THRE: Management Discussion and Analysis Q2/2026

August 14, 2026

President,

The Stock Exchange of Thailand

Financial highlights

The Company reported a net profit of THB 94 million, growing from last year Q2/2025 by 15% and for the 6 months 2026 posted a net profit of THB 205 million, growing 336%. Underwriting profit of THB 91 million, increased 25% from Q1/2026 and up 14% from last year Q2/2025 with total underwriting profit for the 6 months 2026 of THB 165 million, an increase of 230% due mainly to improvement in underwriting results with lower loss ratio from health insurance according to the Company's plan. Combined ratio also improves to stand at 85.8% (last year 96.2%).

Net investment income of THB 58 million, growing 66% from Q1/2026 and up 81% from last year Q2/2025. For the 6 months 2026 net investment income was reported at THB 93 million, growing 75% due mainly to the Company adjusted its investment portfolio by increasing investment in equities to generate more dividend income to balance the interest income declining trend since last year. In addition, there were unrealized mark-to-market positive impacts from foreign exchange fluctuations.

Unit: THB Million

	Consolidated (3months)					(6 months)		
	Q2/2026	Q1/2026	QoQ %	Q2/2025	YoY %	1H 2026	1H 2025	YoY %
Gross written premium*	1,376	1,279	8%	1,446	-5%	2,655	2,902	-9%
Insurance revenue	657	575	14%	724	-9%	1,232	1,396	-12%
Reinsurance results	91	73	25%	80	14%	165	50	230%
Combined ratio (%)	*85.2%*	*86.4%*		*88.0%*		*85.8%*	*96.2%*	
Net investment income	58	35	66%	32	81%	93	53	75%
Net services income	7	12	-42%	20	-65%	19	33	-42%
Operating expenses	(50)	(62)	19%	(30)	-67%	(112)	(76)	-47%
Other income (expenses)	2	85	-98%	(4)	150%	87	(4)	2275%
Profit before tax	108	143	-24%	98	10%	252	56	350%
Income tax	(14)	(32)	56%	(16)	13%	(47)	(9)	-422%
Net profit	**94**	**111**	**-15%**	**82**	**15%**	**205**	**47**	**336%**
Equity holders of the Company	91	107	-15%	76	20%	198	37	435%

*Under TFRS4 for comparison only

	30 Jun 2026	31 Mar 2026	Δ%
Total assets	6,548	6,422	2%
Total liabilities	2,324	2,345	-1%
Shareholders' equity	**4,224**	**4,077**	**4%**
Equity holders of the Company	3,955	3,803	4%

Q2/2026 Operating Results:

1. **Reinsurance Results**

Gross written premium of THB 1,376 million increased 8% from Q1/2026, though decreased 5% from last year Q2/2025. The decline was primarily due to the reduction in health insurance business which related to high loss ratio from medical inflation.

Consequently, reinsurance underwriting results posted a profit of THB 91 million, jumped 25% from Q1/2026 and up 14% from last year Q2/2025. Combined ratio was also improved to stand at 85.2% in Q2/2026 (Q1/2026 at 86.4% and Q2/2025 at 88.0%). The main reason was due to lower loss ratio from health insurance in accordance with the Company's plan.

Operating expenses of THB 50 million decreased by 19% from Q1/2026 because of seasonal annual employee benefits payment in Q1/2026, though higher by 67% from last year Q2/2025 due to ordinary reserve for employee benefits which was set aside this year but not for the last year after the catastrophe events impacted last year performance.

Other income decreased 98% from Q1/2026 because there was a one-time income of THB 81 million from the arbitration case that's ruled in favor of the Company, fully received in Q1/2026.

2. **Net Investment Income**

Net investment income of THB 58 million, increased 66% from Q1/2026 due to annual dividend payout season from equities investment and increased 81% from last year Q2/2025 because of higher dividend income from the Company's strategy to adjust its investment portfolio by increasing investment in equities to generate more dividend income to balance the interest income declining trend since last year. In addition, there were unrealized mark-to-market positive impacts from foreign exchange fluctuations.

3. **Net Services Income**

Net services income THB 7 million, a decrease of 42% from Q1/2026 and down 65% from last year Q2/2025 due to a decrease in revenue from actuarial services in relation to the new accounting standard TFRS17 for domestic clients which gradually completed in the last year and currently exploring opportunities to extend these successful actuarial services (IFRS17) to other ASEAN countries.

Operating Results for the 6 months 2026:

1. **Reinsurance Results**

Gross written premium of THB 2,655 million decreased 9% due to the reduction in health insurance business which related to high loss ratio from medical inflation which's in line with the Company's plan. Consequently, reinsurance underwriting results jumped 230% with a profit of THB 165 million from lower loss ratio from health insurance. Combined ratio was also improved to stand at 85.2%, whereas last year was at 96.2% from the earthquake catastrophe impact in Q1/2025.

Operating expenses of THB 112 million increased by 47% due to ordinary reserve for employee benefits which was set aside this year but not for the last year after the catastrophe events impacted last year performance.

Other income of THB 87 million increased from last year because there was a one-time income of THB 81 million from the arbitration case that's ruled in favor of the Company, fully received in Q1/2026.

2. Net Investment Income

Net investment income of THB 93 million, increased 75% due mainly to higher dividend income from the Company's strategy to adjust its investment portfolio by increasing investment in equities to generate more dividend income to balance the interest income declining trend since last year. In addition, there were unrealized mark-to-market positive impacts from foreign exchange fluctuations.

3. Net Services Income

Net services income THB 19 million, a decrease of 42% due to a decrease in revenue from actuarial services in relation to the new accounting standard TFRS17 for domestic clients which gradually completed in the last year and currently exploring opportunities to extend these successful actuarial services (IFRS17) to other ASEAN countries.

Please be informed accordingly.

Yours sincerely,

(Mr. Oran Vongsuraphichet)
Chief Executive Officer