บริษัท จรัญประกันภัย จำกัด (มหาชน)
CHARAN INSURANCE PUBLIC COMPANY, LIMITED
ทะเบียนเลขที่ บมจ. 0107537000807 REGISTRATION NUMBER 0107537000807
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順興利保險（大眾）有限公司

Ref. Bor. Chor. 49/2026

November 13, 2026

Subject: Management Discussion and Aยnalysis for the Quarter 3 Ending September 30, 2026

To: President

The Stock Exchange of Thailand

Economic Overview

Charan Insurance Public Company Limited operates a comprehensive non-life insurance business, covering all classes of insurance, including motor insurance, fire insurance, marine and transportation insurance, and miscellaneous insurance, as well as reinsurance and investments to generate returns from the Company's reserves.

The Company aims to develop a diverse range of products accessible to customers at all levels, while enhancing information gathering and underwriting efficiency to better meet customer needs and maximize policyholder satisfaction.

The Thai economy remained broadly stable during the third quarter of 2026, supported by private investment and exports, according to the Bank of Thailand's economic reports. Meanwhile, the non-life insurance industry continued to face pressure from elevated underwriting and reinsurance costs, as reflected in the Thai General Insurance Association's outlook for 2026, together with intense price competition, particularly in the motor insurance market. In addition, flooding occurred in several areas toward the end of the quarter. The impact on the Company was limited, with flood-related losses arising in the fire insurance segment.

The Company places importance on risk quality selection, underwriting portfolio management, and effective cost control to maintain the quality of its insurance portfolio and the stability of its operating results. The Company focuses on prudent growth alongside long-term risk management.

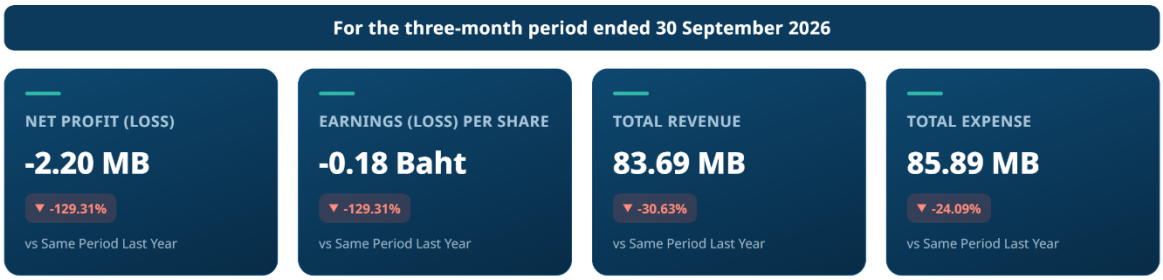
Although the non-life insurance industry continues to face pressure from rising reinsurance costs following catastrophic events in recent periods, the Company was only marginally affected. Consequently, claims expenses remained manageable, supporting an improvement in operating results for the nine-month period of 2026 compared with the same period of the previous year.

In addition, the Company places importance on prudent investment portfolio management, focusing on maintaining a balance between returns, investment security, and liquidity to meet obligations under insurance contracts and support long-term business growth.

Summary of Significant Events and Developments

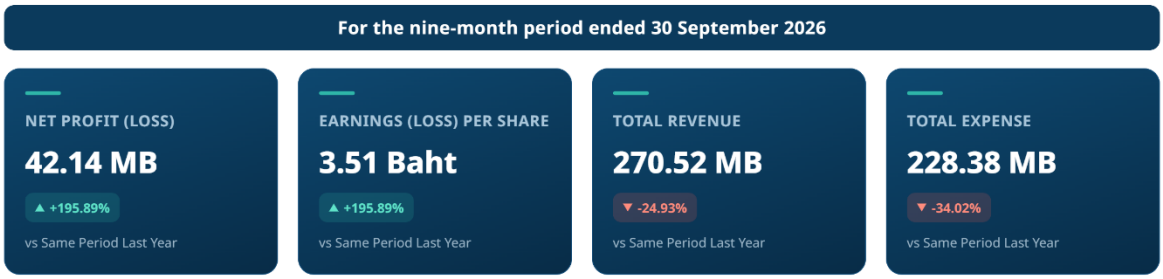
During the third quarter of 2026, Charan Insurance Public Company Limited had no significant events that materially affected the Company's business operations structure.

