

# Earnings Release



1Q25

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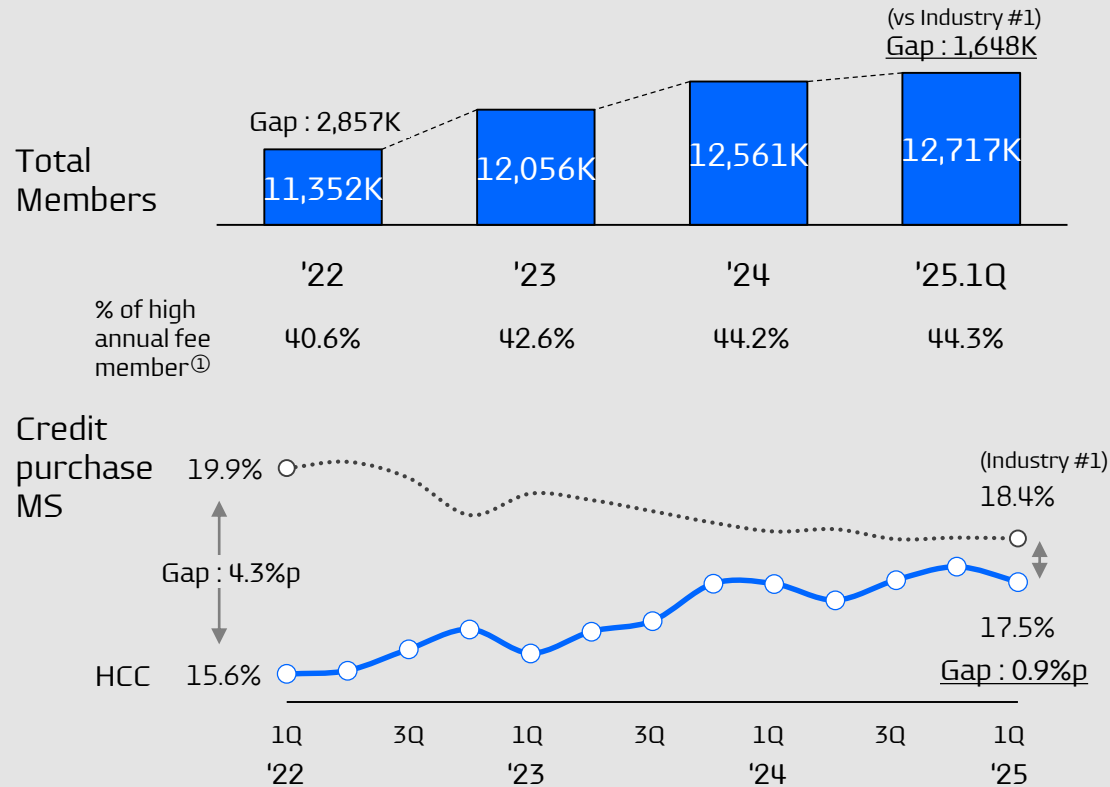
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# Maintained a top position while narrowing gap in member size and M/S with industry leader, and achieved prime-centric financial assets growth

