

May 13, 2026

Subject: Management Discussion and Analysis for the first quarter ended March 31, 2026

Attention: The President,

The Stock Exchange of Thailand

Indara Insurance Public Company Limited hereby reports its operating results, along with the auditor's report, for the three-month period ended March 31, 2026. Key points are as follows:

Industry Overview

The non-life insurance industry for Q1 2026 saw total direct premium income of 78,329 million baht, representing a growth rate of 3.1% compared to the same period last year. This growth was primarily driven by increased fire insurance and motor insurance premiums. The company's market share of direct premium income for Q1 2026 was 1.3%, ranking 21st in the industry, compared to 16th in the previous year.

(Source: Thai Insurance Research and Development Co., Ltd. (TIRD))

Sustainability Performance and ESG Integration

The company prioritizes operations to create sustainability for the organization and all stakeholders in the economic, social, and environmental dimensions on an ongoing basis. As of the end of the first quarter of 2026, the performance results are as follows:

Economic Dimension

The company has increased access to insurance for low-income individuals by offering policies with premiums under 200 baht, making them accessible to all income levels. As of the end of the first quarter of 2026, the company's cumulative policy portfolio from 2024 reached 33.3% of its target, or 16,649 policies, out of a target of 50,000 policies by 2026. This includes 1,522 microinsurance policies, 14,491 Free PA policies, 323 fire insurance policies, and 313 group insurance policies for migrant workers. The total number of policies remains below the target due to the company's continuous risk assessment and risk-taking capacity, ensuring prudent underwriting and alignment with corporate strategy to control the number of these types of policies within the company's acceptable limits without impacting its future financial statements. Regarding investments, the company incorporates ESG (Environmental, Social, and Governance) considerations into 95% of its total investment portfolio. This represents very good performance and exceeds the target set for 50% by 2026.

Social Dimension

The company is committed to strictly adhering to human rights policies, labor laws, and occupational safety and health policies both within the company and in the selection of business partners. ESG (Environmental, Social, and Governance) considerations are integrated into the partner selection process to prevent potential negative impacts on business operations, including financial losses and reputational damage. All employees are required to complete mandatory training courses on business ethics, anti-corruption, and human rights principles to ensure they understand and strictly adhere to these principles. A reporting system for wrongdoing is in place, and disciplinary measures are in place for offenders. As a result, by the end of the first quarter of 2026, the company had a zero rate of work-related injuries resulting in missed work or fatalities. Furthermore, there have been no lawsuits filed regarding non-compliance with business ethics, human rights violations, or any form of corruption. Therefore, there is no financial impact from fines or compensation, nor any loss of reputational value. Regarding the goal of promoting insurance knowledge... Risk management against various threats is provided to partners, suppliers, and customers through both offline and online channels, continuously from 2024 to the end of the first quarter of 2026. The company has provided knowledge to a total of 438,894 individuals, representing 438.9% of the target of 100,000 individuals by 2026. This represents a knowledge increase of 60.79%, exceeding the target of 40% for 2026.

Environmental Dimension

The company recognizes the impact of climate change and rising global temperatures on its business and conducts climate change and global warming risk assessments at least once a year to evaluate, plan preventative measures, and prepare for potential impacts such as business disruption due to climate change, and financial risks such as recovery budgets and increased claims opportunities. Therefore, the company has launched environmentally friendly products and services to mitigate risks for the public and create opportunities for increased revenue. From 2024 to the end of the first quarter of 2026, the company has issued a cumulative total of 18,611 low-carbon insurance policies. These include 18,553 policies for EV, Hybrid, and PHEV vehicle insurance, and 58 policies for Green Product insurance, such as residential insurance with additional coverage for solar roofs/EV chargers, and insurance for alternative energy plants and recycling facilities. This generated premium income of 363 million baht, against a target of 300 million baht by 2026. This contributes to greenhouse gas emission reduction efforts in line with the Paris Agreement to limit global warming to 2 degrees Celsius. To mitigate the impact of climate change, the company continuously adheres to climate change policies in conjunction with Thai Group Holdings Public Company Limited, such as reducing paper usage, conserving water and energy, and sorting waste.

