216,935	26,836,357,077	31,359,036,304	26,787,717,564
Non-controlling interests		222,536,851	248,043,420	-	-
Total shareholders' equity		31,575,753,786	27,084,400,497	31,359,036,304	26,787,717,564
Total liabilities and shareholders' equity		101,795,990,730	89,471,089,652	100,581,365,146	88,177,495,554

The accompanying notes are an integral part of the financial statements.

 (Mr. Praphaisith Tankeyura) Director	 บริษัท บัตรกรุงไทย จำกัด (มหาชน) KRUNGTHAI CARD PUBLIC COMPANY LIMITED	 (Mr. Rathian Srimongkol) Director
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Krungthai Card Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2022	2021	2022	2021
Profit or loss:					
Revenue					
Interest income		11,378,864,625	10,673,125,090	11,268,371,237	10,568,152,773
Fee and service income		7,976,066,461	7,234,170,658	7,935,345,463	7,170,937,587
Bad debt recovery		3,420,599,616	3,266,111,438	3,322,969,555	3,190,639,223
Gain on exchange rate, net		61,064,570	22,182,097	61,064,570	22,182,097
Other income		394,747,024	246,084,939	377,886,605	220,242,260
Total revenue		23,231,342,296	21,441,674,222	22,965,637,430	21,172,153,940
Expenses					
Administrative expenses		7,872,012,649	7,064,049,614	7,666,301,697	6,850,785,415
Management remuneration	27.3	244,488,863	261,525,825	229,503,401	230,011,827
Expected credit loss		4,868,385,955	5,455,542,617	4,746,360,548	4,862,823,258
Total expenses	22	12,984,887,467	12,781,118,056	12,642,165,646	11,943,620,500
Operating income		10,246,454,829	8,660,556,166	10,323,471,784	9,228,533,440
Finance costs		1,392,499,203	1,415,848,055	1,382,923,002	1,406,706,085
Share of profit from investments in an associate		17,436,139	10,669,002	-	-
Profit before income tax		8,871,391,765	7,255,377,113	8,940,548,782	7,821,827,355
Income tax expense	15	1,817,782,936	1,466,856,852	1,800,992,730	1,570,941,470
Net profit for the year		7,053,608,829	5,788,520,261	7,139,556,052	6,250,885,885
Other comprehensive income:					
<i>Transactions that will never be reclassified subsequently to profit or loss</i>					
Gains on remeasurements of defined benefit plans		13,842,610	4,607,494	12,420,510	5,313,300
Share of other comprehensive income from investments in an associate		4,844,092	-	-	-
Income tax relating to other comprehensive income for items that will never be reclassified subsequently to profit or loss		(2,768,522)	(921,499)	(2,484,102)	(1,062,660)
Other comprehensive income for the year		15,918,180	3,685,995	9,936,408	4,250,640
Total comprehensive income for the year		7,069,527,009	5,792,206,256	7,149,492,460	6,255,136,525

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 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2022	2021	2022	2021
Profit (loss) attributable to					
Owners of the parent		7,079,399,249	5,878,693,059	7,139,556,052	6,250,885,885
Non-controlling interests		(25,790,420)	(90,172,798)		
		<u>7,053,608,829</u>	<u>5,788,520,261</u>		
Total comprehensive income (loss) attributable to					
Owners of the parent		7,095,033,578	5,882,519,932	7,149,492,460	6,255,136,525
Non-controlling interests		(25,506,569)	(90,313,676)		
		<u>7,069,527,009</u>	<u>5,792,206,256</u>		
Earnings per share of the Company					
Basic earnings per share (Baht)		2.75	2.28	2.77	2.42

The accompanying notes are an integral part of the financial statements.

For the year ended 31 December 2022

Consolidated financial statements

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 2022

	Notes	Separate financial statements				(Unit: Baht)
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		
				Appropriated Legal reserve	Unappropriated	
Beginning balance as at 1 January 2021		2,578,334,070	1,891,808,721	257,833,407	18,073,415,003	22,801,391,201
Dividend paid	25	-	-	-	(2,268,810,162)	(2,268,810,162)
Profit for the year					6,250,885,885	6,250,885,885
Other comprehensive income for the year					4,250,640	4,250,640
Total comprehensive income for the year						
Ending balance as at 31 December 2021		2,578,334,070	1,891,808,721	257,833,407	22,059,741,366	26,787,717,564
Beginning balance as at 1 January 2022		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						
Ending balance as at 31 December 2022		2,578,334,070	1,891,808,721	257,833,407	26,631,060,106	31,359,036,304

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 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before income tax	8,871,391,765	7,255,377,113	8,940,548,782	7,821,827,355
Adjustments to reconcile profit before income tax to net cash received (paid) from operating activities:				
Amortisation of discount on investments in debt securities	(2,815)	(2,432)	(2,815)	(2,432)
Share of profit from investments in an associate	(17,436,139)	(10,669,002)	-	-
Employee benefits expense	44,715,784	69,264,979	42,771,751	42,220,451
Depreciation and amortisation	549,411,550	594,213,237	537,759,597	574,072,381
(Gain) loss on disposal and write-off of leasehold improvements and equipment, net	1,781,928	(632,880)	1,930,439	(588,160)
Loss on write off of computer software	2,277,907	1,069,572	14	1,069,572
Expected credit loss	4,868,385,955	5,455,542,617	4,746,360,548	4,862,823,258
Loss on impairment of properties for sale	23,767,577	18,077,331	-	-
Interest expenses	1,374,243,083	1,396,876,357	1,364,666,883	1,387,734,387
Profit from operating activities before changes in operating assets and liabilities	15,718,536,595	14,779,116,892	15,634,035,199	14,689,156,812
Operating assets (increase) decrease				
Loans to customers and accrued interest receivables, net	(17,327,794,306)	(3,452,486,781)	(16,237,018,257)	(4,158,724,035)
Other receivables	(49,208,895)	52,215,253	(11,082,490)	39,152,293
Properties for sale	(19,031,541)	28,352,294	-	-
Other non-current assets	8,681,909	(2,849,125)	8,756,534	(912,658)
Operating liabilities increase (decrease)				
Trade payables	1,009,173,706	(722,376,347)	973,312,063	(726,248,126)
Accrued expenses	108,428,697	37,571,287	100,482,758	54,640,682
Other payables	(860,846,510)	358,620,682	(822,410,871)	373,724,789
Deferred income for reward points	105,919,951	135,473,626	105,919,951	135,473,626
Cash provided by (used in) operating activities	(1,306,140,394)	11,213,637,781	(248,005,113)	10,406,263,383
Interest expense paid	(1,269,113,047)	(1,387,785,029)	(1,259,632,549)	(1,379,760,987)
Employee benefits paid	(18,518,541)	(50,863,020)	(18,518,541)	(13,539,351)
Income tax paid	(1,683,431,258)	(1,440,734,696)	(1,679,022,315)	(1,433,495,328)
Net cash provided by (used in) operating activities	(4,277,203,240)	8,334,255,036	(3,205,178,518)	7,579,467,717

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 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Cash paid for short-term lending	-	-	(746,000,000)	-
Cash received from redemption of financial assets	3,000,000	-	3,000,000	-
Cash paid for purchase of leasehold improvements and equipment	(118,068,119)	(95,088,637)	(115,308,716)	(94,993,591)
Cash paid for purchase of computer software	(112,278,604)	(133,768,448)	(110,499,804)	(131,790,448)
Cash received from sale of leasehold improvements and equipment	1,621,939	1,504,197	552,794	601,637
Cash paid for investments in a subsidiary	-	(551,338,255)	-	(551,338,255)
Net cash used in investing activities	(225,724,784)	(778,691,143)	(968,255,726)	(777,520,657)
Cash flows from financing activities				
Cash received from (paid for) short-term borrowings, net	1,024,403,383	(6,619,558,336)	1,023,212,780	(5,941,350,963)
Cash received from long-term borrowings	4,500,000,000	1,500,000,000	4,500,000,000	1,500,000,000
Cash received from issuance of long-term debentures	11,122,712,838	9,030,890,842	11,122,712,838	9,030,890,842
Cash paid for redemption of long-term debentures	(9,500,000,000)	(8,780,000,000)	(9,500,000,000)	(8,780,000,000)
Cash paid for lease liabilities	(246,969,405)	(252,589,940)	(239,571,447)	(237,450,521)
Dividend paid	(2,578,173,720)	(2,268,810,162)	(2,578,173,720)	(2,268,810,162)
Net cash provided by (used in) financing activities	4,321,973,096	(7,390,067,596)	4,328,180,451	(6,696,720,804)
Net increase (decrease) in cash and cash equivalents	(180,954,928)	165,496,297	154,746,207	105,226,256
Cash and cash equivalents as at 1 January	2,362,884,558	2,197,388,261	2,018,849,307	1,913,623,051
Cash and cash equivalents as at 31 December	2,181,929,630	2,362,884,558	2,173,595,514	2,018,849,307

The accompanying notes are an integral part of the financial statements.

Krungthai Card Public Company limited and its subsidiaries
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For the year ended 31 December 2022

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Krungthai Card Public Company limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

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 14th 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 2022.

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 (%)	
		2022	2021
Direct subsidiaries			
KTC Pico (Bangkok) Co., Ltd.	Pico Finance	75.05	75.05
KTC Nano Co., Ltd.	Nano Finance	75.05	75.05
KTC Prepaid Co., Ltd.	Electronics money services	75.05	75.05
Krungthai Leasing Co., Ltd.	Hire Purchase and Leasing	75.05	75.05
Indirect subsidiaries			
KTC Pico (Chonburi) Co., Ltd. ⁽¹⁾	Pico Finance	75.05	75.05
KTC Pico (Samut Sakhon) Co., Ltd. ⁽¹⁾	Pico Finance	75.05	75.05
KTC Pico (Pathum Thani) Co., Ltd. ⁽¹⁾	Pico Finance	75.05	75.05
KTC Pico (Samut Prakan) Co., Ltd. ⁽¹⁾	Pico Finance	75.05	75.05
Associate			
Krungthai Advisory Co., Ltd.	Holding business	24.00	24.00

⁽¹⁾ The Company holds shares indirectly through KTC Pico (Bangkok) Co., Ltd.

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 period

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 2022. 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 do 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 2023

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 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, for some standards, providing temporary reliefs or temporary exemptions for users.

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.

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.

As for debt that has credit impairment but still has the potential on repayment, the Group would classify the debt as a class that does not have a significant increase in credit risk (Stage 1 Performing) if the debtor has 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 environment 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 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

All the Group's financial liabilities are measured subsequently at amortised cost using the effective interest method.

Financial liabilities measured at amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

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, less allowances for impairment (if any).

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognised immediately as profit or loss in the statement of comprehensive income in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment is classified as held-for-sale.

In case impairment in value of investment has occurred, the loss is recognised in profit or loss in the statement of comprehensive income.

4.4 Properties for sale

Properties for sale consist of the assets repossessed from hire-purchase 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 gains and losses 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 expense which is a part in calculation of profit or loss for the year represents the sum of the 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 the 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 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Payable for purchase of leasehold improvements and equipment brought forward	19,400	3,463	19,318	3,463
<u>Add</u> Purchase of leasehold improvements and equipment	99,260	111,026	96,583	110,849
<u>Less</u> Cash paid for purchase of leasehold improvements and equipment	(118,068)	(95,089)	(115,309)	(94,994)
Payable for purchase of leasehold improvements and equipment carried forward (presented as a part of trade payables)	592	19,400	592	19,318
Payable for purchase of computer software brought forward	32,518	47,208	32,518	47,208
<u>Add</u> Purchase of computer software	188,596	119,078	186,817	117,100
<u>Less</u> Cash paid for purchase of computer software	(112,279)	(133,768)	(110,500)	(131,790)
Payable for purchase of computer software carried forward (presented as a part of trade payables)	108,835	32,518	108,835	32,518

6.2 Changes in liabilities from financing activities for the years ended 31 December 2022 and 2021 are as follows:

(Unit Thousand Baht)

	Consolidated financial statements				
	Cash flow from financing activities				31 December 2022
	1 January 2022	Cash received	Cash paid	Non-cash changes	
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
Total	54,769,213	196,979,116	(190,078,969)	302,901	61,972,261

(Unit Thousand Baht)

	Consolidated financial statements				
	Cash flow from financing activities				31 December 2021
	1 January 2021	Cash received	Cash paid	Non-cash changes	
Short-term borrowings	15,739,409	172,644,441	(179,264,000)	10,121	9,129,971
Long-term borrowings	-	1,500,000	-	-	1,500,000
Current portion of long-term debentures	8,780,000	-	(8,780,000)	9,500,000	9,500,000
Long-term debentures	34,700,000	9,030,891	-	(9,457,842)	34,273,049
Lease liabilities	490,428	-	(252,590)	128,355	366,193
Total	59,709,837	183,175,332	(188,296,590)	180,634	54,769,213

(Unit Thousand Baht)

Separate financial statements

	1 January 2022	Cash flow from financing activities		Non-cash changes	31 December 2022
		Cash received	Cash paid		
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

(Unit Thousand Baht)

Separate financial statements

	1 January 2021	Cash flow from financing activities		Non-cash changes	31 December 2021
		Cash received	Cash paid		
Short-term borrowings	14,161,722	141,668,467	(147,609,818)	10,121	8,230,492
Long-term borrowings	-	1,500,000	-	-	1,500,000
Current portion of long-term debentures	8,780,000	-	(8,780,000)	9,500,000	9,500,000
Long-term debentures	34,700,000	9,030,891	-	(9,457,842)	34,273,049
Lease liabilities	460,287	-	(237,451)	128,712	351,548
Total	58,102,009	152,199,358	(156,627,269)	180,991	53,855,089

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 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 loan 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)

Consolidated financial statements				
31 December 2021				
	Credit card	Personal loan	Lease Receivables	Total
Stage 1	53,716,195	23,213,071	-	76,929,266
Stage 2	5,498,942	4,839,497	-	10,338,439
Stage 3	738,178	842,867	-	1,581,045
Financial assets where applied simplified approach to calculate lifetime expected credit loss	-	-	3,199,191	3,199,191
Total loans to customers	59,953,315	28,895,435	3,199,191	92,047,941
<u>Add</u> Accrued interest receivables and undue interest receivables	248,033	339,734	-	587,767
Total loan to customers and accrued interest receivables	60,201,348	29,235,169	3,199,191	92,635,708
<u>Less</u> Allowance for expected credit loss	(4,126,637)	(3,222,090)	(2,342,559)	(9,691,286)
Total loans to customers and accrued interest receivables, net	56,074,711	26,013,079	856,632	82,944,422

(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 loan 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

(Unit: Thousand Baht)

Separate financial statements			
31 December 2021			
	Credit card	Personal loan	Total
Stage 1	53,716,195	23,211,643	76,927,838
Stage 2	5,498,942	4,839,444	10,338,386
Stage 3	738,178	842,867	1,581,045
Total loans to customers	59,953,315	28,893,954	88,847,269
<u>Add</u> Accrued interest receivables and undue interest receivables	248,033	339,697	587,730
Total loan to customers and accrued interest receivables	60,201,348	29,233,651	89,434,999
<u>Less</u> Allowance for expected credit loss	(4,126,637)	(3,222,010)	(7,348,647)
Total loans to customers and accrued interest receivables, net	56,074,711	26,011,641	82,086,352