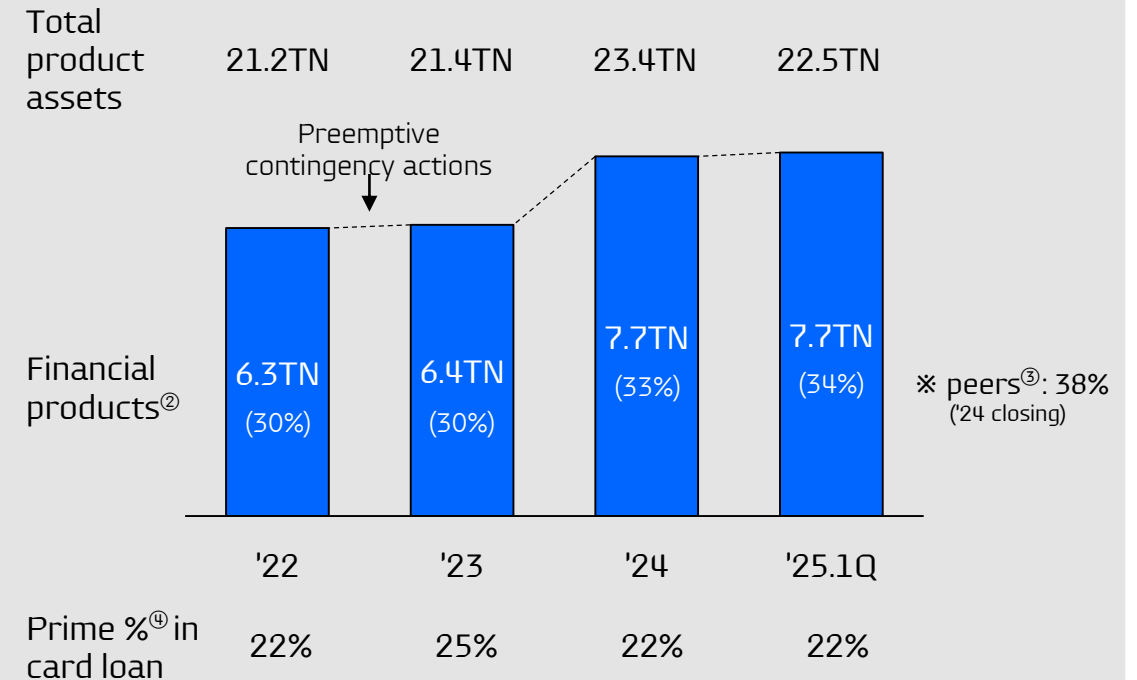
## Members & Market Position

- Member growth while increasing % of high annual fee members
- Narrowed MS gap with market #1 player



## Assets

- Secured P&L foundation through financial assets growth
- Prime-centric growth while maintaining lower mix of financial assets vs peers



① Primary member with annual fee of KRW 30K or more    ② Cash advance, card loan, revolving payment carried-over balance    ③ Average of Card issuers with domestic credit Ratings AA+ or higher  
 ④ Portion of KCB grades 1-4 in card loan balance

# Operating revenue improved from growth in assets, but P&L slightly down YoY owing to increase in provisions

## Summary of financial statements

(unit: KRW BN)	2023	2024	'24.1Q	'25.1Q	YoY
Product assets	21.4TN	23.4TN	21.6TN	22.5TN	+4.2%
Operating revenue <sup>①</sup>	3,059.0	3,494.8	820.5	896.6	+9.3%
Card income	1,631.2	1,753.4	411.2	419.7	+2.1%
Interest income	1,249.8	1,502.3	351.8	411.1	+16.9%
Operating expense <sup>②</sup>	2,708.9	3,088.7	738.2	816.8	+10.7%
Card expense	921.3	1,021.2	245.6	254.8	+3.7%
Interest expense	568.2	716.6	170.1	190.8	+12.1%
Bad debt expense	369.6	429.9	89.4	123.9	+38.6%
SG&A	779.7	825.3	209.7	219.1	+4.5%
Operating income	350.1	406.1	82.3	79.8	-3.0%
IBT	350.8	401.2	83.0	81.1	-2.3%
Net income	265.1	316.4	63.8	61.4	-3.8%
ROA <sup>③</sup>	1.32%	1.43%	1.19%	1.06%	-0.13%p

## Key notes

- 1** Growth in financial assets drove interest income gain, leading to improved operating revenue

