Management Discussion and Analysis Q2 2026

Executive Summary

Business Overview and Economic and Industry Factors Impacting Operations

In the second quarter of 2026 ("2Q26"), Tidlor Holdings Public Company Limited (the "Group") continued to deliver strong operating performance amid ongoing economic uncertainty. The Group reported net profit of Baht 1,533.2 million, increasing by 18.3% (YoY), driven by revenue growth from its two core businesses—lending and insurance brokerage—together with an improvement in net interest margin and effective cost and asset quality management.

The Group's total revenue for the quarter amounted to Baht 6,143.0 million, increasing by 6.7% (YoY), mainly driven by higher interest income in line with loan portfolio growth and higher fee and service income from the insurance brokerage business. Meanwhile, finance costs continued to decline, resulting in an improvement in Net Interest Margin (NIM) to 16.2%. The Group also continued to manage operating expenses efficiently, with the Cost-to-Income Ratio at 55.1%, reflecting continued cost discipline alongside ongoing investments to support long-term growth.

As of the end of June 2026, the Group's outstanding loan portfolio totaled Baht 112,537.9 million, increasing by 6.3% (YoY) and 2.4% (QoQ), with growth continuing to be primarily driven by vehicle title loans. The number of lending customers increased by 9.0% (YoY), reflecting continued quality customer base expansion. Growth was supported by a network of 1,918 branches, together with the continued increase in the use of digital channels, particularly the Tidlor Card, Tid Jai application, and E-Withdrawal service, which enhance customer convenience and access to financial services.

Asset quality remained well managed. The Non-Performing Loan (NPL) Ratio stood at 1.54%, improving from 1.78% in the same quarter last year, supported by prudent underwriting and effective debt collection. Credit Cost was 2.06%, declining from 2.63% in the same quarter last year, mainly due to lower provisioning and write-offs. Moreover, the NPL Coverage Ratio remained strong at 322%, reflecting an adequate reserve buffer and prudent risk management.

The insurance brokerage business continued to grow, with total non-life insurance premiums in 2Q26 amounting to Baht 2,756 million, increasing by 7.4% (YoY). Growth was supported by a comprehensive range of products, sales and service channels, and continued development of digital technology to enhance service capabilities across the Group's three core brands—Shield Insurance, Areegator, and heygoody—which help broaden customer reach across diverse target segments and support business growth.

For the first six months of 2026 ("6M26"), the Group reported net profit of Baht 3,147.0 million, increasing by 26.2% (YoY), driven by revenue growth across both the lending and insurance brokerage businesses, together with effective cost and asset quality management. The Group remains focused on quality growth by balancing business expansion with appropriate risk-adjusted returns, supported by a strong financial position and ample liquidity to sustain long-term growth.

Financial Highlights

(Unit: THB million)	2Q25	2Q26	% YoY Increase/ (Decrease)	6M25	6M26	% YoY Increase/ (Decrease)
Interest income on hire-purchase receivables	283.0	282.7	(0.1%)	587.7	549.7	(6.5%)
Interest income on loans	4,478.8	4,814.7	7.5%	8,832.2	9,516.8	7.8%
Fee and service income	962.8	984.4	2.2%	1,934.5	2,035.4	5.2%
Other income	30.8	61.2	98.7%	41.4	110.6	166.9%
Total revenues	**5,755.4**	**6,143.0**	**6.7%**	**11,395.8**	**12,212.5**	**7.2%**
Service and administrative expenses	(2,789.1)	(3,064.2)	9.9%	(5,519.1)	(6,045.1)	9.5%
Finance costs	(643.7)	(585.9)	(9.0%)	(1,274.5)	(1,179.0)	(7.5%)
Profit before credit loss	**2,322.6**	**2,492.9**	**7.3%**	**4,602.2**	**4,988.4**	**8.4%**
Credit loss	(691.8)	(571.7)	(17.4%)	(1,463.4)	(1,039.6)	(29.0%)
Loss arising from derecognition of financial assets measured at amortized cost	(554.6)	(532.6)	(4.0%)	(1,155.0)	(1,035.6)	(10.3%)
Loss determined in accordance with TFRS 9	(137.2)	(39.1)	(71.5%)	(308.4)	(4.0)	(98.7%)
Share of profit from joint venture	-	2.2		-	4.6	
Profit before income tax expense	**1,630.8**	**1,923.4**	**17.9%**	**3,138.8**	**3,953.4**	**26.0%**
Income tax expenses	(326.4)	(380.9)	16.7%	(629.3)	(787.4)	25.1%
Net profit (attributable to owners of the company)	**1,296.5**	**1,533.2**	**18.3%**	**2,494.3**	**3,147.0**	**26.2%**