Financial Performance

Unit : million baht

	Three-month period		
	31-Mar-26	31-Mar-25	Changes %
Insurance revenue	1,434	1,326	8.1%
Insurance service expenses	(1,498)	(1,243)	(20.5%)
Net expenses from reinsurance contracts held	28	(123)	122.4%
Insurance service result	(36)	(41)	11.1%
Net investment income	19	23	(17.0%)
Net insurance finance expenses	(1)	-	(100.0%)
Other operating expenses & Finance cost	(122)	(120)	(2.0%)
Other income	1	1	3.1%
Profit (loss) before income tax	(139)	(137)	(1.8%)
income tax (expense) benefit	17	10	75.6%
Profit (loss) for the period	(122)	(127)	3.9%

Operating Results Overview

In the first quarter of 2026, the Company's insurance service revenue grew steadily by 8.1% year-on-year. Net loss was 122 million Baht, an improvement of 3.9%, despite overall pressure from rising insurance service expenses. Nevertheless, effective reinsurance management led to an improved insurance service result compared to the previous year.

1. Insurance Service Revenue and Expenses

Insurance service revenue stood at 1,434 million Baht, an increase of 108 million Baht or 8.1%, reflecting insurance portfolio expansion and strong customer retention. Insurance service expenses increased to 1,498 million Baht, a 20.5% increase. This was primarily due to claim arising from natural disasters in late 2025 and effective reinsurance risk management, the Company was able to recover claims exceeding its retained risks. Consequently, the Company recorded a net income from reinsurance contracts of 28 million Baht this quarter, compared to a net expense of 123 million Baht in the previous year a 122.4% increase which effectively mitigated the impact of rising claims expenses.

2. Net Investment Income

Net investment income was 19 million Baht, a 17% decrease year-on-year, resulting from capital market volatility and interest rate trends. Nonetheless, the Company maintains its investment policy prioritizing stability and capital fund liquidity.

Financial Position

Unit : million baht

	31-Mar-26	31-Dec-25	Changes %
Assets	7,736	8,251	(6.2%)
Investment assets (included Cash)	3,101	3,967	(21.8%)
Reinsurance contract assets	4,197	3,876	8.3%
Other assets	438	407	7.6%
Liabilities	6,330	6,711	(5.7%)
Insurance contract liabilities	5,922	6,254	(5.3%)
Reinsurance contract liabilities	14	25	(42.1%)
Other liabilities	395	433	(8.9%)
Equity	1,404	1,539	(8.8%)
Capital	120	120	0.0%
Share premium	328	328	0.0%
Difference arising from business combination under common control	50	50	0.0%
Retained earnings	883	1,004	(12.0%)
Other components of equity	23	38	(38.4%)

Assets

The Company's total assets amounted to 7,736 million Baht, a decrease of 515 million Baht or 6.2% compared to the end of 2025. Key components are as follows:

- Investment Assets (including Cash and Cash Equivalents): Stood at 3,101 million Baht, a decrease of 866 million Baht or 21.8%. This was primarily driven by cash outflows for claim settlements in the ordinary course of payment cycles.
- Reinsurance Assets: Increased to 4,197 million Baht, up 8.3%, aligning with the increase in estimated claim recoveries from reinsurers following catastrophic events.

- Other Assets: Totaled 438 million Baht, an increase of 7.6% due to higher accrued income and period-end accounting adjustments.

Liabilities

Total liabilities reached 6,330 million Baht, representing a decrease of 381 million Baht or 5.7% compared to year-end 2025. Significant items include:

- Insurance Contract Liabilities: Decreased to 5,922 million Baht, down 5.3%, resulting from progressive claim payments and the systematic recognition of insurance service revenue over the coverage period.
- Reinsurance Payables: Significantly decreased to 14 million Baht, or 42.1%, due to the reconciliation and timely settlement of reinsurance premiums.
- Other Liabilities: Decreased by 8.9% to 395 million Baht through effective management of trade payables and other accrued expenses.

Shareholder's equity

Total shareholders' equity was 1,404 million Baht, a decrease of 135 million Baht or 8.8% from the end of 2025, primarily attributed to the net loss of 122 million Baht recorded in Q1 2026.

Please be informed accordingly.

Yours Sincerely,

(Miss Sirinthip Chotithamaporn)

Managing Director