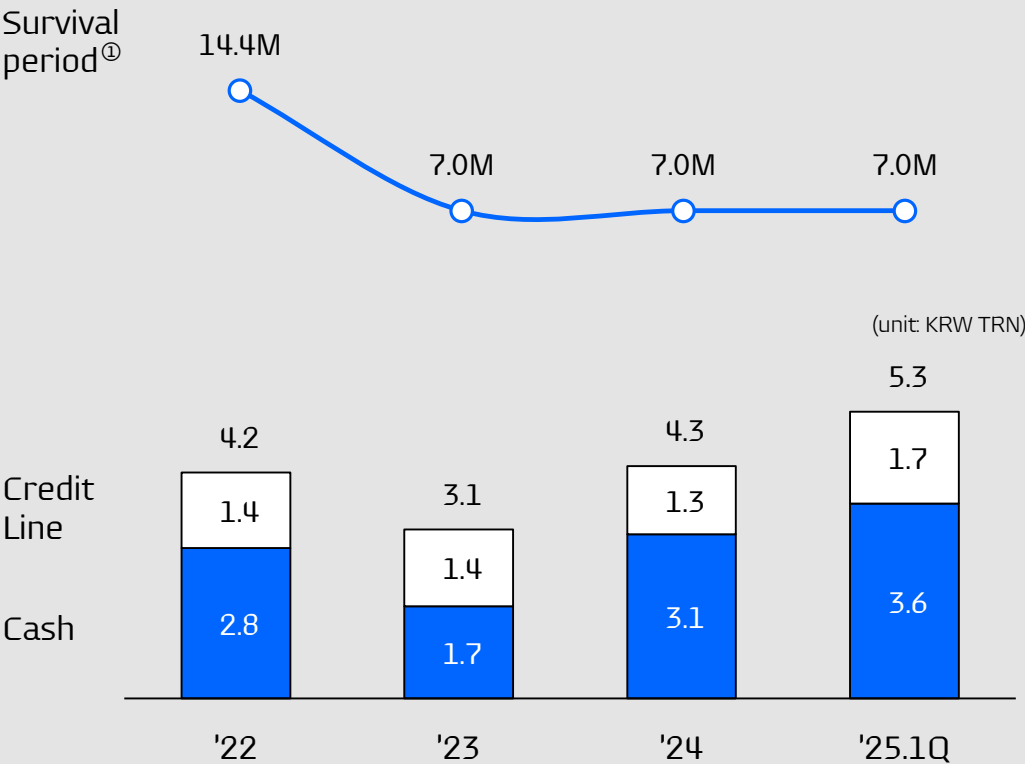
- Financial assets portion increased within product assets (34.3%, YoY +3.5%p)
- 2** Interest expenses increased with size growth, but new borrowing rate continue to decline
- 3** Bad debt expenses increased due to economic downturn

①, ② Gain on disposal of loan receivables reflected in bad debt expense. FX and derivatives effect reflected in operating revenue · expense after offsetting revenue · expense ('23Y +209BN, '24Y +391BN, '24.1Q +122BN, '25.1Q +88BN)  
 ③ Net income/average balance of product assets ④ Bad debt expense/average balance of product assets

