



Bangkok Union ประกันภัย

Bangkok Union Insurance

รายงานประจำปี (One Report) 2564/2021



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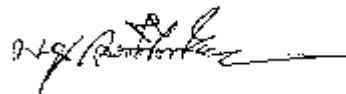
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Report of the Board of Director

On behalf of the company chairman Bangkok Union Insurance Public Company Limited admits that in the year 2021, the insurance industry faces business operations under the coronavirus disease 2019 (COVID-19) epidemic situation, requiring companies to exercise caution. is very much in business Despite the severe situation of the Covid-19 epidemic, the company continues to provide quality insurance products to deliver to customers with honesty, integrity and focus on providing customers with good, quality, convenient and fast services.

In the year 2021, the company has brought various modern technologies to develop and improve to fit the company's work system with maximum efficiency. Plans have been adjusted to keep up with the New Normal era so that customers can still receive good service from the company continuously without interruption. and in line with the rapidly changing economic conditions and also to increase the opportunity and ability to compete in today's highly competitive insurance industry

On behalf of the company chairman Thank you to our customers, partners, networks, business partners, shareholders and stakeholders. who have given confidence and trust and support the company all the time The success of this year's operations must be acknowledged by the cooperation of all departments of the company. Therefore, we would like to thank the directors, executives and employees for their dedication and encouragement. causing the company to have good business performance.



(Mr.Manu Leoparote)
Chairman of the Board of Director

Part 1

Business Operation and Performance

1. Structure and Operation of the Company

1.1 Policy and Overall Business

Bangkok Union Insurance Public Company Limited is the first Thai non-life insurance company in Thailand. It was established on 5 February, 1929 serving all classes of underwriting, i.e., fire, marine and transportation, motor and miscellaneous. The company underwrites both direct insurance and reinsurance from domestic and foreign non-life insurance. In addition, the company also diversified the risk and reinsured with the top notch reinsurer both domestic and foreign reinsurer.

The company also spent its income in investment which is in compliance with the Office of Insurance Commission (OIC) regulations A.D. 1992 and the announcement of the Insurance Commission Regarding investment in other businesses of non-life insurance companies. The company will only invest in strong and reliable business to ensure sustainable return.

1.1.1 Vision and Company Objectives

Over more than 92 years in non-life insurance business, the company has strong determination to serve with honest, fair and maximize clients' satisfaction including fast and fair service with high quality as per the company vision "Up-to-date, Efficient, care, Trust".

Company objectives are

1. To provide good, fast and fair service for customer with maximum satisfactory.
2. To provide sustainable return to shareholders. Have transparent management with good corporate governance
3. To provide customer with best products by continuing development in services and products.
4. To provide appropriated benefit, retain and improve knowledge and operation skills of employee.
5. To maintain company reputation, adhere to social responsibilities, support and contribute to social activities i.e., donation.

The company aims that in 3-5 years the company will increase total premium written by growing in personal line, and commercial line and use new technology to improve its operation.

1.1.2 Other significant development

Bangkok Union Insurance Public Company Limited was incorporated on February 5, 1929 in the name of "HUA KHAIU LIN HAH Company Limited" with the objective of providing fire insurance in the country. which is regarded as the first company to operate insurance in Thailand

In 1962, the company changed its name from Chinese to Thai. to create the image of the company as a Thai company By registering the name change to "Bangkok Union Insurance

Company Limited" on June 4, 1962 and set the symbol of the company in accordance with the new name, which is the image of "Democracy Monument", which is like the beginning of Bangkok at that time.

Development of listing on the Stock Exchange of Thailand

In 1988 the company was listed on the Stock Exchange of Thailand and increased registered capital from 12 million baht to 20 million baht In 2016, the company increased its registered capital from 200 million baht to 300 million baht, paid-up capital of 299,997,900 baht, par value of 10 baht per share.

Other important changes and developments

The company continually focuses on developments in various fields such as

Improving operational efficiency by creating an internal control system of important work processes so that the performance of every process is in line with the goals It also develops a performance appraisal system by setting indicators at all levels of performance in accordance with the company's main goals. This will make the operations of all levels linked and consistent in the same direction throughout the organization.

Continuous improvement of the management system and performance monitoring through the War Room system in order to control the performance to meet the goals and adjust the important plans. to be in line with and to accommodate the rapidly changing economic conditions

Developing and improving the car claim payment program make it a tool to check the claims incurred. from which part of the car is damaged list Which vehicle codes have a high rate of damage? to be used as statistics for calculating car insurance premiums close to the actual cost and most fair to customers as a database to compete in the market

Information technology The Company has developed the Company's website <http://www.bui.co.th/> which will allow customers to access various types of insurance information and information about the company more conveniently and quickly.

1.1.3 Use of fund from Public Offering of Equity or bond

N/A

1.1.4 Commitments provided in the Registration Statement and/or the Approval Conditions

N/A

1.2 Business Characteristics

1.2.1 Revenue Structure

The company operates the main business of non-life insurance. is a service for taking risks from the insured, such as a fire insurance policy Marine and Transport Insurance Policy car insurance policy and miscellaneous insurance policies that the insured can purchase according to their needs to suit each type of property In addition, the Company also has 20-

storey office buildings for rent as office locations and 7-storey office buildings that are partly used as the Company's offices. and part for rent causing additional income to increase revenue for the company

In 2021, the Company's income from non-life insurance is 93.42% and income from investment building rental and others 6.58%.

The amount and premium of premium value for the last three year period ended December 31, 2021, 2020, and 2019 is as following;

Unit: Baht

Source of Income	2021			2020			2019		
	Amount	Proportion	%Inc. (Dec.)	Amount	Proportion	%Inc. (Dec.)	Amount	Proportion	%Inc. (Dec.)
Premium Written									
Fire Insurance	87,620,938	6.77	(1.95)	89,363,285	7.31	(6.13)	95,194,212	6.79	(3.09)
Marine and Cargo Insurance	24,331,412	1.88	27.08	19,146,494	1.57	(11.89)	21,730,287	1.55	(11.69)
Motor Insurance	299,693,400	23.27	3.71	288,981,584	23.64	(6.09)	307,730,471	21.96	22.69
Miscellaneous Insurance	796,891,785	61.60	7.47	741,533,867	60.66	(16.52)	888,248,023	63.38	29.60
Total Premium Written	1,208,537,535,	93.42	6.10	1,139,025,230	93.17	(13.24)	1,312,902,993	93.68	23.97
Other Income*	85,069,124	6.58	1.90	83,479,005	6.82	(5.68)	88,510,670	6.32	5.28
Total Income	1,293,606,659	100.00	5.82	1,222,504,235	100.00	(12.77)	1,401,413,663	100.00	22.60

*Other income such as income from rental and services, and investment income from dividends or profit from selling securities

The performance of non-life insurance in 2021 increased by 6.10 percent from 2020, with the increase in income from miscellaneous insurance income. Car insurance and marine insurance and transportation onwards. The company has a careful insurance process. From the risk selection process that is suitable for the acceptable risk of the company. As a result, the performance of the year 2021 increased from the previous year.

1.2.2 Product Information

Product Characteristics

The company is a non-life insurance company who provides the service of accepting risks from a policyholder such as fire insurance, marine insurance, automobile insurance and miscellaneous insurance. The policyholders can select any insurance appropriated to their assets. There are four types of insurance product the company offers.

1. Fire Insurance

The insurance covers damages caused to insured assets such as properties, inventories and furniture due to standard perils such as fire, lightning or gas explosion that uses for light or living (but not including damage from gas explosion caused by earthquake) or loss from any additional peril included in the policy.

Besides the standard perils in the fire insurance contract, policyholder can purchase more protections for additional perils according to their risks; for example, damages from storm, hail, explosion, aircraft, vehicles, smog, earthquake, flood, strike, riots, malicious damages or

electric damages by paying more premiums.

Accordingly, the company provides following types of fire insurance;

- 1.1. Fire Insurance Policy: The insurance protects against losses from fire or additional perils to insured assets which can be applied to buildings, hotels, or stores except for the household since there is a different policy available
- 1.2. Household Insurance Policy: The insurance separated from the fire insurance has an objective to provide the insurance for household which is different from another peril such as factories, hotels, or offices. The insurance also provides the long-term protection for 2 years or 3 years. The policyholders can have a discount from purchasing the long-term insurance
- 1.3. Stock Declaration Insurance Policy: The insurance protects policyholders' inventories. The policyholders must declare the amount of inventories on a monthly or quarterly basis. The policyholders must pay some premiums in advance and the premiums will be adjusted to the actual amount of inventories at the end of year

2. Marine and Cargo Insurance

The insurance covers damages or losses caused to insured cargo in marine, air, or in-land transportation or even include carrier's liability. The company provides following types of marine and cargo insurance;

- 2.1 Marine Cargo Insurance Policy: The insurance protects against damages or losses of insured cargo in marine, air, or in-land transportation according to the terms and conditions in the policy based on Institute Cargo Clause (A), (B), (C) between the policyholder and insurer
- 2.2 Inland Cargo Insurance Policy: The insurance protects against damages or losses of insured cargo from one place to another by which vehicles in transportation are trucks, trailers, trains, ox ships, pontoons, and commercial plan which the policyholders can purchase the policy for only single trip or annual trip. There are two types of protection;
 - 2.2.1 Named Peril – protection against only perils in the policy such as fire, lightening, car crashes, stranded boats, plane crashes, and derailment.
 - 2.2.2 All risks – protection for all risks that are not in the exception
- 2.3 Carrier's Liability Insurance Policy: The insurance protects against damages or losses of cargo for policyholders who are carriers transport. The policyholders are liable according to the Act of Transportation or terms and agreements. The protection can start from loading cargo to vehicles to loading cargo off the

vehicles at the destination. There are two types of protection: single trip or annual trip.

2.4 Marine Hull and Machinery Insurance Policy: The insurance protects hull and machinery at the insured marine transports that are damaged or lost such as transport collision, transports that hit rock, fire, lightening, sinking ship, salvaging shipwreck, or cost for salvaging according to terms and conditions in the policies (and exceptions) either any part of transports for any material which are;

2.4.1 Hull – the structure of transports made by wood, steel, or any material including pulley, tool, article, luggage, boat, crane, steering wheel, etc.

2.4.2 Machinery – the part that provides energies to drive transports and light, heat, chill such as boiler, machine, freezer, generator, and other related machinery

3. Motor Insurance

The insurance covers damages due to road accidents. The protection includes for the property, life, bodily injury, or third party's asset. The company provides following types of insurance;

3.1 Compulsory Motor Insurance: The insurance from Protection For Motor Vehicle Victims Act B.E.2535 assigns that car owners or car users must purchase this insurance and keep the evidence of having this insurance readily to present to the authorities except that the car is already registered or paid for tax for the year

3.2 Voluntary Motor Insurance: The insurance that the car owners are willing to transfer risks to insurers. There are five types of this insurance;

3.2.1 Policy Type 1: The policy with the most comprehensive protections which are life, bodily, sanitary injuries of third party, theft and fire liability, and the damages to partly or a whole part of insured car

3.2.2 Policy Type 2: The protection is the same as type 1 except the damages to an insured car

3.2.3 Policy Type 3: The protection is only provided to life, bodily, sanitary injuries and properties of third party

3.2.4 Policy Type 4: The protection is only provided to properties of third party up to 10000 baht per accident

3.2.5 Policy Type 5: There are two types of protection;

Form 1 (2+) – the protection is provided to life, bodily, sanitary injuries and properties of third party, the damages to partly or a whole part of insured car in case of theft and fire, and crash into other in-land vehicles

Form 2 (3+) – the protection is provided to life, bodily, sanitary injuries and properties of third party, the damages to partly or a whole part of insured car in case crash into other in-land vehicles

Besides these five types of insurance, the policyholders can extend their protections to personal accidents, hospital indemnity, and bail bond cover.

4. Miscellaneous Insurance

The insurance covers damages beyond the extent of fire insurance, marine and cargo insurance and motor insurance. The insurance protects against losses to individuals, properties, liabilities, and engineering. The company provides following types of insurance;

- 4.1 Property All Risks Insurance Policy : The protection is provided to insured properties that are lost or damaged from accidents or any unexpected event which is not indicated in the exception of the policy such as fire, lightening, explosion, windstorm, earthquake, inundation, water damage, aircraft, smoke, vehicles, strikes, riots or vandalism (except for political, religious, or cult purpose), burglary with evidence of forcible for entry or exist the insured premise, and other perils not included in the exception of the policy
- 4.2 Health Insurance Policy
- 4.3 Personal Accident Insurance Policy: The policy protects against death, loss of body, disability from accidents 24/7. These following are types of the insurance;
 - 4.3.1 Individual Plan – This protects individuals against what mentioned above and can extend to medical fee and driving or riding a motorcycle
 - 4.3.2 Group Plan – This protects employees of the corporation, stores, factories with the same protection as an individual plan
 - 4.3.3 Student Plan – This protects school, university students against accidents 24/7 or while traveling to and from a school or during a school
 - 4.3.4 Travel Accident Plan – This is a short-term protection in either domestic or foreign countries
- 4.4 Public Liability Insurance Policy : The insurance protects for public liability in case of death, bodily injuries and properties from accidents from carelessness of the corporation or policyholders or policyholders’ workers related to the operation of policyholders
- 4.5 Plat Glass Insurance Policy: The insurance protects plat glasses installed in the building, stores from accidents or third parties.

- 4.6 Golfer's Indemnity Insurance Policy : The insurance protects third parties, bodily injuries of policyholders or golf equipment and special bonus for "Hole-in-One"
- 4.7 Burglary Insurance Policy: The insurance protects against losses or damages of insured properties such as office supplies, domestic applications caused by burglary and robbery with the evidence of forcible for entry. The owner of the insured properties, partners or workers of the policyholder must not collude
- 4.8 Money Insurance Policy : The insurance protects against losses or damages or cash, coins, or bank notes from burglary or robbery or any attempt either those are kept at the office, a safe deposit vault, or in transit
- 4.9 Fidelity Guarantee Insurance Policy : The insurance protects against embezzlement or fraud from policyholders' workers or bill documents that belongs to the policyholders and liable to the policyholders
- 4.10 Engineer Liability Policy : The insurance protects as following;
- 4.10.1 Contract Work Insurance: The insurance protects against losses and damages properties from accidents at the construction site or installation work. The protection extends to the liability of contractors, sub-contractors, and project owners to third parties due to accident at the construction site or installation work
- A. For civil engineering work and construction with material and machinery that is damaged from fire, lightening, collapse, explosion, earthquake, theft and another accidents at the site
- B. For machinery for installation is protected similar to A. including damages from its breakdown or from trial-run when installed. The insurance protects only for newly-installed machinery not longer than 4 weeks
- C. For liability to third parties from the error of policyholders' own operations or of their workers that results in injuries of third parties or damages to third parties' properties
- 4.10.2 Machinery Insurance: The insurance protects the machinery after complete installation; the company will pay benefits when the machinery is broken without expectation of repairmen, error in design, defect from factories or installation caused by unskillfulness, carelessness, spite, electrical short, physical explosion, etc.
- 4.10.3 Boiler Insurance : The insurance protects against losses or damages to boiler, pressure tank (besides from fire) and liability to third parties from explosion or collapse

4.10.4 Contractor's Equipment Insurance : The insurance protects against losses or damages of contractors' equipment from fire, lightning, windstorm, collision, derailment of the carrier while transporting properties

4.10.5 Electronic Equipment Insurance : The insurance protects against losses or damages caused by what is not in the exception of the policy such as fire, lightning, inundation, water damage, dampness, fire extinguishment

1.2.3 Marketing and Competition

1) Overall competitive strategy

The company focuses on improving the quality and efficiency of work and products. In order to satisfy customers by defining strategies to support business expansion and supporting management policies as follows:

1. To build loyalty to the company to maintain customer base and sales of current agents
2. To increase sales from current agents by offering new products that meet the needs of the market
3. To create new agents and brokers to expand jobs and create growth and develop the potential of agents and brokers. to be able to negotiate and close the sale
4. To create new products to meet the needs of customers. to generate new sales
5. To expand sales channels and provide customer service Including communication / public relations online marketing to penetrate the group. and increase the proportion of direct customers more
6. To reduce Claims Costs to create the ability to compete in the market

2) Target Customers

Target Customers of the company can be categorized by two groups as following;

1. Corporate customers such as industrial factories, companies, or business
2. Retail customers

3) Industry Competition

Insurance business overview in 2021, Dr. Suthiphon Thaweechaikarn, Secretary-General of the Insurance Commission (OIC), revealed that 2021 is a year of challenges and changes recession severe new risks from the COVID-19 outbreak affecting the economy and public health in a wide area and continues to expand until 2022; the insurance business has been affected in many dimensions. This can be seen from a slight increase in insurance premiums. Both life insurance and non-life insurance businesses including in the case of revocation of the license to undertake the non-life insurance business while the latest crisis tests No overall insurance system risks were found. It shows that the Thai insurance system is still strong in a systematic way.

Insurance statistics for the year 2021 Insurance business expanded by 4.51% compared to the same period of the previous year. Total direct insurance premiums were

265,849.12 million baht, of which was direct insurance premiums of 37,882.05 million baht, marine and transport insurance of 6,319.61 million baht, car insurance of 149,543.82 million baht, and miscellaneous insurance of 72,103.37 million baht. There are 69,835,480 non-life insurance policies.

Outlook for Thai Insurance Business in 2022 The president of the Thai General Insurance Association predicts that in 2022, the total insurance premiums will be 267,100-269,800 million baht, growing by 1.5 - 2.5% per year, close to the forecast of the Thai economy that is expected to grow around 3.5-4.5. % per year, but insurance premiums are still lower than the period before the epidemic of coronavirus disease 2019 (covid-19), which has doubled GDP growth. 19) Omicron species which affects the economy and non-life insurance business in the first half of the year in the first half of the year, the use of cars will be less. At the same time, new premiums from the Coronavirus Disease 2019 (covid-19) insurance in 2022 will disappear around 2-3% of the total premiums, resulting in health insurance premiums being negative.”

The economy in 2022 will also be affected by the coronavirus disease 2019 (covid-19) epidemic, causing businesses to face low interest rates. For non-life insurance companies Adaptation and product styles to keep up with consumer behavior, including new technologies rapidly changing It is an important issue that must compete in order to maintain the customer base. The epidemic situation of coronavirus disease 2019 (covid-19) continues. Resulting in the phenomenon of moving camp both in the corner of customers, employees and sales agents/brokers as some companies have closed down. And some companies can't build trust.

During that period, in 2021, the company sold a total of 122,924 policies, an increase of 5.95% from the year 2020, with the value of direct insurance premiums equal to 1,208.53 million baht, an increase of 6.10% from the same period of the year 2020. Has a market share of 0.45 %

Lines of Business	2021**		2020*	
	Market share	Ranked	Market share	Ranked
Property - Fire	0.83 %	18 / 48	0.88 %	16 / 48
- IARs	1.04 %	16 / 47	1.09 %	16 / 47
Marine & Transportation	0.37 %	26 / 47	0.40 %	25 / 47
Automobile - Compulsory	0.37 %	29 / 45	0.35 %	30 / 45
- Voluntary	0.18 %	33 / 45	0.18 %	32 / 45
Miscellaneous - Public Liability	0.24 %	25 / 41	0.26 %	30 / 41
- Engineering	1.10 %	17 / 41	1.30 %	13 / 42
- Personal Accident	0.26 %	25 / 54	0.30 %	25 / 52
- Travel	0.00 %	37 / 54	0.00 %	39 / 43
- Health Insurance	2.56 %	13 / 41	2.46 %	13 / 42
- etc.	0.17 %	40 / 54	0.19 %	54 / 55
Total	0.45 %	32 / 54	0.45 %	32 / 54

Ranked: Rank of the company in the industry / the number of insurance companies that underwrite that business

Source: Market Analysis and Statistic Department Dept. OIC

* Statistics from January to September 2020

** Statistics from January to December 2021

1.2.4 Products and Services

The company has been operating for more than 92 years. The company's existing customer base comes from agents, brokers, financial institutions and direct sales. People have knowledge about insurance and see the importance of making insurance more In addition, entrepreneurs And business owners, whether small or large, need the most affordable and effective insurance. Brokers therefore play a very important role in offering different types of insurance that are consistent and suitable for the client's business.

The company sees a change in the source of business base. Therefore, the work has been expanded by accepting jobs through recruiters and more financial institutions In addition to dealing with direct contact with customers. Sub-agent it is still a stable source of work for the company as before. In conclusion, The Company's work resources can be divided into groups as follows:

1. Industrial and Commercial Insurance (Commercial Line) the source of work is from a broker financial institution.

2. Personal property insurance (Personal Line) from agents and direct sales.

The Company's products are various types of insurance policies approved by the Office of Insurance Commission. Both standard policies and policies that are designed to suit each customer, The Company has developed both in terms of personnel equipment, tools, appliances including a continuous operating system and adheres to the principle of investment without only aiming for the highest return but expect the company to be able to maintain appropriate liquidity as well.

1.3 Shareholding Structure of the Group

The Company holds shares in Bangkok Union Life Assurance Public Company Limited, which is related as an associated company. It has a registered capital of 500 million baht and a paid-up capital of 500 million baht with a shareholding proportion of 9.61%.

1.3.1 Amount of registered capital and paid-up capital

(1) As of December 31, 2021, the company has a registered capital of 300,000,000 baht, paid-up for 299,997,900 baht, divided into 29,999,790 ordinary shares with a par value of 10 baht per share.

(2) The company does not issue shares other than ordinary shares.

1.3.2 Major shareholders

Details of the top 10 shareholders of the total number of shares with voting rights whose names appear in the share register as of March 15, 2021 according to a report from Thailand Securities Depository Co., Ltd.

The company has registered capital of 300 million baht and Paid capital of BHT

299,997,900 divided into 29,999,790 ordinary shares, baht 10 par value shares.

The company does not share in other category, in addition to the ordinary shares.

The top-ten major shareholders as at 15 March 2021, are as following :- (Report from Securities Depository (Thailand) Co., Ltd.)

No.	Name of Shareholders	Amount	Percentage
1	Liewpairat Enterprises Co., Ltd.	8,771,355	29.24
2	BUI Life Insurance Co., Ltd.	2,756,250	9.19
3	Ms. Maneerat Iamsopana	1,640,352	5.47
4	Hong Yiah Seng Real Estates and Investment Co., Ltd.	1,598,220	5.33
5	Mr. Sukit Kamolsiriwat	1,553,300	5.18
6	Mr. Prachai Leophairatana	1,215,000	4.05
7	Ms. Tanyaratt Iamsopana	857,365	2.86
8	Ms. Malinee Leopairat	763,052	2.54
9	Dr. Chavin Iamsopana	708,975	2.36
10	Ms. Kulnida Janvatanavit	501,375	1.67

1.4 Dividend policy

The company dividend policy is 60% of the net profit but also depends on the business competition, economic and strategic plan. Dividends are paid once a year in May.

year	2017	2018	2019	2020
Net Profit per Share (baht)	1.17	0.13	0.41	0.58
Dividend per Share (baht)	0.50	Omission	0.25	0.25
Dividend Payout Ratio (%)	42.67	-	60.84	42.75

1.5 Relationship with the business group of the major shareholder

The Company has already disclosed in Part 2, Management and Corporate Governance. The Company does not need to rely on or support financially between them. and the nature of business operations of the major shareholders does not have any significant competition.