7.2 Lease receivables

7.2.1 Lease receivables classified by year due

(Unit: Thousand Baht)

Consolidated financial statement				
31 December 2022				
	Not over 1 year	1 - 5 years	Over 5 years	Total
Lease receivables	1,000,779	1,777,387	127,084	2,905,250
<u>Less</u> Unearned income	(171,643)	(279,452)	(5,476)	(456,571)
Present value of the minimum lease payment receivables	829,136	1,497,935	121,608	2,448,679
<u>Less</u> Allowance for expected credit loss	(392,271)	(220,154)	(11,550)	(623,975)
Lease receivables, net	436,865	1,277,781	110,058	1,824,704

(Unit: Thousand Baht)

Consolidated financial statement				
31 December 2021				
	Not over 1 year	1 - 5 years	Over 5 years	Total
Lease receivables	2,432,210	959,567	55,949	3,447,726
<u>Less</u> Unearned income	(110,619)	(136,040)	(1,876)	(248,535)
Present value of the minimum lease payment receivables	2,321,591	823,527	54,073	3,199,191
<u>Less</u> Allowance for expected credit loss	(1,965,948)	(347,302)	(29,309)	(2,342,559)
Lease receivables, net	355,643	476,225	24,764	856,632

7.2.2 Outstanding balances of lease receivables (net of unearned income) classified by aging

(Unit: Thousand Baht)

	Consolidated financial statements	
	31 December 2022	31 December 2021
Not over 30 days	2,009,912	1,327,966
31 - 90 days	219,694	135,264
91 days and over	219,073	1,735,961
Total	2,448,679	3,199,191
<u>Less</u> Allowance for expected credit loss	(623,975)	(2,342,559)
Total	1,824,704	856,632

7.3 Allowance for expected credit loss

(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 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)

Consolidated financial statements					
For the year ended 31 December 2021					
	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 approach to calculate lifetime expected credit loss	Total
Beginning balance	3,864,666	2,444,544	1,046,078	2,604,610	9,959,898
Changes in staging	335,182	(414,545)	79,363	-	-
Changes in risk parameters	(387,182)	1,189,841	5,664,022	593,513	7,060,194
New financial assets originated or purchased	517,563	-	-	266	517,829
Financial assets derecognised	(412,606)	(854,789)	(853,476)	-	(2,120,871)
Written-off	-	-	(4,869,934)	(855,830)	(5,725,764)
Ending balance	3,917,623	2,365,051	1,066,053	2,342,559	9,691,286

(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

(Unit: Thousand Baht)

	Separate financial statements			
	For the year ended 31 December 2021			
	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	3,864,575	2,444,443	1,046,066	7,355,084
Changes in staging	335,763	(414,464)	78,701	-
Changes in risk parameters	(387,181)	1,189,840	5,664,022	6,466,681
New financial assets originated or purchased	517,013	-	-	517,013
Financial assets derecognised	(412,606)	(854,789)	(853,476)	(2,120,871)
Written-off	-	-	(4,869,260)	(4,869,260)
Ending balance	3,917,564	2,365,030	1,066,053	7,348,647

8. Other receivables, net

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Accrued fees income	65,392	79,196	68,206	80,279
Prepaid expenses	256,190	260,976	255,245	259,501
Suspense accounts	13,488	8,963	13,488	8,963
Others, net	150,222	84,922	95,028	72,142
Total other receivables, net	485,292	434,057	431,967	420,885

9. Other non-current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Financial assets measured at amortised cost				
Government bonds	1,988	4,985	1,988	4,985
Others	10	10	-	-
Total	1,998	4,995	1,988	4,985
<u>Less</u> Other current financial assets (current portion)	-	(3,001)	-	(3,001)
Total other non-current financial assets	1,998	1,994	1,988	1,984

As at 31 December 2022 and 2021, 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

10.1 As at 31 December 2022 and 2021, 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 2022	31 December 2021	31 December 2022	31 December 2021
Subsidiaries				
<u>Directly held</u>				
KTC Pico (Bangkok) Co., Ltd.	75.05	75.05	45,030	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
KTB Leasing Co., Ltd.	75.05	75.05	551,338	551,338

(Unit: Thousand Baht)

Separate financial statements

	Percentage of shareholding		Cost method	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
Subsidiaries				
<u>Indirect held*</u>				
KTC Pico (Chonburi) Co., Ltd.			-	-
KTC Pico (Pathum Thani) Co., Ltd.			-	-
KTC Pico (Samut Prakan) Co., Ltd.			-	-
KTC Pico (Samut Sakhon) Co., Ltd.			-	-
Total			708,943	708,943
Associate				
Krungthai Advisory Co., Ltd.	24.00	24.00	72,000	72,000
Total			72,000	72,000
Total investments in subsidiaries and an associate			780,943	780,943

* 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 percent.

10.2 As at 31 December 2022 and 2021, 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	
	2022	2021	2022	2021	2022	2021	2022	2021
			(%)	(%)				
Investments in an associate								
Krungthai Advisory Co., Ltd.	300,000	300,000	24.00	24.00	72,000	72,000	105,745	83,465
Total investments in an associate					72,000	72,000	105,745	83,465

10.3 Summarised material financial information about an associate

Summarised information about financial position

	(Unit: Thousand Baht)	
	31 December 2022	31 December 2021
Total assets	2,348,969	1,183,130
Total liabilities	(1,853,820)	(701,601)
Net assets	495,149	481,529
Net assets attributable to an associate	440,603	347,769
Shareholding percentage (%)	24	24
Carrying amount of an associate based on equity method	105,745	83,465

Summarised information about comprehensive income

	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2022	2021
Net profit attributable to an associate	72,651	44,454
Total comprehensive income attributable to an associate	92,834	44,454

11. Properties for sale

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	31 December 2022	31 December 2021
Cost	152,616	133,584
<u>Less</u> Allowance for impairment	(113,564)	(89,796)
Total properties for sale, net	39,052	43,788

12. Leasehold improvements and equipment

(Unit: Thousand Baht)

Consolidated financial statements					
	Leasehold improvements	Furniture, fixtures and office equipment	Vehicles	Assets under installation	Total
Cost					
1 January 2021	378,954	1,379,121	34,083	441	1,792,599
Additions	1,370	56,279	-	53,377	111,026
Disposals/ Write-off	(45,786)	(59,896)	(2,839)	-	(108,521)
Transfer in (Transfer out)	4,858	19,591	-	(24,449)	-
31 December 2021	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
Accumulated depreciation					
1 January 2021	298,345	977,282	21,111	-	1,296,738
Depreciation for the year	25,354	164,997	1,024	-	191,375
Disposals/ Write-off	(45,786)	(59,882)	(1,981)	-	(107,649)
31 December 2021	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
Net book value					
31 December 2021	61,483	312,698	11,090	29,369	414,640
31 December 2022	98,437	231,402	10,092	8,145	348,076
Depreciation for the years ended 31 December					
2021					191,375
2022					162,421

(Unit: Thousand Baht)

	Separate financial statements			
	Leasehold improvements	Furniture, fixtures and office equipment	Assets under installation	Total
Cost				
1 January 2021	369,453	1,324,798	441	1,694,692
Additions	180	57,301	53,368	110,849
Disposals/ Write-off	(45,786)	(46,729)	-	(92,515)
Transfer in (Transfer out)	4,858	19,591	(24,449)	-
31 December 2021	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
Accumulated depreciation				
1 January 2021	289,497	923,760	-	1,213,257
Depreciation for the year	24,121	165,686	-	189,807
Disposals/ Write-off	(45,786)	(46,715)	-	(92,501)
31 December 2021	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
Net book value				
31 December 2021	60,873	312,230	29,360	402,463
31 December 2022	96,960	229,683	8,145	334,788
Depreciation for the years ended 31 December				
2021				189,807
2022				161,775

As at 31 December 2022 and 2021, the costs of fully depreciated leasehold improvements and equipment but still in use for the consolidated financial statements are Baht 1,102 million and Baht 841 million, respectively. (Separate financial statements: Baht 1,047 million and Baht 761 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 2021	594,267	70,110	664,377
Additions	131,187	16,291	147,478
Disposals/ Write-off	(89,684)	(7,284)	(96,968)
31 December 2021	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
<u>Accumulated depreciation</u>			
1 January 2021	163,714	14,320	178,034
Depreciation for the year	226,939	20,323	247,262
Disposals/ Write-off	(62,907)	(7,284)	(70,191)
31 December 2021	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
<u>Net book value</u>			
31 December 2021	308,024	51,758	359,782
31 December 2022	291,380	39,531	330,911
Depreciation for the years ended 31 December			
2021			247,262
2022			235,239

(Unit: Thousand Baht)

	Separate financial statements		
	Office building	Vehicles	Total
<u>Cost</u>			
1 January 2021	548,449	70,110	618,559
Additions	104,527	16,291	120,818
Disposals/ Write-off	(46,088)	(7,284)	(53,372)
31 December 2021	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
<u>Accumulated depreciation</u>			
1 January 2021	147,602	14,320	161,922
Depreciation for the year	211,873	20,323	232,196
Disposals/ Write-off	(46,088)	(7,284)	(53,372)
31 December 2021	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
<u>Net book value</u>			
31 December 2021	293,501	51,758	345,259
31 December 2022	280,623	37,297	317,920
Depreciation for the years ended 31 December			
2021			232,196
2022			228,052

13.2 Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Lease payments				
Up to 1 years	168,278	222,073	161,842	207,834
Over 1 - 5 years	182,208	154,474	175,196	153,925
Total	350,486	376,547	337,038	361,759
<u>Less</u> Deferred interest expenses	(13,456)	(10,354)	(13,115)	(10,211)
Total	337,030	366,193	323,923	351,548
<u>Less</u> Current portion of lease liabilities	(161,484)	(214,610)	(155,256)	(200,507)
Lease liabilities, net of current portion	175,546	151,583	168,667	151,041

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		Separate financial statements	
	2022	2021	2022	2021
Depreciation expenses for right-of-use assets	235,239	247,262	228,052	232,196
Interest expenses for lease liabilities	11,654	12,371	11,354	11,974
Expenses of short-term lease	4,435	6,699	3,419	6,383
Expenses relating to leases of low-value assets	25,972	10,779	25,972	10,779
Total	277,300	277,111	268,797	261,332

13.4 Others

The Group had total cash outflows for leases for the years ended 31 December 2022 and 2021 of Baht 277 million and Baht 270 million, respectively (Separate financial statements: Baht 269 million and Baht 255 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 2021	1,907,561	97,187	2,004,748
Additions	72,873	46,204	119,077
Disposals/ Write-off	(6)	(1,069)	(1,075)
Transfer in (transfer out)	40,900	(40,900)	-
31 December 2021	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
<u>Accumulated depreciation</u>			
1 January 2021	1,518,412	-	1,518,412
Depreciation for the year	155,576	-	155,576
Disposals/ Write-off	(6)	-	(6)
31 December 2021	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
<u>Net book value</u>			
31 December 2021	347,346	101,422	448,768
31 December 2022	295,989	187,346	483,335
Amortisation for the years ended 31 December			
2021			155,576
2022			151,751

(Unit: Thousand Baht)

	Separate financial statements		
	Computer software	Software under installation	Total
<u>Cost</u>			
1 January 2021	1,862,587	97,187	1,959,774
Additions	72,795	44,304	117,099
Disposals/ Write-off	-	(1,069)	(1,069)
Transfer in (transfer out)	39,000	(39,000)	-
31 December 2021	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
<u>Accumulated depreciation</u>			
1 January 2021	1,486,031	-	1,486,031
Depreciation for the year	152,069	-	152,069
31 December 2021	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
<u>Net book value</u>			
31 December 2021	336,282	101,422	437,704
31 December 2022	289,243	187,346	476,589
Amortisation for the years ended 31 December			
2021			152,069
2022			147,932

As at 31 December 2022 and 2021, the costs of fully amortised intangible assets but still in use for the consolidated financial statements are Baht 1,439 million and Baht 1,271 million, respectively. (Separate financial statements: Baht 1,432 million and Baht 1,255 million, respectively)

15. Deferred tax assets and income tax

15.1 Deferred tax assets

Deferred tax assets as at 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2022	31 December 2021	Changes in deferred tax for the years ended 31 December	
			2022	2021
Deferred tax assets				
Allowance for expected credit loss	1,821,174	1,828,542	(7,368)	(32,870)
Deferred income for reward points	517,429	496,245	21,184	27,095
Difference from depreciation rate	(38,714)	(45,851)	7,137	10,103
Provision for employee benefits	108,155	105,684	2,471	2,759
Others	(63,708)	(92,525)	28,817	37,540
Total	2,344,336	2,292,095	52,241	44,627
Changes of deferred tax:				
Recognised in profit or loss			55,010	45,548
Recognised in other comprehensive income			(2,769)	(921)
Total			52,241	44,627

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2022	31 December 2021	Changes in deferred tax for the years ended 31 December	
			2022	2021
Deferred tax assets				
Allowance for expected credit loss	1,061,498	1,019,725	41,773	(111,680)
Deferred income for reward points	517,429	496,245	21,184	27,095
Difference from depreciation rate	(38,698)	(46,468)	7,770	10,051
Provision for employee benefits	104,796	102,429	2,367	4,673
Others	24,629	28,457	(3,828)	3,251
Total	1,669,654	1,600,388	69,266	(66,610)
Changes of deferred tax:				
Recognised in profit or loss			71,750	(65,547)
Recognised in other comprehensive income			(2,484)	(1,063)
Total			69,266	(66,610)

15.2 Income tax expense

Income tax expense for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Current income tax:				
Corporate income tax for the year	1,873,071	1,563,781	1,873,021	1,556,770
Adjustment in respect of prior year income tax	(278)	(51,376)	(278)	(51,376)
Deferred tax:				
Relating to temporary differences and reversal of temporary differences	(55,010)	(45,548)	(71,750)	65,547
Income tax expense reported in profit or loss	1,817,783	1,466,857	1,800,993	1,570,941

Reconciliations between income tax expense and the product of accounting profit multiplied by the applicable tax rate for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Accounting profit before tax	8,871,392	7,255,377	8,940,549	7,821,827
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	1,774,278	1,451,075	1,788,110	1,564,365
Effects of non-taxable revenue and non-deductible expenses, net	9,808	67,158	13,161	57,952
Write-down of previous deferred tax asset	33,975	-	-	-
Adjustment in respect of prior year income tax	(278)	(51,376)	(278)	(51,376)
Income tax expense reported in profit or loss	1,817,783	1,466,857	1,800,993	1,570,941

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Deferred tax on actuarial gains and losses	2,769	921	2,484	1,063

16. Borrowings

As at 31 December 2022 and 2021, 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 2022 and 2021 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
Exceed payment from customers	509,530	489,042	508,979	489,005
Other payables	65,471	931,486	34,576	891,949
Suspense accounts	22,182	33,852	43,895	34,792
Others	211,342	214,991	217,759	211,874
Total other payables	808,525	1,669,371	805,209	1,627,620