Summary of Operating Results



For the third quarter of 2026, the Company recorded a net loss of 2.20 million Baht, compared with a net profit of 7.50 million Baht in the third quarter of 2025, representing a decrease of 9.70 million Baht or 129.31%. Loss per share was 0.18 Baht, compared with earnings per share of 0.63 Baht in the same period of the previous year, a decrease of 0.81 Baht per share. This was mainly attributable to the performance of the fire insurance segment, including flood-related losses and large claims toward the end of September 2026.

In addition, the Company recorded total income of 83.69 million Baht, a decrease of 36.96 million Baht or 30.63% from 120.65 million Baht in the third quarter of 2025. Total expenses amounted to 85.86 million Baht, a decrease of 27.25 milli on Baht or 24.09% from 113.14 million Baht in the same period of the previous year.



For the nine-month period ended September 30, 2026, the Company recorded a net profit of 42.14 million Baht, compared with 14.24 million Baht in the same period of the previous year, an increase of 27.90 million Baht or 195.89%. Earnings per share were 3.51 Baht, compared with 1.19 Baht in the same period of the previous year, an increase of 2.33 Baht per share.

The Company recorded total income of 270.52 million Baht, a decrease of 89.84 million Baht or 24.93% from 360.36 million Baht in the same period of the previous year. Total expenses amounted to 228.38 million Baht, a decrease of 117.74 million Baht or 34.02% from 346.12 million Baht in the same period of the previous year.

Service Revenue

The Company's revenue structure consists of two main categories:

1. Insurance underwriting income
2. Investment income

This structure reflects the Company's continued focus on its core insurance business, while investment income serves as supplementary revenue and supports the Company's financial stability.

Unit: million Baht

	Quarterly Financial Statements							
	Three-Month Period				Nine-Month Period			
	Q3/2026	Q3/2025	QoQ	%QoQ	9M/2026	9M/2025	YoY	%YoY
Insurance revenue	77.47	115.02	(37.55)	(32.65)	249.79	341.16	(91.37)	(26.78)
Insurance service expenses	(69.40)	(89.42)	20.02	(22.39)	(174.15)	(309.83)	135.68	(43.79)
Net expenses from reinsurance contracts held	(8.47)	(10.47)	2.00	(19.13)	(31.19)	(10.07)	(21.12)	209.65
Insurance service result	(0.40)	15.12	(15.52)	(102.67)	44.44	21.25	23.19	109.09
Net investment income	5.60	4.92	0.68	13.92	17.87	16.70	1.17	7.00

Unit: million Baht

	Quarterly Financial Statements							
	Three-Month Period				Nine-Month Period			
	Q3/2026	Q3/2025	QoQ	%QoQ	9M/2026	9M/2025	YoY	%YoY
Finance expenses from insurance contracts issued	(0.51)	(0.94)	0.43	(45.63)	(1.76)	(2.50)	0.74	(29.62)
Finance income from reinsurance contracts held	0.11	0.19	(0.07)	(38.76)	0.40	0.63	(0.23)	(36.74)
Net investment income and finance expenses	5.21	4.17	1.04	24.98	16.51	14.84	1.68	11.31
Other operating expenses	(6.31)	(11.34)	5.03	(44.39)	(20.77)	(24.73)	3.97	(16.04)
Reversal of expected credit losses	0.00	(0.08)	0.08	(99.68)	0.06	(0.76)	0.83	(108.15)
Other income	0.51	0.53	(0.02)	(3.48)	2.40	1.86	0.53	28.58
Profit before income tax	(1.00)	8.38	(9.38)	(111.90)	42.65	12.46	30.19	242.38
Income tax expense	(1.20)	(0.88)	(0.32)	36.58	(0.51)	1.78	(2.29)	(128.58)
Profit (loss) for the period	(2.20)	7.50	(9.70)	(129.31)	42.14	14.24	27.90	195.89
Earnings per share	(0.18)	0.63	(0.81)		3.51	1.19	2.33	

Remark: Figures may differ due to rounding.