1.6 Issuance of other securities

The Company does not issue convertible securities and has no bond securities.

2. Risk Management

For the efficiency of the company's business operation and achieving the company's objectives, we have emphasized the importance of development and improvement of risk management. The company is also committed to promoting such awareness to its staff in all levels so that the risks could be controlled and limited to the acceptable level.

The company has set the board of risk management to control and manage risk management of the company according to the risk management policy that has been defined suitably with sub-board including board of insurance consideration, board of compensation, board of investment consideration and board of management to follow up and manage the risk related to the assigned task of each board to let the risk management going on effectively. Furthermore, the company has improved and revised the policy and risk management in each category to correspond to the regulations and related laws.

For the risk management process, the company has set the key method as 4 steps including risk identification, risk assessment, risk response and risk monitoring and review as per integrated risk management policy. For the risk identification, the company has considered the coverage of risk in various fields such as the strategy risk, insurance risk, marketing risk, concentration risk, credit risk, fluidity risk, operation risk and legal-respect risk.

1. Strategic Risk – The risk arises from setting policies, strategies, plans, and implementing those inappropriately or not aligning with internal and external environment including change of society and technology

Strategic Risk Management

The company considers the strategic risk in order to set strategic plans such as failure in operational plan, inappropriately implementing plan in the management, expanding distribution channels such as branch offices, agents/brokers, or website, the intensity of the competitiveness in the industry, changing of rules and regulations from regulators, the growth of the economy, or catastrophes. All of these factors impact the operation of the business directly and indirectly.

The company has the risk management that considers the strategic goals and the direction of the operation including monitoring and reporting all operational plans every month to ensure that the company operates according to their goals and objectives to increase their competitiveness and manages risks that covers all activities of the company as well as set the acceptable risk level and reviews the strategic plans every year to align with the fluctuating economy and competition especially those of non-life insurance industry. Nowadays, the company integrates the strategic planning with the risk management planning to ensure that the company operates as planned.

2. Insurance Risk – The risk from the product being sold that does not meet the expectations while designing the product, whether it is the type of coverage and the premium

rate. until causing the product to be unpopular in the market or unable to sell that product or there is a risk that exceeds expectations until the company cannot sell that product any further

Insurance Risk Factors

Inappropriate premium rating, actual expenses higher than the assumptions, premium and claim reserving, the change of policyholder behaviors, the new product development that impacts the amount of claims and the cash flow expected in the future.

Insurance Risk Management

The company considers the insurance risk management as following;

1. The company establishes the Underwriting Committee in order to develop new products and rate premiums to satisfy customer's needs and increase their competitiveness.
2. The company sets policies and underwriting standards including publishes guidelines and authorization for underwriting process and managing the risks under the acceptable levels.
3. The company sets the reinsurance management by setting policies and operating the reinsurance process to align with their underwriting policies.
4. The company evaluates and allocates sufficient premium and claim reserves.

3. Liquidity Risk – The risk is caused by that the company cannot pay their due debts or meet their obligations because the company is unable to convert their assets into cash or cannot fund sufficiently or is able to meet their obligations but at the expense higher than acceptable value which affects the capital of the company to be insufficient to meet both short-term and long-term obligations in the future.

Liquidity Risk Management

The company invests in the highly-liquid assets with the efficient management that can maintain their amount of cash at hand appropriately to make sure that the liquidity risk is in the controllable level. Moreover, the company has sufficient capital to support risks in the future.

4. Operational Risk – The risk arises from losses caused by the lack of good internal control, corporate governance that involves internal process, people, system, technology, data security or external environment.

Operational Risk Factors

- 4.1 The risk factors from product design and development, and premium rating;
 - 4.1.1 The risk from insufficient data to rate premiums or not suitable to the risks

- 4.1.2 The risk from product design and development that is not as designed/planned
- 4.2 The risk factors from the distribution channels and collects premiums;
 - 4.2.1 The risks from selling the insurance via electronic platforms, phone direct, agents/brokers or bank assurance
 - 4.2.2 The person who pays premiums in the name of the company does not pay or transfers the premiums to the company on time
 - 4.2.3 The person who offers for sale is not designated to be a non-life insurance agents or does not authorize to employees or agents appropriately
 - 4.2.4 Make records of premium collection not completely nor on time
- 4.3 The risk factors from underwriting process;
 - 4.3.1 Accepting risks beyond the company's limit
 - 4.3.2 The condition of protection is not appropriate to the risks
 - 4.3.3 The concentration of accepted risks
- 4.4 The risk factors from reserving such as reserving too low to support the actual loss
- 4.5 The risk factors from claim management;
 - 4.5.1 The inaccuracy of loss reserving
 - 4.5.2 Loss ratio is higher than expected
 - 4.5.3 Use the wrong report for loss reserving
- 4.6 The risk factors from reinsurance;
 - 4.6.1 The selection of reinsurers
 - 4.6.2 The concentration of reinsurers
 - 4.6.3 Unable to claim for losses from reinsurers
 - 4.6.4 No good insurance accounting system
- 4.7 The risk factors from investment;
 - 4.7.1 The investment income such as incomplete receipts of interest from bonds or dividend from stocks
 - 4.7.2 Security register book is incomplete which causes incorrect records of income and expense and also cost of investment, also the investment in securities exceeds the limit
 - 4.7.3 The volatility of security trade

- 4.8 The risks factors from revaluation of assets and liabilities such as the risks from incorrect revaluation according to OIC
- 4.9 The outsourcing such as risk survey

Operational Risk Management

The company sets goals, plans, and management structure to manage operational risks to be aligned with policies of the company, also communicates to employees and departments to follow. The company also reviews those to be appropriate to the present situation and mandates the responsibilities to manage the operational risks

The company has the appropriate internal control and can be used to support in decision making regarding operational risks in order to prevent the loss affecting the capital, and reputation of the company

The company has a high regards on the operational risk management by making a report and evaluating risks and presents to the Board of Directors and the Audit Committee. The company evaluates risks with risk owners and set the practice to response their risks. The risk owners must report the progress and performance to the risk department every month. The operation and control are under the control of the Audit Committee to mitigate the fraud risks and to limit the risks under acceptable level.

5. Market Risk – The risks from the change of interest rate, exchange rate, equity price, and commodity price

Market Risk Management

The company establishes the Investment Committee to set the investment policies and control the investment to be aligned with the policies by emphasizing on investing in low-risk securities with appropriate and consistent return including setting guidelines for investment in each year and setting the return target according to the current environment and the current risk-based capital and acceptable level of risks of the company. The proportion of investment must be approved by OIC.

6. Credit Risk – The risks that counterparties cannot meet their obligations to the insurance company, also the probability that the counterparties' credit rating is mitigated which will affect the company's credit rating negatively – or CAR Ratio reduces or insolvent or defaulted.

Credit Risk Management

The company has a debt collection system according to OIC and reports the status of outstanding premium receivables in every month. The company sets the standards and prevents the risks by setting the policies of selection of reinsurers or agents/brokers such as

the business history, the ability to pay premium on time, or having collateral for each credit limit.

The company has a policy and the reinsurance risk management by only ceding the risks to the reinsurer with credit limit beyond B+ approved by the Underwriting Committee. The company has the control over the investment of the company and reviews the appropriateness of the proportion of the investment aligned with the credibility of source of investment funds.

7. Concentration Risk – The risks from excessive investment in debt instruments or equity instruments issued by any one particular instrument issuer, or from excessive provision of loan to any one particular customer, or from excessive possession of immovable property and operating asset, or from excessive investment in investment assets in foreign currency, or from excessive reinsurance ceded to any one particular company with low credit rating.

Concentration Risk Management

In underwriting process, the company sets the limit of taking risks and diversifies different types of risks appropriately including monitors and follows results via Block Management System.

To mitigate concentration risk from single reinsurers, the company has a process to select qualified reinsurers by considering the credit rating of the reinsures and has a process of monitoring and following the solvency and diversification of reinsurers.

8. Compliance Risk – The risk from not complying rules and regulations of the business

Compliance Risk Management

The company has the compliance department to follow up the change of rules, notifications, and regulations from regulators that affect operation of the company and communicate the related department to adjust the process and practice to align with the change promptly

Moreover, the company has a KRI: Key Risk Indicator and set risk appetite to comply with the standards.

9. Information Technology Risk – The risks related to the database in the information system and communication system that is damaged because the data is destroyed, lost, or damaged by hacking, or changing the data without permission, or from power surge, computer crashes that cannot work normally, connecting with unauthorized devices, or insufficient technical persons. All of these will affect the credibility and reputation of the company

Information Technology Risk Management

The company has a policy regarding the authorization into the operation system to prevent data breaches, and prohibits employees to bring outside laptops to work except it is necessary and authorized by the management and reports to the IT department. The company also has backup data to prevent data damage or loss. In case there are technology incidents, in order to operate continually, the company has a BCP plan and provides generators and UPS to prevent unstable voltage.

10. Catastrophe Risk – The risks from the abrupt change of natural disasters, social events, economy and politics. The natural disaster plays an important role to the business which different products have different protections.

Catastrophe Risk Management

The company sets the cost of insurance at the highest to accept risks and monitors the insurance value for each exposure every month. Besides, the company has an early warning system and follows the news to analyze the probability that natural disasters occur from reinsurers and brokers. The company estimates the severity of accumulation control by actuarial methodologies. The company also has a process to adjust the protection and the premium rate to be appropriate to the factors and probability that the natural disasters occur.

11. Emerging Risk – The emerging risk is the loss that is likely to occur but never occurred in the past or with no experience at present but in the future, there will be change from politics, law, society, technology, physical environment, or natural changes. Some of occurrence cannot be evaluated by their impact or identified properly such as the risk from nanotechnology, genetic modification, or climate change.

Emerging Risk Management

The company gathers all related information about emerging risks and analyses continuously to understand and find the way to limit its impact to the company. The company reviews the policy wording, the process, premium rating and new product development to sure that emerging risks are considered.

Moreover, the company reviews the risk factors and evaluates the risks continually by the specified timeframe and also consider events and major changes that impacts the company to have proper procedure to the risks and improve the management to take care those risks in order to achieve the company's goals.

3. Environmental Social and Corporate Governance (ESG)

Policy and Target of Sustainability management

The Company places importance on corporate sustainability management in all dimensions, including economic, social and environmental aspects. Taking into account all stakeholders, including the insured, shareholders, and employees, communities, trading partners, competitors and creditors through the management of activities as follows:

Environmental management activities

The Company attaches great importance to energy conservation and encourages efficient use of resources. Therefore, a policy on energy conservation has been clearly defined by announcing it in the internal database of the organization to communicate to employees throughout the organization to be informed.

As well as encouraging employees to be knowledgeable and aware of the importance of energy conservation The company has cooperated with the Department of Alternative Energy Development and Efficiency (DEDE) in implementing energy management every year and has set up a working group on energy management to strictly operate according to the energy conservation plan including a review Regularly analyze and debug power management. As a result, the Company received the (MEA ENERGY SAVING BUILDING) award from the Metropolitan Electricity Authority.

For waste disposal The Company has separated waste that can be recycled (Recycle) and waste that may be harmful. for government agencies to collect and destroy properly in the treatment of wastewater The company has strictly complied with the regulations of the Ministry of Natural Resources and Environment by collaborating with the Environment and Sanitation Department Bangkok District Office Closely monitor and correct the operation of the wastewater treatment system on a regular basis to be available at all times and a monthly report summarizing the performance of the wastewater treatment system is delivered.

Customer responsibility activities

The company is committed to satisfying the insured by developing products that meet their needs. Enhancement of quality and speedy service set up a Customer Relationship Management (CRM) unit to conduct satisfaction surveys and pick up issues that create dissatisfaction with customers to improve service quality and impress customers

Employee Responsibility Activities

The company pays attention to the care of employees to be properly complied with labor standards both in terms of compensation, welfare and working environment A welfare committee was established with representatives of employers and employees. Attending meetings and continually considering agendas related to employees

As for the employment of workers, the Company has treated workers fairly. No discrimination in hiring workers No gender, race, religion is discriminated against. Everyone

has an equal chance of getting a job through the company's standardized test. In addition, the Company provides ongoing training in insurance knowledge and other skills necessary to operate by providing courses to develop skills and potential for all employees To increase knowledge, abilities, skills and create a positive attitude towards work.

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Business Responsibility Activities

The Company realizes the fairness of business operations in order to operate efficiently and for the maximum benefit of both customers and the Company. Therefore, a committee for setting standards, garages, spare parts shops, survey companies, forklift companies, glass shops, and auction committees for scrap cars, spare parts, has been appointed to control operations to be standardized and fair to the stakeholders involved.

Requires equal and fair treatment of customers and business partners Based on company ethics Earning fair returns in business without sacrificing any other benefits derived from the wrong operation taking into account equality and fairness have business ethics Committed to customer satisfaction on the basis of good governance Cooperate with government agencies and the private sector, which is the governing body Whether it is the Office of Insurance Commission (OIC), the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand and the Thai General Insurance Association in all matters beneficial to the insurance business to stabilize Effectively improve the quality and operational standards of the company.

In addition, the company also takes into account the treatment of competitors by adhering to the rules not blocking and destroying the reputation of competitors in participating in business competition or doing any act that is unfair to each other.

Through the following activities

1. The company requires a company secretary and the deputy company secretary to coordinate with the Board of Directors and sub-committees in the Company's affairs, including organizing the Board of Directors' meeting to consider various matters. to be in accordance with the law Store documents related to board meetings and shareholders' meetings in a safe place as well as providing information and advice to the Board of Directors.
2. The company has established a risk management policy and arrange for every part of the

company to comply with the risk policy approved by the Board of Directors as well as to report to the Board of Directors on a regular basis To review or assess the effectiveness of risk management at least once a year.

3. The Company has established a policy on related party transactions that has been approved by the Board of Directors For compliance and in accordance with the laws governing the company The Company has important business transactions with related companies by having shareholders and/or have some common directors The said transaction does not have any significant influence on related parties and in accordance with the normal general trading conditions of business operations By taking into account the best interests of the company as important in accordance with the requirements and normal business operations of the company.

4. The company has a policy against corruption that has been approved by the Board of Directors to comply with the declaration of intent. It is the Collective Action Coalition (CAC) of the Thai private sector against corruption.

5. The Company has established policies and guidelines for the prevention and suppression of money laundering that has been approved by the Board of Directors. In order to be able to act properly and in accordance with the requirements of the law relating to customer acquisition Customer Risk Management and checking to know the facts about customers.

Human Rights Respect Activities

The Company attaches great importance to compliance with human rights laws. Respect the fundamental rights of all stakeholders without discrimination against any person on the grounds of race, religion, sex, age and any other status that constitutes human rights.

The Company gives employees the opportunity to express their opinions openly and equally. In addition, the company recognizes the equal importance of people with disabilities. Promote and support income generation for people with disabilities by cooperating with the National Office for the Promotion and Development of the Quality of Life of Persons with Disabilities Organize a place within the company for the Center for Occupational Development for Persons with Disabilities Nonthaburi Province has come to sell products with disabilities, which increases the distribution channels for more products every year.

Social assistance activities

The company realizes the importance and value of personnel, which will help develop communities and society for strength and well-being. Therefore, the company has joined the project to grant scholarships to underprivileged students. Under the project name "Siam Smile Sharing Kindness to Students" annually. In 2021, the company has awarded scholarships to schools in primary education areas. in Pathum Thani Province, Samut Sakhon, Nakhon Si Thammarat Prachuap Khiri Khan, Suphan Buri, Ayutthaya, totaling 52 schools, 52 scholarships on September 20, 2021.

In addition, the company also participated as a host to offer the royal Kathin robes. and join in making merit and offering Kathin unity every year. In 2021, the company joins in hosting the royal kathin robes at Wat Yai Suwannaram Worawihan, Tha Rap Subdistrict, Mueang District, Phetchaburi Province. Including being a member of the Kathin Unity Committee at Wat Ban Hin Lap, Muak Lek Sub-district, Muak Lek District Saraburi and Wat

Sri Don Mueang, Chom Phu Sub-district, Saraphi District, Chiang Mai Province.

Honest Social Development Activities

The Company has a clear intention to conduct business with transparency, fairness, against bribery of all forms, whether government officials or between individuals in the private sector. This includes conflicts of interest, fraud, and money laundering, supporting terrorism. There are guidelines for controlling, preventing and monitoring the risks of corruption. Good values are instilled and created a good conscience to work with honesty for employees at all levels to respond to the intention of the company and avoid actions that are contrary to good management principles.

The company announced its intention to join the Thailand Private Sector Collective Action Coalition against Corruption (CAC) in 2017, which is a government-funded project. and the Office of the National Anti-Corruption Commission (NACC) since 2010 and was established by cooperation of 8 leading organizations in the Thai private sector, namely the Thai Institute of Directors Association (IOD), Thai Chamber of Commerce, Chamber of Commerce foreign Thai Listed Companies Association Thai Bankers Association Federation of Thai Capital Market Organizations Federation of Thai Industries and the Tourism Council of Thailand. All eight organizations have assigned IOD to act as project secretaries and have received support for the project from the Center for International Private Enterprise (CIPE) located in the United States.

4. Explanation and Analysis of Financial Status and Performance

Financial Information

The Independent Auditor from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. for the year 2019 2020 and 2021 showed an Unqualified Opinion for the Financial Statements of the year 2019 2020 and 2021.

1. Table of financial statements in which the equity method is applied for comparative interests of the year 2021, 2020 and 2019

STATEMENTS OF FINANCIAL POSITION	Unit : Baht		
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2019
ASSETS			
Cash and cash equivalents	204,733,586	89,314,181	125,791,893
Premium receivable	135,501,623	177,986,685	153,027,104
Accrued investment income	1,308,904	1,454,150	1,481,712
Reinsurance assets	321,929,928	299,790,195	541,096,431
Amounts due from reinsurers	2,908,610	9,569,454	38,925,838
Investments			
Investments in securities	734,671,853	630,738,598	619,310,312
Investment property	70,233,068	88,854,479	55,951,755
Investment in an associate	44,357,498	37,187,576	42,603,881
Property, plant and equipment	301,804,628	311,909,328	308,952,689
Intangible assets	844,388	10,248,210	10,989,111
Deferred tax assets	-	22,755,190	20,951,850
Other assets	16,384,188	52,367,513	50,411,218
TOTAL ASSETS	1,834,678,274	1,732,175,559	1,969,493,794

	Unit : Baht		
STATEMENTS OF FINANCIAL POSITION (CONTINUED)	As at December 31, 2021	As at December 31, 2020	As at December 31, 2019
LIABILITIES AND EQUITY			
Insurance liabilities	785,112,782	775,988,195	1,075,864,001
Amounts due to reinsurers	67,306,006	85,301,046	83,088,377
Employee benefit obligations	16,685,284	15,136,682	14,649,560
Commission and brokerages payable	20,413,775	25,166,582	30,905,460
Lease liabilities	54,328,070	55,544,003	-
Accrued expenses	65,704,360	38,897,776	48,124,026
Deferred tax liabilities	9,616,643	-	-
Income Tax Payable	1,510,482	-	-
Other liabilities	32,513,637	36,157,466	28,336,682
TOTAL LIABILITIES	1,053,191,039	1,032,191,750	1,280,968,106
EQUITY			
Share capital			
Authorized share capital			
30,000,000 ordinary shares of Baht 10.00 each	300,000,000	300,000,000	300,000,000
Issued and paid-up share capital			
29,999,790 ordinary shares of Baht 10.00 each	299,997,900	299,997,900	299,997,900
Premium on share capital	86,593,183	86,593,183	86,593,183
Retained earnings			
Appropriated			
Legal reserve	25,541,202	21,099,964	20,222,803
Unappropriated	115,718,335	35,253,742	34,739,669
Other components of equity	253,636,615	257,039,020	246,972,133
TOTAL EQUITY	781,487,235	699,983,809	688,525,688
TOTAL LIABILITIES AND EQUITY	1,834,678,274	1,732,175,559	1,969,493,794

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Unit : Baht		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
REVENUES			
Gross written premiums	1,208,537,535	1,139,025,230	1,312,902,993
<u>Less</u> Premiums ceded to reinsurers	<u>335,940,433</u>	<u>351,048,657</u>	<u>351,408,710</u>
Net premiums written	872,597,102	787,976,573	961,494,283
<u>Add (Less)</u> Unearned premium reserve			
(increased) decreased from previous years	<u>(7,741,773)</u>	<u>11,294,423</u>	<u>(41,515,924)</u>
Net premium earned	864,855,329	799,270,996	919,978,359
Fee and commission income	44,822,996	50,259,195	37,588,891
Net investment income	17,379,850	14,487,993	13,762,284
Loss on investment	(2,273,904)	(895,663)	(714)
Share of profit (loss) from investment			
in an associate	3,581,081	(4,522,907)	(3,761,402)
Other income	1,568,344	164,459	581,364
Income from rental	<u>68,394,834</u>	<u>69,722,216</u>	<u>74,749,100</u>
Total revenues	<u>998,328,530</u>	<u>928,486,289</u>	<u>1,042,897,882</u>
EXPENSES			
Gross claim	324,576,787	324,933,829	569,820,851
<u>Add (Less)</u> Claim recovered from reinsurers	<u>(39,551,416)</u>	<u>71,108,676</u>	<u>(116,376,262)</u>
Commissions and brokerages	153,034,406	141,662,189	173,919,979
Other underwriting expenses	265,828,497	236,209,713	271,763,363
Operating expenses	101,939,671	82,899,403	76,330,764
Other expenses - expenses for rental	47,595,520	45,117,903	51,927,999
Expected credit loss	476,246	10,686,384	-
Total expenses	<u>853,899,711</u>	<u>912,618,097</u>	<u>1,027,386,694</u>
Profit before income tax expense	144,428,819	15,868,192	15,622,188
Income tax expense	<u>52,022,988</u>	<u>2,847,873</u>	<u>6,945,585</u>
Net profit	<u>92,405,831</u>	<u>13,020,319</u>	<u>8,565,603</u>

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

	Unit : Baht		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Loss on remeasuring investment at fair value through other comprehensive income	(595,930)	(15,600,192)	(26,956,747)
Share of other comprehensive profit (loss) of an associate	4,486,051	(1,116,748)	(444,548)
Income tax relating to components of other comprehensive income that will be reclassified subsequently	(778,024)	3,343,388	5,480,259
	<u>3,112,097</u>	<u>(13,373,552)</u>	<u>(21,921,036)</u>
Items that will not be reclassified subsequently to profit or loss			
Surplus on revaluation of land	(8,240,000)	-	-
Actuarial gain (loss) in defined employee benefit plans	96,873	(3,898,465)	-
Income tax relating to components of other comprehensive income that will not be reclassified subsequently	1,628,625	779,693	-
	<u>(6,514,502)</u>	<u>(3,118,772)</u>	<u>-</u>
Other comprehensive loss for the years - net of income tax	<u>(3,402,405)</u>	<u>(16,492,324)</u>	<u>(21,921,036)</u>
Total comprehensive gain (loss) for the years	<u>89,003,426</u>	<u>(3,472,005)</u>	<u>(13,355,433)</u>
Basic earnings per share	3.08	0.43	0.29