# Stable financial quality

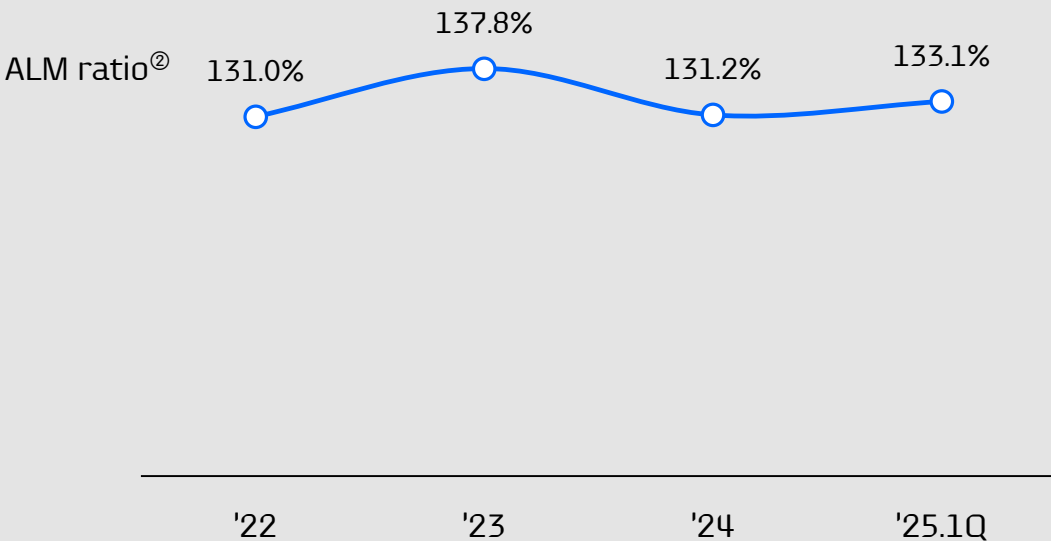
## Liquidity

- Securing at least 7M survival period in normal times



## Maturity

- Stable funding with at least 130% ALM ratio

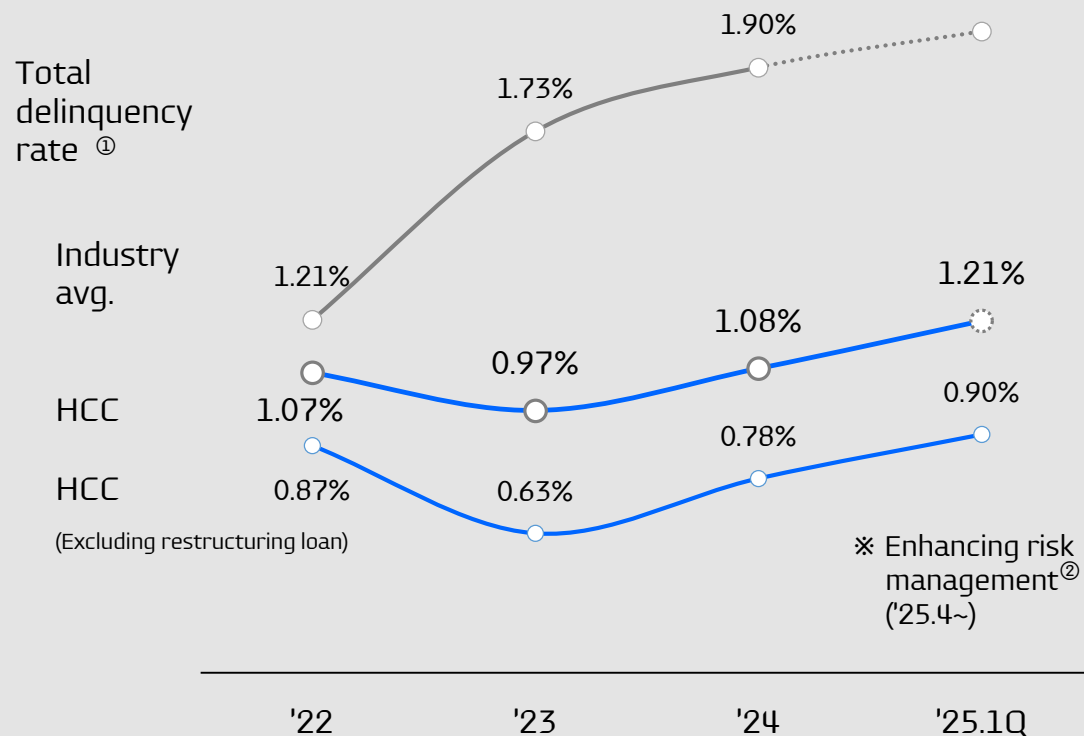


① When funding is impossible, period possible to conduct normal business and redemption with cash & credit line in hand    ② Ratio of average maturity of borrowings over average maturity of financial assets