Key Financial Ratio

	2023	2024	2025	2Q25	1Q26	2Q26
NPL Ratio (%)	1.45	1.81	1.54	1.78	1.47	1.54
NPL Coverage Ratio (%)	282.1	242.7	325.0	262.4	340.5	321.9
Credit Cost (%)	3.3	3.4	2.8	2.6	1.7	2.1
Debt to Equity (D/E) Ratio (times)	2.5	2.5	2.3	2.5	2.1	2.3
Cost to Income (C/I) Ratio (%)	54.9	55.9	55.4	54.6	54.4	55.1

Economic Overview

Thailand's economy slowed in 2Q26 from the previous quarter, affected by higher energy prices and the conflict in the Middle East, which weighed on tourism, private consumption, and domestic economic activity. International tourist arrivals and tourism-related service activities declined, while household purchasing power remained under pressure from the cost of living and household debt, despite some support from government stimulus measures toward the end of the quarter. Nevertheless, the economy continued to benefit from the upcycle in the global electronics industry, increased investment in artificial intelligence (AI), and the expansion of data centers, which support growth in technology exports and investment in machinery and equipment. Additionally, used vehicle prices remained broadly stable compared with the previous quarter.

On monetary policy, the Monetary Policy Committee (MPC) resolved to maintain the policy interest rate at 1.00% at its April and June 2026 meetings. The MPC assessed that the Thai economy would continue to expand at a low and uneven pace, albeit better than previously expected, while the current policy rate remained supportive of the economic recovery.

Summary of Key Events and Developments

- On May 20, 2026, the Board of Directors approved an interim cash dividend payment based on the operating results for 1Q26 at Baht 0.69 per share, totaling approximately Baht 1,998.2 million. The dividend was paid on June 19, 2026. The Board also approved a share repurchase program for capital management purposes (Treasury Stock), with a maximum amount of Baht 2,400 million and up to 122.8 million shares, representing no more than 4.24% of the total issued shares.
- In August 2026, the Group completed its inaugural Euro-Yen bond issuance, following the assignment of a long-term issuer rating of "A-" with a "Stable" outlook by Japan Credit Rating Agency (JCR), which is an Investment Grade rating. The issuance marked another important milestone in expanding the Group's access to international capital markets, further diversifying its funding sources and enhancing funding management flexibility to support long-term business growth

Operating Results for Q2 2026

Summary of Operating Results

Revenue: In 2Q26, the Group reported total revenue of Baht 6,143.0 million, increasing by 6.7% (YoY). The Group's principal revenue sources continued to be interest income and fee and service income.

- Interest income amounted to Baht 5,097.4 million, increasing by 7.0% (YoY) and accounting for 83.0% of total revenue. Growth was mainly driven by interest income on loans of Baht 4,814.7 million, increasing by 7.5% (YoY), in line overall loan portfolio expansion.

  In terms of interest income and funding cost efficiency, yield on loans stood at 18.3%, increasing from 18.1% in the same quarter last year, mainly due to changes in loan mix and the application of risk-based pricing. Cost of funds declined to 2.1% from 2.4% in the same quarter last year, in line with recent market interest rate trend. As a result, Net Interest Margin (NIM) improved to 16.2%.

  For 6M26, the Group reported total revenue of Baht 12,212.5 million, increasing by 7.2% (YoY). Interest income amounted to Baht 10,066.5 million, increasing by 6.9% (YoY), mainly driven by the expansion of the vehicle title loan portfolio and an improvement in NIM compared with the same period last year.