Unit : Baht

FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED

	Other components of equity								Total
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other comprehensive income			Share of other comprehensive income (loss) of an associate	
			Appropriated Legal reserve	Unappropriated	Surplus on revaluation of asset	Investment at fair value through other comprehensive income	Actuarial gain (loss) on define employee benefits plan		
Beginning balances as at January 1, 2019	299,997,900	86,593,183	19,606,453	26,790,416	230,912,000	37,718,634	-	262,532	701,881,121
Legal reserve	-	-	616,350	(616,350)	-	-	-	-	-
Comprehensive income (loss) - equity method for the year	-	-	-	8,565,603	-	(21,565,398)	-	(355,638)	(13,355,433)
Ending balances as at December 31, 2019	299,997,900	86,593,183	20,222,803	34,739,669	230,912,000	16,153,236	-	(93,103)	688,525,688
Beginning balances as at January 1, 2020	299,997,900	86,593,183	20,222,803	34,739,669	230,912,000	16,153,236	-	(93,103)	88,525,688
Impact of changes in accounting policy	-	-	-	(4,129,085)	-	26,559,211	-	-	22,430,126
Beginning balances as at January 1, 2020-adjusted	299,997,900	86,593,183	20,222,803	30,610,584	230,912,000	42,712,447	-	(93,103)	710,955,814
Legal reserve	-	-	877,161	(877,161)	-	-	-	-	-
Dividend paid	-	-	-	(7,500,000)	-	-	-	-	(7,500,000)
Comprehensive income (loss) - equity method for the year	-	-	-	13,020,319	-	(12,480,154)	(3,118,772)	(893,398)	(3,472,005)
Ending balances as at December 31, 2020	299,997,900	86,593,183	21,099,964	35,253,742	230,912,000	30,232,293	(3,118,772)	(986,501)	699,983,809
Beginning balances as at January 1, 2021	299,997,900	86,593,183	21,099,964	35,253,742	230,912,000	30,232,293	(3,118,772)	(986,501)	699,983,809
Legal reserve	-	-	4,441,238	(4,441,238)	-	-	-	-	-
Dividend paid	-	-	-	(7,500,000)	-	-	-	-	(7,500,000)
Comprehensive income (loss) - equity method for the year	-	-	-	92,405,831	(6,592,000)	(476,744)	77,498	3,588,841	89,003,426
Ending balances as at December 31, 2021	299,997,900	86,593,183	25,541,202	115,718,335	224,320,000	29,755,549	(3,041,274)	2,602,340	781,487,235

STATEMENTS OF CASH FLOWS

Unit : Baht

	<u>2021</u>	<u>2020</u>	<u>2019</u>
CASH FLOWS PROVIDED BY (USED IN)			
OPERATING ACTIVITIES			
Direct premium received	1,311,829,982	1,107,227,000	1,288,135,651
Cash paid from reinsurance	(279,698,022)	(99,885,640)	(109,066,519)
Interest income	10,320,470	8,398,617	7,829,082
Dividend income	7,672,244	6,743,409	6,138,445
Other income	1,255,004	164,459	261,230
Claims incurred from direct insurance	(322,118,074)	(610,943,138)	(582,966,650)
Commissions and brokerages from direct insurance	(153,606,209)	(146,790,242)	(168,828,347)
Other underwriting expenses	(261,795,580)	(239,773,322)	(266,331,128)
Operating expenses	(138,371,757)	(76,036,463)	(62,424,920)
Income tax expense	(15,927,747)	(6,330,110)	(27,238,318)
Refundable corporate income tax	33,566,386	-	-
Investments in securities	(112,746,955)	(61,199,339)	(21,848,795)
Deposits at bank with maturity over 3 months	5,000,000	50,000,000	(10,000,000)
Investment property	41,544,841	44,581,472	42,186,594
Net cash provided by (used in) operating activities	<u>126,924,583</u>	<u>(23,843,297)</u>	<u>95,846,325</u>
CASH FLOWS PROVIDED BY (USED IN)			
INVESTING ACTIVITIES			
CASH FLOWS PROVIDED BY			
Property, plant and equipment	10,280	1,402	158,534
Cash provided by investing activities	<u>10,280</u>	<u>1,402</u>	<u>158,534</u>
CASH FLOWS USED IN			
Property, plant and equipment	(312,308)	(1,213,917)	(6,097,264)
Intangible assets	-	(225,900)	(1,841,120)
Cash used in investing activities	<u>(312,308)</u>	<u>(1,439,817)</u>	<u>(7,938,384)</u>
Net cash used in investing activities	<u>(302,028)</u>	<u>(1,438,415)</u>	<u>(7,779,850)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES			
Lease payment	(3,703,150)	(3,696,000)	-
Dividend paid	(7,500,000)	(7,500,000)	-
Net cash used in financing activities	<u>(11,203,150)</u>	<u>(11,196,000)</u>	<u>-</u>
Net increased (decreased) in cash and cash equivalents	115,419,405	(36,477,712)	88,066,475
Cash and cash equivalents as at January 1,	89,314,181	125,791,893	37,725,418
Cash and cash equivalents as at December 31,	<u>204,733,586</u>	<u>89,314,181</u>	<u>125,791,893</u>

2. Financial Ratio

	2021	2020	2019
<u>Operation Results</u> Unit: million Baht			
Premium Written	1,208.54	1,139.03	1,312.90
Net Premium Written	872.60	787.98	961.49
Total Underwriting Income	909.68	849.53	957.57
Insurance Claims and Loss adjustment expenses – net	285.03	396.04	453.44
Profit (loss) from Underwriting	205.79	75.62	58.44
Net Investments Income	15.11	13.59	13.76
Gains on Rental	20.80	24.60	22.82
Net Profit (Loss)	88.82	17.54	12.33
<u>Financial Status</u>			
Total Assets	1,837.14	1,741.80	1,973.71
Total Liabilities	1,053.19	1,032.19	1,280.97
Shareholder's Equity	783.95	709.61	692.74
<u>Liquidity Ratio</u>			
Liquidity Ratio (Times)	1.05	0.97	0.95
Premium Receivable Turnover (Days)	40.36	56.25	41.96
<u>Profitability Ratio</u>			
Retention Rate (%)	72.20	69.18	73.23
Loss Ratio (%)	32.96	49.55	49.29
Gross Profit Margin (%)	23.58	9.60	6.08
Underwriting Expenses Ratio (%)	48.43	47.28	48.44
Return on Investment (%)	1.56	0.40	1.85
Net Premium Written to Equity Ratio (%)	116.85	112.38	137.88
Net Profit Margin (%)	8.93	1.88	1.18
Return on Equity (%)	11.89	2.50	1.77
<u>Efficiency Ratio</u>			
Return on Assets (%)	4.96	0.94	0.63
Asset Turnover (Times)	0.56	0.50	0.53
<u>Leverage Ratio</u>			
Debt to Equity Ratio (Times)	1.34	1.45	1.85
Policy Liability to Capital Fund (Times)	1.00	1.09	1.55
Unearned Premium Reserve to Equity (Times)	0.52	0.56	0.57
Unearned Premium Reserve to Assets (%)	22.04	22.64	20.16
Dividends Payout Ratio (%)		42.75	60.84

Explanation and Analysis of Financial Status and Performance

Operating performance for 2021

In 2021, the income from the total written premium was 1,208.54 million baht, increased by 69.51 million baht or 6.10 percent due to from the increase of Marine insurance and transportation, Motor insurance and Miscellaneous insurance but Fire insurance segment does not grow. The company has continuously monitored the situation of the market and industry competition. The strategy has been revised and adapted as a response to the changes including the better underwriting process and cost control. Therefore, the company does not sell insurance policies related to the Coronavirus disease (COVID-19). The company had a profit from underwriting of 205.79 million baht an increase of 130.17 million bath or 172.15 percent compared to the previous year. In addition, the revenue from other income was 37 million baht increased 33.69 percent from the previous year, which was an increase in net investment income of 1.51 million baht or 11.14 percent, expected Net Credit Loss from accounting in accordance with accounting standard that start in use in 2020 amounting to 0.48 million baht, a decrease from the year 2020 that have been recorded 10.69 million baht and profit from rent and services of real properties decreased by 3.81 million baht or 15.46 percent due to the company's measures to provide assistance to building rental customers by reducing rental fees from the Coronavirus (Covid-19) situation. When less operating expense the amount were 101.94 million baht, an increase of 19.04 million baht or 22.97 percent from the previous year, resulting in the company having a profit before tax of 140.85 million baht, an increase of 120.46 million baht or 590.73 percent from the previous year. The company had income tax expenses of 52.02 million baht, resulting in the company's operating result, which was a net profit of 88.83 million baht, an increase from the previous year of 71.29 million baht or 406.32 percent, representing earnings per share of 2.96 baht.

However, the company had an investment in associates in 2021 which yielded the profit and shared those profits to the parent company of 3.58 million baht – the profit increased 8.10 million baht from the previous year. In total, the company has the net profit on the basis of the equity method equal to 92.41 million baht increasing 79.39 million baht or 609.70 percent from the previous year – equivalent to 3.08 baht per share

Overall underwriting

In 2021, the company had underwriting profit at the amount of 205.79 million baht, an increase of 130.17 million baht from 2020 or 172.15 percent, from the gross written premium of 1,208.54 million baht, equivalent to the underwriting profit margin per gross written premium of 17.03 percent, when deducting the premiums ceded to reinsurers of 335.94 million baht, representing a net premium written of 872.60 million baht, equivalent to the underwriting profit margin per net written premium 23.58 percent which increase from the previous year. For the year 2020, the company had a profit from underwriting of 75.62 million baht from gross written premium of 1,139.02 million baht, equivalent to the underwriting profit margin per gross written premium 6.64 percent, the net premium written was 787.98 million baht, representing the underwriting profit margin from net premium written was 9.60 percent, proportion are as followed;

Unit: Baht

Lines of Business	2021		2020		% Increased (decreased)
	Gross Written Premium (baht)	Proportion (%)	Gross Written Premium (baht)	Proportion (%)	
Fire	87,620,938	7.25	89,363,285	7.85	(1.95)
Marine & Transportation	24,331,412	2.01	19,146,494	1.68	27.08
Automobile	299,693,400	24.80	288,981,584	25.37	3.71
Miscellaneous	796,891,785	65.94	741,533,867	65.10	7.47
Total	1,208,537,535	100.00	1,139,025,230	100.00	6.10
Underwriting expenses	703,888,274	58.24	773,914,407	67.95	(9.05)
Profit from underwriting	205,790,051	17.03	75,615,784	6.64	172.15

The company had accepted the risk without reinsurance at the rate of 72.20 percent of 1,208.54 million baht which was increased from the previous year which was 69.18 percent. Therefore, the company had the net written premium of 872.60 million baht increasing by 10.74 percent. The cost of insurance has decreased by 9.05 percent from the previous year, including Insurance claims and loss adjustment, Commission and brokerages and other underwriting expenses totaled 703.89 million baht, a decrease of 70.02 million baht. The rate of underwriting expenses to Revenues from underwriting in 2021 decreased 15.11 percent in comparison with the previous year, consist of a net loss ratio of 32.96%, lower than the previous year's rate of 49.55% to 16.59%. This is a result of the Corona virus (Covid-19) situation that has continued from the year 2020 where the compensation for Motor insurance is greatly reduced due to the use of fewer cars. In addition, the company does not directly sell insurance policies related to such diseases. In addition, Commission and brokerages was 12.66 percent, slightly higher than the previous year, which was 12.44 percent in the previous year. The ratio of other underwriting expenses in 2021 was 22 percent, while the previous year was 20.74 percent, with the company profitable for all types of insurance. The company has profits for all types of insurance, total underwriting profit margin to net premium received increased from the previous year at 9.60 percent to 23.58 percent.

Fire underwriting

As for the operating performance of fire insurance in 2021, the company received the gross premium of 87.62 million baht decreasing by 1.95 percent compared to the previous year. The amount of insurances from direct sales did not increase however such previous insurances were renewed so there was just minor change. For fire insurance in 2021, the company accepted the risk without reinsurance 54.81 percent, increasing from 56.36 percent in 2020. The underwriting cost had amount of 51.60 million baht increasing by 8.78 million baht or 20.51 percent consisting of insurance claims and loss adjustment expenses, commissions and brokerages and underwriting expenses. Although the gross premium did not grow and the insurance cost was increase, a fire insurance operation has a profit of 16.70 million baht, with a profit margin of 34.77 percent of the net premium written, while the year 2020 is at the rate of 49.20 percent.

Marine and transportation underwriting

As for the operating performance of marine and transportation insurance in year 2021, the company received the gross premium of 24.33 million baht increasing by 27.08 percent. The company accepted the risk without reinsurance up to 88.97 percent which the previous year was 86.63 percent. Unearned premium reserve 2.47 million baht cause an increase of earned premium in 2021 in the amount of 19.18 million baht from 16.53 million baht in 2020. For insurance cost 10.65 million bath that increase 36.78 percent from last year include insurance claims and loss adjustment expenses, commissions and brokerages and underwriting expenses. Loss ratio was 14.84 percent increased from 11.59 percent in 2020. Marine insurance and transportation operations recorded profit of 8.60 million baht, a decrease from the previous year's profit of 8.83 million baht, or 2.64 percent. The ratio of profit margin to the net written premium was 39.71 percent which was 53.23 percent in 2019.

Motor insurance

The operating performance of motor insurance in year 2021 showed that the company received the gross premium of 299.69 million baht increasing by 3.71 percent, by the increase of sales of motor voluntary insurance and motor compulsory insurance under the Third-Party Insurance Act B.E. 2535. Motor insurance policies of the company can be divided into 2 types: the compulsory insurance and the voluntary insurance both could be sold by brokers or direct sales. The gross premium of voluntary insurance was 229.58 million baht increasing from the previous year by 2.60 percent. The premium from compulsory insurance was 70.11 million baht increasing from the previous year by 7.50 percent. The company accepted all risk in the motor insurance without reinsurance, Net earned premium of 287.88 million baht increase from the previous year 1.92 percent. Total insurance cost was 183.17 million baht, decreasing by 26.66 percent, include insurance claims and loss adjustment expenses, commissions and brokerages and underwriting expenses. Loss ratio of the year 2021 was 38.51 percent decrease from 64.85 percent in the previous year, due to the use of less cars, asking for cooperation from the government in measures to work at home caused by the coronavirus disease (Covid-19) situation. This was due to higher insurance income coupled with a sharp decline in the loss ratio from the previous year. As a result, the motor insurance operation had a profit of 107.32 million baht, while the previous year had a profit of 35.10 million baht, an increase of 205.76 percent, with a profit margin of 35.72 which was 13.21 percent in 2019.

Miscellaneous insurance

Miscellaneous insurance covers all other kinds of risks such as accidents, travelling, health, liability and others. In addition, the company has received the project of erection of the natural gas platform which is the national mega project funded by Thai and Malaysian governments under the supervision of Thai and Malaysian governmental organizations. The site was situated in the area of Thai Gulf between the territory of Thailand and Malaysia with approximate area of 7,000 square kilometers. Previously, the Malaysian insurance company has provided the insurance to cover the whole projects which is worth one hundred and eighty billion baht in 2021. Currently, half insured in Thailand and Malaysia, there are 3 insurance companies in Thailand providing insurance for this projects which the company has gained the

total insured share of 20 percent. Most of the risks from this project have been reinsured with only 0.18 percent of the insured sum was accepted by the company. The company gets involved in this project since 2008.

The operating performance of 2021 showed that the company received the premium of 796.89 million baht increasing by 7.47. The company accepted the risk without reinsurance 63.05 percent, which increases from 2020 that the company accepts its own risk 61.40 percent. The total cost was 458.46 million baht decreasing by 3.18 percent consisting of insurance claims and loss adjustment expenses, commissions and brokerages and underwriting expenses. Loss ratio increased to 30.26 percent comparing to 44.23 percent of the previous year. As a result, the operation of the miscellaneous insurance business has increased from the previous year, the profit of the miscellaneous insurance was 73.18 million baht, increased from 6.91 million baht or 959.77 percent from the previous year, with a profit margin of 14.56 percent of the net premium written, while the year 2020 is at the rate of 1.52 percent.

Investment Asset

As of December 31, 2021, the company has the investment asset at the amount of 804.90 million baht increasing from 2020 by 85.31 million baht or 11.86 percent consists of investments in securities of 734.67 million baht and investment properties of 70.23 million baht. The company invested some assets deposited with financial institute which shall be used as asset-pledged in accordance with the regulation of the Insurance Committee.

In 2021, the income from investment in securities was 15.11 million baht increasing from 2020 by 11.14 percent, consisting of bank deposit interest, dividend payment and net profit (loss) from trading of stocks. The return yield was 1.56 percent.

Investment Property: investment properties worth 70.23 million baht. The company has received some income from rent and services of the office workspace situated at BUI Building 1 (7 story building) and BUI Building 2 (20 story building). The net income from rent and services was 20.90 million baht decreased from the previous year of 15.46 percent due to the company's measures to provide assistance to building rental customers by reducing rental fees from the Coronavirus (Covid-19) situation. The return yield was 29.76 percent

Assets (Financial statement in which the equity method is applied)

(1) **Contents of assets** as of December 31, 2021 comprised of cash and cash equivalents 11.16 percent, premium receivable 7.39 percent, accrued investment income 0.07 percent, reinsurance assets 17.55 percent, amount due from reinsurers 0.16 percent, investment assets 43.87 percent, investment in an associate 2.42 percent, property, plant and equipment 16.45 percent, intangible assets 0.05 percent, and other assets 0.89 percent.

As of December 31, 2021, the company's total assets amount Baht 1,834.68 million, decreased from 2020 of 102.50 million or 5.92 percent.

(2) **Quality of assets**

Cash and cash equivalents as of December 31, 2021, the company had 204.73 million baht in cash and cash equivalents, increased of 115.42 million baht or 129.23 percent include

cash on hand, cheque on hand and deposits at bank (at call).

Investment assets as of December 31, 2021, the company has invested in securities, such as bonds, common stocks, unit trusts, bill of exchange and cash at financial institutions due over 3 months amounting to 804.90million baht, which was the fair value. The company pledged bonds with a face value of Baht 15.00 million as collateral with the Registrar in accordance with Non-life Insurance Act of 1992.

Investment Property as of December 31, 2021, the company had a net value on Investment Property of 70.23 million baht which is Buildings (BUI2) for rental and services business. The company measures the value by historical cost deducted with the accumulated depreciation and accumulated loss on impairment (if any) and calculates the depreciation cost via straight line method with useful life of 27 years.

Property, Plant and Equipment as of December 31, 2021, the company had a net value on premises and equipment of 301.80 million baht, as the Office of the company and subsidiaries and part rent under operating leases. In year 2021, the Company revalued land by using value appraised by the independent appraiser licensed by the Securities and Exchange Commission which is determined by using the Sale Price Approach according to the appraisal. The Company has a policy to reappraise the value of land every period approximate of 3 years.

Reinsurance assets as of December 31, 2021, the company had reinsurance assets 321.93 million baht increased by 22.14 million baht or 7.39 percent.

Premiums receivable as of December 31, 2021, the company had a total of 135.50 million baht in net uncollected premiums, decreased of 42.49 million baht or 23.87 percent. Premium receivables are classified by aging as follows:

	2021	2020	2019
	Baht	Baht	Baht
From direct insurance			
Within credit terms	93,968,337	80,898,597	100,029,908
Less than 30 days	28,742,063	36,930,392	33,988,484
31 - 60 days	6,900,987	20,495,861	8,128,480
61 - 90 days	2,601,663	7,290,887	4,055,406
Over 90 days	6,277,721	43,409,417	11,810,522
Total premium receivable	<u>138,490,771</u>	<u>189,025,154</u>	<u>158,012,800</u>
<u>Less</u> Allowance for doubtful accounts	<u>(2,989,148)</u>	<u>(11,038,469)</u>	<u>(4,985,696)</u>
Premium receivable - net	<u>135,501,623</u>	<u>177,986,685</u>	<u>153,027,104</u>
Receivable under lawsuit			
Over 1 years	2,979,269	62,818,772	63,357,185
<u>Less</u> Allowance for doubtful accounts	<u>(2,979,269)</u>	<u>(62,818,772)</u>	<u>(63,357,185)</u>
Receivable under lawsuit - net	<u>-</u>	<u>-</u>	<u>-</u>
Premium receivable - net	<u><u>135,501,623</u></u>	<u><u>177,986,685</u></u>	<u><u>153,027,104</u></u>

The uncollected premium was 135.50 million baht. The premium which is not due and uncollected less than 60 days was 129.61 million baht or 95.65 percent of all uncollected premiums, the ratio increased from the previous year's rate of 77.72 percent. The policies of the allowance for doubtful accounts are based on the expectation of uncollected premiums from premium receivables which exist, include with the experience of the past and the collection according to the current state. The company has improved and developed the debt collection system periodically to be more efficient.

Liquidity

Cash flow as of December 31, 2021 the company had 204.73 million baht in cash and cash equivalents, increased from 2020 of 115.42 million baht or 129.23 percent.

	Unit: Million Baht		
	<u>2021</u>	<u>2020</u>	<u>2019</u>
Cash flows (used) operating activities	126.92	(23.84)	95.85
Cash flows (used) investing activities	(0.30)	(1.44)	(7.78)
Cash flows (used) financing activities	<u>(11.20)</u>	<u>(11.20)</u>	<u>0.00</u>
Net (decrease) in cash and cash equivalents	<u>115.42</u>	<u>36.48</u>	<u>88.07</u>

Cash flow from the operating activities at the amount of 126.92 million baht has been received/used from the underwriting activities such as collecting premium, claim paid and has been paid for underwriting cost, total received of 294.61 million baht, received from income on investment and other income 19.25 million baht, refundable corporate income tax 33.57 million baht, used in investment asset 66.20 million baht, paid for operating expenses 138.37 million baht, and paid for corporate taxes 15.93 million baht.

The cash flow used in investment was 0.30 million baht consisting of sale and purchase of the operating assets.

The cash flow used in financing activities was 11.20 million baht consisting a lease payment and dividend payment.

Liquidity ratio Liquidity Ratio - As of December 31, 2021, the financial status of the company has the liquidity ratio of 1.05 times, an increase from the previous year's rate of 0.97 times, which was considered the company's liquidity sufficient. The premium receivable turnover at 40.36 days, which is rotating faster than the previous year's 56.25-day rate, shows that the company has the ability to collect money from sales faster.

Sources of funds

The company's sources of funds were underwriting revenue, rent and services of buildings and fund. No loan is made from any financial institute. All of these funds will be invested for increasing return.

About the reserve fund, the company has enough reserve in accordance with the regulation of Office of Insurance Committee with sufficient liquidity and capacity to pay debt in the good level. For the efficiency of financial management, the capital adequacy ratio of the

company according to the Office of Insurance Commission's criteria is 407.85 percent, which is higher than the standard set by the Office of Insurance Commission (OIC), which is 140 percent.