18. Long-term debentures

Long-term debentures as at 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	Consolidated and separate	
	financial statements	
	31 December 2022	31 December 2021
Debentures	45,562,000	43,900,000
<u>Less</u> Discount on debentures	(105,743)	(126,951)
<u>Less</u> Current portion of long-term debentures	(4,639,494)	(9,500,000)
Long-term debentures, net of current portion	40,816,763	34,273,049

Details of 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 2022	31 December 2021
16 Sep 2015	1,000	16 Sep 2025	4.00	Semi-annually	1,000	1,000
11 Nov 2015	700	11 Nov 2022	3.68	Semi-annually	-	700
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	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
5 Apr 2017	1,500	5 Apr 2022	3.03	Semi-annually	-	1,500
1 Jun 2017	2,500	1 Jun 2022	3.00 - 3.50	Quarterly	-	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	2,000	19 Oct 2022	2.46	Semi-annually	-	2,000
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	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
11 Mar 2019	1,000	11 Mar 2022	2.65	Semi-annually	-	1,000
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

(Unit: Million Baht)						
Date of issuance	Amount	Maturity date	Interest rate (% p.a.)	Interest payable period	31 December 2022	31 December 2021
4 Feb 2020	1,000	31 Jan 2030	2.65	Semi-annually	1,000	1,000
15 Sep 2020	1,800	15 Sep 2022	1.93	Semi-annually	-	1,800
15 Sep 2020	700	15 Sep 2023	2.23	Semi-annually	700	700
21 Jan 2021	3,000	19 Jan 2024	- *	-	3,000	3,000
19 Mar 2021	200	22 Mar 2023	- *	-	200	200
29 Mar 2021	1,000	29 Mar 2023	1.17	Semi-annually	1,000	1,000
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	-
4 Apr 2022	1,000	4 Apr 2025	1.59	Semi-annually	1,000	-
8 Jul 2022	1,232	8 Jul 2027	3.00	Quarterly	1,232	-
9 Sep 2022	4,000	10 Sep 2025	2.52	Semi-annually	4,000	-
3 Nov 2022	830	3 Oct 2024	- *	-	830	-
14 Nov 2022	2,100	18 Nov 2026	3.38	Semi-annually	2,100	-
Total debentures					45,562	43,900

* Zero-coupon debentures

19. Provisions for employee benefits

Provisions for long-term employee benefits, which represents compensation payable to employees after they retire, were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Beginning balance	528,418	514,624	512,148	488,780
Included in profit or loss:				
Current service cost	34,688	61,752	33,122	35,130
Interest cost	10,028	7,512	9,650	7,090
Included in other comprehensive income:				
Actuarial (gains) losses arising from				
- Demographic assumptions changes	-	1,335	-	-
- Financial assumptions changes	(37,797)	(27,090)	(36,609)	(26,019)
- Experience adjustments	23,955	21,148	24,188	20,706
Benefits paid to employee during the year	(18,519)	(50,863)	(18,519)	(13,539)
Ending balance	540,773	528,418	523,980	512,148

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 2022	31 December 2021	31 December 2022	31 December 2021
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)	3.05 - 3.10	2.20 - 2.32	3.10	2.20
Expected salary incremental rate (% per annum)	4.00 - 5.00	4.00 - 5.00	5.00	5.00
Weighted average duration (years)	7.31 - 12.00	8.13 - 14.00	7.31	8.13

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 2022 and 2021 are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Salary incremental rate - 1% increase	43,902	47,010	42,265	45,219
Salary incremental rate - 1% decrease	(39,116)	(41,636)	(37,678)	(40,077)
Personnel turnover rate - 1% increase	(2,915)	(2,908)	(1,587)	(1,431)
Personnel turnover rate - 1% decrease	3,099	3,136	1,598	1,457
Discount rate - 1% increase	(37,420)	(40,535)	(35,915)	(38,875)
Discount rate - 1% decrease	42,706	46,575	40,956	44,625

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligations as it is unlikely that the change 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 the report 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 2022 and 2021, 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 2022 remains unchanged from 2021.

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 2022 and 2021 have been arrived at after charging the following items:

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Management remuneration	244,489	261,526	229,503	230,012
Staff costs	2,256,187	2,160,959	2,172,379	2,063,541
Depreciation and amortization	549,412	594,213	537,760	574,072
Fees and service expenses	2,598,854	2,236,507	2,545,291	2,176,778
Marketing expense	877,044	651,942	873,118	648,261
Rental fees for premises and equipment	71,766	56,929	66,106	55,936
Premises and equipment expenses	560,552	499,422	550,330	492,987
Allowance for impairment of properties for sale	23,768	18,077	-	-
Communication expenses	226,960	215,361	224,114	212,791
Special business tax and duty stamp	558,504	508,707	556,049	508,496
Expected credit loss	4,868,386	5,455,543	4,746,361	4,862,823
Others	148,965	121,932	141,155	117,924
Total Expenses	12,984,887	12,781,118	12,642,166	11,943,621

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 2022 and 2021, the Group's contributions which were charged to profit or loss in the statement of comprehensive income amounting to Baht 64 million and Baht 64 million, respectively (Separate financial statements: Baht 61 million and Baht 60 million, respectively)

25. Dividend

Dividends declared during the year ended 31 December 2022 and 2021 consisted of the follows:

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)	Date of payment
<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
<u>2021</u>				
Final dividends for the year 2020	Annual General Meeting of the shareholders on 8 April 2021	2,269	0.88	7 May 2021

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
	2022	2021	2022	2021
Parent company				
Krung Thai Bank PCL.				
- Deposits at a financial institution				
(a part of cash and cash equivalents)	1,779,468	1,958,685	1,773,570	1,615,782
- Other receivables	5,348	635	5,348	635
- Short-term borrowings	5,230,000	4,730,000	4,130,000	3,630,000
- Trade payables	627,159	592,100	627,159	591,281
- Accrued interest expenses	1,533	864	1,104	240
- Accrued expenses	16,202	-	15,815	-
- Other current liabilities	1,467	1,467	1,467	1,467
- Long-term borrowings	6,000,000	1,500,000	6,000,000	1,500,000

(Unit: Thousand Baht)				
Related parties	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Subsidiaries				
KTC Pico (Bangkok) Co., Ltd.				
- Other receivables	-	-	81	174
- Short-term borrowings	-	-	50,411	50,798
- Accrued interest expenses	-	-	4	2
- Other current liabilities	-	-	44	73
KTC Nano Co., Ltd.				
- Other receivables	-	-	27	32
- Short-term borrowings	-	-	49,600	49,648
- Accrued interest expenses	-	-	2	1
- Other current liabilities	-	-	44	73
KTC Pico (Chonburi) Co., Ltd.				
- Other receivables	-	-	27	27
- Other current liabilities	-	-	3	3
KTC Pico (Samut Sakhon) Co., Ltd.				
- Other receivables	-	-	27	27
KTC Pico (Pathum Thani) Co., Ltd.				
- Other receivables	-	-	27	27
- Other current liabilities	-	-	13	13
KTC Pico (Samut Prakan) Co., Ltd.				
- Other receivables	-	-	27	27
- Other current liabilities	-	-	-	5
KTC Prepaid Co., Ltd.				
- Other receivables	-	-	27	27
- Short-term borrowings	-	-	99,319	100,075
- Accrued interest expenses	-	-	8	2
- Other current liabilities	-	-	26	73
KTB Leasing Co., Ltd.				
- Short-term lending	-	-	746,000	-
- Other receivables	-	-	4,360	1,514
- Short-term borrowings	-	-	-	15
- Trade payables	-	-	5	-

(Unit: Thousand Baht)				
Related parties	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
Related companies				
KTB Computer Services Co., Ltd.				
- Trade payables	-	56	-	-
KTB General Services and Security Co., Ltd.				
- Trade payables	428	5,963	428	4,773
- Accrued expenses	2,781	-	2,400	-
Krungthai Assets Management PCL.				
- Other receivables	4,162	3,315	4,162	3,315
- Trade payables	-	76	-	76
- Accrued expenses	82	-	82	-
Krungthai Panich Insurance PCL.				
- Other receivables	1,256	1,157	1,256	1,157
Krungthai-AXA Life Insurance PCL.				
- Other receivables	1,162	600	1,162	600

Movements of loans and borrowings with related financial institutions and parties for the years ended 31 December 2022 and 2021 are as follows:

(Unit: Thousand Baht)				
Related parties	Consolidated financial statements			
	1 January	Increase during	Decrease during	31 December
	2022	the year	the year	2022
Parent company				
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	Consolidated financial statements			
	1 January	Increase during	Decrease during	31 December
	2021	the year	the year	2021
Parent company				
Krung Thai Bank PCL.				
- Short-term borrowings	9,440,000	101,260,000	(105,970,000)	4,730,000
- Long-term borrowings	-	1,500,000	-	1,500,000

(Unit: Thousand Baht)

Related parties	Separate financial statements			
	1 January 2022	Increase during the year	Decrease during the year	31 December 2022
Parent company				
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
Subsidiaries				
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)	-

(Unit: Thousand Baht)

Related parties	Separate financial statements			
	1 January 2021	Increase during the year	Decrease during the year	31 December 2021
Parent company				
Krung Thai Bank PCL.				
- Short-term borrowings	7,660,000	70,080,000	(74,110,000)	3,630,000
- Long-term borrowings	-	1,500,000	-	1,500,000
Subsidiaries				
KTC Pico (Bangkok) Co., Ltd.				
- Short-term borrowings	52,143	54,126	(55,471)	50,798
KTC Nano Co., Ltd.				
- Short-term borrowings	50,270	49,800	(50,422)	49,648
KTC Prepaid Co., Ltd.				
- Short-term borrowings	99,900	100,100	(99,925)	100,075

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:

(Unit: Thousand Baht)				
Related parties	For the years ended 31 December			
	Consolidated		Separate	
	financial statement		financial statement	
	2022	2021	2022	2021
Parent company				
Krung Thai Bank PCL.				
- Fee and service income	3,147	2,133	3,147	2,133
- Other income	102,207	7,776	102,045	7,430
- Administrative expenses	146,712	142,124	141,371	128,190
- Finance costs	73,954	48,591	62,233	38,374
Subsidiaries				
KTC Pico (Bangkok) Co., Ltd.				
- Other income	-	-	376	498
- Finance costs	-	-	431	374
KTC Nano Co., Ltd.				
- Other income	-	-	320	344
- Finance costs	-	-	425	366
KTC Pico (Chonburi) Co., Ltd.				
- Other income	-	-	54	274
KTC Pico (Samut Prakan) Co., Ltd.				
- Other income	-	-	27	27
KTC Pico (Pathum Thani) Co., Ltd.				
- Other income	-	-	261	310

(Unit: Thousand Baht)

Related parties	For the years ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Subsidiaries (continued)				
KTC Pico (Samut Prakan) Co., Ltd.				
- Other income	-	-	146	346
KTC Prepaid Co., Ltd.				
- Other income	-	-	308	339
- Finance costs	-	-	853	732
KTB Leasing Co., Ltd.				
- Fee and service income	-	-	2,364	-
- Other income	-	-	4,486	1,658
- Administrative expenses	-	-	297	32
- Finance costs	-	-	736	-
Related companies				
KTB Computer Services Co., Ltd.				
- Administrative expenses	136	334	-	-
Krungthai General Services and Security Co., Ltd.				
- Other income	60	-	60	-
- Administrative expenses	50,134	48,319	46,029	42,228
Krungthai Assets Management PCL.				
- Fee and service income	5,186	4,368	5,186	4,368
- Administrative expenses	97	73	97	73
Krungthai Panich Insurance PCL.				
- Fee and service income	14,478	14,865	14,400	14,459
Krungthai-AXA Life Insurance PCL.				
- Fee and service income	36,123	56,869	36,123	56,869
- Other income	1,536	1,587	1,536	1,587
Krungthai Mizuho Leasing Co., Ltd. ⁽¹⁾				
- Administrative expenses	11,393	10,188	10,832	10,188

⁽¹⁾ On 6 January 2022, Krung Thai IBJ Leasing Co., Ltd. changed its name to Krungthai Mizuho Leasing Co., Ltd.

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 2022 and 2021 consist of the following:

(Unit: Thousand Baht)

	For the years ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Short-term employee benefits	237,502	252,594	223,305	222,101
Post-employment benefits	6,987	8,932	6,198	7,911
Total	244,489	261,526	229,503	230,012

28. Financial instruments information disclosures

During the years 2022 and 2021, 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 2022 and 2021, the maximum exposures to credit risk are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Loans to customers and accrued interest receivables	104,193,528	92,635,708	101,744,748	89,434,999
Short-term lending	-	-	746,000	-
Other financial assets measured at amortised cost	1,998	4,995	1,988	4,985
Total financial assets	104,195,526	92,640,703	102,492,736	89,439,984
Loan commitments	176,380,680	161,357,855	176,380,680	161,357,855
Total maximum exposure to credit risk	280,576,206	253,998,558	278,873,416	250,797,839

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 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
Loans to customers and accrued interest receivables, net					
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
Other financial assets measured at amortised cost					
Investment grade	1,998	-	-	-	1,998
<u>Less</u> Allowance for expected credit loss	-	-	-	-	-
Net book value	1,998	-	-	-	1,998

(Unit: Thousand Baht)

Consolidated financial statements					
31 December 2021					
	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
Loans to customers and accrued interest receivables, net					
Not yet due	75,751,233	7,284,790	-	878,438	83,914,461
Overdue 1 - 90 days	861,578	2,093,673	-	584,792	3,540,043
More than 90 days	799,806	1,043,052	1,602,385	1,735,961	5,181,204
Total	77,412,617	10,421,515	1,602,385	3,199,191	92,635,708
<u>Less</u> Allowance for expected credit loss	(3,917,623)	(2,365,051)	(1,066,053)	(2,342,559)	(9,691,286)
Net book value	73,494,994	8,056,464	536,332	856,632	82,944,422
Other financial assets measured at amortised cost					
Investment grade	4,995	-	-	-	4,995
<u>Less</u> Allowance for expected credit loss	-	-	-	-	-
Net book value	4,995	-	-	-	4,995

(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
Loans to customers and accrued interest receivables, net				
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
Short-term lending				
Not yet due	746,000	-	-	746,000
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Net book value	746,000	-	-	746,000
Other financial assets measured at amortised cost				
Investment grade	1,988	-	-	1,988
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Net book value	1,988	-	-	1,988

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2021			
	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
Loans to customers and accrued interest receivables, net				
Not yet due	75,750,048	7,284,790	-	83,034,838
Overdue 1 - 90 days	861,302	2,093,616	-	2,954,918
More than 90 days	799,806	1,043,052	1,602,385	3,445,243
Total	77,411,156	10,421,458	1,602,385	89,434,999
<u>Less</u> Allowance for expected credit loss	(3,917,564)	(2,365,030)	(1,066,053)	(7,348,647)
Net book value	73,493,592	8,056,428	536,332	82,086,352
Other financial assets measured at amortised cost				
Investment grade	4,985	-	-	4,985
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Net book value	4,985	-	-	4,985

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 2022 and 2021, the Group has a credit line with a related financial institution of Baht 25,161 million and Baht 25,161 million, respectively (Separate financial statements: Baht 24,030 million and Baht 24,030 million, respectively).