(Unit: %)	2Q25	1Q26	2Q26	% YoY Increase/ (Decrease)	% QoQ Increase/ (Decrease)
Interest income ratio (Yield on loans)	18.1	18.1	18.3	1.4%	1.3%
Interest expense ratio (Cost of funds)	2.4	2.2	2.1	(13.8%)	(4.2%)
Net interest margin (NIM)	15.6	15.9	16.2	3.7%	2.0%

- Fee and service income amounted to Baht 984.4 million, increasing by 2.2% (YoY) and accounting for 16.0% of total revenue. Growth was mainly driven by the insurance brokerage business, which continued to expand, supported by product diversity, comprehensive sales and service channels, and the continued development and application of digital technology to enhance systems and service capabilities across the Group's three core brands:

1) Shield Insurance Broker, supported by Call Center 1501, a face-to-face insurance brokerage business operated through branch employees licensed for both non-life and life insurance
2) Areegator, an online insurance platform for affiliated member brokers
3) heygoody, a fully digital insurance brokerage platform

For 6M26, fee and service income amounted to Baht 2,035.4 million, increasing by 5.2% (YoY), and remained an important source of income that enhanced the diversity and resilience of the Group's revenue structure. The insurance brokerage business continued to grow and broaden customer access through a diverse range of products and service channels.

Expenses: In 2Q26, the Group's total expenses amounted to Baht 4,226.3 million, decreasing by 2.5% (YoY), comprising the following:

- Service and administrative expenses amounted to Baht 3,064.2 million, increasing by 9.9% (YoY), in line with the expansion of the Group's businesses and customer base. At the same time, the Group continued to emphasize efficient expense management alongside investment to support long-term growth. The Cost-to-Income Ratio stood at 55.1%, remaining at a manageable level.

  For 6M26, service and administrative expenses amounted to Baht 6,045.1 million, increasing by 9.5% (YoY), in line with business expansion, while the Group continued to maintain cost discipline and manage expenses at an appropriate level.

- Finance costs amounted to Baht 585.9 million, decreasing by 9.0% (YoY), in line with the downward trend in the policy rate and bond yields, which lowered funding costs for new borrowings and debenture issuances. The Group continued to apply a matched-funding policy and maintain all borrowings on a fixed-rate basis to manage interest rate volatility and preserve funding cost stability.

  For 6M26, finance costs amounted to Baht 1,179.0 million, decreasing by 7.5% (YoY), in line with money market interest rate trends and the gradual decline in new funding costs.

- Credit loss amounted to Baht 571.7 million, decreasing by 17.4% (YoY), mainly due to lower provisioning and write-off, consistent with the sound quality of the overall loan portfolio. Credit Cost stood at 2.06%, down from 2.63% in the same quarter last year. The NPL Coverage Ratio remained strong at 322%, reflecting the maintenance of a robust reserve buffer to accommodate external uncertainties and future loan portfolio growth.

  For 6M26, credit loss amounted to Baht 1,039.6 million, decreasing by 29.0% (YoY), while Credit Cost declined to 1.87% from 2.79% in the same period last year, consistent with overall portfolio quality. The Group continues to prioritize asset quality management and maintain an appropriate reserve level under its risk management framework.

Net profit: In 2Q26, the Group reported net profit of Baht 1,533.2 million, increasing by 18.3% (YoY), mainly driven by revenue growth from both the lending and insurance brokerage businesses, an improvement in NIM, and effective cost and asset quality management.

For 6M26, the Group reported net profit of Baht 3,147.0 million, increasing by 26.2% (YoY), supported by revenue growth from both core businesses and effective cost management, reflecting the Group's continued ability to generate earnings from its core operations.

Summary of Financial Position

Assets: As of 30 June 2026, the Group's total assets amounted to Baht 114,749.9 million, increasing by 1.7% from the end of 2025, primarily driven by higher loans and hire purchase receivables in line with loan portfolio expansion.

As of the end of 2Q26, the Group's outstanding loan portfolio totaled Baht 112,537.9 million, growing by 6.3% (YoY) and 2.4% (QoQ). This comprised loans and accrued interest receivables of Baht 104,444.7 million, increasing by 2.5% (QoQ), and hire purchase receivables of Baht 8,093.2 million, increasing by 0.5% (QoQ). Loan portfolio expansion remained consistent with the Group's quality growth strategy, with lending decision calibrated to customers' risk profiles and repayment capacity. In addition, loan approval criteria in areas affected by flooding in late 2025 have returned to normal lending practices.