1. Insurance Underwriting Income

Insurance Revenue — Unit: million Baht

Insurance Type	Three-Month Period					Nine-Month Period				
	Q3/2026	Q3/2025	QoQ	%QoQ	% of Total Revenue	9M/2026	9M/2025	YoY	%YoY	% of Total Revenue
Motor insurance	44.52	80.27	(35.75)	(44.54)	57.47	150.67	238.74	(88.08)	(36.89)	(60.32)
Fire insurance	30.05	30.96	(0.91)	(2.93)	38.79	90.56	91.88	(1.32)	(1.44)	(36.25)
Marine and transportation insurance	2.02	2.85	(0.83)	(28.99)	2.61	5.97	7.75	(1.78)	(22.95)	(2.39)
Other miscellaneous insurance	0.73	0.80	(0.07)	(8.49)	0.94	2.17	2.36	(0.19)	(7.92)	(0.87)
Personal accident insurance	0.14	0.14	0.00	(0.39)	0.18	0.42	0.42	(0.01)	(1.66)	(0.17)
Total	77.47	115.02	(37.55)	(32.65)		249.79	341.16	(91.37)	(26.78)	

Remark: Figures may differ due to rounding.

For the third quarter of 2026, the Company recorded total insurance revenue from all classes of 77.47 million Baht, compared with 115.02 million Baht in the third quarter of 2025, a decrease of 37.55 million Baht or 32.65%, representing a steeper decline than for the nine-month period overall. The majority of revenue was generated from motor insurance, which decreased from 80.27 million Baht to 44.52 million Baht, a decline of 35.75 million Baht or 44.54%, due to intense market competition. Motor insurance

accounted for 57.47% of total insurance revenue for the quarter. Fire insurance, the second-largest segment, decreased slightly from 30.96 million Baht to 30.05 million Baht, a decline of 0.91 million Baht or 2.93%.

For the nine-month period ended September 30, 2026, the Company recorded total insurance revenue from all classes of 249.79 million Baht, compared with 341.16 million Baht in the same period of the previous year, a decrease of 91.37 million Baht or 26.78%. Motor insurance remained the Company's principal source of revenue, amounting to 150.67 million Baht and 238.74 million Baht for the nine-month periods of 2026 and 2025, respectively, a decrease of 88.08 million Baht or 36.89%. Motor insurance accounted for 60.32% of total insurance revenue. Fire insurance followed, with revenue of 90.56 million Baht and 91.88 million Baht for the respective periods, a slight decrease of 1.32 million Baht or 1.44%, and accounted for 36.25% of total insurance revenue.

The decline in revenue was attributable to two main factors arising during different periods. First, in the first quarter of 2026, the Company was unable to issue compulsory motor insurance policies under the Road Accident Victims Protection Act in E-Policy format during January 2026, as it was obtaining approval from the Office of Insurance Commission (OIC) and awaiting the development of system interfaces by business partners to connect with the Company's E-Policy system. This reduced the number of policies issued during that period. The system is now operational and ready for use, and the necessary OIC approval has been obtained.

Second, motor insurance business volume continued to decline from the second quarter through the third quarter of 2026 amid heightened competition in the insurance market. The Company adopted a defensive strategy, focusing primarily on retaining existing customers rather than expanding into new customer segments or markets. This also contributed to lower inward reinsurance revenue. Meanwhile, fire insurance, the Company's second-largest product group, accounted for approximately 36.25% of total insurance revenue and remained relatively stable, decreasing by only 1.44%.

2. **Investment Income**

For the third quarter of 2026, the Company recorded investment income of 5.60 million Baht, an increase of 13.92% compared with the same period of the previous year, reflecting favorable investment returns. The increase was mainly attributable to higher dividend income from equity investments, particularly in the financial sector.

For the nine-month period ended September 30, 2026, investment income comprised interest income of 8.85 million Baht and dividend income of 9.03 million Baht, totaling 17.87 million Baht, an increase of 1.17 million Baht or 7.00% from 16.70 million Baht in the same period of the previous year. Dividend income increased by 2.25 million Baht, mainly from investments in the financial and services sectors, while interest income decreased by 1.08 million Baht due to the maturity and redemption of debenture investments.

Costs and Service Expenses

1. Insurance service costs comprising:
    1.1. Directly attributable insurance service expenses
    1.2. Net finance expenses from insurance contracts
2. Other operating expenses