# Stable financial quality

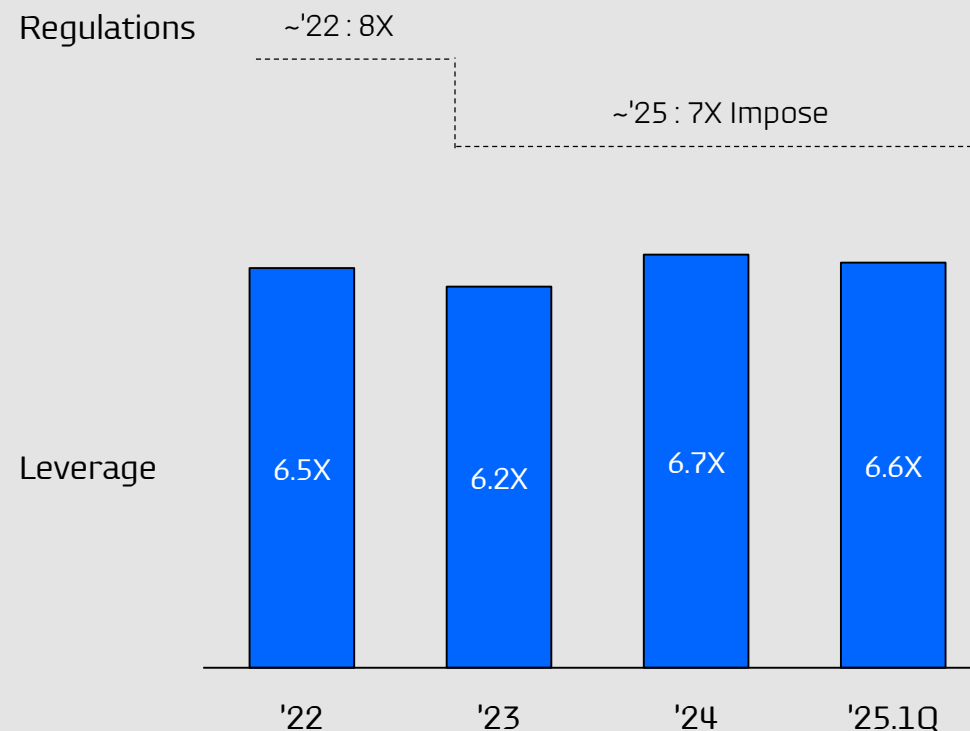
## Asset quality

- Maintain industry-leading asset quality



## Capital adequacy

- Stable management within regulations<sup>③</sup>



① (Receivables overdue at least 1M+ restructuring loans without improved repayment ability) / total receivables

③ Card issuers regulated at 8X (7X, dividend payout ratio ≥ 30%)

② Credit limit tightening for subprime and high-risk borrower

## Financial Statement

## Consolidated statement of income

(KRW BN)	2023	2024	'24.1Q	'25.1Q
<b>Operating revenue<sup>①</sup></b>	<b>3,059.0</b>	<b>3,494.8</b>	<b>820.5</b>	<b>896.6</b>
Card income	1,631.2	1,753.4	411.2	419.7
Interest income	1,249.8	1,502.3	351.8	411.1
Gain on valuation & disposal of financial assets	19.6	13.0	3.4	3.7
Other	158.4	226.1	54.1	62.1
<b>Operating expense<sup>②</sup></b>	<b>2,708.9</b>	<b>3,088.7</b>	<b>738.2</b>	<b>816.8</b>
Card expense	921.3	1,021.2	245.6	254.8
Interest expense	568.2	716.6	170.1	190.8
Bad debt expense	369.6	429.9	89.4	140.8
SG&A	779.7	825.3	209.7	219.1
Other	70.1	95.7	23.4	11.3
<b>Operating income</b>	<b>350.1</b>	<b>406.1</b>	<b>82.3</b>	<b>79.8</b>
<b>IBT</b>	<b>350.8</b>	<b>401.2</b>	<b>83.0</b>	<b>81.1</b>
<b>Net income</b>	<b>265.1</b>	<b>316.4</b>	<b>63.8</b>	<b>61.4</b>

## Consolidated statement of financial position

(KRW BN)	2023	2024	'24.1Q	'25.1Q
<b>Assets</b>	<b>23,937.2</b>	<b>27,389.7</b>	<b>25,786.9</b>	<b>27,332.9</b>
Cash and deposits	1,126.8	2,021.9	2,447.2	2,523.7
Securities	684.3	1,151.7	982.1	1,237.1
Card assets <sup>③</sup>	20,763.6	22,661.5	20,969.5	21,783.3
Tangible assets	632.3	626.6	633.2	713.8
Other	730.2	928.1	754.9	1,075.0
<b>Liabilities</b>	<b>20,106.8</b>	<b>23,296.1</b>	<b>21,877.9</b>	<b>23,335.4</b>
Borrowings	16,817.4	20,145.2	18,643.8	20,054.6
Other	3,289.4	3,150.9	3,234.1	3,280.8
<b>Equity</b>	<b>3,830.5</b>	<b>4,093.6</b>	<b>3,908.9</b>	<b>3,997.5</b>
Capital	802.3	802.3	802.3	802.3
Capital surplus	57.7	57.7	57.7	57.7
Hybrid securities	159.6	299.2	299.2	299.2
Retained earnings	2,805.6	2,969.9	2,732.4	2,872.8
Other <sup>④</sup>	5.3	-35.6	17.3	-34.5