As at 31 December 2022 and 2021, 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 2022						
	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
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
Financial liabilities						
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)

Consolidated financial statements						
31 December 2021						
	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	2,362,885	-	-	-	-	2,362,885
Loans to customers	-	59,833,599	32,160,269	54,073	-	92,047,941
Other financial assets	-	3,001	1,984	-	10	4,995
Financial liabilities						
Short-term borrowings	6,830,000	2,299,971	-	-	-	9,129,971
Long-term borrowings	-	-	1,500,000	-	-	1,500,000
Long-term debentures	-	9,500,000	20,758,049	13,515,000	-	43,773,049
Lease liabilities	-	214,610	151,583	-	-	366,193

(Unit: Thousand Baht)

Separate financial statements						
31 December 2022						
	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
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
Financial liabilities						
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

(Unit: Thousand Baht)

Separate financial statements						
31 December 2021						
	At call	Up to 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	2,018,849	-	-	-	-	2,018,849
Loans to customers	-	59,513,370	29,333,899	-	-	88,847,269
Other financial assets	-	3,001	1,984	-	-	4,985
Financial liabilities						
Short-term borrowings	7,030,521	1,199,971	-	-	-	8,230,492
Long-term borrowings	-	-	1,500,000	-	-	1,500,000
Long-term debentures	-	9,500,000	20,758,049	13,515,000	-	43,773,049
Lease liabilities	-	200,507	151,041	-	-	351,548

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 2022 and 2021 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 2022								
Depend on market rate	The earlier of remaining period of contract maturity or repricing date					Average interest rate		
Within 1 month	Within 1 year	1 - 5 years	More than 5 years	Non-rate sensitive	Total	Floating rate	Fixed 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)

Consolidated financial statements								
31 December 2021								
Depend on	The earlier of remaining period of					Average interest rate		
market rate	contract maturity or repricing date							
Within 1	Within 1	More than		Non-rate	Total	Floating	Fixed	
month	year	1 - 5 years	5 years	sensitive		rate	rate	
						(% p.a.)	(% p.a.)	
Financial assets								
Cash and cash equivalents	1,947	-	-	-	416	2,363	0.13	-
Loans to customers	647	67,442	6,287	54	17,618	92,048	16.64	7.53
Other financial assets	-	3	2	-	-	5	-	1.98
Financial liabilities								
Short-term borrowings	9,130	-	-	-	-	9,130	0.73	0.68
Long-term borrowings	-	-	1,500	-	-	1,500	-	1.23
Long-term debentures	-	9,500	20,885	13,515	(127)	43,773	-	2.94
Lease liabilities	-	-	-	-	366	366	-	2.84

(Unit: Million Baht)

Separate financial statements								
31 December 2022								
Depend on	The earlier of remaining period of					Average interest rate		
market rate	contract maturity or repricing date							
Within 1	Within 1	More than		Non-rate	Total	Floating	Fixed	
month	year	1 - 5 years	5 years	sensitive		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

(Unit: Million Baht)

	Separate financial statements							
	31 December 2021							
	Depend on market rate	The earlier of remaining period of contract maturity or repricing date					Average interest rate	
	Within 1 month	Within 1 year	1 - 5 years	More than 5 years	Non-rate sensitive	Total	Floating rate (% p.a.)	Fixed rate (% p.a.)
Financial assets								
Cash and cash equivalents	1,604	-	-	-	415	2,019	0.13	-
Loans to customers	571	67,197	3,705	-	17,374	88,847	16.64	7.62
Other financial assets	-	3	2	-	-	5	-	1.98
Financial liabilities								
Short-term borrowings	8,231	-	-	-	-	8,231	0.70	0.68
Long-term borrowings	-	-	1,500	-	-	1,500	-	1.23
Long-term debentures	-	9,500	20,885	13,515	(127)	43,773	-	2.94
Lease liabilities	-	-	-	-	352	352	-	2.93

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 the 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 2022 and 2021 can be summarised as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Interest rate increase 1%	538	448	551	451
Interest rate decrease 1%	(527)	(475)	(540)	(477)

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 2022 and 2021, 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 2022		31 December 2021			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	1,998	2,041	4,995	5,114	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	45,456,256	45,553,792	43,773,049	44,874,570	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					Valuation techniques and key inputs used in fair value measurements
	31 December 2022		31 December 2021		Fair value hierarchy	
	Carrying amount	Fair value	Carrying amount	Fair value		
<u>Assets</u>						
Other financial assets	1,988	2,029	4,985	5,101	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	45,456,256	45,553,792	43,773,049	44,874,570	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 2022 and 2021 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 its obligations as these fall due.

30. Commitment and contingent liabilities

30.1 Leases commitment

As at 31 December 2022, the Company and its subsidiaries have future rental and service charges under non-cancellable leases which have not yet effective and long-term leases value as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	Within	Over	Within	Over
	1 year	1 - 5 years	1 year	1 - 5 years
Non-cancellable leases which				
have not yet effective	336	672	-	-
Long term leases	19,533	10,805	19,533	10,805
Total	19,869	11,477	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 9 February 2023.

GENERAL INFORMATION AND OTHER MATERIAL FACTS

Reference

Auditor	EY Office Company Limited Lake Rajada Office Complex, 33 rd floor 193/136-137 Ratchadaphisek Road, Khlong Toei, Khlong Toei, Bangkok 10110
Legal Consultant	Siam Premier International Law Office Limited The Offices at Central World, 26 th Floor, 999/9 Rama I Road, Pathumwan, Pathumwan, Bangkok 10330
Securities Registrar	Thailand Securities Depository Company Limited The Stock Exchange of Thailand Building 93 Ratchadapisek Road, Din Daeng, Din Daeng, Bangkok 10400
Debenture Registrar and Debenture Holder Representative	Bank of Ayudhya Public Company Limited AA Floor, 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120

Other Material Facts

Other information that may significantly impacted 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 study from the company's website www.ktc.co.th or the Securities and Exchange Commission website www.sec.or.th or the Stock Exchange of Thailand website 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

Krungthai 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 10120

Telephone : 0-2296-2000

TMBThanachart Bank Public Company Limited

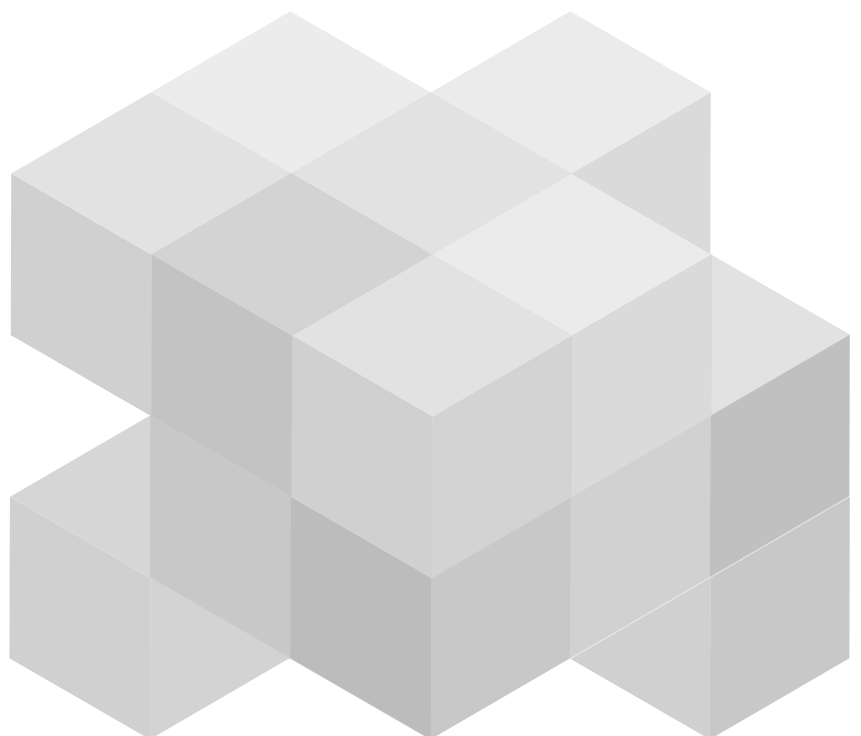
Location : 3000 Phahonyothin Road, Chomphon, Chatuchak, Bangkok 10900

Telephone : 0-2299-1111

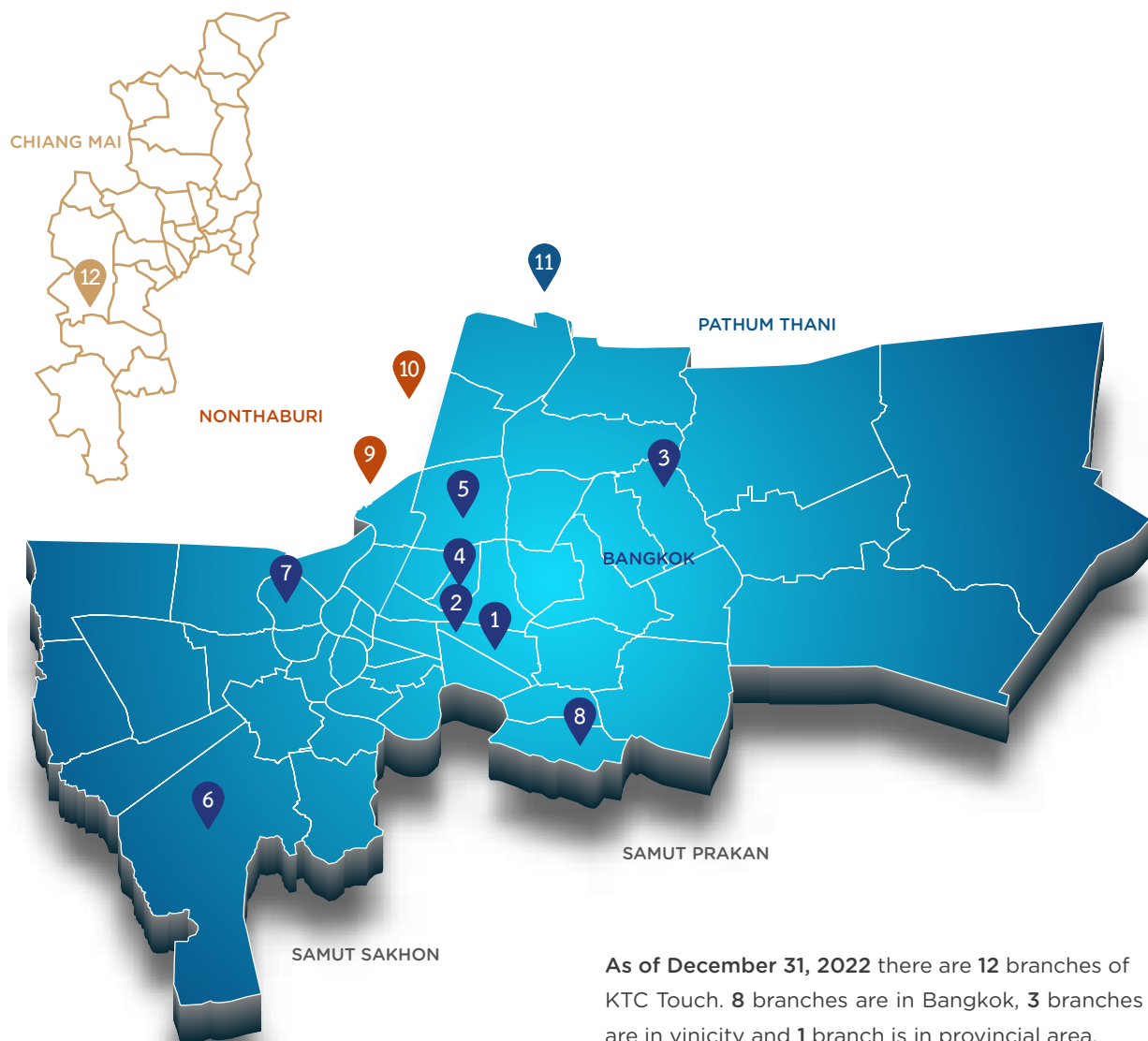
Kiatnakin Bank Public Company Limited

Location : 209 KKP Tower, Sukhumvit 21 (Asoke), Khlong Toei Nua, Wattana, Bangkok 10110

Telephone : 0-2165-5555



KTC TOUCH



As of December 31, 2022 there are 12 branches of KTC Touch. 8 branches are in Bangkok, 3 branches are in vicinity and 1 branch is in provincial area.

1	United Business Centre II (UBC II)	G Floor	7	CentralPlaza Pinklao	4 th Floor
2	KTB Headquarter (North Nana Rd.)	2 nd Floor	8	Central Bangna	4 th Floor
3	Fashion Island	1 st Floor	9	The Mall Ngamwongwan	5 th Floor
4	Fortune Town	2 nd Floor	10	Muang Thong Thani	Zone Popular Walk
5	CentralPlaza Ladprao	2 nd Floor	11	Future Park Rangsit	2 nd Floor
6	CentralPlaza Rama 2	G Floor	12	Meechok Plaza Chiangmai	Zone B Lock B-1

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 2022, 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 apply 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 www.ktc.co.th.

Corporate Policies and Operational Guidelines for the Board of Directors

Details pertaining to the Board of Directors shall be stated separately in section "Corporate Governance Structure and Material Facts related to the Board, Sub-Committees, Executives, Employees and Others" topic, sub-topic "Board of Directors' Information" and Section "Corporate Operational Performance and Governance Report" of the Form 56-1 One 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

1. The Company recognizes the significance of the shareholders general meeting. Hence, the Annual General Meeting of Shareholders is held annually within four months after the Company's fiscal year end and is appropriately performed following principles of good corporate governance as well as strictly defined by laws. The shareholders are also allowed to propose agenda items for the Annual General Meeting before its commencement through website at www.ktc.co.th. The Company is obliged to collect, along with organize all information regarding meeting agendas and distributes them around 30 days in advance ahead of the meeting, as well as publishes them in daily newspapers for at least 3 consecutive days to ensure that shareholders are thoroughly summoned. In addition, the Company has appointed Thailand Securities Depository Co., Ltd. as a common stock registrar to distribution invitations to shareholders. The invitation attached with all meeting agendas, together with explanations and rationales of supporting documents for each agenda and other related details will be provided to shareholders at least 28 days ahead of the meeting so that shareholders would have enough time to learn all information essential to their decision making and voting. Should they have any concerns, they can send their questions to the Board of Directors prior to the meeting date through the Company's website or directly post mail to the Board of Directors, or they can share their comments, feedbacks and questions of the agendas on the date of the meeting. The Company determines to hold the meeting at an easy to access venue and encourages all groups of shareholders especially institutional ones to attend the meeting.
2. On the meeting date, the Company shall facilitate shareholders participation and voting with Barcode system in recording registration and processing voting results. Tax stamps will also be available for the convenience of any proxy holders attending the meeting.
3. The Company shall commence the registration at least two hours prior to the meeting. Any shareholders with late attendance shall be allowed to cast votes on the next agenda items not yet considered and shall be treated as the quorum votes.
4. 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, 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 that 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.
5. 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.
6. 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.