1. Insurance Service Costs

1.1 Directly Attributable Insurance Service Expenses

Directly Attributable Insurance Service Expenses										Unit: million Baht
Insurance Type	Three-Month Period					Nine-Month Period				
	Q3/2026	Q3/2025	QoQ	%QoQ	% of Total Expenses	9M/2026	9M/2025	YoY	%YoY	% of Total Expenses
Direct insurance expenses										
Motor insurance	30.31	68.45	(38.14)	(55.72)	38.92	92.60	195.86	(103.26)	(52.72)	45.10
Fire insurance	39.11	15.19	23.92	157.46	50.22	78.02	94.02	(16.00)	(17.01)	38.00
Marine and transportation insurance	0.81	4.84	(4.04)	(83.34)	1.04	3.08	7.64	(4.56)	(59.68)	1.50
Other miscellaneous insurance	(0.90)	0.86	(1.76)	(205.16)	(1.16)	0.22	12.03	(11.81)	(98.17)	0.11
Personal accident insurance	0.08	0.09	(0.01)	(5.96)	0.11	0.23	0.28	(0.06)	(19.84)	0.11
Total direct insurance expenses	69.40	89.42	(20.02)	(22.39)		174.15	309.83	(135.68)	(43.79)	
Net expenses from reinsurance contracts held										
Motor insurance	0.34	0.40	(0.06)	(13.87)	0.44	3.96	4.24	(0.28)	(6.65)	1.93
Fire insurance	5.57	9.83	(4.26)	(43.32)	7.16	21.35	11.25	10.10	89.80	10.40
Marine and transportation insurance	0.31	(1.09)	1.40	(127.88)	0.39	1.35	(0.21)	1.57	(737.60)	0.66
Other Miscellaneous Insurance	2.24	1.30	0.93	71.34	2.87	4.45	(5.27)	9.72	(184.33)	2.17
Personal Accident Insurance	0.02	0.04	(0.02)	(55.97)	0.02	0.08	0.07	0.01	13.31	0.04
Total Net Expenses from Reinsurance Contracts Held	8.47	10.47	(2.00)	(19.13)		31.19	10.07	21.12	209.65	
Total Insurance Service Costs	77.87	99.90	(22.03)	(22.05)		205.35	319.90	(114.56)	(35.81)	

Remark: Figures may differ due to rounding.

For the third quarters of 2026 and 2025, the Company recorded total insurance service costs of 77.87 million Baht and 99.90 million Baht, respectively, a decrease of 22.03 million Baht or 22.05% year on year. The decrease was mainly attributable to a reduction of 38.14 million Baht in direct insurance expenses for motor insurance, consistent with lower premium revenue, and a decrease of 2.00 million Baht in net expenses from reinsurance contracts held. Conversely, direct insurance expenses for fire insurance increased by 23.92 million Baht or 157.46%, due to claims incurred during the quarter, including limited flood-related losses and a large claim of 2.00 million Baht under industrial all risks insurance. The increase also reflected higher losses recognized on onerous contracts in the fire insurance segment and higher incurred but not reported (IBNR) claims reserves for fire and industrial all risks insurance, following an upward revision of the assumed Ultimate Loss Ratio (ULR) in the third quarter of 2026. Consequently, the Company recorded an insurance service

loss of 0.40 million Baht in the third quarter of 2026, compared with an insurance service profit of 15.12 million Baht in the third quarter of 2025.

For the nine-month periods ended September 30, 2026 and 2025, total insurance service costs were 205.35 million Baht and 319.00 million Baht, respectively, a decrease of 114.56 million Baht or 35.81% year on year, consistent with lower insurance premium revenue. This was mainly attributable to lower claims expenses and changes in claims reserves, particularly reduced incurred but not reported (IBNR) claims reserves. In addition, the nine-month period of 2026 did not experience an earthquake or other significant event comparable to those in the same period of the previous year. Although flooding occurred in late September 2026, its impact was limited. Insurance service expenses in the fire and miscellaneous insurance segments therefore decreased following downward revisions to estimates of claims from prior periods.

In addition, direct insurance expenses decreased in line with lower premium revenue. Certain insurance contract expenses recognized in the current period represent the gradual recognition of expenses associated with insurance contracts recognized in prior periods and will continue to decrease over their coverage periods.

Meanwhile, losses from groups of onerous contracts for the nine-month period of 2026 decreased significantly compared with the same period of the previous year, particularly in motor insurance, for which the Company revised downward the ULR assumption for compulsory motor insurance during the year. In contrast, losses from onerous contracts in the fire insurance segment increased following upward revisions to the ULR assumptions for fire and industrial all risks insurance in the third quarter. As a result, total insurance service costs for the nine-month period of 2026 decreased significantly year on year. Nevertheless, the loss component increased in the third quarter of 2026 compared with the preceding quarter, primarily in fire and industrial all risks insurance, including the recognition of loss components on newly issued insurance contracts.