①, ② Gain on disposal of loan receivables reflected in bad debt expense. FX and derivatives effect reflected in operating revenue · expense after offsetting revenue · expense ('23Y +209BN, '24Y +391BN, '24.1Q +122BN, '25.1Q +88BN)

③ Includes loan receivables ④ Includes capital adjustment

## Key Figure

(KRW BN)		2023	2024	'24.1Q	'25.1Q
<b>Total members</b>		<b>12,056K</b>	<b>12,561K</b>	<b>12,189K</b>	<b>12,717K</b>
	Net member increase	704K	505K	134K	157K
<b>Volume</b>		<b>160,167.3</b>	<b>179,925.8</b>	<b>42,975.2</b>	<b>45,683.9</b>
	Credit purchase	150,202.6	166,340.6	39,740.5	43,243.9
	Lump sum	126,469.7	142,302.1	33,572.7	36,325.2
	Installment	23,732.9	24,038.5	6,167.9	5,918.6
	Financial products	9,964.7	13,585.2	3,234.7	3,440.0
	Cash advance	4,499.3	6,670.3	1,559.2	1,764.2
	Card loan <sup>①</sup>	5,465.4	6,914.9	1,675.6	1,675.8
<b>Product assets</b>		<b>21,378.2</b>	<b>23,405.8</b>	<b>21,618.1</b>	<b>22,534.2</b>
	Credit purchase	14,981.0	15,735.7	14,969.6	14,797.2
	Lump sum <sup>②</sup>	8,429.8	9,120.6	8,473.1	8,628.1
	Installment	6,551.2	6,615.1	6,496.5	6,169.1
	Financial products	6,397.2	7,670.0	6,648.5	7,737.0
	Cash advance <sup>③</sup>	592.6	779.9	635.8	739.6
	Card loan <sup>④</sup>	4,792.1	5,791.7	5,005.1	5,903.9
	Revolving	1,012.5	1,098.5	1,007.7	1,093.5

(KRW BN)		2023	2024	'24.1Q	'25.1Q
<b>Quality</b>	Total delinquency% <sup>⑤</sup>	0.97%	1.08%	1.04%	1.21%
	Substandard and below assets ratio	0.66%	0.81%	0.71%	0.80%
	Provisions ratio (to FSS required)	120.3%	113.8%	115.1%	114.2%
<b>Leverage<sup>⑥</sup></b>		<b>6.2X</b>	<b>6.7X</b>	<b>6.7X</b>	<b>6.6X</b>
	Total assets	23,883.0	27,152.3	25,722.7	27,086.2
	Total capital (previous quarter)	3,859.7	4,077.8	3,856.6	4,121.5
<b>Funding<sup>⑦</sup></b>		<b>16,944.2</b>	<b>19,964.2</b>	<b>18,702.7</b>	<b>19,845.5</b>
	Domestic funding	15,397.2	17,285.6	16,718.1	17,021.4
	Offshore funding	1,547.0	2,678.6	1,984.6	2,824.2
<b>Liquidity<sup>⑧</sup></b>	ALM	<b>137.8%</b>	<b>131.2%</b>	<b>138.1%</b>	<b>133.1%</b>
	Liabilities maturity	2.2Y	2.1Y	2.2Y	2.1Y
	Assets maturity	1.6Y	1.6Y	1.6Y	1.6Y
	Total liquidity	<b>3,136.2</b>	<b>4,314.2</b>	<b>4,815.3</b>	<b>5,325.4</b>
	Cash	1,714.5	3,051.6	3,343.6	3,622.8
	Credit Line	1,421.7	1,262.6	1,471.7	1,702.6

①, ④ Includes restructuring ② Includes revolving payment non-carried forward balance ③ Includes revolving loan non-carried forward balance

⑤ (Receivables overdue at least 1M+ amount of restructuring loans without improved repayment ability) / total receivables ⑥ Based on non-consolidated financial statements ⑦, ⑧ Managerial accounting basis