Maintaining various ratios according to the regulations of the relevant agencies and other important ratios specific to the industry

The company has allocated 25.54 million baht as reserve fund or 8.51 percent of the company's registered capital in accordance with the Public Company Limited Act of 1992, which the company was required to appropriate at least 5 percent of net income after deduction of the deficit brought forward (if any) until this reserve reaches at least 10% of the registered capital.

The company has allocated reserve fund according the Ministry of Commerce's Notice regarding Reserve funds for Unearned Premiums Income and for Insurance Claims for Non-life Insurance Companies. As at December 31, 2021, the Company had Unearned premium reserve amount 404.99 million baht and Loss reserve and outstanding claims amount 380.12 million baht, total liabilities from insurance contracts 785.11 million baht. The Company had Insurance reserve refundable from reinsurer amount 321.93 million baht, insurance liability net amount 463.18 million baht. The company put securities amount baht 670.97 million including government bonds, bank statement and stock which was free from encumbrances to the OIC and some placed with a financial institution to the requirements of the asset-backed security.

5. Corporate information

5.1 General information

Bangkok Union Insurance Public Company Limited, head office located at 175 - 177 Bangkok Union Insurance Building, Surawong Road, Suriyawong Sub-District, Bangrak District, Bangkok 10500, company registration no. 0107537002044 Telephone (662) 233-6920, 238-4111 Fax (662) 237-1856 Website : <http://www.bui.co.th/> E-mail: bui@bui.co.th
The company has 4 branch offices comprising Nakhon Sawan branch. Klong Luang District Branch, Chon Buri Branch and Surat Thani Branch have 2 sub-branch comprising Lampang Sub-Branch and five sub-branch on Ko Yo

Branch Offices:

1. Nakornsawan 36/13-14 Kositai Road, Tumbol Paknampo Amphur Muang, Nakorsawan 60000
Tel: 0-5633-1885-7 Fax: 0-5622-7098
2. Amphur Klongluang 25-27 Moo 12, Phaholyothin Road, Tumbol Kolngneung, Amphur Klongluang, Phatumthani 12120
Tel: 0-2529-0963, 0-2529-1615 Fax: 0-2529-3082
2. Chonburi 192/3 Moo 1 Sukhumvit Road, Tumbol Klongtumru Amphur muang, Chonburi 20000
Tel: 0-3827-8440, 0-3827-8441 Fax: 0-3827-8441
3. Suratthani 123/77, 123/78 Moo 1 Watpo-Bangyai Road, Tumbol Makhamtia Amphur Muang, Suratthani 84000

Sub branch:

1. Lampang 199/2 Moo 13 Lampang-Ngao Road, Tumbol Pichai, Amphur Muang, Lampang 52000
Tel. 0-5438-2847
2. Ko Yo 618/2 Moo2 Tumbol pavong, Amphur Muang, Songkhla 90100
Tel 0-7433-4128-9

- 5.2 Ordinary Shares Registrar** Thailand Securities Depository Co., Ltd.
93 Ratchadaphisek Road, Din Daeng, Bangkok 10400, Thailand
Website: <http://www.set.or.th/tsd>
Tel: (66) 0-009 9999

Auditor 2019 - 2021

Mr. Nantawat Sumraunhant
Certified Public Account (Thailand) No. 7731
Deloitte Touche Tohmatsu Jaiyos Audit co., ltd.
AIA Sathorn Tower 23rd -27th Floor,
11/1 South Sathorn Road, Yannawa, Sathorn,
Bangkok, 10120, Thailand
Tel: (66) 0-2034-0000
Fax: (66) 0-2034-0100

5.4 Legal Disputes

In addition to the lawsuits arising from the actions of the company from the normal business of non-life insurance. The Company has no lawsuits that may have a negative impact on the Company's assets in cases where the amount is higher than 5% of the shareholders' equity as of the fiscal year-end.

Part 2

Management and Corporate Governance

6. Corporate Governance Policy

To achieve the constant and sustainable growth in the insurance industry, the company determines to provide services with integrity and honesty to for the maximum satisfaction to customers. The company provides services with convenience, agility, quality and fairness as the motto says “Up-to-date, Efficient, Care and Trust”. The company considers the internal control system and good internal control and has a systematic enterprise risk management because the good internal control can be used as a tool to mitigate business risk and to review that the company operates according to the rule and regulations. Also, the company develops an efficient, effective, and up-to-date risk management and encourages directors and employees to act with integrity.

6.1 The Policy of Corporate Governance

The Board of Director has knowledgeable and strongest determination to perform according to the company’s principle and policies. The company realizes the significance of good corporate governance and as important factors in enhancing company’s performance and business growth. This will lead to generate the greatest benefit to shareholders. The committee has performed according to the principle of good corporate governance as in the following:

6.1.1 Equality of Shareholders/Equal Treatment towards Shareholders

The company considers the importance of the right of shareholders. The company determines to operate with excellence continuously with utmost transparency and fairness in order to create values to Shareholders and protects the company’s properties and reputation.

- 1.1 Shareholders have equal rights to participate. The company will notify them about rules in the meeting and of voting
- 1.2 The company must hold the annual Shareholder’s Meeting within four months from the last day of fiscal year period
- 1.3 The company must send the invitation with the detail of each agenda along with handout for the meeting no less than seven days prior to the meeting. The company must publish the notification of the Shareholder’s Meeting no less than three consecutive days and no less than three days prior to the meeting and disclose via Security Exchange of Thailand System
- 1.4 The consideration of agenda in the meeting must be processed from the end of January of every year and propose to the Chairman of Executive Directors before proposing to the Board of Directors for approval including the invitation. The document must be complete and sufficient for shareholder’s decision in voting
- 1.5 The company has a policy that the directors must attend at the Shareholder’s Meeting and the Shareholders can ask any question to the Chairman of each Sub-Committee freely
- 1.6 The company provide convenience to the Shareholders so that the Shareholders can attend the meeting for equality such as

- 1.6.1 The meeting takes place at the head office of the company in Bangkok with proper space, and available equipment such as microphone, speaker or utensils
- 1.6.2 The meeting is scheduled at the proper time such as not on official days or long holiday
- 1.6.3 The company let voting agenda by agenda, and item by item in case agenda has multiple items such as selection of directors
- 1.7 The Shareholder has following rights at the meeting as following
 - 1.7.1 The right to propose agenda and names of qualified persons for the director position. The company gives opportunity to propose via directly to the secretary or website before the Board of Directors' meeting in advance
 - 1.7.2 The right to participate and vote in every meeting
 - 1.7.3 The right to authorize to any person as legal representative to attend the meeting. The company will provide the proxy attached with the invitation. The Shareholders can give the proxy to participate and vote. The company appoints independent directors to take care of Shareholders and give the right for Shareholder to select those directors as legal representatives
 - 1.7.4 The right to appoint the individual directors
 - 1.7.5 The right to appoint the auditor and audit fee
 - 1.7.6 The right to approve the dividend payout from the company's performance and equally receiving the dividend profit
 - 1.7.7 The Chairman of the meeting gives opportunity to Shareholders to express their opinions, advices, and questions according to the agenda
 - 1.7.8 The Shareholders can check the information of their shares at the record date and book closing at the Thailand Securities Depository Co., Ltd.
- 1.8 Besides the regular annual meeting, if necessary to propose special agenda that impact the benefits of the Stakeholders or forced by the Government or regulators that must need approval from the Stakeholders. The company will call for the extraordinary meeting
- 1.9 The company must reveals the resolution and results of voting in each agenda of the meeting at the following day via SET System
- 1.10 The company publishes the report of the meeting within 14 days
 - 1.10.1 Record of the participation of the Shareholders both by themselves or proxies including amount of shares and proportion of shares for individuals
 - 1.10.2 Record of the participation of directors both available or not available at the meeting, record of the explanation of voting process before start of meeting, the record of issues or questions by Shareholders, the reply of

the directors, resolutions or opinions of shareholders and voting results for each agenda

1.10.3 The company publishes the report on the website of the company and via SET System

1.11 Apart from what mentions above, the Shareholders have other rights according to laws

6.1.2 Code of Conduct

The company believes in good doing in order to operate the business. The directors, the management, and employees have mutual missions to act with integrity and honesty under law and responsibility and with prudence to prevent risks that could damage the company and society. The code of conduct is available on the policy, rules and regulations for underwriting claim process. The company appoints the internal control department to review the operation of employee and monitor if such code of conduct is followed and punishment will be in place if any violation.

6.1.3 Vision and Leadership

The Board of Directors, consisting of directors who have expertise and strong experience in business operation, has participated in establishing policy, strategies, operating goals as a framework for the business operation. This is to ensure that management team can implement the company's policy effectively and efficiently to create the economic values for the company and its shareholders.

As the Board of Directors has realized the importance of the Good Corporate Governance, then the internal control system are established for the internal audit supervised by the Audit Committee to ensure the appropriation and the effectiveness of the system. There is a continuous monitor on this issue in the Board of Directors' Meeting.

6.2 Other Principles regarding Corporate Governance

6.2.1 Review of key policies and practices in 2021

The Company attaches great importance to the implementation of key policies and guidelines. In 2021, the Company has reviewed key policies and guidelines. To be in line with business operations and in accordance with the laws of regulatory agencies such as the Office of Insurance Commission The review is as follows, for example, Code of Conduct and good corporate governance principles. Holistic Risk Management Policy Insurance fraud risk management policy, etc.

6.2.2 Compliance with good corporate governance principles in other matters

(1) Support the work of the Board of Directors

The company has a company secretary. and Deputy Company Secretary to coordinate with the Board of Directors and sub-committees in the company's business as well as arrange a meeting of the Board of Directors to consider various activities in accordance with the law. Store documents related to board meetings and shareholders' meetings in a safe place. as well as providing various information to the Board of Directors.

(2) Promote a culture of risk management

The company has a risk management policy. and arrange for every part of the company to comply with the risk policy approved by the Board of Directors. through the supervision of the Risk Management Committee as well as communicate the importance of risk management to employees and implement them in their lives and work. as well as having a risk monitoring report to the Board of Directors on a regular basis. in order to be able to fully and accurately reflect the risks of the organization Either review or assess the effectiveness of risk management at least once a year.

(3) Promote good corporate governance through shareholder meetings.

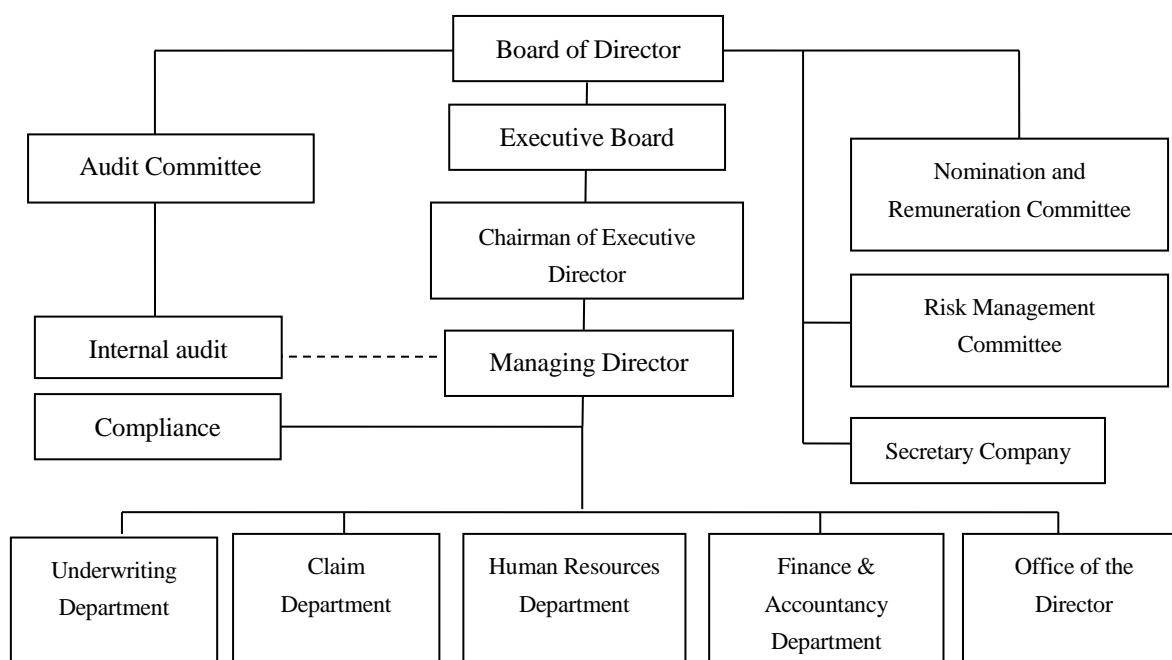
In 2021, the Board of Directors meeting on February 25, 2021 resolved to call the Annual General Meeting of Shareholders No. 92/2564 on April 21, 2021 at the Company's meeting room. Bangkok Union Insurance Public Company Limited, BUI1 Building, Surawong Road, Bangkok, by the company holding a shareholders' meeting under the measures of public health guidelines for the prevention of the spread of the corona virus 2019 (COVID-19) for meetings and seminars by the chairman of the board Presiding over the meeting Executive Chairman Managing Director Chairman of the Audit Committee and Chairman Nomination and Remuneration attended the meeting to report the Company's performance for the year 2020. In addition, all directors also attended the meeting.

In addition to the annual general meeting of shareholders If it is necessary to propose a special agenda in an urgent case that affects or relates to the interests of the shareholders or related to the conditions or regulations of the government or agency governing the company which must be proposed for approval from the shareholders The Company will call an Extraordinary General Meeting of Shareholders on a case by case basis.

The company has realized and given importance to the rights of shareholders. The company is determined to have a good performance. Consistently excel in current and future risk environments through transparent and fair operations. Including adding value to shareholders by doing their best to protect their assets. and maintain the reputation of the company.

7. Corporate Governance Structure and Important Information about the Board of Directors Sub-committees, Executives, Employees and Others

7.1 Corporate Governance Structure as of 31 December 2021



7.2. Information about the Board of Directors

The Company's management structure as of December 31, 2021 consists of 4 committees, namely the Board of Directors, Audit Committee, Nomination and Remuneration Committee and Risk Management Committee.

7.2.1 There are 11 directors in total, comprising 5 independent directors, which is more than one-third of all directors, details as follows:

(1) Information of the Board of Directors

The committee usually meets at least once every 3 months. Approximately every second Thursday of the month and additional special meetings are held as needed. The company has sent the invitation letter together with the meeting agenda and documents 7 days in advance to the board of directors before attending the meeting. Each meeting usually takes approximately 2 hours. The Company has recorded the minutes of the meeting in writing and kept the minutes approved by the Board of Directors, so that the Board and related persons can be examined.

For the year 2021, a total of 4 Board of Directors' meetings has been held. The meeting attendance of each director can be summarized as follows:

Name	Title	The Amount of Attendance
1. Mr. Manu Leopairote	Chairman of Board of Directors /Independent Director	4 / 4
2. Mr. Pichit Sinpatanasakul	Chairman of Audit Committee / Nomination and Remuneration Committee / Risk Management Committee / Independent Director	4 / 4
3. Assoc. Prof. Pranom Kowinwipat	Chairman of Nomination and Remuneration Committee / Audit Committee / Independent Director	4 / 4
4. Mr. Soonthorn Konuntakiet	Chairman of Risk Management Committee / Audit Committee / Nomination and Remuneration Committee / Independent Director	4 / 4
5. Mr. Tavich Taychanavakul	Audit Committee / Independent Director	4 / 4
6. Ms. Malinee Leophairatana	Chairman of Executive Director / Risk Management Committee	4 / 4
7. Ms. Tanyarat Iamsopana	Managing Director / Executive Director	4 / 4
8. Mr. Prachai Leophairatana	Executive Director	4 / 4
9. Ms. Maneerat Iamsopana	Executive Director	4 / 4
10. Ms. Sujintana Champeesri	Executive Director / Secretary	4 / 4
11. Mr. Pakorn Leophairatana	Executive Director	4 / 4

The Managing Directors

The company appoints six directors for juristic act are Ms.Malinee Leophairatana, Mr.Prachai Leophairatana, Ms.Tanyarat Iamsopana, Ms.Maneerat Iamsopana, Mr.Pakorn Leophairatana, and Ms.Sujintana Champeesri. Two of these six directors must co-sign and seal of the company.

The obligation in insurance policies must be signed and sealed by one of the directors.

Director's Qualifications

The Board of Directors consists of no less than 9 people and more than half of the Board must reside in Thailand. More than 3 / 4 of directors must hold Thai nationality and comply with related rules and regulations

Qualification of the Board of Directors

1. Leadership with vision, integrity, ethics, knowledge and experience that is beneficial to the operations of the company.

2. Have an interest in the Affairs of the company can devote and dedicate time to the company.
3. According to section 68 of the public limited company in which the Director in public companies must be a natural person and
 - Age of majority
 - Do not become insolvent, incompetent or incompetent
 - Never be imprisoned for the crime of corruption acts
 - Never be punished or dismissed or laid off from government organization or dishonest Government duties

Roles and Duties of the Board of Directors

The Board of Directors has the authority as following;

1. To control and manage the company to be conformed to the laws, the objectives, regulation and consensus of shareholder's meeting
2. To have the power to appoint one committee to be the chairman and appoint another committee or many committees to be vice chairman upon the situation
3. To appoint the administrative committee to conduct the business according to the committee's determination
4. To determine and make amendment for the persons who can have the authorized signature on behalf of company
5. To fix the dividend for shareholders during the period of time
6. To appoint or demote the company's employee; this power can be assigned to any directors or many directors of company
7. To fix the date to pay bonus, reward to company's employees, workers or job-holders to the company and they can be permanent or temporary
8. To have the duty as company's regulation which includes to control and operate the business in conformity with the law, the objectives and the company's regulation and also the consensus of shareholder's meeting
9. To view as proper for the policy, vision, mission, expected value and ethic in conducting the business
10. To consider and approve the strategies, business plan and annual budget and to follow up the operation and the execution of top management to run business in line with business plan and set budget in effectiveness
11. To determine the internal control system to continue effectively and arrange the risk management appropriately
12. To control the check-up from both internal auditors and external auditors to carry out their duty in effective manner
13. The committee has to hold 3 times of meeting per month
14. The committee has to arrange the meeting for shareholders. It is the ordinary meeting and it should be held within 4 months counting from the last day of company's fiscal year. The other shareholder's meeting is considered extraordinary or uncommon and it can be held at any time or upon the situation

15. The committee has to arrange the balanced sheet and Profit & Loss statement on the last day of company's fiscal year in order to propose such information in the annual ordinary meeting of shareholders for their approval. The committee has to provide CPA auditors to conduct the audit before proposing to the meeting of shareholder
16. To pay the dividend at intervals to shareholders when the company can make the profit in a level. The paid dividend should be reported in the next meeting of shareholder

7.2 Audit Committee

The company appoints the Audit Committee consisting of all independent directors in year 2021. The meetings are held 4 times.

Name	Title	The Amount of Attendance
1. Mr. Pichit Sinpatanasakul	Chairman of Audit Committee	4 / 4
2. Assoc. Prof. Pranom Kowinwipat	Audit Committee Member	4 / 4
3. Mr. Soonthorn Konuntakiet	Audit Committee Member	4 / 4
4. Mr. Tavich Taychanavakul	Audit Committee Member	4 / 4

Remark: Audit Committee Member who has knowledge and experience in auditing the financial statement is Assoc. Prof. Pranom Kowinwipat.

Roles and Responsibilities of Audit Committee

1. To control and review that the financial report is reliable and accurate by coordinating with auditors and related directors in preparing process
2. To review the related transactions that may have conflicts of interest or the transactions that may be suspicious and make a disclosure in the financial report.
3. To ensure that there is the appropriate internal control system and test if it is efficient for operation
4. To ensure that the company operates under the regulation of SEC or related business regulations
5. To publish and review the Committee charter respect to roles and responsibilities of the Audit Committee by whose contents in the charter must be precise about their different roles of the Committee
6. To ensure that the internal audit department is independent and there is internal control system to monitor the activities and the structure effectively and to approve the charter of internal audit.
7. To nominate a person who is independent in order to audit the financial statement of the company and compensate fairly based on their trustworthiness and their performance in past years, to remove an auditor by the agreement of Board of Directors and also to participate in the auditor's meeting without organizer at least once a year

8. To publish the report of the performance of Audit Committee to the meeting of Board of Directors for acknowledgement and disclose in the annual report with the signature of the Chairman of Audit Committee
9. To ensure that the company has a good governance, make recommendations and encourage the Board of Directors to apply as well
10. To ensure that the company has an efficient risk management in compliance with the risk policy by coordinating with Risk Management Committee about the opinion in Risk Management
11. To direct and encourage employee to make an incident report about fraudulent activities or violations against rules and regulations of the company or related parties
12. To evaluate their own performance at least once a year and summarize the result to Board of Directors for acknowledgement
13. To perform ad-hoc assignments from the Board of Directors with the approval of Audit Committee
14. Audit Committee Member who has knowledge and experience in auditing the financial statement is Assoc. Prof. Pranom Kowinwipat

7.2.3 The Risk Management Committee

The Risk Management Committee consists of three directors and employees of the company from different departments who are experienced in order to manage risks more efficiently

The company has established a risk management committee, to supervise and manage the overall risk management system of the company, to be in accordance with the appropriate risk management policy. Regularly scheduled meetings in 2021, there will be 2 meetings in total.

Name	Title	The Amount of Attendance
1. Mr. Soonthorn Konuntakiet	Chairman of Risk Management Committee	2 / 2
2. Mr. Pichit Sinpatanasakul	Risk Management Committee Member	2 / 2
3. Ms. Malinee Leophairatana	Risk Management Committee Member	2 / 2
4. Mr. Suthee Chauypitak	Risk Management Committee Member	2 / 2
5. Ms. Pornyupa Chomkamsingh	Risk Management Committee Member	2 / 2
6. Miss Wanphen Kongchartree	Risk Management Committee Member	2 / 2
7. Ms. Walaipatch Wongsoontorn	Risk Management Committee Member	-/-

Remark: **Remark:** Ms. Pornyupa chomkamsingh* resigned from the employee in July 2021

Ms. Walaipatch Wongsoontorn** was appointed as a risk committee in November 2021.

Roles and Responsibilities of Risk Management Committee

1. To set the risk management policy
2. To evaluate sufficiency of strategies and efficiency of the risk management of the company
3. To hold meetings at least once a quarter to monitor risks, progress of risk management, improve and report to the Board of Committee once a quarter

7.2.4 The Remuneration and Nomination Committee

The company appoints the committee that consists of all independent members. There is one meeting in year 2021

Name	Title	The Amount of Attendance
1. Assoc. Prof. Pranom Kowinwipat	Chairman of Remuneration and Nomination Committee	1 / 1
2. Mr. Pichit Sinpatanasakul	Remuneration and Nomination Committee Member	1 / 1
3. Mr. Soonthorn Konuntakiet	Remuneration and Nomination Committee Member	1 / 1

Roles and Responsibilities of Remuneration and Nomination Committee

1. To set criteria and policy to nominate directors and executives
2. To set methods of nomination to comply with rules and regulations of the company
3. To select and nominate qualified people to act as directors and executives
4. To supervise the Board of Director to have a proper amount of people and also adjust according to the changed environment. The Board of Directors must be composed of people who are skilled, expertise, and experienced
5. To Remunerate director appropriately compared to another company with the same industry, similar size and also consider the company's performance before proposing to the Shareholders

7.3 Executives

As of December 31, 2021, the Company has 7 executives as follows:

Executives, as of December 31, 2021

1. Ms. Malinee Leopairat	Chairman of Executive Director
2. Ms. Tanyaratt Iamsopana	Executive Director /Managing Director
3. Ms. Sujintana Champeesri	Executive Director / Manager, Finance & Accountancy Department
4. Miss Yaovadee Chaitanapinyo	Manager, Underwriting Department
5. Mr. Sutee Sirivorathum	Manager, Claim Department
6. Ms. Sunee Khunavorathum	Manager, Human Resources Department
7. Mr. Bunlung Keawpankan	Secretary Company / Manager, Manger of Managing Directors

7.4 Company secretary and person who is directly responsible for accounting supervision

7.4.1 Company Secretary

The Board of Directors has a resolution to appoint Ms. SuJintana Champeesri has served as the Company's secretary continuously until 11 November 2021.