7. 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 SETLink 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.
8. 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.
9. 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.
10. For the sake of transparency and future reference in case of later dispute, the Board will encourage the use of voting cards for significant agenda items such as related party transactions, acquisitions or disposal of assets.
11. 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 2022 Annual General Shareholders' Meeting held on April 7, 2022, the Company concerned about shareholders' health and safety during the COVID-19 outbreak of new variants by implementing various measures such as appointing another person or independent directors to attend the meeting as their proxy, arranging a screening point in front of the meeting room, as well as arranging meeting room with social distancing, and preparing paper for shareholders to write questions by specifying their first and last names instead of using a microphone, etc. In addition, the General Shareholders' Meeting was conducted in compliance with specified laws, regulations, or good corporate governance guidelines 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:** Published on February 11, 2022, the resolution of the Board of Directors meeting on the subject of the invitation to the 2022 Annual General Meeting. As well as notifying the dissemination of the 2022 Annual General Shareholders' Meeting via the SETLink on the same day that disseminated on the Company website.
- **The Company's Website:** to post a notice of the Annual General Shareholders' Meeting and ancillary documents together with notify via the SETLink. The same information posted to shareholders by mail also available on the website as follows;
 - 1) date, time and venue of the meeting
 - 2) meeting agendas with explanations or rationales for each agenda or requested resolution as specified in the invitation letter

- 3) guidelines for appointment of proxy registration, list of documents required for meeting attendance, and meeting rules
- 4) casting vote procedure, proxy form and Form 56-1 One report, including a copy of the Financial Statement of the Company.

- **Post Delivery:** Distributed all to the post office 28 days in advance of the meeting on March 9, 2022, the meeting invitation including supplementary documents, and Form 56-1 One report in the form of QR Code.
- **Newspaper Advertisement:** to advertise a notice of the Annual General Shareholders' Meeting in daily newspapers in both Thai and English for 3 consecutive days from March 28 – 30, 2022.

The Company also enables its shareholders to propose agenda including nominate qualified persons for directorship from October 1, 2021 to January 31, 2022. 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 also 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 Kor 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 three independent board members with their backgrounds and interests attached in the meeting invitation as an option for shareholders' proxy.

The day of the Annual General Meeting (April 7, 2022):

The Company held the meeting at The Athenee Hotel Bangkok, A Luxury Collection Hotel, located on Wireless Rd, Lumpini, Pathum Wan District, which can be conveniently accessed both by cars and by BTS as well as strict preventive measures to best contain the COVID-19 spread. Various facilities including the venue and receptionists were provided. Information technology system and barcode system were also utilized for registration and voting to ensure speed

and accuracy. Ballots for each agenda were printed for shareholders to ease the registration process which was opened 2 hours prior to the meeting. In addition, the Company invited volunteers from minority shareholders to witness the vote counting.

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, 2022). 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 2022 were submitted to SETLink and published through the Company's website within 14 days after the meeting (April 20, 2022) 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 they think suitable for directorship in advance. And 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⁽¹⁾. 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.

⁽¹⁾ All executive officers report directly to the president 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 affected Director 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 2022, 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 on February 9 and 10, 2023. It was found that there were related party transactions yet no transaction with potential conflict of interest was found.

Remark: 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.

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 2021 under section “Human resource management and development”

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 30 June 2022, the Company was certified and extended its membership of “Thai Private Sector’s Anti-Corruption Front”.

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
Facsimile:	02 123 5190
Mailing Address:	Krungthai Card Public Company Limited 591 United Business Centre II, 14th 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: 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

4.1 Mandatory Disclosure

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) 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, 14th FL., Sukhumvit 33 Rd., North Klongton, Wattana, Bangkok 10110
E-Mail:	irktc@ktc.co.th
Website:	http://www.ktc.co.th/ and click on "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 2022, the Company has presented performance to analysts, investors, employees, and related parties on a regular basis as shown in the table below:

Activities	Activities in 2022 (Times)
Domestic Roadshow	16
Press Meeting	25
Credit Rating Review	1
Conference Call	14
Company Visit	10
Site Visit	1
Participation in the SET Opportunity Day	4
Analyst Briefing	4
SET Digital Roadshow	3
Activities for Bondholder relations	19

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.

The Board at present consist of 8 Directors; 5 are Independent Directors, 2 Non-executive Directors, and 1 Executive Director who also holds a position of Chief Executive Officer.

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. In the event that 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 2022, the average term of office of directors was 4.22 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 also set up the Board Skill Matrix in various fields such as finance, marketing, risk management, information technology, and law, etc. as a tool to consider existing directors' qualification and as a tool to search for new directors in the future. The existing Board of Directors possesses knowledge, skills and experiences that are beneficial to the Company's management, its direction and business operations plan setting. In addition, the Board of directors must consist of independent directors who possess qualifications of independent directors as specified in the Notification of the Capital Market Supervisory Board as appeared in the topic Independent Directors and the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee. Number of independent directors must be at least one third of total number of directors and no less than 3 independent directors. Currently, the numbers of independent directors of the company is exceeding as required by laws. On the other hand, directors who were due to

retire by rotation are eligible for reappointment. Furthermore, the Company also arranges an orientation for the Board of Directors to acknowledge their roles, duties and responsibilities, as well as the Company's rules and policies to ensure that they understand the Company's business operations including provides knowledge regularly via various channels.

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.

Additionally, shareholders are allowed to add items to the meeting agenda, and nominate qualified candidates for the directorship prior to the Annual General Meeting of Shareholders through the Company's website between November 30 and January 31 of each year. The nominated candidates for the directorship shall be reviewed by the Nomination and Remuneration Committee/ the Company's Board of Directors. The result is to be notified to shareholders through the Company's website and the website of Stock Exchange of Thailand by March each year and once again to those attending the next 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 he/she 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. He/ she must also have 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 to ensure that 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 monthly and quarterly basis, in order that the operational status can be monitored at all stages. In the event that 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 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 use 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 as long as 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, in order to assist in studying and reviewing tasks as needed and to ensure operational efficiency and effectiveness of the Board of Directors.

(See details regarding other sub-committees in section "Corporate Governance Structure and Material Facts related to the Board, Sub-Committees, Executives, Employees and Others" topic, 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 assessment of individual director, cross-evaluation or assessment of other board members, and subcommittee assessment. Areas of evaluation cover the following:

- 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, guide line, 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 feedbacks or suggestions to the Board members. In addition, results of the evaluation shall be forwarded to all the Company's board members in order 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 2022, 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 2023 held on January 20, 2023. The assessment details are listed as follow;

Evaluation topics	Average (max score is 5)
The assessment of the entire Board of Directors	4.80
The assessment of individual director	4.68
Individual cross-evaluation	4.89
Sub-committee assessment	4.95
- Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	
- Nomination and Remuneration Committee	4.78

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 with 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. 1/2565 has considered performance evaluation results and remuneration of the Chief Executive Officer. However, the Chief Executive Officer’s performance evaluation results are considered as confidential information not to be disclosed.

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 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 2022, 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	Independent Director/ Chairman of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee/ Nomination and Remuneration Committee	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 (SEC)
2.	Mr. Natapong Vanarat	Independent Director/ Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	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)
3.	Mr. Nathporn Chatusripitak	Independent Director/ Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	Hot Issue for Directors: What Directors Need to Know about Digital Assets?	Thai Securities and Exchange Commission (SEC)
			Director Leadership Certification Program (DLCP)	Thai Institute of Directors (IOD)
4.	Mr. Chutidej Chayuti	Chief Financial Officer	The Executive Program in Energy Literacy for a Sustainable Future (TEA 16)	Thailand Energy Academy (TEA)
			TLCA CFO Professional Development Program (TLCA CFO CPD): "Restructuring Business for Growth"	Thai Listed Companies Association
			TLCA CFO Professional Development Program (TLCA CFO CPD): "Economic Update for CFO"	Thai Listed Companies Association
			TLCA CFO Professional Development Program (TLCA CFO CPD): "Quality Enhancement on Financial Reporting of Thai Listed Company"	Thai Listed Companies Association

No.	Name	Position	Training	Institution
5.	Mrs. Rojjana Ussayaporn	Head of Financial Accounting Division The person supervising accounting (Chief Accountant)	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 NPAs (Revised 2022)	Deloitte Touche Tohmatsu Jaiyos Audit Co.,Ltd

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 hold 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 meeting in written form and file the minutes approved by the Board of Directors for further review.

In 2022, an average meeting attendance of the Board members was 98.33% of total number of annual meetings in 2022 (more than two-third of total Board members attended the meeting). All of 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. And the meeting results shall be notified to the CEO.

In 2022, the Board members set up 2 meetings without the participant of executive directors before the meeting started which were held on June 16, 2022 and December 14, 2022.

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 that 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 not included 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 of Krungthai Card Public Company Limited securities.

9) All Directors, managements and employees shall strictly follow these requirements.

Failure to comply with these requirements maybe 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 maybe 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 2022, it was found that one employee committed a non-compliance regarding to reporting of the Company's securities trading. The Company had communicated and made employee understand the guidelines set by the Company and also recorded the misconduct as specified by the Company's guidelines and this securities trading was done without using the Company's inside information.

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
 - Confidentiality
 - 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 session annually.

In 2022, there are no directors, executives, or employees taking any actions that violate the Company's business ethics.

Succession Plan

The Company initiates 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 a 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 in order 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 in order to carry on the Company's mission. It is also regarded as good management practice to protect all stakeholders, business partners, and customers' interests.

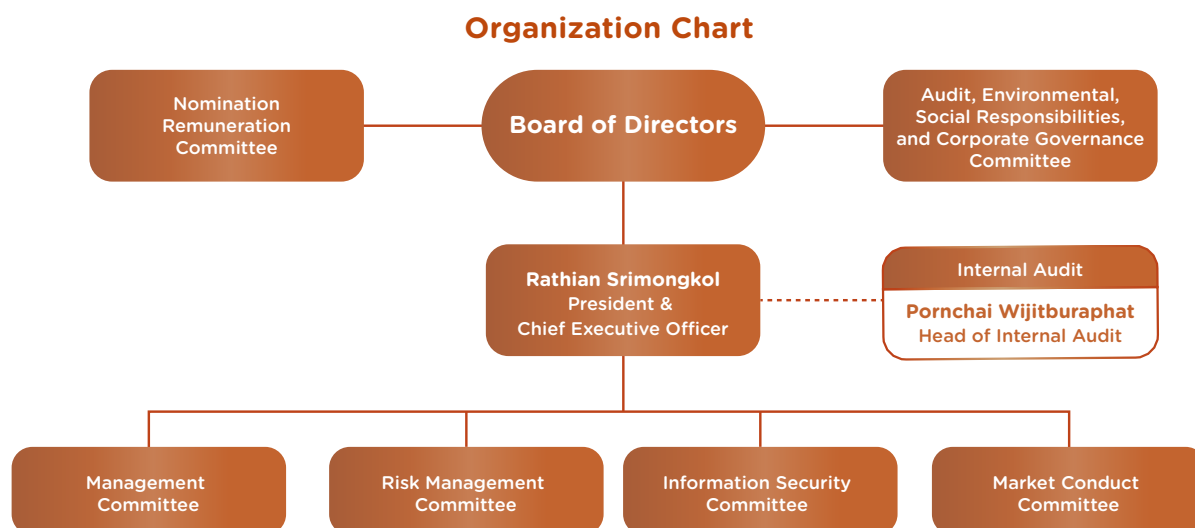
Major changes and development of the Company's policies, guidelines, and corporate governance principles in the past year

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 2022, 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, reporting to the audit committees in case of code of conduct violation occurred for remediation and prevention from its recurrence, 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 2022 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 reasons for not being able to comply with the aforementioned policy. In 2022, 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, 2022



Information of the Board of Directors

Board of Directors Structure

As of December 31, 2022, the Board of Directors comprised of 8 members which are namely 1 member as Chief Executive Officer, 2 non-executive directors, and 5 independent directors. The composition ensures that the board can fulfil their duties independently without persuasions which support efficient decision-making process.

The Company selectively recruits directors who are a qualified with diverse background, expertise, leadership qualities, farsighted vision, morality and ethics, transparent work experience, and the ability to express own opinions independently.

Furthermore, chairman of board of directors and Chief Executive Officer must not be the same person with clear separation of powers and responsibilities between them. The Company stipulates that a person holding the position of board chairman is a policy

leader and that a person holding the position of Chief Executive Officer is a management leader. This philosophy creates a balance of power in the Company's operations.

The structure of the Company's board and sub-committees consists of the Board of Directors, the Audit, Environmental, Social Responsibilities and Corporate Governance Committee, and the Nomination and Remuneration Committee. The Company stipulates provisions on powers and duties as well as appointment and removal of its board or sub-committees in the Company regulations, which were registered with public company limited registrar at the Department of Business Development, Ministry of Commerce and are prescribed 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

Information of 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 as follows:

Name	Position	Holding amount (KTC Stock & Derivatives) as of Dec 31, 2021	Historical Trading from Jan-Dec 2022	Holding amount (KTC Stock & Derivatives) as of Dec 31, 2022
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 ⁽¹⁾	Independent Director / Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	0	-	0
Spouse and Minor Children		0	-	0
4. Mr. Nathporn Chatusripitak	Independent Director / Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	0	16,100	16,100
Spouse and Minor Children		0	-	0
5. Lieutenant General Apichat Chaiyadar	Independent Director	0	-	0
Spouse and Minor Children		0	-	0
6. Mr. Rungruang Sukkirakijpiroon	Director / Nomination and Remuneration Committee	0	-	0
Spouse and Minor Children		0	-	0
7. Mrs. Praralee Ratanaprasartporn	Director	0	-	0
Spouse and Minor Children		0	-	0
8. Mr. Rathian Srimongkol	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 Pitribulpatit	Company Secretary	0	-	0
Spouse and Minor Children		0	-	0

Remark : ⁽¹⁾ Mrs. Nampung Wongsmith resigned from an Independent Director/ an Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, effective since April 30, 2022 and the Board of Directors appointed Mr. Natapong Vanarat to replace resigning director.

Throughout the year 2022, it was not found that any Directors, the Company Secretary, or the Board Secretary committed any misconducts regarded as use of internal or confidential information of the Company to engage in securities trading for personal gain or third party's benefits.

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 be the President or the CEO.
- 2) Direct, monitor, and ensure that the subcommittees performed their duties efficiently consistent to the target and objective of the organization.
- 3) Ensure that all directors engaged in the promotion of ethical organization culture, and good governance principle.
- 4) Act as the Chairman of Shareholder's meeting and oversees that the meeting is in accordance with stated regulation and agenda.
- 5) Convene Board of Director's meeting and deliver the meeting notice including related document so that the Board of Directors can receive adequate information in time.
- 6) Allocate sufficient time for executives to submit proposal and sufficient time for directors to discuss the proposed issue thoroughly, promoting critical and independent thinking among the directors.
- 7) Develop and improve good governance principle within the Board of Directors.

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 with 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 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.

Further, 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.

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, 2022, the Company's authorized signatories were composed of 8 persons as follows:

Name	Name
1. Mr. Prasong Poontaneat	5. Lieutenant General Apichat Chaiyadar
2. Mr. Praphaisith Tankeyura	6. Mr. Rungruang Sukkirdkijpi boon
3. Mr. Natapong Vanarat ⁽¹⁾	7. Mrs. Paralee Ratanaprasartporn
4. Mr. Nathporn Chatusripitak	8. Mr. Rathian Srimongkol
Signing Conditions: Two of directors can jointly sign and affix the Company's seal.	