1.2 Net Finance Expenses from Insurance Contracts

Unit: million Baht

	Three-Month Period				Nine-Month Period			
	Q3/2026	Q3/2025	QoQ	%QoQ	9M/2026	9M/2025	YoY	%YoY
Finance expenses from insurance contracts issued	0.51	0.94	(0.43)	(45.63)	1.76	2.50	(0.74)	(29.62)
Finance income from reinsurance contracts held	0.11	0.19	(0.07)	(38.76)	0.40	0.63	(0.23)	(36.74)
Net finance expenses	0.40	0.75	(0.36)	(47.35)	1.36	1.87	(0.51)	(27.21)

For the third quarters of 2026 and 2025, the Company recorded net finance expenses from insurance contracts of 0.40 million Baht and 0.75 million Baht, respectively, a decrease of 0.36 million Baht or 47.35% year on year.

For the nine-month periods ended September 30, 2026 and 2025, the Company recorded net finance expenses from insurance contracts of 1.36 million Baht and 1.87 million Baht, respectively, a decrease of 0.51 million Baht or 27.21% year on year.

2. Other Operating Expenses

For the third quarters of 2026 and 2025, the Company recorded other operating expenses of 6.31 million Baht and 11.34 million Baht, respectively, a decrease of 5.03 million Baht or 44.39% year on year. The decrease was mainly attributable to lower fees and professional service expenses, as the corresponding period of the previous year included consulting fees for the implementation of Thai Financial Reporting Standard No. 17, Insurance Contracts, and additional audit fees. The major expense categories continued to comprise employee and management expenses, investments in operating systems, and services related to TFRS 17.

For the nine-month periods ended September 30, 2026 and 2025, the Company recorded other operating expenses of 20.77 million Baht and 24.73 million Baht, respectively, a decrease of 3.97 million Baht or 16.04% year on year. This was mainly attributable to lower professional service fees, audit fees, and employee welfare expenses, as the

corresponding period of the previous year included consulting fees for the implementation of TFRS 17 and additional audit fees. Employee expenses and directors' remuneration, however, increased. The major expense categories remained those described above.

Profit (Loss)

For the third quarters of 2026 and 2025, the Company recorded a net loss of 2.20 million Baht and a net profit of 7.50 million Baht, respectively, representing a decrease of 9.70 million Baht or 129.31%. The deterioration was mainly attributable to a decline in the insurance service result from a profit of 15.12 million Baht to a loss of 0.40 million Baht, particularly in the fire insurance segment, where claims expenses and losses from onerous contracts increased during the quarter, including flood-related losses and large claims toward quarter-end. Insurance revenue also decreased by 32.65%. These effects were partially offset by a decrease of 5.03 million Baht in other operating expenses and an increase of 0.68 million Baht in net investment income.

For the nine-month periods ended September 30, 2026 and 2025, the Company recorded net profits of 42.14 million Baht and 14.24 million Baht, respectively, an increase of 27.90 million Baht or 195.89%. The increase was mainly attributable to a significant improvement in the insurance service result, driven by downward revisions to prior-period claims estimates, lower incurred but not reported (IBNR) claims reserves, and reduced losses from onerous contracts, particularly in motor insurance. Furthermore, the nine-month period of 2026 did not experience a major natural catastrophe comparable to the earthquake in 2025. Although flooding and large claims occurred toward the end of the third quarter of 2026, their impact remained limited, contributing to higher net profit year on year.

Summary of Financial Position

As of September 30, 2026, Charan Insurance Public Company Limited reported a slight decrease in total assets compared with December 31, 2025, as detailed below.

	Q3/2026	Q4/2025	Increase (Decrease)	%
Total Assets	905.38	907.22	(1.85)	(0.20)
Total Liabilities	254.91	321.06	(66.15)	(20.60)
Total Shareholders' Equity	650.47	586.16	64.30	10.97

	Q3/2026	Q4/2025	Increase (Decrease)	%
Total Liabilities and Shareholders' Equity	905.38	907.22	(1.85)	(0.20)
Debt-to-Equity Ratio	0.39	0.55	(0.16)	

Assets

As of September 30, 2026, the Company had total assets of 905.38 million Baht, a decrease of 1.85 million Baht or 0.20% from 907.22 million Baht as of December 31, 2025. The Company's major assets comprised the following:

Cash and cash equivalents as of September 30, 2026 increased by 13.04 million Baht from the previous year, mainly due to cash received from matured debentures and fixed-term deposits. The Company reinvested part of these proceeds and renewed certain fixed-term deposits with three-month maturities, which are classified as cash equivalents.