The Board of Directors has resolved to appoint Mr.Bunlung Kaewpankan to be the company secretary. From November 11, 2021, by the qualifications of the person holding the position as the company secretary appears in attachment 1.

7.4.2 Persons assigned to be directly responsible for accounting supervision

The person who is most responsible for accounting and finance is Ms.Sujintana Champeesri since August 1, 2002 appears in attachment 1.and the accounting supervisor is Ms.Warunee Lewiwathaworn. Since June 22, 2009, appears in attachment 3.

7.5 Remuneration for directors and executives

The Company has established a Remuneration Committee. It is the same committee as the Nomination Committee to consider the remuneration of the Company's directors There are appropriate criteria based on comparison with the rates of compensation of companies in the same industry. Of similar size including the Company's operating results for consideration before being presented to the shareholders' meeting for approval.

Management remuneration This is the benefit paid to the Company's management and directors. Monetary compensation includes salary, related benefits and directors' remuneration, including post-employment benefits. The Company's executives mean Persons designated under the Securities and Exchange Act

For the years ended December 31, 2021, the Company has significant remuneration for directors and key management personnel as follows:

Short-term benefits	19,109,225	baht
Post-employment benefits	290,274	baht
Directors' remuneration	<u>1,658,000</u>	baht
Total	<u>21,057,499</u>	baht

In 2021, the company paid a meeting allowance Committee to the Directors amount 1,658,000 baht.

This remuneration paid to the Directors of the company pursuant to section 90 of the public limited companies act, it's not including salaries and related benefits paid to the Executive Committee.

7.6 Employees

The company has a total of 193 employees. In 2021, the company has paid remuneration to employees totaling 121.72 million baht, the benefits include salaries, overtime pay, living allowance, bonuses, social security payments. Expenses for post-employment benefits and contributions to provident funds, etc.

Unit	The number of employees
Business and marketing	
• Underwriting Department	36
• Marketing Department	36
• Claim Department	47
Operating	52
Account and Finance	22
Total	193

The company has a policy to develop employees at all levels of quality and standards in higher work. There is a continuous development. There are plans for training inside and outside all year round. On the job training is done consistently and with measurement and follow up regularly to achieve knowledge and understanding of both the company's system. In addition, there is a rotation works.

The company has not changed significantly, the number of employees in around 3 years

7.7 Roles and Duties of Sub-Committees

Sub-Committee Structure

Board of Directors has set up sub-committees as appropriate to consider and screen and suggest solutions to various problems to alleviate the workload of the Board of Directors. and help the operation of the Board of Directors to be more efficient, consisting of 3 committees, consisting of

7.7.1 Roles and Responsibilities of Underwriting Committee

1. To set policies regarding underwriting and reinsurance flexible to the changed environment considered risks and related regulations

2. To consider regulations and practices regarding underwriting and reinsurance of the company
3. To consider and set the power of authorization in underwriting and present to the Board of Directors
4. To ensure that the company operates the underwriting process that is complied with the policy approved by the Board of Directors
5. To control the underwriting process under rules and regulations
6. To consider and approve the premium rating
7. To consider and approve authorized list of reinsurers and loss adjusters
8. To consider new policies
9. To plan and set the sufficient human resources to be support the product development
10. To consider and give an opinion regarding high-risk underwriting
11. To propose the way to solve underwriting problems
12. To review and revise policies of underwriting and reinsurance appropriate to the changed environment

7.7.2 Roles and Responsibilities of Claim Committee

Claim Management

1. To set policies regarding claim management and to manage the claim process when large amount of claims occurs
2. To set policies regarding estimated claim and claim reserve
3. To consider an approval of strategies, practices, and regulations regarding claim management and reopened claims
4. To consider and set levels of authorization to approve claims
5. To monitor claim status and to ensure that the company makes a sufficient claim reserve
6. To settle the claim complaint and rectify when fraud claims occur
7. To review complaints and propose solutions

AVL

1. To set the area of service, criteria in selection, rules and regulations in operation and contracts for sellers / contractors
2. To evaluate performance of sellers / contractors regularly also set the contingency plan to support when sellers / contractors cannot perform services
3. To consider and authorize spare part store, survey, forklift, plat glass and sellers / contractors
4. To consider and authorize the purchase and hire properties, or services when those costs are more than 1 million baht
5. To publish CM Code for new cars, car part code also provide prices of spare parts, repairmen cost

Salvage and Properties

1. To set directions and goals in selling salvage and properties
2. To direct and manage the selling of salvage and properties and make a registered book and report to the Board of Directors
3. To provide and maintain the location for storage of salvage
4. To provide a price list of new brand cars that will be launched three months in advance

7.7.3 Roles and Responsibilities of Investment Committee

Investment Management

1. To set policies, criteria, and investment plans complied with the rule and regulations from the government and/or the related regulators and also appropriate to risks of the company
2. To consider the rules and regulations of the investment of the company
3. To consider and approve the limitation of investment in each type of asset and allocate appropriately
4. To consider and approve the investment by the levels of authorized persons (in case that the investment exceeds the authorization of the management)
5. To direct, control and monitor the investment management complied with the policy approved by the Board of Directors
6. To direct, control and monitor the status of the investment of the company and report to the Board of Directors
7. To review the performance and revise the investment policy every year appropriate to the changed environment

Debt Collection Management

1. To participate the consideration of drafting contract with agents / brokers
2. To set practices in accepting new agents, underwriting, debt collecting and agent code opening
3. To set criteria to consider agent's debt / evaluate agents, review the regulations from the government and report the process of debt collection on basis of Cash Before Cover
4. To monitor and report the outstanding debt and payable from underwriting, reinsurance and claim and present to the Board of Directors
5. To consider and analyze the outstanding debt and sue accordingly
6. To monitor and report the security management that company uses for pledge and securities that agents / customers uses for pledge
7. To set the policy of doubtful accounts and reviewed the life of premiums receivable every month
8. To set the policy of estimation and records of premiums receivable

9. To set the policy of accrual expenses without delay
10. To set the policy and regulations regarding the consideration of loans by indicating the minimum of collateral

7.8 Balance of Power from Non-Management Directors

Board of Directors consists of 11 directors

Directors with management position	6	directors
Directors with non-management positions	5	directors

The five non-management directors are independent directors which are 45.45 percent of the Board. One of the five non-management directors is the Chairman of Board of Directors and four independent directors are the Audit Committee and three of them are the Nomination and Remuneration Committee.

7.9 Nomination of Board of Directors and Executive Officers

7.9.1 Independent Directors

Independent Director means the Director with all qualification and has the independence to express their idea pertaining to the business direction, business operation in order to improve and develop the administration of organization in good corporate governance. There should have following qualifications;

1. To hold the shares not over 1 percent out of all shares that can vote for the whole of company, affiliates, joint ventures, or other juristic persons that are relative or have the conflicts and it also includes the shares held by the related persons
2. No involvement in the management of company, affiliates, joint ventures, or other related juristic persons, including not being employees, staffs, auditors, lawyers or advisors who obtain the salary from the company or being the authorized person or being a person to have any conflicts
3. Not being the person who has the same blood lineage or do legal registration with the executives, major shareholders, persons in authority or persons who are expected to be executives or authorized persons
4. No gain and loss from the company's benefit for both direct or indirect ways in part of Finance and the management of affiliates, joint ventures, or other juristic persons that might have the conflict
5. No business relation with the company or being the person who might have the conflict in the manner of opposing the discretion
6. To express their idea independently concerning the work operation of company and their expression should not be under the control of executives or company's major shareholders including other related persons or relatives. Besides, there should not have any influencing situation on their opinion.

Bangkok Union Insurance Public Company Limited has definition of Independent Directors which is equal to those defined by Securities and Exchange Commission and the Stock Exchange of Thailand.

Chairman of the Board of Directors is the independent director.

Chairman of the Board of Directors and Chief Executive Officer must not be the same person in order to separate the duties of directing and managing.

7.9.2 Selection of Directors

1. The voting approach in shareholders' meeting
 - (1) Each shareholder shall have one vote for each share held
 - (2) The shareholder will determine the number of director to be appointed, which could be one director or more than one of the directors. However, the shareholders must cast all their votes under (1) and may not divide their votes among other more than one of the candidates.
 - (3) The election of candidates is decided by a majority vote, and in the event of tie votes, the Chairman of the meeting shall be entitled to a casting vote.

2. In case of vacancy due to the reason other than retirement, the Board of Directors selects a person who is qualified or not prohibited by law to be an acting director in the Board of Directors' meeting except that the vacancy is less than two months; the acting director will be in the position by the remaining time. The Board's resolution according to the first paragraph must not be less than three quarter votes of the existing directors.

7.9.3 Resignation of Directors

1. At every annual general meeting of shareholders, one-third of all directors shall retire by rotation. If the number of directors is not a multiple of three, the number nearest to one-third shall retire. The directors retired by rotation shall be re-elected.

2. In addition of retirement by rotation, the directors shall retire when
 - a. Deceased
 - b. Resign
 - c. Disqualified
 - d. The shareholders' resolution of not less than three quarter of quorum,
 - e. Court dispel

7.10 Supervision of operations of subsidiaries and associated companies

- none -

7.1 1 Internal Data Management

The information yet to be disclosed to the public such as the financial statements, the change of shareholders' structure, or dividend payment must be confidential that can be known to responsible persons who use for operation for the company only to prevent that none can be used for personal gain. The company orders the executive to report the change of investment structure to Securities and Exchange Commission (SEC). Rules and regulations item 5 Awards by Discipline and Disciplinary Punishment indicate that the following actions is the violation of rules and regulations

1. Keep the confidentiality of the employer and do not reveal to external parties or unrelated person
2. Do not be an agent of other individuals or entities that has conflicts of interest against the employer which may harm the employer

Disciplinary Punishment

The punishment is based on the severity of the violation with the following criteria;

1. Notice by letters
2. Cut salary
3. Termination

7.12 Auditor's Compensation

1. Audit fee

The auditor for the company is Deloitte Touche Tohmatsu Jaiyos Audit co., ltd who is in the list of auditors approved by the Office of the Securities and Exchange Commission (sec). Audit fee for review/audit financial statement in fiscal year 2021 is baht 2,450,000.

2. Non-audit fee

Service fee for review/audit RBC reports for the Office of Insurance Committee (OIC.) 550,000. Baht

8. Internal Control and Risk Management

The Board of Director appoints the Audit Committee to supervise the process of preparing the financial statement to comply with the accounting standard, including the related regulations. The responsibility of the Audit Committee also includes the review of the operation to comply with the corporate governance by considering the appropriateness, efficiency and effectiveness of the internal control, the audit control, the selection of the auditor and also the opinion of the Auditor's and ad-hoc assignment from the Board of Director.

The company establishes the internal audit department with the responsibility of review of the sufficiency of the internal control and report incidents to the Audit Committee directly. The Audit Committee will review the report on a regular basis to ensure that the company has a good internal control that is efficient, appropriate and sufficient and to assure that the company can achieve their goals. The review of the sufficiency of the internal control of the company that is complied with the evaluation of the sufficiency of the internal control by the Securities and Exchange Commission is as following

8.1 The Internal Control

The company sets visions and missions by communicating to employees to be the guideline to them to achieve goals and objectives together as a whole.

The company sets the goals and objectives to every department on a yearly basis and has the process to monitor their achievement including reviewing regularly. The company encourages the team work and believes in the efficiency of the team work.

The company also sets the good organization structure that indicates roles and responsibilities to individuals. The internal audit department reported directly to the Audit Committee. The organization chart indicates the structure, the report that directly to the Audit Committee, the adequate training which maneuvers as tools to improve the knowledge, skills and capabilities to the employees. The company has policies to recruit the Management to take over the important roles. The company also has the Code of Conduct for the Committee, the Management and every employee. The Code of Conduct is declared and signed by every employee for the acknowledgement. The Code of Conduct is included in the first orientation of new employees.

Risk Management

The Company has the Risk Management Committee to monitor and manage the enterprise risk management for the company to align with the policy of the risk management appropriately. The sub-committees are included the Underwriting Committee, the Claim Management Committee, the Investment Committee, and the Management Committee to monitor and manage the risks related to their responsibilities regularly. The risk management process contains four steps, i.e. 1. Risk Identification 2. Risk Assessment 3. Risk Response 4.

Risk Monitoring and Review according to the Enterprise Risk Management Framework

The company considers various risks such as strategic risks, insurance risks, market risks, concentration risks, credit risks, liquidity risks, operational risks and compliance risks. The company encourages the employees in every level to consider the importance of the risk control to be in the acceptable limit. The company has the preventive protocol and control to mitigate all potential risks. The policies and framework of the risk management are approved by the Audit Committee and the Board of Directors. The company provides the report of the risk management, impacts and guidelines to mitigate the risks which is reviewed by the Audit Committee in every quarter.

The Control Activities

The company has policies and guidelines that indicate the roles and responsibilities, the approval of credit lines of each level of management clearly and has the internal control to comply with rules and regulations very strictly. Such policies and guidelines are reviewed by the law department and internal control department to ensure that the operation can achieve goals efficiently and effectively by what are written by the management.

The company has policies that clearly mentions about the related transactions with the related persons or entities also including the policies and the protocols about the related transactions to comply with SET / SEC. The related transactions are presented to the Audit Committee and the Board of Directors. The related transactions help drive the business and the person who can authorize the transaction has no conflicts of interest in those transactions. The company accompanied with the Board of Directors has recognized the rules and regulations by Set / SEC and the internal control guidelines to handle such cases. Every related transaction besides those indicated in the policies must be authorized by the Board of Directors. The first thing to be considered for the authorization is the reason of making such transactions, the benefits to the company and mechanism to drive price. The company is confident that the company is complied with rules and regulations by SET / SEC regarding the related transactions with fairness.

The policies about the related transactions are reviewed regularly by the Board of Directors and the Audit Committee to ensure that the company is complied with rules and overall objectives of the company.

8.2 The Information Technology System and the Communication

The company has the information technology system to support the operation sufficiently to the need of employees. The accounting records and information are complete and accurate for making the decision on both financial and operational information which are monitored by the internal control regularly. The company improves the IT system to be more efficient by using new technology to support new business that grows continuously to cover all needs of customers and to provide services based on those needs.

The company and the Management are confident about the efficiency and sufficiency of the information prepared to the Board of Directors. The minutes of Board of Directors'

meeting are prepared by the team of the Secretary. The minutes cover all exchanges of ideas of the Directors in the meeting and reviewed by the Committee and signed-off by the Chairman, the Secretary of the company and the Secretary of the Audit Committee who follows / provides data / help by the request of the Board of Directors. The company has a policy regarding reporting incidents to those who want to complain from various sources.

8.3 Monitor Process

The company monitors and evaluates the internal control and the quality of the operation continuously and the process is one of the operating processes to monitor and evaluates the performance of the Management, the Supervisor, and the responsible ones according to the plan for every department. The Management will report the performance of the operation in every quarter.

The Audit Committee reviews the internal control system in every activities based on the organization structure, the review of auditors, the selection of auditors and compensation, the review for the operation, the fraud detection, the compliance with rules, regulations, policies of the company or the government and then reports to the Board of Directors to consider and acknowledge.

The quarterly consolidated financial statements is reviewed and approved by the Audit Committee in every quarterly meeting. The Audit Committee also reviews the last-year's annual financial report audited by the external auditors in order to give the opinion and present to the Board of Directors to approve. The internal audit department also reviews the internal control system of the company to align with annual review approved by the Audit Committee. The internal audit department reviews the operation system of the company and emphasis on the sufficiency and efficiency of the internal control. Moreover, in the quarterly meeting, the Audit Committee considers the point of improvement about the internal control from every department proposed by the external auditors based on the organization chart. The internal audit department reports directly to the Audit Committee. The Audit Committee approves the annual review. The internal auditors reports the issues found in the audited department including the Management in those departments and presents the complete report to the audited department and the Management as well. The Audit Committee reviews the results of the report that are significant regularly. Besides the regular quarterly meeting, the Audit Committee may arrange the extra meeting in case of significant and urgent agenda.

The internal control system and the efficiency of the enterprise-wide process indicate the limit, the responsibility, the objective and all the plans for the executive line and the operation line. There is the control regarding property use of the company for the maximum benefits. There is a segregation of duties so as to make a balance and a reciprocal review appropriately. Besides, the internal control assures that the main operation and financial activities of the company remains in line with the company's policy. Moreover, the company considers the adjustment/enhancement on the operation for each function to support sufficient and adequate internal control. The Audit Committee has an opinion on the internal control that the internal control of the company is adequate and sufficient.

Internal control committee consists of the members who are experienced and independent, prepared and understand their responsibilities completely so as to monitor the operation of every department and to advise the best solutions for any incident. They can work as planned, make consistency in working and help the operation run as planned. There are three members in the committee at the present: Internal audit manager, senior internal audit officer and internal audit officer who can support the operation efficiently and meet the target.

8.4 Head of Internal Audit and Head of Compliance

In 2021, the Head of Internal Audit is Mr. Sutee Chuaypitak, Manager of Internal Audit Department. Serves to carry out internal audits of the company. and report directly to the Audit Committee in Attachment 3.

Head of Compliance Officer is Mr. Bunlung Kaewpankan, Manager of Legal Department. Oversees compliance with the rules of government agencies that govern the company's business operations.

Information of the person holding such position with details of qualifications as shown in Attachment 1.

Consideration of appointment, removal and transfer of the head of the internal audit unit must be approved by the Audit Committee.

9. Related Party Transactions

9.1 Characteristics of Related Transactions

In year 2021, the company has significant related transactions with the related parties by sharing shareholders or directors; however, there is no significant influence between the related parties and does business under the normal condition that considers the maximum benefits to the company and complies with the related rules and regulations.

The company sets policies regarding related transactions approved by the Audit Committee and the Board of Directors.

9.1.1 Necessity and Reasonability of the Transactions

The company has related transactions to support the operation and to maintain and extend the customer base. The related transactions have no significant influence to the related parties and under the normal business condition with the consideration of the maximum benefits to the company.

9.1.2 Standard of Related Transactions between the Company and the Related Parties

For the transactions with the related parties, other associated companies (if any) or individuals who have conflicts of interest with the company in the future such as major shareholders, directors, management, controller, or related individuals, it must be for the purpose of normal operation that align with the core business and must comply with the agreement in the contract and be beneficial to both parties without any intention to transfer interest to each other or any special transactions. The transaction must be strictly aligned with the regulations. The individuals who have conflicts of interest must not participate in authorization to the transactions.

For selling insurance to major shareholders, the company must sell to them directly, not via agent/broker with agreements and trade terms and conditions according to the related party transaction policy of the company;

Anyhow, in making a transaction that is a commercial agreement under general trade terms and items that are commercial agreements that are not general trade terms shall be in accordance with the following principles:

1. The transaction under the general trade terms and conditions: Those transactions must be approved by principles from the Board of Directors to authorize those transactions. If those transactions is the same with which any reasonable man would do with trading partners under the same circumstance with bargaining power that has no significant influence as a director, a management, or a related person (in any case) under the reliability, verifiable, and not for transfer of interest with the necessity to do the business and for maximum benefit for the company

2. The transaction not under the general trade terms and conditions : Those must be reviewed and opined by the Audit Committee about the necessity and reasonability of price

by considering whether those conditions are under the normal trade in the market which can be comparable to external parties and with fair price, reasonability before presenting to the Board of Directors subsequently

In such case that the Audit Committee has no sufficient knowledge, the company will appoint an independent expert or auditor to give an opinion about those transactions for the Audit Committee and the Board of Directors to consider and make a decision if those transactions are necessary and reasonable, regards the benefit to the company. The individuals that may have conflicts of interest are unable to vote for authorization for the transactions.

The company makes a report about the related transactions to present to the Audit Committee and the Board of Directors every quarter. The internal audit department has responsibility to review information and makes a report to the Audit Committee to consider and to give opinions about the necessity and reasonability regarding those transactions.

The company discloses the transactions in the financial statements and the disclosure that is audited by the external auditor.

9.2 Policy of Related Transactions in the Future

The company has a policy of related transaction in the future if necessary and reasonable in order to protect the benefit of the company. The related transactions must be comply with the standard between the company and the related parties as mentioned and also comply with the Security and Exchange Commission including rules, notifications, and order of the Thai Capital Market Supervisory Board and the Stock Exchange of Thailand as well as the accounting standard from Federations of Accounting Profession of Thailand

Significant Related Transactions

The company discloses the transactions in the disclosure of the financial statements under item 28 for the year 2021 (Related Transactions)

The related transactions for the year 2021 and 2020 are as following;

Legal entities or individuals that may have conflicts of interest	Value (Million Baht)		Transaction / Necessities and Reasonableness
	ended Dec. 31, 2021	ended Dec. 31, 2020	
<p>1. Bangkok Union Broker Co., Ltd</p> <p>Related Transactions : Expense: Commission Fee</p>	22.69	22.71	<p>Bangkok Union Broker Co., Ltd. is a life, non-life and reinsurance broker who is an intermediary who sells the insurance. The commission fee is paid as predetermined by the Office of Insurance Commission (OIC)</p> <p><u>Necessities and Reasonableness:</u></p> <p>Related transaction for commission fee is appropriate according to the standard from OIC regarding the commission fee which is not as high as to another broker and not much different from other parties.</p>
<p>Related Transactions : Expense: Rental Fee for Land (3.00 MB each year)</p>	3.00	3.00	<p>The company rents the land owned by Bangkok Union Broker Co., Ltd. for 1 rai 29.9 square meters. The rental term starts from 6 July 1992 to 5 July 2022. The rental fee is 3 million baht per year. The purpose is to be the site of home office building at 175 – 177 Bangkok Union Insurance Building, Surawongse, Bangrak, Bangkok.</p> <p><u>Necessities and Reasonableness:</u></p> <p>Related transaction for rental fee paid is appropriate and the company does not provide any benefits to Bangkok Union Broker Co., Ltd</p>
<p>2. Patjakij Paisan Underwriting Co., Ltd</p> <p>Related Transactions : Expense: Commission Fee</p>	11.94	13.24	<p>Patjakij Paisan Underwriting Co., Ltd is a non-life insurance broker who acts as an intermediary to sells the insurance to the customer. The commission fee is paid as predetermined by the Office of Insurance Commission (OIC)</p>

Legal entities or individuals that may have conflicts of interest	Value (Million Baht)		Transaction / Necessities and Reasonableness
	12 months period ended Dec. 31, 2021	12 months period ended Dec. 31, 2020	
			<p><u>Necessities and Reasonableness:</u></p> <p>Related transaction for commission fee is appropriate according to the standard from OIC regarding the commission fee which is not as high as to another broker and not much different from other parties.</p>
<p>3. BUI Life Insurance Public Company Limited</p> <p>Related Transactions : Rental Income and Service</p>	4.97	4.97	<p>The company sublets BUI Life Insurance Public Company Limited for its office for 1,184.28 square meters. The rental term starts from 1 June 2019 to 28 February 2022. The rental fee is 414,498 baht per year.</p> <p><u>Necessities and Reasonableness:</u></p> <p>Related transaction for rental income and service is appropriate because it is the same rate as to another customer and does not intend to favor BUI Life Insurance Public Company Limited)</p>

The Audit Committee considers the related transactions between the company and related parties as well as related entities that may have conflicts of interest in the future as announced by Securities and Exchange Commission (SEC), their opinion states that related transaction is made in order to support the operation of business with consideration of company's benefits. It is to maintain and extend a customer base and has no significant influence in the related parties. It is also reasonable and in accordance with term and agreement for ordinary operation in general. Premium and other conditions are suitable to risks. There are risk surveys before underwriting policies. The process is authorized according the underwriting policy of the company and the regulation from OIC. The related parties are treated as the same as another customer or unrelated customer and there is no interest transfer between the companies

For selling insurance to major shareholders, The Audit Committee agree with the change in underwriting method that the company get the customer directly, not via related agent or broker. The company has started operations in this way since April 2020.