Remark : ⁽¹⁾ Mrs. Nampung Wongsmith resigned from an Independent Director/ an Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, effective since April 30, 2022 and the Board of Directors appointed Mr. Natapong Vanarat to replace resigning director.

Therefore, the Company issued a power of attorney dated January 17, 2022 to be suitable and in accordance with the above mentioned amendments of the authorized signatories. The power of attorney incorporates the same principles, contents and significant matters according to the resolution of the Board of Directors No. 16/2005 in all respects.

Sub-committee

Independent Directors and Audit, Environmental, Social Responsibilities, and Corporate Governance Committee

Independent Director

As of December 31, 2022, The Company has a total of 5 independent committee members, including Mr. Prasong Poontaneat, Mr. Praphaisith Tankeyura, Mr. Nathporn Chatusripitak, Lieutenant General Apichat Chaiyadar and Mr. Natapong Vanarat. These individuals possess qualifications of an independent committee member as prescribed in the SEC rules. Moreover, The Company also defines independence of independent committee members in the charter of the Audit Committee.

Definition of the independence of independent directors consists of;

- 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, 2022, the Company's Audit, Environmental, Social Responsibilities, and Corporate Governance Committee comprised of 3 members which are 1 member as chairman of the audit committee and 2 members as audit committee as follows;

Name	Position
1. Mr. Praphaisith Tankeyura	Chairman of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee
2. Mr. Nathporn Chatusripitak	Audit, Environmental, Social Responsibilities, and Corporate Governance Committee
3. Mr. Natapong Vanarat	Audit, Environmental, Social Responsibilities, and Corporate Governance Committee

Scope of Work of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee

The Board of Directors or the Shareholders' meeting are in charge of appointing at least 3 audit committee members from independent directors. All of audit committee members passed either one of the training programs held by the Thai Institute of Directors Association (IOD): Audit Committee, Finance for Non-Finance Director, Director Certification Program, Roles of the Compensation Committee, or Director Accreditation Program. Also, Mr. Praphaisith Tankeyura as chairman of the audit committee, is a competent person with sufficient accounting and finance knowledge and experience to review the reliability of financial statements as well as cause of changes in financial report and its consequences.

The Audit, Environmental, Social Responsibilities, and Corporate Governance Committee must be independent and impartial without conflict of interest, directly or indirectly, in order to perform duties at its own discretion and provide independent 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

Duties of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee

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, 2022, 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	Chairman of Nomination and Remuneration Committee
2. Mr. Praphaisith Tankeyura	Nomination and Remuneration Committee
3. Mr. Rungruang Sukkirdkijpiboon	Nomination and Remuneration Committee

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 www.ktc.co.th

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 appointed various sub-committees which comprise of the Management Sub-Committee, the Risk Management Sub-Committee, the Information Security Sub-Committee, and the Market Conduct Sub-Committee. The sub-committee comprises of directors from various business units where every sub-committees are appointed by the Chief Executive Officer. Their roles are to refine operations in accordance with the good corporate governance as well as to enhance the Company's work system and to achieve the goals efficiently, and also to promote good connections and coordination in the Company's business operations.

Management Executives

Management Executives

As of December 31, 2022, the information about 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 ⁽¹⁾	Holding amount (KTC Stock & Derivatives) as of Dec 31, 2021	Historical Trading from Jan-Dec 2022	Holding amount (KTC Stock & Derivatives) as of Dec 31, 2022
1. Mr. Rathian Srimongkol	President & CEO	0	-	0
Spouse and Minor Children		0	-	0
2. Mr. Chutidej Chayuti	Chief Financial Officer	0	-	0
Spouse and Minor Children		0	-	0
3. Mr. Virach Paisitsavet	Chief Operations Officer	0	-	0
Spouse and Minor Children		0	-	0
4. Mr. Piyasak Tejasen	Senior Executive Vice President - Distribution	0	-	0
Spouse and Minor Children		0	-	0
5. Mrs. Pittaya Vorapanyasakul	Chief Marketing & Communication Officer	0	-	0
Spouse and Minor Children		0	-	0

Name	Position ⁽¹⁾	Holding amount (KTC Stock & Derivatives) as of Dec 31, 2021	Historical Trading from Jan-Dec 2022	Holding amount (KTC Stock & Derivatives) as of Dec 31, 2022
6. Mr. Bucha Sirichumsang	Head of Office of President & CEO	0	-	0
Spouse and Minor Children		0	-	0
7. Mr. Woottichai Jarernpol	Head of Information Technology	0	-	0
Spouse and Minor Children		0	-	0
8. Mr. Sakda Chantrasuriyarat	Head of Compliance	0	-	0
Spouse and Minor Children		0	-	0
9. Ms. Phichamon Jitpentham	Head of Personal Loans	0	-	0
Spouse and Minor Children		0	-	0
10. Ms. Chanidapa Suriya	Head of Customer Service and Business Support	0	-	0
Spouse and Minor Children		0	-	0
11. Ms. Rueankeaw Kasemsavatsri	Head of Auto Loan	20,000	-	20,000
Spouse and Minor Children		0	-	0
12. Ms. Piyasuda Kwaennonsee	Head of Human Resources	0	-	0
Spouse and Minor Children		0	-	0

Remark : ⁽¹⁾ Notice from the Company No. 52/2022 Regarding the Organizational Structure effective from November 1, 2022

Throughout the year 2022, 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 Executives 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 determines 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 2022 annual general meeting of shareholders for consideration. On April 7, 2022, 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 monthly flat rate as follows.

- The Chairman 25,000 Baht per month
- The Vice Chairman 22,500 Baht per month
- Other Members 20,000 Baht per month

If the board convenes more than once a month, attending directors shall be entitled to receive an 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.

- The Chairman 25,000 Baht per month
- Other Members 20,000 Baht per month

3) Remuneration for the Nomination and Remuneration Committee is paid as monthly flat rate as follows.

- The Chairman 20,000 Baht per month
- Other Members 16,000 Baht per month

Moreover, the Board of Directors Meeting No. 2/2022 on February 11, 2022, resolved to submit a proposal of a special remuneration to directors amounted to 25,790,000 Baht for the 2021 operating performance, aside from monthly compensation for consideration and approval. A special remuneration amount is approximately 1.0% of 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 directors' 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 Executives 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, 2021		December 31, 2022	
	Persons	Remuneration (Baht)	Persons	Remuneration (Baht)
Salary ⁽¹⁾	13	85,826,172	12	84,255,950
Special remuneration ⁽²⁾	13	111,939,539	12	112,950,012
Provident Fund	13	4,966,570	12	4,868,829
Social Security Contribution	13	76,050	12	79,350
Long-term management remuneration for the post employment benefit ⁽³⁾	13	2,944,800	12	1,329,020
Other Remuneration ⁽⁴⁾	13	700,000	-	-
Total		206,453,131		203,483,161

Remark : ⁽¹⁾ Executive remuneration does not include director's compensation of Mr. Rathian Srimongkol.

⁽²⁾ Executive's special remuneration does not include director's special remuneration of Mr. Rathian Srimongkol.

⁽³⁾ 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.

⁽⁴⁾ MAAI Point is points in the system platform "MAAI By KTC"

Human Resource

Human Resource

Number of full-time Employees

	2020	2021	2022
Number of full-time Employees	1,597	1,570	1,566
Growth Rate	1.08%	-1.69%	-0.25%

As of December 31, 2022, the Company employed 1,566 employees, decreased by 0.25% 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 2022 amounted to Baht 2,501 million, increased by 3.2% from the total compensation of Baht 2,422 million in the same period last year.

Table showing the number of employees in each key function

Group / BU / Division	Number of Employees As of December 31, 2022
President & Chief Executive Officer	2
Corporate Finance Group	85
- Finance Business Unit	83
Marketing & Communications Group	164
- Credit Card Marketing Business Unit	60
- Digital Marketing & Online Acquisition Business Unit	28
- Marketing Communications Business Unit	34
- Public & Corporate Affairs Business Unit	10
- Commerce Marketing Division	30
Operations Group	324
- Credit Acceptance Business Unit	129
- Merchant Acquiring Business Unit	40
- Operations Control & Merchant Operations Business Unit	111
- Operations Support Business Unit	42
Auto Loan Business Unit	9
Compliance Business Unit	7
Customer Service & Business Support Business Unit	366
Distribution Business Unit	208
Human Resources Business Unit	27
Information Technology Business Unit	70
Internal Audit Business Unit	15
Office of President & CEO Business Unit	252
Personal Loans Business Unit	5
General Service Division	32
Total	1,566

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 (%)
1,367	87.29%

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) 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 a policy to pursue capacity development for employees at all levels on a continuous basis, thereby ensuring that employees have suitable knowledge, skills and competencies deemed necessary for their duties and responsibilities and are responsive to changes in business direction, particularly changing social and business environment in the digital era.

Throughout the year 2022, the Company organized in-house training programs and seminars, arranged study tours with both local and overseas institutions, provided learning programs and knowledge sharing activities, provided internal coach to discuss and discover employees' potential, established Community of Practice: COP, facilitated knowledge sharing from experts in various fields of work by using the project name KTC Made, the Company also actively pursued new and updated knowledge and trends through the KTC UNITE platform, and ensured access to learning resources from “Anywhere Anytime Any device” through various electronic means (e-Learning) which enabled employees to easily access to sources of knowledge and self-development. Accordingly, the Company laid out development guidelines to become a learning organization by providing extensive learning channels. In 2022, the average training hours per employee per year (January - December 2022) stood at 64.38 hours.

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 2022, 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 Mr. Sakda Chantrasuriyarat. 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.

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 auditing period of 2022 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 2022, the Board of Directors convened 15 board meetings including 2 board meetings without the presence of management in accordance with the Company's corporate governance under the responsibility of directors. 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. At the end of the second quarter of each year, the Company's Board of Directors convened a meeting to review the policies and goals. In the last quarter, the Board of Directors' meeting for setting up a business plan for the upcoming year shall be convened 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 focusing 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. However, due to the COVID-19 pandemic, the directors were well aware of the safety concerns and gave full cooperation with the government such as supporting and

complying with relief measures for debtors issued by the Bank of Thailand, holding shareholder meetings with strict measures; social distancing, limiting the number of meeting attendees and setting screening points, convening the hybrid Board of Directors Meeting both online and on site, and care of employees' health and safety, etc.

Additionally, 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 2022, 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 selectively recruits directors who are a qualified with diverse background, expertise, leadership qualities, farsighted vision, morality and ethics, transparent work experience, and the ability to express own opinions independently.

The Board of Directors established a Board Skill Matrix to define qualifications, skills, and past experiences of directors which is necessary for business operation and management in order to use as a guideline for director nomination to replace resigning or retiring directors.

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 Board of Directors shall convene at least 12 times on a regular basis each year and require to attend at least 75% of total Board meetings. 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 has to 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, 2022, the Board of Directors convened 15 meetings; the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee convened 13 meetings; and the Nomination and Remuneration Committee convened 8 meetings; and the 2022 Annual General Meeting was convened 1 meeting. The details of meeting attendance of each director are as follows:

Name	Board of Director's Meeting Total 15 Meetings	Audit, Environmental, Social Responsibilities, and Corporate Governance Committee's Meeting Total 13 Meetings	Nominating Remuneration Committee's Meeting Total 8 Meetings	2022 Annual General Meeting Total 1 Meeting
1. Mr. Prasong Poontaneat	15/15	-	8/8	1/1
2. Mr. Praphaisith Tankeyura	15/15	12/13	8/8	1/1
3. Mr. Natapong Vanarat ⁽¹⁾	10/10	8/8	-	-
4. Mr. Nathporn Chatusripitak	15/15	13/13	-	1/1
5. Lieutenant General Apichat Chaiyadar	15/15	-	-	1/1
6. Mr. Rungraung Sukkirdkijpiboon	14/15	-	7/8	1/1
7. Mrs. Paralee Ratanaprasartporn	14/15	-	-	1/1
8. Mr. Rathian Srimongkol	15/15	-	-	1/1
Director resigned during Y2022				
1. Mrs. Nampung Wongsmith ⁽¹⁾	5/5	5/5	-	1/1

Remark: ⁽¹⁾ Mrs. Nampung Wongsmith resigned from an Independent Director/ an Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, effective since April 30, 2022 and the Board of Directors appointed Mr. Natapong Vanarat to replace resigning director.

Furthermore, the Board of Directors convened 2 board meetings last year without the presence of management on June 16, 2022 and December 14, 2022 in order to comply with the corporate governance policy of the Company. In these meetings, the board reviewed and commented about the roles and responsibilities of Company's directors.

Compensation of the Directors

As of December 31, 2022, total monthly compensation and special remuneration of the Directors which were paid to committee members in the capacity of director amounted to 26,020,240 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 203,483,161 Baht. Therefore, total compensation for directors and executives amounted to 229,503,401 Baht in which the details are as follows.

Name	Position	Remuneration Received in Year 2022 (Baht)
1. Mr. Prasong Poontaneat ⁽¹⁾	<ul style="list-style-type: none"> Independent Director Chairman of the Board of Directors Chairman of Nomination and Remuneration Committee 	<ul style="list-style-type: none"> Compensation for board chairman 337,500 Baht Chairman of Nomination and Remuneration Committee 240,000 Baht Special remuneration 772,090 Baht Total compensation 1,349,590 Baht
2. Mr. Praphaisith Tankeyura	<ul style="list-style-type: none"> Independent Director Chairman of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee Member of Nomination and Remuneration Committee 	<ul style="list-style-type: none"> Compensation for independent director 270,000 Baht Chairman of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee 300,000 Baht Member of Nomination and Remuneration Committee 192,000 Baht Special remuneration 3,131,260 Baht Total compensation 3,893,260 Baht
3. Mr. Natapong Vanarat ⁽²⁾	<ul style="list-style-type: none"> Independent Director Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee 	<ul style="list-style-type: none"> Compensation for independent director 180,000 Baht Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee 160,000 Baht Total compensation 340,000 Baht
4. Mr. Nathporn Chatusripitak	<ul style="list-style-type: none"> Independent Director Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee 	<ul style="list-style-type: none"> Compensation for independent director 270,000 Baht Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee 240,000 Baht Special remuneration 3,131,260 Baht Total compensation 3,641,260 Baht
5. Lieutenant General Apichat Chaiyadar	<ul style="list-style-type: none"> Independent Director 	<ul style="list-style-type: none"> Compensation for independent director 270,000 Baht Special remuneration 3,131,260 Baht Total compensation 3,401,260 Baht
6. Mr. Rungraung Sukkirdkijpiboon ⁽³⁾	<ul style="list-style-type: none"> Director Member of Nomination and Remuneration Committee 	<ul style="list-style-type: none"> Compensation for director 270,000 Baht Member of Nomination and Remuneration Committee 192,000 Baht Total compensation 462,000 Baht

Name	Position	Remuneration Received in Year 2022 (Baht)
7. Mrs. Praralee Ratanaprasartporn	• Director	• Refrained from receiving any compensation.
8. Mr. Rathian Srimongkol	• Director	• Compensation for director 270,000 Baht • Special remuneration 3,131,260 Baht • Total compensation 3,401,260 Baht
Director resigned		
1. Mr. Parinya Patanaphakdee ⁽⁴⁾	• Chairman of the Board of Directors • Chairman of Nomination and Remuneration Committee	• Special remuneration 1,050,900 Baht • Total compensation 1,050,900 Baht
2. Mr. Pongsit Chaichutpornasuk ⁽⁵⁾	• Chairman of the Board of Directors • Chairman of Nomination and Remuneration Committee	• Special remuneration 2,048,190 Baht • Total compensation 2,048,190 Baht
3. Mrs. Nampung Wongsmith ⁽⁶⁾	• Independent Director • Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee	• Compensation for independent director 90,000 Baht • Member of Audit, Environmental, Social Responsibilities, and Corporate Governance Committee 80,000 Baht • Special remuneration 3,131,260 Baht • Total compensation 3,301,260 Baht
4. Mr. Pichit Jongsaliswang ⁽⁷⁾	• Director • Member of Nomination and Remuneration Committee	• Special remuneration 3,131,260 Baht • Total compensation 3,131,260 Baht

Remark: ⁽¹⁾ Mr. Prasong Poontaneat appointed as a Chairman of the Board of Directors in replacement of Mr. Pongsit Chaichutpornasuk, effective since October 21, 2021 onwards.