Reinsurance contract assets as of September 30, 2026 decreased by 15.29 million Baht or 39.05% from the previous year, mainly due to lower underwriting volume during the current period. This resulted in lower premiums ceded to reinsurers and a corresponding reduction in recoverable amounts under reinsurance contracts.

Financial assets, comprising debt instruments, equity instruments, loans and accrued interest, and deposits with financial institutions with maturities exceeding three months, amounted to 746.11 million Baht, an increase of 1.78 million Baht or 0.24% from December 31, 2025. Equity financial assets increased by 40.71 million Baht, reflecting changes in the fair value of equity instruments measured at fair value through other comprehensive income (FVOCI). Meanwhile, debt financial assets decreased by 38.64 million Baht due to the maturity and redemption of corporate debentures and fixed-term deposits.

Other assets amounted to 8.78 million Baht, a decrease of 1.30 million Baht or 12.86% from December 31, 2025. The decrease was mainly attributable to the receipt of payment for motor insurance claims reserves from the Road Accident Victims Protection Company Limited, resulting in a reduction in related other assets.

The Company regularly reviews impairment allowances and asset valuations and considers them appropriate and adequate in relation to the associated risks.

Liabilities

As of September 30, 2026, the Company had total liabilities of 254.91 million Baht, a decrease of 66.15 million Baht or 20.60% from 321.06 million Baht as of December 31, 2025.

The Company's debt-to-equity ratio was 0.39 times, down from 0.55 times as of December 31, 2025. The decrease in liabilities was mainly attributable to four factors. First, insurance contract liabilities decreased as insurance revenue was progressively recognized as coverage was provided. Second, liabilities for incurred claims declined following claims payments and downward revisions to estimates of prior-period claims reserves, including incurred but not reported (IBNR) claims reserves. Third, liabilities for remaining coverage decreased in line with lower premium volume, primarily in motor and miscellaneous insurance, where large claims incurred in 2025 were paid and related reserves reduced. Conversely, liabilities in the fire insurance segment increased due to higher claims expenses and loss components in the third quarter of 2026. Fourth, other liabilities decreased, primarily due to a reduction in accrued expenses, mainly reflecting lower outstanding remittances payable to the Office of Insurance Commission (OIC) and the Road Accident Victims Protection Company Limited, together with payments of post-employment benefits during the period. Overall, these factors resulted in a decrease in the Company's total liabilities compared with December 31, 2025.

Liquidity

During the first nine months of 2026, the Company generated net cash from operating activities of 24.13 million Baht, an increase of 18.82 million Baht or 354.41% compared with 5.31 million Baht in the same period of the previous year. Although insurance premiums received decreased from 309.34 million Baht to 213.96 million Baht, partly as a continuing consequence of the slowdown in policy issuance at the beginning of the year due to the E-Policy issue described in the first quarter of 2026, net cash flows from financial assets improved significantly, changing from a net cash outflow of 8.84 million Baht in the previous year to a net cash inflow of 39.29 million Baht in the current year. In addition, claims and related expenses paid decreased, resulting in positive overall operating cash flows and an increase year on year.

Net cash used in financing activities amounted to 10.80 million Baht, representing dividend payments, whereas there was no such transaction in the same period of the previous year.

Shareholders' Equity

As of September 30, 2026, the Company had shareholders' equity of 650.47 million Baht, an increase of 64.30 million Baht or 10.97% from 586.16 million Baht as of December 31, 2025. The increase was mainly attributable to the following:

The Company recorded a net profit of 42.14 million Baht for the nine-month period, resulting from decreases in the unearned premium reserve (UPR) and incurred but not reported (IBNR) claims reserves, which contributed to higher underwriting profit for the nine-month period. Most of the profit was recognized during the first half of 2026, while the Company recorded a net loss of 2.20 million Baht in the third quarter.

In addition, the Company recorded other comprehensive income of 32.97 million Baht for the period, primarily attributable to a fair value gain of 32.57 million Baht on equity instruments measured at fair value through other comprehensive income (FVOCI), following an increase in stock market indices, together with a change of 0.40 million Baht in the finance reserve from reinsurance contracts.

The increase in shareholders' equity was partially offset by dividend payments of 10.80 million Baht during the period.

Please be informed accordingly.

Sincerely yours,

(-Signed-)

(Mr. Sukich Charanvas)

Managing Director