The meeting of Board of Directors has considered the transaction between the company and related companies according to the opinion proposed by the Audit Committee and approved the related party transaction policy and approved the change in insurance selling to major shareholders.

Part 3

Financial Statements

10. Report of The Independent Certified Public Accountants

**TO THE SHAREHOLDERS AND BOARD OF DIRECTORS
BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED**

Opinion

We have audited the financial statements in which the equity method is applied and the separate financial statements of Bangkok Union Insurance Public Company Limited (the “Company”), which comprise the statement of financial position in which the equity method is applied and the separate statement of financial position as at December 31, 2021, and the statement of profit or loss and other comprehensive income in which the equity method is applied and the separate statement of profit or loss and other comprehensive income, the statement of changes in equity in which the equity method is applied and the separate statement of changes in equity and the statement of cash flows in which the equity method is applied and the separate statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements in which the equity method is applied and the separate financial statements present fairly, in all material respects, the financial position of Bangkok Union Insurance Public Company Limited as at December 31, 2021, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements in which the equity method is applied and Separate Financial Statements section of our report. We are independent of the Company in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the financial statements in which the equity method is applied and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements in which the equity method is applied and the separate financial statements of the current year. These matters were addressed in the context of our audit of the financial statements in which the equity method is applied and the separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Responses
<p>Revenue recognition - Gross written premium</p> <p>The Company offers non-life insurance service to a large number of policyholders which were derived from direct insurance, insurance brokers and agents and reinsurers caused a variety of supporting documents. The Company recognizes premiums as revenue since the effective date of the policies. However, the Company has underwriting process which the date of policy approval may be different from the effective date of policy.</p> <p>Key audit matter is whether the recognition of gross written premium is accurately recognized in the correct accounting period in accordance with Thai Financial Reporting Standards.</p> <p>The accounting policy for revenue recognition and detail of revenue from written premium were disclosed in Notes 3.2 and 21 to the financial statements, respectively.</p>	<p>Key audit procedures included;</p> <ul style="list-style-type: none">• Understanding operating procedures and internal control related to recognition of written premiums.• Performing the design and implementation of internal controls procedures related to written premiums recognition.• Performing substantive audit procedures consisted of:<ul style="list-style-type: none">- Examining the documents for the recognition of written premiums before and after the reporting period by considering the policies effective date whether written premiums have been recognized in an appropriate accounting period.- Performing analytical procedures on financial information relating to written premiums.

Key Audit Matters	Audit Responses
<p>Claim reserves for claim incurred but not reported</p> <p>As at December 31, 2021, the Company had claim reserve for claim incurred but not reported (“claim reserve for IBNR”). The claim reserve for IBNR is estimated based on the management’s and actuary’s judgement which are calculated based on an actuarial method using loss development factor to determine ultimate loss as a key assumption.</p> <p>Changes in the above key assumption could significantly affect the amount of claim reserve for IBNR. Key audit matter is whether measurement of claim reserve for IBNR, which is affected by change in the significant assumption, is in accordance with the Thai Financial Reporting Standards.</p> <p>The accounting policy for claim reserve for IBNR was disclosed in Note 3.12.2 to the financial statements and key assumption used in the measurement and details of claim reserve for IBNR were disclosed in Note 15 to the financial statements.</p>	<p>Key audit procedures included;</p> <ul style="list-style-type: none"> • Understanding the operating procedures and internal control related to recognition of claim reserve for IBNR. • Performing the design and implementation of internal controls procedures related to recognition of claim reserve for IBNR. • Performing substantive audit procedures consisted of: <ul style="list-style-type: none"> - The auditor’s actuary expert assessed key data and assumption use in determination of ultimate loss, which was applied by the management to evaluate loss development factor, used in calculating claim reserve for IBNR. These include the key procedures below: <ul style="list-style-type: none"> • Testing the accuracy and completeness of the data used in the calculation of ultimate loss. • Evaluating appropriateness of the assumption, testing the calculation and benchmarking of the Company management’s calculation result for each type of insurance contract. • Performing analytical procedure on the loss development factor in current year with the historical data whether the assumption used in the claim reserve for IBNR calculation were in accordance with the actuarial method and the notification and guidance of the Office of Insurance Commission.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, but does not include the financial statements in which the equity method is applied and the separate financial statements and our auditor’s report thereon, which is expected to be made available to us after the date of this auditor’s report.

Our opinion on the financial statements in which the equity method is applied and the separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements in which the equity method is applied and the separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements in which the equity method is applied and the Separate Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in which the equity method is applied and the separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of the financial statements in which the equity method is applied and the separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements in which the equity method is applied and the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements in which the equity method is applied and the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements in which the equity method is applied and the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these the financial statements in which the equity method is applied and the separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements in which the equity method is applied and the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company's to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the statement of financial position in which the equity method is applied and the separate financial statements, including the disclosures, and whether the financial statements in which the equity method is applied and the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements in which the equity method is applied and the separate financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare

circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Nantawat Sumraunhant
Certified Public Accountant (Thailand)
Registration No. 7731

BANGKOK
February 24, 2022

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

Unit : Baht

	Notes	FINANCIAL STATEMENTS IN WHICH		SEPARATE	
		THE EQUITY METHOD IS APPLIED		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
ASSETS					
Cash and cash equivalents	4	204,733,586	89,314,181	204,733,586	89,314,181
Premium receivable	5	135,501,623	177,986,685	135,501,623	177,986,685
Accrued investment income		1,308,904	1,454,150	1,308,904	1,454,150
Reinsurance assets	6 and 15	321,929,928	299,790,195	321,929,928	299,790,195
Amounts due from reinsurers	7	2,908,610	9,569,454	2,908,610	9,569,454
Investments					
Investments in securities	8	734,671,853	630,738,598	734,671,853	630,738,598
Investment property	9	70,233,068	88,854,479	70,233,068	88,854,479
Investment in an associate	10	44,357,498	37,187,576	46,815,756	46,815,756
Property, plant and equipment	11	301,804,628	311,909,328	301,804,628	311,909,328
Intangible assets	12	844,388	10,248,210	844,388	10,248,210
Deferred tax assets	13	-	22,755,190	-	22,755,190
Other assets	14	16,384,188	52,367,513	16,384,188	52,367,513
TOTAL ASSETS		1,834,678,274	1,732,175,559	1,837,136,532	1,741,803,739

Notes to financial statements form an integral part of these statements

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2021

Unit : Baht

	Notes	FINANCIAL STATEMENTS IN WHICH		SEPARATE	
		THE EQUITY METHOD IS APPLIED		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		December 31, 2021	December 31, 2020	December 31 2021	December 31, 2020
LIABILITIES AND EQUITY					
Insurance liabilities	15	785,112,782	775,988,195	785,112,782	775,988,195
Amounts due to reinsurers	16	67,306,006	85,301,046	67,306,006	85,301,046
Employee benefit obligations	17	16,685,284	15,136,682	16,685,284	15,136,682
Commission and brokerages payable		20,413,775	25,166,582	20,413,775	25,166,582
Lease liabilities	18	54,328,070	55,544,003	54,328,070	55,544,003
Accrued expenses		65,704,360	38,897,776	65,704,360	38,897,776
Deferred tax liabilities	13	9,616,643	-	9,616,643	-
Income Tax Payable		1,510,482	-	1,510,482	-
Other liabilities	19	32,513,637	36,157,466	32,513,637	36,157,466
TOTAL LIABILITIES		1,053,191,039	1,032,191,750	1,053,191,039	1,032,191,750
EQUITY					
Share capital					
Authorized share capital					
30,000,000 ordinary shares of Baht 10.00 each		300,000,000	300,000,000	300,000,000	300,000,000
Issued and paid-up share capital					
29,999,790 ordinary shares of Baht 10.00 each		299,997,900	299,997,900	299,997,900	299,997,900
Premium on share capital		86,593,183	86,593,183	86,593,183	86,593,183
Retained earnings					
Appropriated					
Legal reserve	20	25,541,202	21,099,964	25,541,202	21,099,964
Unappropriated		115,718,335	35,253,742	120,778,933	43,895,421
Other components of equity		253,636,615	257,039,020	251,034,275	258,025,521
TOTAL EQUITY		781,487,235	699,983,809	783,945,493	709,611,989
TOTAL LIABILITIES AND EQUITY		1,834,678,274	1,732,175,559	1,837,136,532	1,741,803,739

Notes to financial statements form an integral part of these statements

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht

	Notes	FINANCIAL STATEMENTS IN WHICH		SEPARATE	
		THE EQUITY METHOD IS APPLIED		FINANCIAL STATEMENTS	
		2021	2020	2021	2020
REVENUES					
Gross written premiums	21	1,208,537,535	1,139,025,230	1,208,537,535	1,139,025,230
<u>Less</u> Premiums ceded to reinsures	21	<u>(335,940,433)</u>	<u>(351,048,657)</u>	<u>(335,940,433)</u>	<u>(351,048,657)</u>
Net premiums written		872,597,102	787,976,573	872,597,102	787,976,573
<u>Add (Less)</u> Unearned premium reserve					
(increased) decreased from previous years	21	<u>(7,741,773)</u>	<u>11,294,423</u>	<u>(7,741,773)</u>	<u>11,294,423</u>
Net premium earned		864,855,329	799,270,996	864,855,329	799,270,996
Fee and commission income	21	44,822,996	50,259,195	44,822,996	50,259,195
Net investment income	21	17,379,850	14,487,993	17,379,850	14,487,993
Loss on investment	21 and 26	(2,273,904)	(895,663)	(2,273,904)	(895,663)
Share of (profit) loss from investment in an associate	10 and 21	3,581,081	(4,522,907)	-	-
Other income	21	1,568,344	164,459	1,568,344	164,459
Income from rental	21	68,394,834	69,722,216	68,394,834	69,722,216
Total revenues		<u>998,328,530</u>	<u>928,486,289</u>	<u>994,747,449</u>	<u>933,009,196</u>
EXPENSES					
Gross claim	21	324,576,787	324,933,829	324,576,787	324,933,829
<u>Add (Less)</u> Claim recovered from reinsurers	21	<u>(39,551,416)</u>	<u>71,108,676</u>	<u>(39,551,416)</u>	<u>71,108,676</u>
Commissions and brokerages	21	153,034,406	141,662,189	153,034,406	141,662,189
Other underwriting expenses	21	265,828,497	236,209,713	265,828,497	236,209,713
Operating expenses	21 and 22	101,939,671	82,899,403	101,939,671	82,899,403
Other expenses - expenses for rental	21	47,595,520	45,117,903	47,595,520	45,117,903
Expected credit loss	21 and 24	476,246	10,686,384	476,246	10,686,384
Total expenses		<u>853,899,711</u>	<u>912,618,097</u>	<u>853,899,711</u>	<u>912,618,097</u>
Profit before income tax expense		144,428,819	15,868,192	140,847,738	20,391,099
Income tax expense	13	52,022,988	2,847,873	52,022,988	2,847,873
Net profit		<u>92,405,831</u>	<u>13,020,319</u>	<u>88,824,750</u>	<u>17,543,226</u>

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht

	Notes	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS		
		2021	2020	2021	2020	
Other comprehensive income						
Items that will be reclassified subsequently to profit or loss						
Loss on remeasuring investment at fair value through other comprehensive income		(595,930)	(15,600,192)	(595,930)	(15,600,192)	
Share of other comprehensive profit (loss) of an associate	10	4,486,051	(1,116,748)	-	-	
Income tax relating to components of other comprehensive income that will be reclassified subsequently		<u>(778,024)</u>	<u>3,343,388</u>	<u>119,186</u>	<u>3,120,038</u>	
		<u>3,112,097</u>	<u>(13,373,552)</u>	<u>(476,744)</u>	<u>(12,480,154)</u>	
Items that will not be reclassified subsequently to profit or loss						
Surplus on revaluation of land		(8,240,000)	-	(8,240,000)	-	
Actuarial gain (loss) in defined employee benefit plans	17	96,873	(3,898,465)	96,873	(3,898,465)	
Income tax relating to components of other comprehensive income that will not be reclassified subsequently		<u>1,628,625</u>	<u>779,693</u>	<u>1,628,625</u>	<u>779,693</u>	
		<u>(6,514,502)</u>	<u>(3,118,772)</u>	<u>(6,514,502)</u>	<u>(3,118,772)</u>	
Other comprehensive loss for the years - net of income tax		<u>(3,402,405)</u>	<u>(16,492,324)</u>	<u>(6,991,246)</u>	<u>(15,598,926)</u>	
Total comprehensive gain (loss) for the years		<u><u>89,003,426</u></u>	<u><u>(3,472,005)</u></u>	<u><u>81,833,504</u></u>	<u><u>1,944,300</u></u>	
Basic earnings per share	BAHT	27	3.08	0.43	2.96	0.58

Notes to financial statements form an integral part of these statements

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht

FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED										
Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity				Total other comprehensive income	Total
			Appropriated Legal reserve	Unappropriated	Surplus on revaluation of asset	Investment at fair value through other comprehensive income	Actuarial gain (loss) on define employee benefits plan	Share of other comprehensive income (loss) of an associate		
Beginning balances as at January 1, 2020	299,997,900	86,593,183	20,222,803	30,610,584	230,912,000	42,712,447	-	(93,103)	273,531,344	710,955,814
Legal reserve	20	-	877,161	(877,161)	-	-	-	-	-	-
Dividend paid	30	-	-	(7,500,000)	-	-	-	-	-	(7,500,000)
Comprehensive income (loss) - equity method for the year		-	-	13,020,319	-	(12,480,154)	(3,118,772)	(893,398)	(16,492,324)	(3,472,005)
Ending balances as at December 31, 2020	299,997,900	86,593,183	21,099,964	35,253,742	230,912,000	30,232,293	(3,118,772)	(986,501)	257,039,020	699,983,809
Beginning balances as at January 1, 2021	299,997,900	86,593,183	21,099,964	35,253,742	230,912,000	30,232,293	(3,118,772)	(986,501)	257,039,020	699,983,809
Legal reserve	20	-	4,441,238	(4,441,238)	-	-	-	-	-	-
Dividend paid	30	-	-	(7,500,000)	-	-	-	-	-	(7,500,000)
Comprehensive income (loss) - equity method for the year		-	-	92,405,831	(6,592,000)	(476,744)	77,498	3,588,841	(3,402,405)	89,003,426
Ending balances as at December 31, 2021	299,997,900	86,593,183	25,541,202	115,718,335	224,320,000	29,755,549	(3,041,274)	2,602,340	253,636,615	781,487,235

Notes to financial statements form an integral part of these statements

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF CHANGES IN EQUITY (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht

SEPARATE FINANCIAL STATEMENTS									
Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity			Total other comprehensive income	Total
			Appropriated Legal reserve	Unappropriated	Other comprehensive income				
					Surplus on revaluation of asset	Investment at fair value through other comprehensive income	Actuarial gain (loss) on define employee benefits plan		
Beginning balances as at January 1, 2020	299,997,900	86,593,183	20,222,803	34,729,356	230,912,000	42,712,447	-	273,624,447	715,167,689
Legal reserve	20	-	877,161	(877,161)	-	-	-	-	-
Dividend paid	30	-	-	(7,500,000)	-	-	-	-	(7,500,000)
Comprehensive income (loss) for the year	-	-	-	17,543,226	-	(12,480,154)	(3,118,772)	(15,598,926)	1,944,300
Ending balances as at December 31, 2020	<u>299,997,900</u>	<u>86,593,183</u>	<u>21,099,964</u>	<u>43,895,421</u>	<u>230,912,000</u>	<u>30,232,293</u>	<u>(3,118,772)</u>	<u>258,025,521</u>	<u>709,611,989</u>
Beginning balances as at January 1, 2021	299,997,900	86,593,183	21,099,964	43,895,421	230,912,000	30,232,293	(3,118,772)	258,025,521	709,611,989
Legal reserve	20	-	4,441,238	(4,441,238)	-	-	-	-	-
Dividend paid	30	-	-	(7,500,000)	-	-	-	-	(7,500,000)
Comprehensive income (loss) for the year	-	-	-	88,824,750	(6,592,000)	(476,744)	77,498	(6,991,246)	81,833,504
Ending balances as at December 31, 2021	<u>299,997,900</u>	<u>86,593,183</u>	<u>25,541,202</u>	<u>120,778,933</u>	<u>224,320,000</u>	<u>29,755,549</u>	<u>(3,041,274)</u>	<u>251,034,275</u>	<u>783,945,493</u>

Notes to financial statements form an integral part of these statements

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht

	Note FINANCIAL STATEMENTS IN WHICH		SEPARATE	
	THE EQUITY METHOD IS APPLIED		FINANCIAL STATEMENTS	
	2021	2020	2021	2020
CASH FLOWS PROVIDED BY (USED IN)				
OPERATING ACTIVITIES				
Direct premium received	1,311,829,982	1,107,227,000	1,311,829,982	1,107,227,000
Cash paid from reinsurance	(279,698,022)	(99,885,640)	(279,698,022)	(99,885,640)
Interest income	10,320,470	8,398,617	10,320,470	8,398,617
Dividend income	7,672,244	6,743,409	7,672,244	6,743,409
Other income	1,255,004	164,459	1,255,004	164,459
Claims incurred from direct insurance	(322,118,074)	(610,943,138)	(322,118,074)	(610,943,138)
Commissions and brokerages from				
direct insurance	(153,606,209)	(146,790,242)	(153,606,209)	(146,790,242)
Other underwriting expenses	(261,795,580)	(239,773,322)	(261,795,580)	(239,773,322)
Operating expenses	(138,371,757)	(76,036,463)	(138,371,757)	(76,036,463)
Income tax expense	(15,927,747)	(6,330,110)	(15,927,747)	(6,330,110)
Refundable corporate income tax	33,566,386	-	33,566,386	-
Investments in securities	(112,746,955)	(61,199,339)	(112,746,955)	(61,199,339)
Deposits at bank with maturity over 3 months	5,000,000	50,000,000	5,000,000	50,000,000
Investment property	41,544,841	44,581,472	41,544,841	44,581,472
Net cash provided by (used in)				
operating activities	126,924,583	(23,843,297)	126,924,583	(23,843,297)
CASH FLOWS PROVIDED BY (USED IN)				
INVESTING ACTIVITIES				
CASH FLOWS PROVIDED BY				
Property, plant and equipment	10,280	1,402	10,280	1,402
Cash provided by investing activities	10,280	1,402	10,280	1,402

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Baht

	Note	FINANCIAL STATEMENTS IN WHICH		SEPARATE	
		THE EQUITY METHOD IS APPLIED		FINANCIAL STATEMENTS	
		2021	2020	2021	2020
CASH FLOWS PROVIDED BY (USED IN)					
INVESTING ACTIVITIES (CONTINUED)					
CASH FLOWS USED IN					
Property, plant and equipment		(312,308)	(1,213,917)	(312,308)	(1,213,917)
Intangible assets		-	(225,900)	-	(225,900)
Cash used in investing activities		<u>(312,308)</u>	<u>(1,439,817)</u>	<u>(312,308)</u>	<u>(1,439,817)</u>
Net cash used in investing activities		<u>(302,028)</u>	<u>(1,438,415)</u>	<u>(302,028)</u>	<u>(1,438,415)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES					
Lease payment		(3,703,150)	(3,696,000)	(3,703,150)	(3,696,000)
Dividend paid		<u>(7,500,000)</u>	<u>(7,500,000)</u>	<u>(7,500,000)</u>	<u>(7,500,000)</u>
Net cash used in financing activities		<u>(11,203,150)</u>	<u>(11,196,000)</u>	<u>(11,203,150)</u>	<u>(11,196,000)</u>
Net increased (decreased) in cash and cash equivalents		115,419,405	(36,477,712)	115,419,405	(36,477,712)
Cash and cash equivalents as at January 1,		<u>89,314,181</u>	<u>125,791,893</u>	<u>89,314,181</u>	<u>125,791,893</u>
Cash and cash equivalents as at December 31,	4	<u>204,733,586</u>	<u>89,314,181</u>	<u>204,733,586</u>	<u>89,314,181</u>

Notes to financial statements form an integral part of these statements

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED AND
SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

1. GENERAL INFORMATION AND OPERATION OF THE COMPANY

Bangkok Union Insurance Public Company Limited (the “Company”) was registered in The Stock Exchange of Thailand (“SET”). The main business is non-life insurance and rental of office space. The head office is located at 175-177 Surawong Road, Suriyawong, Bangrak, Bangkok, Thailand.

The major shareholder company is Leophairatana Enterprises Company Limited which was incorporated in Thailand, holding 29.24% of the Company’s share capital.

The Coronavirus disease 2019 (“COVID-19”) pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Company’s management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED AND THE SEPARATE FINANCIAL STATEMENTS

- 2.1 The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and practices generally accepted in Thailand.
- 2.2 The Company’s financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2018) “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2021 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Office of Insurance Commission regarding the Rules, Procedures, Conditions and Periods for Preparing and Submitting Financial Statements and Reports on the Operations of the Non-Life Insurance Business (No.2) B.E. 2562 dated April 4, 2019.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).