⁽²⁾ Mr. Natapong Vanarat appointed as a Board of Director in replacement of Mrs. Nampung Wongsmith, effective since May 1, 2022 onwards.

⁽³⁾ Mr. Rungruang Sukkirdkijpiboon appointed as a Board of Director in replacement of Mr. Pichit Jongsaliswang, effective since January 1, 2022.

⁽⁴⁾ Mr. Parinya Patanaphakdee resigned from a Chairman of the Board of Directors and a Chairman of the Nomination and Remuneration Committee, effective since April 8, 2021 onwards.

⁽⁵⁾ Mr. Pongsit Chaichutpornasuk resigned from a Chairman of the Board of Directors and a Chairman of the Nomination and Remuneration Committee, effective since October 16, 2021 onwards.

⁽⁶⁾ Mrs. Nampung Wongsmith resigned from an Independent Director/ an Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, effective since April 30, 2022.

⁽⁷⁾ Mr. Pichit Jongsaliswang resigned from a Board of Director and a Director of Nomination and Remuneration Committee, effective since December 31, 2021 onwards.

Corporate Governance of the Company's Subsidiaries and associated companies

The Company supervises its subsidiaries and associated companies to maintain the Company's investment benefits by assigning the Company representatives to be directors in subsidiaries and associated companies according to the shareholding proportion. That person must possess required qualifications to be a director in accordance with regulations set by the subsidiary and associated companies' regulatory bodies for the benefit of monitoring business operations to be appropriate, smooth, and in line with the Company's policies and operations.

The Company provides insource services to subsidiaries and associated companies according to service contracts as well as supervised subsidiaries and associated companies by the Risk Management Committee, including evaluating monthly risk assessment results. If subsidiaries and associated companies will launch new financial products, details must be presented to the Risk Management Committee to consider the risks and product details before submitting to the Board of Directors or the authorized person of subsidiaries and associated companies for approval. As the Company is engaged in financial business, subsidiaries and associated

managing director is responsible for identifying its strategic plan to promote and be in line with the Company's business strategic plan, as well as supervising subsidiaries operations to be in line with specified strategic plan.

To ensure that subsidiaries and associated companies have adequate and concise internal control and risk management system, the Company sets up corporate governance of subsidiaries and associated companies in the form of 3rd of defense by organizing organizational structure, developing SOP manuals, performing risk assessment, and auditing subsidiaries and associated companies' 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 Company places an importance on adhering good corporate governance and in which the details are written in the corporate governance policy, including anti-corruption policy, code of conduct manual and rules and regulations for the directors, executives, and employees to use as a guideline for performing their duties properly. Besides, the policy and the SOP manual are reviewed annually to create awareness of the employees through learning materials every year. In addition to defining the operational rules in the corporate governance policy, the Company has 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 specifies anti-corruption policy, which forms part of corporate governance policy, risk assessment and sets corruption risk prevention measures and creates whistleblowing channels as well as set whistleblowers' protective measures. The Company has joined Thai private sector network against fraud and currently is certified as a member of the Thai Private Sector Collective Action against Corruption (CAC). Furthermore, the Company has already driven suppliers or related business partners to be part of this network.

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 is currently undergoing the process of obtaining PCI-DSS certification. The Company's management will take the audit results into consideration and take necessary actions to improve the quality of the Company's business operation. The internal audit business unit has set up a system to regularly monitor the Company's operation, including establishing a compliance business unit 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 2022.

In the year 2022, 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 Krungthai 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 Intranet 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 the years 2021 and 2022, the Audit Committee held 12 meetings and 13 meetings respectively.

In the Audit Committee Meeting No. 12/2022, on November 14, 2022, 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 Mr. Sakda Chantrasuriyarat.

(Please find more details in "Profiles of Internal Audit and Compliance" topics)

The Audit Committee is of the opinion that the qualifications of 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 the Internal Audit Supervisor 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:

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, 2022, including Krungthai 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 Pico (Pathum Thani) Co., Ltd./ KTC Pico (Samut Prakan) Co., Ltd./ KTC Pico (Samut Sakhon) Co., Ltd./ KTC Pico (Chonburi) Co., Ltd./ KTC Prepaid Co., Ltd./ and KTB Leasing Co., Ltd. ("KTBL"), consists of the following:

Related parties	Relationship to the Company	Description and transaction size
Krungthai Bank PCL	Krungthai 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 Krungthai 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 installment payment, which is a normal trade transaction as of December 31, 2022, with accrued expenses under the contract of Baht 7.5 million.

Related parties	Relationship to the Company	Description and transaction size
Krungthai Bank PCL	Krungthai Bank PCL holds 49.29% of the Company's issued shares.	The Company entered into an Overdraft Loan Agreement with Krungthai Bank in the financial amount of Baht 30 million for working capital. The Company will pay interest on a monthly basis by the Krungthai Bank's month-end closing date, based on the overdraft rate for prime customers (MOR) as of December 31, 2022; the Company does not use funds in this loan amount.
Krungthai Bank PCL	Krungthai 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 Krungthai Bank as of December 31, 2022. The Company has loan for this amount of Baht 4,130 million.
Krungthai Bank PCL	Krungthai Bank PCL holds 49.29% of the Company's issued shares.	The Company was granted a long-term loan of Baht 6,000 million from Krungthai Bank for business operation with the interest rate based on the Capital Market Rate set by Krungthai Bank. As of December 31, 2022, the Company borrowed money at the amount of Baht 6,000 million.
Krungthai Bank PCL	Krungthai 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 Krungthai 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 2022, the Company has no debt and accrued interest for this loan.
Krungthai Bank PCL	Krungthai 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 Krungthai Bank, which is a normal business transaction as of December 31, 2022, in the amount of Baht 627 million.

Related parties	Relationship to the Company	Description and transaction size
Krungthai Bank PCL	Krungthai Bank PCL holds 49.29% of the Company's issued shares.	The Company had accrued expenses from transactions that the Company hired Krungthai Bank to count and deposit money into the Company's deposit account as of December 31, 2022, in the amount of Baht 0.2 million.
Krungthai Bank PCL	Krungthai 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, 2022, the amount is Baht 5.4 million.
Krungthai Bank PCL	Krungthai 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 Krungthai Bank as of December 31, 2022, in the amount of Baht 0.5 million.
Krungthai Bank PCL	Krungthai Bank PCL holds 49.29% of the Company's issued shares.	The Company had accrued expenses from transactions that the Company leases the Bank's office building as of December 31, 2022, in the amount of Baht 1.3 million.
Krungthai Bank PCL	Krungthai Bank PCL holds 49.29% of the Company's issued shares.	The Company had other receivables from the transactions that the Company allowed Krungthai Bank to sublease some office space on the G floor, UBC II Building (Sukhumvit 33) for use as a branch office of Krungthai Bank as of December 31, 2022, in the amount of Baht 0.008 million.
Krungthai Bank PCL	Krungthai 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, 2022, is Baht 5.3 million.
KTB General Services and Security Co., Ltd.	Krungthai Bank PCL holds 100% of shares.	The Company had trade payables and accrued expenses from transactions that the Company hired KTB General Services and Security Co., Ltd. (KTBS) for receiving-sending cash and/or other assets as of December 31, 2022, amounted to Baht 2.8 million.

Related parties	Relationship to the Company	Description and transaction size
Krungthai Asset Management PCL	Krungthai Bank PCL holds 100% of 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, 2022, in the amount of Baht 4.2 million.
Krungthai Asset Management PCL	Krungthai 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, 2022, amounted to Baht 0.08 million.
Krungthai Panich Insurance PCL	Krungthai 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, 2022, in the amount of Baht 1.3 million.
Krungthai-AXA Life Insurance PCL	Krungthai 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 1.2 million as of December 31, 2022.
KTC Pico (Bangkok) Co., Ltd.	Krungthai Bank PCL holds 24.95% of shares and Krungthai Card PCL holds 75.05% of shares.	The Company borrowed short-term loans from KTC Pico (Bangkok) Co., Ltd. as of December 31, 2022, in the amount of Baht 50 million.
KTC Pico (Bangkok) Co., Ltd.	Krungthai Bank PCL holds 24.95% of shares and Krungthai Card PCL holds 75.05% of shares.	The Company had other receivables with KTC Pico (Bangkok) Co., Ltd. as of December 31, 2022, in the amount of Baht 0.08 million.
KTC Nano Co., Ltd.	Krungthai 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, 2022, in the amount of Baht 50 million.
KTC Nano Co., Ltd.	Krungthai 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, 2022, in the amount of Baht 0.03 million.
KTC Pico (Pathum Thani) Co., Ltd.	KTC Pico (Bangkok) Co., Ltd. holds 100% of shares.	The Company had other receivables with KTC Pico (Pathum Thani) Co., Ltd. as of December 31, 2022, in the amount of Baht 0.03 million.

Related parties	Relationship to the Company	Description and transaction size
KTC Pico (Samut Prakan) Co., Ltd.	KTC Pico (Bangkok) Co., Ltd. holds 100% of shares.	The Company had other receivables with KTC Pico (Samut Prakan) Co., Ltd. as of December 31, 2022, in the amount of Baht 0.03 million.
KTC Pico (Samut Sakhon) Co., Ltd.	KTC Pico (Bangkok) Co., Ltd. holds 100% of shares.	The Company had other receivables with KTC Pico (Samut Sakhon) Co., Ltd. as of December 31, 2022, in the amount of Baht 0.03 million.
KTC Pico (Chonburi) Co., Ltd.	KTC Pico (Bangkok) Co., Ltd. holds 100% of shares.	The Company had other receivables with KTC Pico (Chonburi) Co., Ltd. as of December 31, 2022 in the amount of Baht 0.03 million.
KTC Prepaid Co., Ltd.	Krunghai Bank PCL holds 24.95% of shares and Krunghai Card PCL holds 75.05% of shares.	The Company borrowed short-term loans from KTC Prepaid Co., Ltd. As of December 31, 2022, the amount is Baht 99 million.
KTC Prepaid Co., Ltd.	Krunghai Bank PCL holds 24.95% of shares and Krunghai Card PCL holds 75.05% of shares.	The Company had other receivables with KTC Prepaid Co., Ltd. As of December 31, 2022, the amount is Baht 0.03 million.
KTB Leasing Co., Ltd.	Krunghai Bank PCL holds 24.95% of shares and Krunghai Card PCL holds 75.05% of shares.	The Company had accrued expenses transactions with KTB Leasing Co., Ltd., as of December 31, 2022, amounted to Baht 0.001 million
KTB Leasing Co., Ltd.	Krunghai Bank PCL holds 24.95% of shares and Krunghai Card PCL holds 75.05% of shares.	The Company had other receivables transactions with KTB Leasing Co., Ltd., as of December 31, 2022, amounted to Baht 4.4 million.
KTB Leasing Co., Ltd.	Krunghai Bank PCL holds 24.95% of shares and Krunghai Card PCL holds 75.05% of shares.	The Company had short-term lending to KTB Leasing Co., Ltd., as of December 31, 2022, amounted to Baht 746 million.
KTB Leasing Co., Ltd.	Krunghai Bank PCL holds 24.95% of shares and Krunghai Card PCL holds 75.05% of shares.	KTB Leasing Co., Ltd. borrowed money from Krunghai Bank PCL, as of December 31, 2022, amounted to Baht 1,100 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, 2022, which were audited by EY Office Limited. In this regard, the Company has Related Parties Transaction with related companies which are Krungthai 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 Pico (Pathum Thani) Co., Ltd./ KTC Pico (Samut Prakan) Co., Ltd./ KTC Pico (Samut Sakhon) Co., Ltd./ KTC Pico (Chonburi) Co., Ltd./ KTC Prepaid Co., Ltd./ and KTB Leasing Co., Ltd. Details are as follows;

Business Cooperation Agreement

The Company and Krungthai Bank jointly entered into a 5-year business cooperation agreement effective from April 1, 2018 onwards. The agreement is to support each other's various business operations such as procurement of credit cardmembers and personal loans through Krungthai Bank's branch network, services for credit card payment and installment via Krungthai 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 are subject to the market prices calculated as an amount at different rates according to the transaction volume, and is regarded as a normal practice of the Company. Before the expiration of this agreement, both parties have agreed to jointly consider extending the duration of the contract and prepare an addendum to the aforementioned 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 Krungthai 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. Krungthai 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 Krungthai Bank at the total amount of Baht 6,000 million, in which the terms and conditions under the aforementioned loan agreement are normal trade terms. The interest rate between the Company and Krungthai 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 Krungthai Bank, which agreed to pay for goods/ services to the Company by having Krungthai Bank deduct money from the account of the debtor on behalf of the Company. The service fee of the transaction between the Company and Krungthai Bank is the normal rate used in general. The terms and conditions of this memorandum shall be terminated once the Company and Krungthai 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 Krungthai 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 Krungthai 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 Krungthai Bank to pay for fuel and other service fees for gas stations that are participating in the project with Krungthai Bank. The Fleet Card is valid for 3 years. Upon expiration, Krungthai 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 Krungthai Bank is a normal condition that applies to other parties.

Lease Agreement for Office Space at Krungthai Bank building and Sublease Agreement of Office Building Area

The Company leased some office space from Krungthai Bank at Nana Nuea Building, located on the 2nd floor, to be used as a branch office or KTC TOUCH, according to the office lease agreement of Krungthai Bank Office Building, Nana Nuea Building, to extend the lease period for another year, from January 17, 2022 to January 16, 2023.

Meanwhile, the Company allowed Krungthai Bank to sublet some of the Company's office space on the G floor of the UBC II Building to be used as a branch office of Krungthai Bank, according to the 3-year sublease agreement dated from November 1, 2020 to October 31, 2023. In 2021, The Company allowed its subsidiaries, in which KTC holds 75.05% of shares and Krungthai Bank holds 24.95% of shares,

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 G floor, and KTC Pico (Pathumthani) Co., Ltd. to sublet the Company's office space in other provinces in their head offices.