Loan portfolio growth was driven by continued customer base expansion, with the number of lending customers increasing by 9.0% (YoY). This growth was supported by a network of 1,918 branches, complemented by non-branch and digital channels that help enhance convenience and broaden customers' access to financial services. The Group had issued more than 809,000 Tidlor Cards, while approximately 77% of total loan drawdowns were completed through E-Withdrawal, reflecting the growing role of digital channels in customer service. The Group continues to develop products, systems, and services through the application of technology and innovation to enhance customer experience, improve operating efficiency, and support long-term business growth.

Asset quality remained well managed. The NPL Ratio stood at 1.54%, improving from 1.78% in the same quarter last year, supported by prudent underwriting, healthy quality of newly originated loans, and effective debt collection. The Group's total expected credit loss allowance amounted to Baht 5,559.9 million, representing an NPL Coverage Ratio of 322%, which remained strong and provided a buffer against potential future uncertainties alongside loan portfolio growth.

Liabilities: As of 30 June 2026, the Group's total liabilities amounted to Baht 79,468.8 million, increasing by 1.4% from the end of 2025, mainly due to higher long-term borrowings to support loan portfolio growth and provide working capital for the Group's businesses.

As of the end of 2Q26, the Group's total borrowings and debentures amounted to Baht 75,051.9 million, increasing by 2.2% from the end of 2025. The Group continued to maintain a diversified and appropriate funding structure to enhance liquidity management flexibility and reduce funding concentration risk, with a funding mix between borrowings and debentures of 56:44. Liquidity remained sufficient, with available credit facilities of over Baht

23,000 million to support ongoing operations and future business growth. The Group's Debt-to-Equity (D/E) Ratio stood at 2.3 times as of the end of June 2026.

Shareholders' Equity: As of 30 June 2026, the Group's total shareholders' equity amounted to Baht 35,281.1 million, increasing by 2.4% from the end of 2025, mainly driven by profits generated from the Group's operations during the first six months of 2026.

(Unit: million Baht)	31 December 2025	30 June 2026	%YTD Increase/ (Decrease)
Cash and cash equivalents	3,060.3	2,113.8	(30.9%)
Loans and hire purchase receivables	109,585.6	112,537.9	2.7%
Allowance for expected credit loss	(5,499.8)	(5,559.9)	1.1%
Other current assets	1,586.4	1,422.8	(10.3%)
Other non-current assets	4,064.3	4,235.3	4.2%
Total assets	**112,796.8**	**114,749.9**	**1.7%**
Loans	41,124.0	42,287.1	2.8%
Debentures	32,286.1	32,764.8	1.5%
Total Loans and Debentures	73,410.1	75,051.9	2.2%
Non-current liabilities	4,923.9	4,416.9	(10.3%)
Total liabilities	**78,334.0**	**79,468.8**	**1.4%**
Total shareholders' equity	**34,462.8**	**35,281.1**	**2.4%**
Total liabilities and shareholders' equity	**112,796.8**	**114,749.9**	**1.7%**

Sustainability Development

In 2Q26, Ngern Tid Lor Public Company Limited ("Ngern Tid Lor"), a subsidiary of the Group, organized an activity under the "Financial Knowledge to Communities for Life Rolls Forward" project to promote basic financial literacy and appropriate debt management within communities through an Activity-Based Learning approach. The initiative focused on strengthening financial planning skills and financial discipline, with the aim of improving quality of life and reducing inequality in a sustainable manner. In addition, Ngern Tid Lor continued its "Financial Mentor Program" for the sixth consecutive time to enhance employees' financial planning knowledge and strengthen their financial resilience, while enabling them to share financial knowledge and guidance with their colleagues. The program has been implemented continuously since 2022 under the Stock Exchange of Thailand's "Happy Money Financial Mentor" initiative. To date, a total of 79 employees have completed batches 1–5 of the program.

Further details are available on the Company's sustainability website:
https://sustainability.tidlorinvestor.com/en/home