- 2.4 The English version of the financial statements in which the equity method is applied and separate financial statements have been prepared from the Thai version of the financial statements in which the equity method is applied and separate financial statements prepared by law. In the event of any conflict or different interpretation of the two different languages, the Thai version the financial statements in which the equity method is applied and separate financial statements in accordance with the Thai law is superseded.
- 2.5 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Company has adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

- 2.6 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Amendment to Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16") added the requirements for the temporary exception arising from the Phase 2 of the interest rate benchmark reform amendments, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

The Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards No. 4 "Insurance Contracts", Thai Financial Reporting Standards No. 7 "Financial Instruments: Disclosures", and Thai Financial Reporting Standards No. 9 "Financial Instruments", which have been announced in the Royal Gazette on June 28, 2021 and will be effective for the financial statements for the period beginning on or after January 1, 2022 onwards with earlier application permitted. The amendment to such Thai Financial Reporting Standards are relevant to the Phase 2 of the interest rate benchmark reform amendments which provided practical expedients for the modification of the contractual cash flows of financial assets or financial liabilities resulted from the interest rate benchmark reform, including temporary exceptions from specific hedge accounting requirements, and additional disclosure requirements of TFRS 7.

The accounting guidelines for financial instruments and disclosures on insurance business

The Federation of Accounting Professions issued the accounting guidelines for financial instruments and disclosures on insurance business, which has been amended to be in accordance with the Phase 2 of the interest rate benchmark reform amendments to Thai Financial Reporting Standards No. 4 “Insurance Contracts”, Thai Financial Reporting Standards No. 7 “Financial Instruments: Disclosures”, Thai Financial Reporting Standards No. 9 “Financial Instruments” and Thai Financial Reporting Standards No. 16 “Leases”, which has been announced in the Royal Gazette on June 28, 2021 and will be effective for the financial statements for the period beginning on or after January 1, 2022 onwards with earlier application permitted.

The Company’s management will adopt such TFRSs in the preparation of the Company’s financial statements when it becomes effective. The Company’s management is in the process to assess the impact of these TFRSs on the financial statements of the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Insurance contract classification

At the initial date, the Company classified contract as insurance contract by determine that the significant risk has been transferred, in the event (scenario) that an insured would require company to pay significant additional benefits in term of commercial content. Once a contract has been classified as insurance contract, it remains an insurance contract until all right and obligations expired. Other contract into which the Company has entered with the insured may not be classified as an insurance contract at inception date but can be subsequently reclassified as an insurance contract when the significant insurance risk has been transferred to the Company. Other contract are reclassified as investment contract (if any).

3.2 Recognition of revenues and expenses

Premium written

For insurance policies with coverage period for one year, premium income is recognized on the effective date of the insurance policy after deducting premium ceded and premium cancelled and refunded. For long-term insurance policies which coverage periods are longer than one year, related revenues and expenses are recorded as unearned and prepaid items which recognized as income and expenses over the coverage periods on annual basis.

Reinsurance premium

Reinsurance premium income is recognized when the Company receives the reinsurance application or statement of accounts from the ceding company. Reinsurance profit commissions are recognized when the Company receives the statement of accounts from the reinsurers.

Commissions and brokerages income

Commissions and brokerages income are recognized as income on an accrual basis.

Investment income

Investment income consists of interest income and dividends income. Interest income is recognized as income on an accrual basis based on the effective interest rate and dividends income are recognized as income on the declaration date.

Rental and service income

Rental income and its related services from an investment property are recognized on a straight-line basis over the term of the lease. Contingent rentals are recognized as income in the accounting period in which they are occurred. The related service income is recognized over the term of the lease.

Other income

Other income is recognized as income on an accrual basis.

Premiums ceded

Premiums ceded is recognized as expense when the insurance risk is transferred to another insurer as amounts specified in policies.

For long-term reinsurance policies with coverage periods longer than 1 year, ceded premium is recorded as prepaid expense and recognised as expense over the coverage period each year.

Claims and losses adjustment expenses

Claims and losses adjustment expenses consist of claims and losses adjustment expenses of direct insurance and reinsurance of both reported claims and not reported claims, and are stated at the amounts of the claims, related expenses, and claims adjustments of the current and prior period incurred during the year, less residual value and other recoveries (if any), and claim recovery from reinsurers. Claims and losses adjustment expenses of direct insurance are recognised upon the receipt of the claims advice from the insured, based on the claims notified by the insured and estimates made by the Company's management. The maximum value of claims estimated is not however, to exceed the sum-insured under the relevant policy and claims and losses adjustment expenses of reinsurance are recognised when the reinsurer places the loss advice with the Company.

Claim recovery from reinsurers

Claims recovery from reinsurers is recognized when claims and loss adjustment expenses are recorded. They are estimated as proportion and condition relevant to reinsurance contracts. The Company presents the claims recoverable amount as a deduction from gross claims.

Commissions and brokerages and other expenses

Commissions and brokerages and other expenses are recognized as expenses on an accrual basis.

3.3 Cash and cash equivalents

Cash and cash equivalents include cash on hand, cheque on hand and all types of deposits with banks with maturity within 3 months, excluding deposit at banks used as collateral.

Deposits at banks having terms to maturity over 3 months are included in investments in securities.

3.4 Premium receivable and allowance for doubtful debt

Premium receivable is stated at net realizable value. The Company records allowance for doubtful accounts for the estimated collection losses on premium receivable. Such estimated losses are based on the Company's collection experience and the analysis of aging of each premium receivable.

3.5 Reinsurance assets

Reinsurance assets are stated at insurance reserve refundable from reinsurers which are estimated based on the related premium reserve in accordance with law regarding insurance reserve calculations and unearned reinsurance premium reserve.

3.6 Amounts due to and due from reinsurers

Amounts due from reinsurers are stated at amounts due from reinsurers which consists of premium uncollected from reinsurers, commission and brokerages receivables, outstanding claim recovered from reinsurers. The Company records allowance for doubtful for estimated loss from uncollected receivables based on the Company's collection experience and the analysis of aging of amount due from reinsurers.

Amounts due to reinsurers are stated at amount withheld on reinsurance and amounts due to reinsurers which consist of premium ceded payables and other reinsurance payables to reinsurers except claim payables. The net amount is represented in the statement of financial position when the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

3.7 Investment in securities

1) Classification and measurement

The Company has classified financial assets based on the accounting guidelines for financial instruments and disclosures on insurance business depending on the classification as following:

- Financial assets that are debt instruments are measured at fair value through other comprehensive income, or amortized cost. The classification is derived by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.
- Financial assets that are equity instruments have been classified as investment at fair value through other comprehensive income (FVTOCI). Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gains or losses will be classified to profit or loss on disposal of the equity investments. Dividends on these investments in equity instruments are recognized in profit or loss.

2) Impairment of financial assets

Debt instruments

The Company recognizes losses on impairment in profit or loss and recognizes the loss allowance for expected credit losses on investments in debt instruments in other comprehensive income by the expected credit loss model. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instruments.

Equity instruments and unit trusts

The Company recognizes losses on impairment in profit or loss and recognizes the loss allowance of equity instruments and unit trusts in other comprehensive income when there is an evidence of impairment. Implicit evidence of impairment in equity instruments and unit trusts include information relating to significant negative change stating that the cost of investment in equity instruments and unit trusts are not recoverable. A significant decrease or prolonged on the fair value of equity instruments and unit trusts which less than cost are subject to implicit evidence of impairment.

3.8 Investment in an associate

Investment in an associate as presented in the separate financial statements is accounted for under the cost method net of allowance for impairment (if any). Investment in an associate as presented in the financial statements in which the equity method is applied is accounted for under the equity method.

3.9 Investment property

Investment property is property which is held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Cost of investment property includes expenditure that is directly attributable to the acquisition of the investment property.

Investment property is stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation is calculated by the straight-line method based on the estimated useful lives of the assets as follows:

Building	27 years
Building improvement	10 years
Right-of-use-assets	4 - 33 years

3.10 Property, plants and equipment

Land is stated at the new appraised value. Plants and equipment are stated at cost, net of accumulated depreciation and allowance for impairment (if any).

Land reappraisal is done by independent appraisers approved by The Securities and Exchange Commission based on the sale price approach. The increment resulting from the appraisal is recognized as part of equity as surplus on revaluation of assets. Land reappraisal decrease is charged directly against any prior appraisal increase for the particular asset. The residual appraisal decrease is recognized as other operating expense. Upon disposal, any remaining related revaluation surplus of the land is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Depreciation is calculated by the straight-line method, based on the estimated useful lives of the assets as follows:

Building and building improvement	20 years
Furniture and office equipment	5 and 10 years
Vehicles	5 years

3.11 Intangible assets

Intangible assets with definite useful life are stated at cost less accumulated amortization and allowance for impairment (if any).

Amortization is charged to the statement of profit or loss and other comprehensive income calculated on the straight-line method based on the estimated useful life of each intangible asset. The estimated useful live is as follow:

Computer software	5 years
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3.12 Insurance liabilities

3.12.1 Unearned premium reserve

Unearned premium reserve is set aside in compliance with the Notification of the Office of Insurance Commission governing the principle, methodology and condition of unearned premium reserves, loss reserves and other reserves of non-life insurance companies as follows:

Fire, Marine (Hull), Motor and Miscellaneous	- Monthly average basis (the one-twenty fourth basis)
Transportation (Cargo), travelling accident with coverage periods of not over six-months	- 100% of premiums as from the effective date of the inforce policies over the insurance coverage period

3.12.2 Loss reserve and outstanding claims

Loss reserve and outstanding claims have been provided upon receipt of claim advices from the insured and recorded at the amount appraised by an independent appraiser or by the Company's appraiser. In addition, the Company records a provision for losses incurred but not yet reported (IBNR) which assessed by an actuary.

3.12.3 Unexpired risks reserve

Unexpired risks reserves are the best estimate of the claims that are expected be incurred during the remaining period of coverage of in-force policies, based on analysis of historical claims data by an actuary. Unexpired risk reserves are only recognized in the financial statements to the extent that they exceed unearned premium reserves.

3.13 Employee benefit obligations

3.13.1 Provident fund

The Company sets provident fund which is contributory by the employee and the Company matching the individuals' contributions. The provident funds have been registered in accordance with the Provident Fund Act B.E. 2530 (1987). The Company's contributions are recorded as expense for the year by an accrual basis.

3.13.2 Post-employment benefits obligation

The Company provides post-employment benefits obligation, payable to employees under the Thai Labor Protection Act. The liability in respect of employee benefits is calculated by an actuary using the projected unit credit cost method. The present value of the defined benefits obligation is determined by discounting estimated future cash outflows using yields on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash outflows shall reflect employee salaries, turnover rate, length of service and other factor. Actuarial gains (losses) are recognized in other comprehensive income.

The costs associated with providing these benefits are charged to the statement of profit or loss and other comprehensive income so as to spread the cost over the employment period.

Past service cost related to the plan amendment is recognized as an expense in the statement of profit or loss and other comprehensive income when the plan amendment is effective.

3.14 Leases

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets i.e. office equipment. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leases assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company as lessor

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

3.15 Income tax

Income tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current income tax payable is calculated using tax rates that have been enacted at the end of reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (tax base). Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amount of a deferred tax assets is reviewed at the end of each reporting period. Deferred tax assets shall be reduced to the extent that utilized taxable profits decreased. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available to allow total or part of the deferred tax assets to be recovered. Deferred tax is measured at the tax rates that are enacted at the reporting date.

3.16 Basic earnings per share

Basic earnings per share are calculated by dividing net profit by the number of weighted average ordinary shares outstanding at the date of statement of financial position. In the case of a capital increase, the number of weighted average ordinary shares is calculated according to the period of the subscription received from increase and paid-up share capital.

In case of stock dividend payment, the number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

3.17 Fair value measurements

In estimating the fair value of an asset or a liability, The Company takes into account the characteristics of the asset or liability if a producer or supplier of a marketable good would take those characteristics into the consideration the price that would be received to sell an asset or paid to transfer a liability at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. Fair value for disclosure in the financial statements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

3.18 Critical accounting judgments and Key source of estimation uncertainty

3.18.1 Use of management's judgments

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) requires the Company's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets, liabilities, the disclosure of contingent assets and liabilities at the date of the end of the reporting period and the reported amounts of revenue and expense during the fiscal year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

Critical judgments in applying the Company's accounting policies are as follows:

3.18.1.1 Classification of leases

In determining whether a lease should be classified as an operating lease or finance lease, the Group's management has to use judgement to determine whether significant risks and rewards of ownership of the leased asset have been transferred, taking into consideration terms and conditions of the arrangement.

3.18.1.2 Employee benefit under defined benefit plans and other long-term employee benefits

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of such obligations.

The Company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group's considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related obligations. Additional information is disclosed in Note 17.

3.18.1.3 Significant increase in credit risk

As explained in Note 3.7, expected credit losses are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. TFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

3.18.1.4 Unexpired risk reserves

Unexpired risk reserves are calculated using an actuarial method, based on the best estimate of the claims expected to be paid over the remaining term of the insurance. Estimating the reserve requires the management to exercise judgment, with reference to historical data and the best estimates available at the time.

3.18.2 Key sources of estimation uncertainty

The Company have estimates with the assumptions concerning the future. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

3.18.2.1 Loss reserves

The Company is required to estimate loss reserves and outstanding claims that arise from the Company's insurance products. These reserves represent the expected cost to settle claims occurring prior to, but still outstanding as of, the reporting period. The Company establishes its reserves by product line and extent of coverage. The reserves consist of reserves for reported losses and reserves for incurred but not reported (IBNR) losses.

The Company's reserves for reported losses are based on estimates of future payments to settle reported insurance claims with an undiscounted basis. IBNR reserves are established to be recognized by using historical information and statistical models, based on standard actuarial claims projection techniques.

3.18.2.2 Fair value of investments

Some assets measured at Level 2 of the fair value in the statements of financial position as of the end of reporting period such as Government bonds and State Enterprise debt securities and Private Enterprises debt securities will be valued on the basis of quoted values and other data provided by Thai-BMA and first utilize valuation inputs from actively traded securities, such as bid prices. When quoted market prices are unavailable, the pricing will be estimated by discounting expected future cash flows using market interest rate and/or prices for a similar instrument from Thai-BMA at the measurement date. Information about valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 37.2.6.

3.18.2.3 Fair value measurement and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Chief Financial Officer is responsible for determining the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group uses other observable information either directly or indirectly.

Information about valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 37.2.6.

3.18.2.4 Fair value of investment properties

The fair value of the investment properties of the Company is appraised by an independent appraiser using value analysis of the Cost Approach or Market Approach or Income Approach. The key assumptions used in the income approach valuation included yield rate, inflation rate, projected rental increases and vacancy rates, as well as other forecast parameters.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Cash on hand	370,060	136,894
Cheque on hand	1,374,485	498,572
Deposits at bank - at call	172,989,041	88,678,715
Deposits at bank - time deposits	30,000,000	-
Cash and cash equivalents	<u>204,733,586</u>	<u>89,314,181</u>

5. PREMIUM RECEIVABLE

Premium receivable as at December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021 Baht	2020 Baht
From direct insurance		
Within credit terms	93,968,337	80,898,597
Less than 30 days	28,742,063	36,930,392
31 - 60 days	6,900,987	20,495,861
61 - 90 days	2,601,663	7,290,887
Over 90 days	<u>6,277,721</u>	<u>43,409,417</u>
Total premium receivable	138,490,771	189,025,154
<u>Less</u> Allowance for doubtful accounts	<u>(2,989,148)</u>	<u>(11,038,469)</u>
Premium receivable	<u>135,501,623</u>	<u>177,986,685</u>
Receivable under lawsuit		
Over 1 years	2,979,269	62,818,772
<u>Less</u> Allowance for doubtful accounts	<u>(2,979,269)</u>	<u>(62,818,772)</u>
Receivable under lawsuit	<u>-</u>	<u>-</u>
Premium receivable	<u>135,501,623</u>	<u>177,986,685</u>

As at December 31, 2021 and 2020, receivables under lawsuit of Baht 2.98 million and Baht 62.82 million, respectively, were fully reserved allowance for doubtful. On October 19, 2017, the Supreme Court had passed a verdict to order a receivable to pay all debt and interest 15% per annum to the Company since prosecution date. During the year 2021, the Company wrote off receivables in the amounts of Baht 59.73 million for receivables under lawsuit without chance for of recovery.

As at December 31, 2020, the outstanding balances of major receivable are Baht 36.11 million. (December 31, 2021 : None)

For premium receivables due from agents and brokers, the Company has stipulated the collection guideline in accordance with the law of the premium collection. For overdue premium receivables, the Company has process with such agents and brokers in accordance with the Company's policy and procedures.

6. REINSURANCE ASSETS

Reinsurance assets as at December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Insurance reserve refundable from reinsurers		
Claim reserves	171,666,322	152,443,264
Unearned premium reserve		
- Unearned reinsurance premium reserve	150,263,606	147,346,931
Total reinsurance assets (see Note 15)	<u>321,929,928</u>	<u>299,790,195</u>

7. AMOUNTS DUE FROM REINSURERS

Amounts due from reinsurers as at December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Amounts due from reinsurers	10,455,470	21,708,518
<u>Less</u> Allowance for doubtful accounts	<u>(7,546,860)</u>	<u>(12,139,064)</u>
Total amount due from reinsurers	<u>2,908,610</u>	<u>9,569,454</u>

Aging analyzes for amounts due from reinsurers as at December 31, 2021 and 2020 were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Within credit terms	1,888,554	4,717,074
Not over 12 months	667,133	2,942,584
Over 1 year to 2 years	747,176	3,872,240
Over 2 years	7,152,607	10,176,620
	<u>10,455,470</u>	<u>21,708,518</u>
<u>Less</u> Allowance for doubtful accounts	<u>(7,546,860)</u>	<u>(12,139,064)</u>
Amount due from reinsurers	<u>2,908,610</u>	<u>9,569,454</u>

8. INVESTMENTS IN SECURITIES

Investments in securities as at December 31, 2021 and 2020 consisted of the following:

8.1 Investments in securities

	Financial statements in which the equity method is applied and separate financial statements	
	December 31, 2021	
	Cost/ Amortized Cost	Fair value
	Baht	Baht
Investment at fair value through other comprehensive income		
Private enterprise debt securities	141,191,607	148,512,917
Equity securities	171,714,565	194,048,472
Total	312,906,172	342,561,389
<u>Add</u> Unrealized gains	29,655,217	-
Total Investment at fair value through other comprehensive income	342,561,389	342,561,389
Investment at amortised cost		
Government and state enterprise securities	112,273,094	
Private enterprises debt securities	240,000,000	
Deposits at banks with maturity over 3 months	51,000,000	
Total	403,273,094	
<u>Less</u> Allowance for expected credit loss	(11,162,630)	
Total Investment at amortised cost	392,110,464	
Total Investments in securities	734,671,853	

Financial statements in which the equity method is applied and separate financial statements		
December 31, 2020		
	Cost/ Amortized Cost Baht	Fair value Baht
Investment at fair value through other comprehensive income		
Private enterprise debt securities	141,191,607	148,876,171
Equity securities	155,610,765	176,808,098
Total	296,802,372	325,684,269
<u>Add</u> Unrealized gains	28,881,897	-
Total Investment at fair value through other comprehensive income	325,684,269	325,684,269
Investment at amortised cost		
Government and state enterprise securities	109,740,713	
Private enterprises debt securities	150,000,000	
Deposits at banks with maturity over 3 months	56,000,000	
Total	315,740,713	
<u>Less</u> Allowance for expected credit loss	(10,686,384)	
Total Investment at amortised cost	305,054,329	
Total Investments in securities	630,738,598	

As at December 31, 2021 and 2020, certain investments in securities are pledged and used for assets reserved with the Registrar amounting to Baht 81.33 million and Baht 81.88 million, respectively (see Note 32).

8.2 Allowance for expected credit loss

8.2.1 Investment at fair value through other comprehensive income

Financial statements in which the equity method is applied and separate financial statements				
	December 31, 2021		December 31, 2020	
	Gross Amount	Allowance for expected credit loss into other comprehensive income	Gross Amount	Allowance for expected credit loss into other comprehensive income
Investment at fair value through other comprehensive income				
Debt securities with not significantly increased in credit risk (Stage 1)	148,512,917	-	148,876,171	-
Total	148,512,917	-	148,876,171	-

8.2.2 Investment at amortised cost

	Financial statements in which the equity method is applied and separate financial statements		
	December 31, 2021		
	Gross Amount	Allowance for expected credit loss	Net Amount
	Baht	Baht	Baht
Investment at amortised cost			
Debt securities with not significantly increased in credit risk (Stage 1)	383,273,094	(1,088,630)	382,184,464
Debt securities with credit impairment (Stage 3)	20,000,000	(10,074,000)	9,926,000
Total	403,273,094	(11,162,630)	392,110,464

	Financial statements in which the equity method is applied and separate financial statements		
	December 31, 2020		
	Gross Amount	Allowance for expected credit loss	Net Amount
	Baht	Baht	Baht
Investment at amortised cost			
Debt securities with not significantly increased in credit risk (Stage 1)	295,740,713	(399,779)	295,340,934
Debt securities with credit impairment (Stage 3)	20,000,000	(10,286,605)	9,713,395
Total	315,740,713	(10,686,384)	305,054,329

8.3 Debt securities classified by the remaining fair value through other comprehensive income and maturity as at December 31, 2021 and 2020 were as follows:

	Financial statements in which the equity method is applied and separate financial statements			
	December 31, 2021			
	Within 1 year	Maturities	Over 5 years	Total
	Baht	1 - 5 years	Baht	Baht
		Baht	Baht	
Government and state enterprise securities	-	102,105,872	10,167,222	112,273,094
Private enterprises debt securities	25,000,000	215,000,000	148,512,917	388,512,917
Total	25,000,000	317,105,872	158,680,139	500,786,011
Less Allowance for expected credit loss	(10,080,111)	(1,082,519)	-	(11,162,630)
Total	14,919,889	316,023,353	158,680,139	489,623,381

Financial statements in which the equity method is applied and separate financial statements				
December 31, 2020				
	Within 1 year Baht	Maturities 1 - 5 years Baht	Over 5 years Baht	Total Baht
Government and state enterprise securities	7,104,978	33,040,490	69,595,245	109,740,713
Private enterprises debt securities	60,000,000	90,000,000	148,876,171	298,876,171
Total	<u>67,104,978</u>	<u>123,040,490</u>	<u>218,471,416</u>	<u>408,616,884</u>
Less Allowance for expected credit loss	(10,321,177)	(365,207)	-	(10,686,384)
Total	<u>56,783,801</u>	<u>122,675,283</u>	<u>218,471,416</u>	<u>397,930,500</u>

8.4 The fair value of investments in debt securities as at December 31, 2021 and 2020 consisted of the follow:

Financial statements in which the equity method is applied and separate financial statements				
Type of financial assets	As at December 31, 2021		As at December 31, 2020	
	Fair value end of the year Baht	Change in fair value during the year Baht	Fair value end of the year Baht	Change in fair value during the year Baht
Financial assets with contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding excluding any financial asset that meets the definition of held for trading in TFRS 9 (when adopted), or that is managed and whose performance is evaluated on a fair value basis	389,132,500	(2,984,183)	305,060,548	(6,027,892)
Contractual terms that do not give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding;	148,512,917	(363,254)	148,876,171	(16,736,630)

9. INVESTMENT PROPERTY

Investment property as at December 31, 2021 and 2020 consist of the following:

	Financial statements in which the equity method is applied and separate financial statement								
	Cost			Accumulated depreciation				Beginning balance of investment property as at January 1, 2021	Ending balance of investment property as at December 31, 2021
	As at January 1, 2021	Increase	Disposal / Write off	As at December 31, 2021	As at January 1, 2021	Depreciation	Disposal / Write off		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Land	4,697,000	-	-	4,697,000	-	-	-	4,697,000	4,697,000
Right-of-use assets	51,422,058	-	-	51,422,058	(1,582,217)	(1,582,217)	(3,164,434)	49,839,841	48,257,624
Building	459,829,698	-	-	459,829,698	(425,653,134)	(17,031,531)	(442,684,665)	34,176,564	17,145,033
Building improvement	70,116,210	-	-	70,116,210	(69,975,136)	(7,663)	(69,982,799)	141,074	133,411
Total	<u>586,064,966</u>	<u>-</u>	<u>-</u>	<u>586,064,966</u>	<u>(497,210,487)</u>	<u>(18,621,411)</u>	<u>(515,831,898)</u>	<u>88,854,479</u>	<u>70,233,068</u>

	Financial statements in which the equity method is applied and separate financial statement								
	Cost			Accumulated depreciation				Beginning balance of investment property as at January 1, 2020	Ending balance of investment property as at December 31, 2020
	As at January 1, 2020	Adjusted from apply TFRS 16 as at January 1, 2020	Increase	As at December 31, 2020	As at January 1, 2020	Depreciation	Disposal / Write off		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Land	4,697,000	-	-	4,697,000	-	-	-	4,697,000	4,697,000
Right-of-use assets	-	51,422,058	-	51,422,058	-	(1,582,217)	(1,582,217)	-	49,839,841
Building	459,829,698	-	-	459,829,698	(408,574,944)	(17,078,190)	(425,653,134)	51,254,754	34,176,564
Building improvement	69,962,939	-	153,271	70,116,210	(69,962,938)	(12,198)	(69,975,136)	1	141,074
Total	<u>534,489,637</u>	<u>51,422,058</u>	<u>153,271</u>	<u>586,064,966</u>	<u>(478,537,882)</u>	<u>(18,672,605)</u>	<u>(497,210,487)</u>	<u>55,951,755</u>	<u>88,854,479</u>

On February 12, 2019, the Company has received land and building for payment from a major receivable under lawsuit (see Note 5). Such land and building are recorded at fair value of Baht 4.70 million and Baht 1.37 million, respectively, according to the appraisal reports dated February 1, 2019 which are determined by the independent appraiser licensed by the Securities and Exchange Commission.