In 2022, some subsidiaries of the Company relocated their head offices from the original location to the Company's office space; for example, KTC Prepaid Co., Ltd. relocated to UBC II Building B1 floor, while KTC Nano Co., Ltd. and KTC Pico (Bangkok) Co., Ltd. relocated to UBC II Building 10th floor. Additionally, KTC Pico (Chonburi) Co., Ltd. sublet the Company's office space in other provinces, according to the additional agreement appended to the first office space rental agreement.

The rent and other expenses of transactions between KTC and Krungthai 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 Krungthai 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 Krungthai Bank. The service fees and terms/ conditions between the Company and Krungthai Bank are normal conditions that apply to other parties. The terms and conditions of this memorandum shall be terminated once the Company and Krungthai 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 Krungthai Bank

The Company has collaborated with Krungthai Bank in the project to expand customer base of credit card and personal loan products through the branches of Krungthai Bank nationwide, according to the Credit Card and Personal Loan Advisor Appointment Agreement dated August 29, 2007. In 2021, The Company has appointed Krungthai 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, Krungthai Bank also provided support to the Company for expanding KTC P BERM Car for Cash loans. The service fees of the transactions between the Company and Krungthai 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 Krungthai Bank, by agreeing to deposit the principal in the deposit account as collateral for credit card debt repayment to the Company. Krungthai 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 Krungthai Bank, dated June 5, 2018. On May 7, 2021, both parties have jointly redefined the definition of KTC credit card members 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 Krungthai Bank (1st).

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 Krungthai 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 card members deposited with Krungthai Bank for payment of KTB Housing Loan for KTC credit card members with Krungthai Bank, which the Company charges the marketing promotion fee from Krungthai Bank at the rate that is suitable for the service. The terms and conditions of this memorandum shall be terminated once the Company and Krungthai 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 Krungthai Bank to issue KTC-KTB PRECIOUS PLUS VISA INFINITE to provide Infinite level benefits to KTB PRECIOUS PLUS customers of Krungthai 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 Krungthai Bank to provide Signature level benefits to KTB PRECIOUS and KTB PRECIOUS PLUS customers of Krungthai 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.

On October 15, 2021, KTC and Krungthai 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 for the year 2022 to all three types of credit cardmembers.

The Name Sharing Agreement shall be terminated once the Company and Krungthai Bank both agree on the matter. The terms and conditions of agreement are normal conditions that apply to other parties.

Payment Agent Appointment Agreement

Krungthai Bank has appointed the Company as an agent to accept payment of service fees from the users on behalf of Krungthai Bank, by operating via online connection to deposit money into a deposit account and/or any other account as specified by Krungthai 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 Krungthai Bank entered into the Payment Agent Appointment Agreement dated April 27, 2018, and noted in the addendum at the end of the 1st 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 Krungthai 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 Krungthai 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 Krungthai 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 Krungthai Bank according to the Card Payment Service Agreement for KTC members via Krungthai Bank branches, effective from April 1, 2018 onwards. The terms and conditions of this agreement shall be terminated once the Company and Krungthai 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 Krungthai Bank, effective from April 1, 2018 onwards and shall be terminated once the Company and Krungthai Bank both agree on the matter. There has been a change in the method of service fee payment by KTC to Krungthai 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 Krungthai 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 Krungthai 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 MAAL 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 Krungthai 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.

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 Krungthai 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 Krungthai 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 Krungthai 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 Krungthai 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, 2022, the Company has borrowed by issuing bill of exchange to Krungthai Bank at the amount of Baht 4,130 million and long term loan at the amount of Baht 6,000 million.

Loaning Money with Subsidiaries

In 2022, the Company has borrowed short-term loans from related parties at the rate referenced from the short-term interest rate that Krungthai 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. The details are as follows:

(1) KTC Pico (Bangkok) Co., Ltd. is subject to Financial Support Agreement and addendum (1st) dated May 5, 2021 and the Financial Support Agreement dated April 12, 2022.

(2) KTC Nano Co., Ltd. is subject to Financial Support Agreement and addendum (1st) dated May 5, 2021 and the Financial Support Agreement dated April 12, 2022.

(3) KTC Prepaid Co., Ltd. is subject to Financial Support Agreement and addendum (1st) dated May 5, 2021. and the Financial Support Agreement dated April 12, 2022, along with the addendum (1st) to the Financial Support Agreement on May 13, 2022.

(4) KTB Leasing Co., Ltd. is subject to Financial Support Agreement dated April 12, 2022.

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 Krungthai 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 dated June 29, 2021 and the Financial Support Agreement (Revolving loans) dated June 24, 2022, which the repayment period is within one year from the date of the contract.

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 (Pathumthani) 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 (1st). 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.

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 2022.

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, 2020, 2021 and 2022 are as follows.

(Unit: Million Baht)	December 31, 2020	December 31, 2021	December 31, 2022
Right-of-use assets	486	360	331
Leasehold improvements and equipment	496	415	348

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, 2020, 2021 and 2022, details of loans to credit card customers are as follows.

(Unit: Million Baht)	December 31, 2020 (Restated)		December 31, 2021		December 31, 2022	
	Amount	%	Amount	%	Amount	%
Credit Card Receivables	59,990	100.00	59,953	100.00	69,174	100.00
Stage 1	53,402	89.02	53,716	89.60	62,185	89.90
Stage 2	5,797	9.66	5,499	9.17	6,258	9.05
Stage 3	791	1.32	738	1.23	730	1.05
<u>Add</u> Accrued interest receivables and undue interest receivables	245		248		288	
Total loans to customers and accrued interest receivables	60,235		60,201		69,462	
<u>Less</u> Allowance for expected credit loss	(4,218)		(4,127)		(4,431)	
Credit Card Receivables - net	56,017		56,075		65,031	

Source : 2020 - 2021 financial statement audited by Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.
2022 financial statement audited by EY Office Limited.

(2) Loans to personal loan customers

As of December 31, 2020, 2021 and 2022, details of loans to personal loan customers are as follows.

(Unit: Million Baht)	December 31, 2020 (Restated)		December 31, 2021		December 31, 2022	
	Amount	%	Amount	%	Amount	%
Personal Loan Receivables	29,617	100.00	28,895	100.00	31,886	100.00
Stage 1	23,618	79.75	23,213	80.33	25,558	80.15
Stage 2	5,192	17.53	4,840	16.75	5,432	17.04
Stage 3	807	2.72	843	2.92	897	2.81
<u>Add</u> Accrued interest receivables and undue interest receivables	298		340		397	
Total loans to customers and accrued interest receivables	29,915		29,235		32,283	
<u>Less</u> Allowance for expected credit loss	(3,138)		(3,222)		(3,737)	
Personal Loan Receivables - net	26,777		26,013		28,547	

Source : 2020 - 2021 financial statement audited by Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.
2022 financial statement audited by EY Office Limited.

(3) Loans to lease customers

As of December 31, 2020, 2021 and 2022, details of loans to lease customers are as follows.

(Unit: Million Baht)	December 31, 2020 (Restated)		December 31, 2021		December 31, 2022	
	Amount	%	Amount	%	Amount	%
Lease Receivables	4,758	100.00	3,199	100.00	2,449	100.00
Not over 30 days	2,412	50.68	1,328	41.51	2,010	82.08
31 – 90 days	59	1.25	135	4.23	220	8.97
91 days and over	2,287	48.07	1,736	54.26	219	8.95
<u>Less</u> Allowance for doubtful accounts	(2,605)		(2,343)		(624)	
Lease Receivables - net	2,153		857		1,825	

Source : 2020 - 2021 financial statement audited by Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.
2022 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](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 2022, there were 13 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 13 times
1. Mr. Praphaisith Tankeyura	Chairman of the Audit Committee	12
2. Mr. Nathporn Chatusripitak	Member of the Committee	13
3. Mr. Natapong Vanarat ⁽¹⁾	Member of the Committee	8

Note : ⁽¹⁾ The Board of Directors’ Meeting, No. 5/2022, held on April 21, 2022 appointed Mr. Natapong Vanarat as a director, independent director and member of The Audit, Environmental, Social Responsibilities and Corporate Governance Committee in a replacement of Mrs. Nampung Wongsmith, effective from May 1, 2022.

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 2022 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 2022 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. Moreover, the Company is in the process of obtaining PCI-DSS certification.

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 2022, 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

- For the 2022 Annual General Meeting of Shareholders on April 7, 2022, 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. Moreover, In the COVID-19 pandemic period, the Company also focused on the safety and health of shareholders by arranging various preventive measures, such as requesting shareholders to write questions by specifying their names and surnames or providing a screening point in front of the meeting room, etc.
- 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, 2021 – January 31, 2022 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
- 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 Krungthai 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 2022 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 with performance results.
- 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 on 16 June 2022 and 14 December 2022.
- Organize a meeting 2 times between the Audit Committee and the Chief Executive Officer on 16 June 2022 and 14 December 2022.
- Review the Charter of the Audit, Environmental, Social Responsibilities and Corporate Governance for the year 2022, with no changes in the review results.

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), 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.
3. Organize trainings and seminars for business partners at the "KTC Supplier's Day" to educate them on how to deal with online risks and threats as the sustainability issues that KTC places great importance to enable business partners to understand and adapt the information on cyber security to suit the organization and consistent with the Company's operations.

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 2022 at level A.
2. The company was selected as a member of the global sustainability indices "FTSE4Good Index series" for the year 2022.
3. The company was chosen in the list of THAILAND SUSTAINABILITY INVESTMENT (THSI) for the year 2022 for the 4th consecutive year and a member of the SETTHSI index for the 3rd year by the Stock Exchange of Thailand.
4. The company was awarded an "excellent" rating from the Corporate Governance Report of Thai Listed Companies 2022 for the 7th consecutive year by the Association of Thai Listed Companies.
5. The company received a score of 100 points from the quality assessment of the 2022 Annual General Meeting of Shareholders by Thai Investors Association.
6. The company was certified for renewal of membership in the Thailand's Private Sector Collective Action Coalition Against Corruption since 2016 up to the present
7. The company was invited to participate in the S&P Global Sustainability Assessment 2022
8. The company was assessed at the level of ASEAN Asset Class (score of 97.5) 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 7th 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
Krungthai 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") is composed of three members; two of them are independent directors. The Committee's duties and responsibilities are prescribed in the Charter of the Nomination and Remuneration Committee. In summary, it is incumbent upon the Committee to determine qualifications and criteria for nomination of directors, committee members and executives; formulate compensation policy; and determine performance assessment guidelines; and so forth. The current Nomination and Remuneration Committee consists of

- | | |
|------------------------------------|---|
| 1. Mr. Prasong Poontaneat | Chairman of Nomination and Remuneration Committee and Independent Director ¹ |
| 2. Mr. Praphaisith Tankeyura | Member of Nomination and Remuneration Committee |
| 3. Mr. Rungruang Sukkirdkijpi boon | Member of Nomination and Remuneration Committee |

Note: ¹ On November 14, 2022, the Board of Directors' Meeting No. 13/2022 acknowledged the appointment of Mr. Prasong Poontaneat as an additional independent director.

In 2022, the Nomination and Remuneration Committee convened a total of eight times. Its performance results reviewed by Board meeting and/or shareholder meeting in accordance with the Charter of the Nomination and Remuneration Committee are as follows:

1. Considered appointing new directors to replace directors retiring by rotation. A wide variety of information is required when considering such nomination. For instance, candidates must have certain qualifications and not possess disqualification characteristics prescribed in the nomination criteria of the Bank of Thailand, Office of Securities and Exchange Commission, or relevant regulatory bodies. In the nomination process, candidates with qualifications, skills, knowledge, expertise or experience in various works relevant to the Company's business operation will be scrutinized together with a suitable ratio, number and diversity in the Board composition. Moreover, any other characteristics not relevant to operational management, such as gender, sexuality, race or religion, will not be considered. In addition, the Committee also scrutinizes specialized skills, knowledge and experience of existing directors as per required skills, knowledge and experience laid down in the board skill matrix when nominating an additional director equipped with necessary skills, knowledge and experience. To conform with the principles of good corporate governance, the Company put out an announcement on its website and the Stock Exchange of Thailand's website to provide minority shareholders with an opportunity to submit a proposed list of director candidates in advance during October 1, 2021 to January 31, 2022. As it turned out, no minority shareholders submitted a proposed list of names in advance to nominate director candidates. The Nomination and Remuneration Committee therefore proposed the names of directors retiring by rotation, along with brief information and background, for consideration at the shareholders' meeting namely:

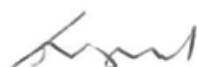
- | | |
|------------------------------------|---|
| 1. Mr. Praphaisith Tankeyura | Chairman of the Audit, Environmental, Social Responsibilities, and Corporate Governance Committee, Nomination and Remuneration Committee and Independent Director |
| 2. Mr. Rungruang Sukkirdkijpi boon | Director and Nomination and Remuneration Committee |
| 3. Mr. Rathian Srimongkol | Director |

The resolution to re-appoint the three retiring directors for another term was passed by a majority vote of the shareholders present at the annual general meeting.

Additionally, the nomination and appointment of a director to fill a position that was vacant before the end of its term was also discussed due to resignation during the term with the focus on recruiting an individual with the aforementioned qualifications.

2. Considered the extended retirement period of Chief Executive Officer, effective from December 1, 2021 to December 31, 2022, to propose the Board for consideration.
3. Considered criteria and policy on compensation and other benefits for directors, committee members and executives for the year 2022 for considering or proposing such information to the Board for approval. Such consideration focuses on suitability and appropriateness with respect to roles, duties, responsibilities and performance results as well as conformity with practices of other companies in the same industry, the Company's operating results, and market conditions in order to ensure compliance with the principles of good corporate governance.
4. Considered proposing a budget for salary adjustment and bonus payment for the year 2022 to the Board for approval.
5. Considered stipulating and proposing performance assessment criteria and guidelines for Chief Executive Officer for the year 2022 to the Board for approval.
6. To build business growth and boost employee morale, which would contribute to loyalty to the organization, the Company undertook succession planning preparation and developed the leadership courses.
7. Considered reviewing and amending the Charter of the Nomination and Remuneration Committee for the year 2022 to clarify approval authority.
8. Arranged for performance assessment by the Nomination and Remuneration Committee by nomination and remuneration committee members. The assessment results indicated excellent performance.
9. Considered an extension to employment of five executives due to retirement in 2022.

On behalf of the Nomination and Remuneration Committee



(Mr. Prasong Poontaneat)
Chairman of Nomination and Remuneration Committee and Independent Director
Krungthai Card Public Company Limited

Note: "Executive" means chief executive officer, top four levels of management under chief executive officer, and every individual holding a position equivalent to that of executive in the fourth level of management.⁽¹⁾ In addition, the definition also refers to members of accounting or finance management holding at least a department manager position or equivalent.

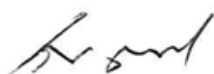
⁽¹⁾ Every executive reporting directly to chief executive officer as shown in the Company's organization structure refers to the first line management and deputy chief executive officer or equivalent.

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, and compliance with the principles of good corporate governance 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, 2022 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



(Mr. Rathian Srimongkol)
Chief Executive Officer
Krungthai Card Public Company Limited