As at December 31, 2021 and 2020, investment property which are building and building improvement located on land leased from a related company under an operating lease agreement (see Note 36) and other land and building had total carrying amount of Baht 21.98 million and Baht 39.01 million, respectively. The fair value of investment property were determined by the independent appraiser licensed by the Securities and Exchange Commission as follows:

Investment property	Fair value		Valuation approach		Baht : Million Baht The appraisal reports dated	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
	Building improvement located on land leased	195.72	451.22	Income Approach	Replacement cost	August 18, 2021
Other land and building	6.07	6.07	Replacement cost	Replacement cost	February 1, 2019	February 1, 2019

Depreciation for the years ended December 31, 2021 and 2020 amounting to Baht 18.62 million and Baht 18.67 million, respectively, were included in expenses for rental.

As at December 31, 2021 and 2020, certain items of investment property with costs of Baht 69.96 million were fully depreciated but still in use.

The maturity analysis of lease liabilities is presented in Note 18.

10. INVESTMENT IN AN ASSOCIATE

As at December 31, 2021 and 2020, the Company had investment in an associate as follows:

Company name	Nature of business	Percentage of shareholding		Financial statements in which the equity method is applied		Separate financial statements	
		Carrying value under equity method		Cost			
		2021	2020	2021	2020	2021	2020
		Percent	Percent	Baht	Baht	Baht	Baht
Associate							
BUI Life Insurance Public Company Limited	Life Insurance	9.60	9.60	44,357,498	37,187,576	46,815,756	46,815,756

As at December 31, 2021 and 2020, an associate had total assets and total liabilities as follows:

	Baht : '000	
	As at December 31,	
	2021	2020
Total assets	648,161.92	653,245.30
Total liabilities	155,081.04	234,825.96

For the years ended December 31, 2021 and 2020, an associate had total revenues, net loss and net other comprehensive income (loss) as follows:

	Baht : '000	
	For the years ended	
	December 31,	
	2021	2020
Total revenues	92,984.58	98,281.00
Net profit (loss)	37,290.37	(47,097.76)
Other comprehensive income (loss)		
Items that will be reclassified subsequently to profit or loss		
Gain (loss) on remeasuring available-for-sale investments	46,713.97	(11,628.86)
Income tax relating to components of other comprehensive income that will be reclassified subsequently to profit or loss	(9,342.79)	2,325.77
Other comprehensive income (loss) - net of income tax	<u>37,371.18</u>	<u>(9,303.09)</u>

The statements of profit or loss and other comprehensive income in which the equity method is applied for the years ended December 31, 2021 and 2020 recognized share of loss in portion of shareholding in investment in an associate as follows:

	Baht: '000	
	For the years ended	
	December 31,	
	2021	2020
Share of profit (loss) of investment in an associate	3,581.08	(4,522.91)
Other comprehensive loss		
Items that will be reclassified subsequently to profit or loss		
Share of other comprehensive income (loss) of an associate	4,486.05	(1,116.75)
Income tax relating to components of other comprehensive income that will be reclassified subsequently to profit or loss	(897.21)	223.35
Share of other comprehensive income (loss) of an associate - net of income tax	<u>3,588.84</u>	<u>(893.40)</u>

Reconciliation of the above summarized financial information to the carrying amount of the interest in an associate recognized in the financial statements in which the equity method is applied was as follows:

	Baht : '000	
	As at	
	December 31,	
	2021	2020
Net assets of an associate	493,080.88	418,419.34
Proportion of the Company's shareholding in an associate (%)	9.60	9.60
	<u>47,351.70</u>	<u>40,181.78</u>
Investment amount under net assets at investment date	(2,994.20)	(2,994.20)
Carrying amount of the investment in an associate	<u>44,357.50</u>	<u>37,187.58</u>

11. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements									
	Cost				Accumulated depreciation				Beginning balances of property, plant and equipment as at January 1, 2021	Ending balances of property, plant and equipment as at December 31, 2021
	As at January 1, 2021	Increase	Disposal / Write off	As at December 31, 2021	As at January 1, 2021	Depreciation	Disposal / Write off	As at December 31, 2021		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Land										
Cost	10,718,000	-	-	10,718,000	-	-	-	-	10,718,000	10,718,000
Increase of land revaluation (2021)	288,640,000	-	(8,240,000)	280,400,000	-	-	-	-	288,640,000	280,400,000
Decrease of land revaluation (2021)	(1,710,000)	297,600	-	(1,412,400)	-	-	-	-	(1,710,000)	(1,412,400)
Right-of-use assets	5,339,607	56,577	-	5,396,184	(584,930)	(590,692)	-	(1,175,622)	4,754,677	4,220,562
Building and building improvement	113,419,381	-	(187,000)	113,232,381	(109,072,370)	(289,616)	135,305	(109,226,681)	4,347,011	4,005,700
Fixtures and office equipment	50,174,631	377,916	(104,590)	50,447,957	(45,014,996)	(1,664,644)	104,444	(46,575,196)	5,159,635	3,872,761
Vehicles	11,844,612	-	(3,561,549)	8,283,063	(11,844,607)	-	3,561,549	(8,283,058)	5	5
Total	478,426,231	732,093	(12,093,139)	467,065,185	(166,516,903)	(2,544,952)	3,801,298	(165,260,557)	311,909,328	301,804,628

	Financial statements in which the equity method is applied and separate financial statements									
	Cost				Accumulated depreciation				Beginning balances of property, plant and equipment as at January 1, 2020	Ending balances of property, plant and equipment as at December 31, 2020
	As at January 1, 2020	Increase from apply TFRS 16 as at January 1, 2020	Increase	Disposal / Write off	As at December 31, 2020	As at January 1, 2020	Depreciation	Disposal / Write off		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Land										
Cost	10,718,000	-	-	-	10,718,000	-	-	-	-	10,718,000
Increase of land revaluation (2018)	288,640,000	-	-	-	288,640,000	-	-	-	-	288,640,000
Decrease of land revaluation (2018)	(1,710,000)	-	-	-	(1,710,000)	-	-	-	-	(1,710,000)
Right-of-use assets	-	5,100,835	238,772	-	5,339,607	-	(584,930)	-	(584,930)	-
Building and building improvement	117,615,082	-	-	(4,195,701)	113,419,381	(112,827,570)	(299,351)	4,054,551	(109,072,370)	4,787,512
Fixtures and office equipment	56,865,137	-	1,213,918	(7,904,424)	50,174,631	(50,347,965)	(2,567,416)	7,900,385	(45,014,996)	6,517,172
Vehicles	11,844,612	-	-	-	11,844,612	(11,844,607)	-	-	(11,844,607)	5
Total	483,972,831	5,100,835	1,452,690	(12,100,125)	478,426,231	(175,020,142)	(3,451,697)	11,954,936	(166,516,903)	308,952,689

In 2021, the Company revalued land by using value appraised by the independent appraiser licensed by the Securities and Exchange Commission which is determined by using the Sale Price Approach according to the appraisal reports dated July 5, 2021 and August 18, 2021 (in 2018: determined by using the Sale Price Approach according to the appraisal reports dated August 1, 2018 and August 6, 2018).

Depreciation for the years ended December 31, 2021 and 2020 amounting to Baht 2.54 million and Baht 3.45 million, respectively, were included in operating expenses.

As at December 31, 2021 and 2020, certain building and equipment with costs of Baht 157.69 million and Baht 157.84 million, respectively, were fully depreciated but still in use.

The maturity analysis of lease liabilities is presented in Note 18.

12. INTANGIBLE ASSETS

Intangible assets as at December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements										
	Cost				Accumulated amortization				Beginning balances of intangibles asset as at January 1, 2021	Ending balances of intangibles asset as at December 31, 2021	
	As at January 1, 2021	Increase	Write-off	Transfer In (Transfer Out)	As at December 31, 2021	As at January 1, 2021	Amortization	Write-off			As at December 31, 2021
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Computer software	15,629,167	-	-	-	15,629,167	(14,107,573)	(677,206)	-	(14,784,779)	1,521,594	844,388
Computer software - under installation	8,726,616	-	(8,726,616)	-	-	-	-	-	-	8,726,616	-
Total	24,355,783	-	(8,726,616)	-	15,629,167	(14,107,573)	(677,206)	-	(14,784,779)	10,248,210	844,388

	Financial statements in which the equity method is applied and separate financial statements										
	Cost				Accumulated amortization				Beginning balances of intangibles asset as at January 1, 2020	Ending balances of intangibles asset as at December 31, 2020	
	As at January 1, 2020	Increase	Write-off	Transfer In (Transfer Out)	As at December 31, 2020	As at January 1, 2020	Amortization	Write-off			As at December 31, 2020
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Computer software	15,603,267	25,900	-	-	15,629,167	(13,140,772)	(966,801)	-	(14,107,573)	2,462,495	1,521,594
Computer software - under installation	8,526,616	200,000	-	-	8,726,616	-	-	-	-	8,526,616	8,726,616
Total	24,129,883	225,900	-	-	24,355,783	(13,140,772)	(966,801)	-	(14,107,573)	10,989,111	10,248,210

Amortization for the years ended December 31, 2021 and 2020 amounting to Baht 0.68 million and Baht 0.97 million, respectively, were included in operating expenses.

As at December 31, 2021 and 2020, certain intangible assets with costs of Baht 12.50 million and Baht 11.25 million, respectively, were fully amortized but still in use.

During the year 2021, the Company wrote off computer program under installation in the amounts of Baht 8.73 million.

13. DEFERRED TAX ASSETS (LIABILITIES)

Deferred tax assets (liabilities) as at December 31, 2021 and 2020 were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2021 Baht	2020 Baht
Deferred tax assets (liabilities)	(9,616,643)	22,755,190

Movements of deferred tax assets (liabilities) for the years ended December 31, 2021 and 2020 consisted of tax effects from the following items:

	Financial statements in which the equity method is applied and separate financial statements			
	Balances at January 1, 2021 Baht	Transactions recognized into profit or loss Baht	Transactions recognized into other comprehensive income or loss Baht	Balances at December 31, 2021 Baht
Deferred tax assets				
Allowance for doubtful accounts				
- Premium receivable	14,771,448	(13,577,765)	-	1,193,683
Allowance for doubtful accounts				
- Amount due from reinsurers	1,404,665	(918,442)	-	486,223
Allowance for doubtful accounts				
- Other receivable	15,921,770	(15,481,193)	-	440,577
Claim reserve	31,437,308	(2,932,611)	-	28,504,697
Incurred but not reported claims	11,904,824	(1,447,214)	-	10,457,610
Building lease deposits	3,294,679	35,338	-	3,330,017
Employee benefit obligations	3,027,336	329,096	(19,375)	3,337,057
Premium ceded payables				
- excess of loss	2,018,263	108,264	-	2,126,527
Expected credit loss	2,886,699	(175,597)	-	2,711,102
	<u>86,666,992</u>	<u>(34,060,124)</u>	<u>(19,375)</u>	<u>52,587,493</u>
Deferred tax liabilities				
Gain on assets revaluation	(57,386,000)	(59,520)	1,648,000	(55,797,520)
Gain on remeasuring investment at fair value through other comprehensive income	(6,525,802)	-	119,186	(6,406,616)
	<u>(63,911,802)</u>	<u>(59,520)</u>	<u>1,767,186</u>	<u>(62,204,136)</u>
Deferred tax liabilities	<u>22,755,190</u>	<u>(34,119,644)</u>	<u>1,747,811</u>	<u>(9,616,643)</u>

**Financial statements in which the equity method
is applied and separate financial statements**

	Balances at January 1, 2020	Adjustment From apply New TFRSs	Transactions recognized into profit or loss	Transactions recognized into other comprehensive income or loss	Balances at December 31, 2020
	Baht	Baht	Baht	Baht	Baht
Deferred tax assets					
Allowance for doubtful accounts					
- Premium receivable	13,668,576	-	1,102,872	-	14,771,448
Allowance for doubtful accounts					
- Amount due from reinsurers	1,061,934	-	342,731	-	1,404,665
Allowance for doubtful accounts					
- Other receivable	15,958,640	-	(36,870)	-	15,921,770
Claim reserve	33,277,302	-	(1,839,994)	-	31,437,308
Incurred but not reported claims	10,314,370	-	1,590,454	-	11,904,824
Building lease deposits	3,382,180	-	(87,501)	-	3,294,679
Employee benefit obligations	2,929,912	-	(682,269)	779,693	3,027,336
Allowance for impairment					
- general investments	1,942	-	(1,942)	-	-
Premium ceded payables					
- excess of loss	1,781,303	-	236,960	-	2,018,263
Expected credit loss	-	-	2,886,699	-	2,886,699
	<u>82,376,159</u>	<u>-</u>	<u>3,511,140</u>	<u>779,693</u>	<u>86,666,992</u>
Deferred tax liabilities					
Gain on assets revaluation	(57,386,000)	-	-	-	(57,386,000)
Gain on remeasuring investment at fair value through other comprehensive income	(4,038,309)	(5,607,531)	-	3,120,038	(6,525,802)
	<u>(61,424,309)</u>	<u>(5,607,531)</u>	<u>-</u>	<u>3,120,038</u>	<u>(63,911,802)</u>
Deferred tax assets	<u>20,951,850</u>	<u>(5,607,531)</u>	<u>3,511,140</u>	<u>3,899,731</u>	<u>22,755,190</u>

Income tax expense for the years ended December 31, 2021 and 2020, consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Income tax expense from taxable income per income tax return	17,903,344	6,359,013
Deferred tax expenses relating to the origination and reversal of temporary differences	<u>34,119,644</u>	<u>(3,511,140)</u>
Income tax expense per the statements of profit or loss and other comprehensive income	<u>52,022,988</u>	<u>2,847,873</u>

Reconciliation of effective tax rate for the years ended December 31, 2021 and 2020 are as follows:

	Financial statements in which the equity method is applied			
	2021		2020	
	Tax Rate (%)	Amount (Baht)	Tax Rate (%)	Amount (Baht)
Profit before income tax expense		<u>144,428,819</u>		<u>15,868,192</u>
Income tax using the corporation tax rate	20.00	28,885,764	20.00	3,173,638
Reversal deferred tax assets unutilized	17.39	25,123,250	-	-
Tax effect of non-deductible income	<u>(1.37)</u>	<u>(1,986,026)</u>	<u>(2.05)</u>	<u>(325,765)</u>
Income tax expense per the statements of profit or loss and other comprehensive income	<u>36.02</u>	<u>52,022,988</u>	<u>17.95</u>	<u>2,847,873</u>
	Separate financial statements			
	2021		2020	
	Tax Rate (%)	Amount (Baht)	Tax Rate (%)	Amount (Baht)
Profit before income tax		<u>140,847,738</u>		<u>20,391,099</u>
Income tax using the corporation tax rate	20.00	28,169,548	20.00	4,078,219
Reversal deferred tax assets unutilized	17.84	25,123,250	-	-
Tax effect of non-deductible income	<u>(0.90)</u>	<u>(1,268,810)</u>	<u>(6.03)</u>	<u>(1,230,346)</u>
Income tax expense per the statements of profit or loss and other comprehensive income	<u>36.94</u>	<u>52,022,988</u>	<u>13.97</u>	<u>2,847,873</u>

14. OTHER ASSETS

Other assets as at December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Agents receivables	218,206	77,624,173
Compensation receivables	3,015,717	2,956,578
<u>Less</u> Allowance for doubtful accounts	<u>(2,202,886)</u>	<u>(79,608,853)</u>
Total	<u>1,031,037</u>	<u>971,898</u>
Accrued service income	2,719,945	3,053,143
Accrued rental income	933,100	92,909
Guarantee deposits	3,569,070	2,148,155
Due from rice field insurance scheme	-	79,266
Refundable corporate income tax	-	34,307,461
Revenue department receivable	2,735,631	7,002,896
Others	<u>5,395,405</u>	<u>4,711,785</u>
Total Other assets	<u>16,384,188</u>	<u>52,367,513</u>

During the year 2021, the Company wrote off receivables in the amounts of Baht 77.41 million for agents receivables without chance for of recovery.

15. INSURANCE LIABILITIES

Insurance liabilities as at December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements		
	As at December 31, 2021		
	Insurance contract liabilities Baht	Reinsurance liabilities (see Note 6) Baht	Net Baht
Claim reserves			
Claim incurred and reported	323,983,178	(167,816,933)	156,166,245
Claim incurred but not reported	56,137,437	(3,849,389)	52,288,048
	<u>380,120,615</u>	<u>(171,666,322)</u>	<u>208,454,293</u>
Premium reserve			
Unearned Premium reserve	404,992,167	(150,263,606)	254,728,561
Total	<u>785,112,782</u>	<u>(321,929,928)</u>	<u>463,182,854</u>
	Financial statements in which the equity method is applied and separate financial statements		
	As at December 31, 2020		
	Insurance contract liabilities Baht	Reinsurance liabilities (see Note 6) Baht	Net Baht
Claim reserves			
Claim incurred and reported	320,731,095	(151,044,003)	169,687,092
Claim incurred but not reported	60,923,381	(1,399,261)	59,524,120
	<u>381,654,476</u>	<u>(152,443,264)</u>	<u>229,211,212</u>
Premium reserve			
Unearned Premium reserve	394,333,719	(147,346,931)	246,986,788
Total	<u>775,988,195</u>	<u>(299,790,195)</u>	<u>476,198,000</u>

15.1 Insurance reserve for short term insurance contract

15.1.1 Claim reserves

Claim reserves as at December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements		
	As at December 31, 2021		
	Gross Baht	Reinsurance Baht	Net Baht
Balance as at beginning year	381,654,476	(152,443,264)	229,211,212
Claim incurred during the year	340,256,290	(42,734,692)	297,521,598
Changing on estimated claim and assumptions used in calculating claim reserve	(37,940,966)	3,183,278	(34,757,688)
Claim paid during the year	<u>(303,849,185)</u>	<u>20,328,356</u>	<u>(283,520,829)</u>
Balance as at ending year	<u><u>380,120,615</u></u>	<u><u>(171,666,322)</u></u>	<u><u>208,454,293</u></u>

	Financial statements in which the equity method is applied and separate financial statements		
	As at December 31, 2020		
	Gross Baht	Reinsurance Baht	Net Baht
Balance as at beginning year	678,059,051	(401,572,691)	276,486,360
Claim incurred during the year	395,524,286	(50,575,402)	344,948,884
Changing on estimated claim and assumptions used in calculating claim reserve	(94,297,753)	121,684,078	27,386,325
Claim paid during the year	<u>(597,631,108)</u>	<u>178,020,751</u>	<u>(419,610,357)</u>
Balance as at ending year	<u><u>381,654,476</u></u>	<u><u>(152,443,264)</u></u>	<u><u>229,211,212</u></u>

15.1.2 Unearned premium reserve

	Financial statements in which the equity method is applied and separate financial statements		
	As at December 31, 2021		
	Gross Baht	Reinsurance Baht	Net Baht
Balance as at beginning year	394,333,719	(147,346,931)	246,986,788
Premium written for the year	1,208,537,535	(335,940,433)	872,597,102
Earned premium for the year	<u>(1,197,879,087)</u>	<u>333,023,758</u>	<u>(864,855,329)</u>
Balance as at ending year	<u><u>404,992,167</u></u>	<u><u>(150,263,606)</u></u>	<u><u>254,728,561</u></u>

**Financial statements
in which the equity method
is applied and
separate financial statements**

As at December 31, 2020

	Gross Baht	Reinsurance Baht	Net Baht
Balance as at beginning year	397,804,950	(139,523,739)	258,281,211
Premium written for the year	1,139,025,230	(351,048,657)	787,976,573
Earned premium for the year	<u>(1,142,496,461)</u>	<u>343,225,465</u>	<u>(799,270,996)</u>
Balance as at ending year	<u>394,333,719</u>	<u>(147,346,931)</u>	<u>246,986,788</u>

15.1.3 Unexpired risk reserve

As at December 31, 2021 and 2020, no additional reserve for unexpired risk reserve has been established as the gross unexpired risk reserve estimated by the Company amounting to Baht 213.61 million and Baht 246.36 million, respectively, are lower than unearned premium reserve.

15.2 Claims development tables

15.2.1 Analysis of claims development - gross

As at December 31, 2021

Accident year/ Reported year	2017	2018	2019	2020	2021	Unit : Baht Total
Estimate of ultimates :						
- End of accident year	1,060,739,426	860,317,244	619,696,963	435,633,316	371,112,585	
- One year later	775,946,077	833,938,441	595,218,044	400,391,484		
- Two year later	762,853,146	704,458,399	571,229,979			
- Three year later	794,190,991	702,493,876				
- Four year later	794,510,724					
Absolute estimated claim reserve and outstanding claim	794,510,724	702,493,876	571,229,979	400,391,484	371,112,585	2,839,738,648
Accumulative claim paid	<u>(663,071,922)</u>	<u>(700,484,246)</u>	<u>(563,771,511)</u>	<u>(333,250,843)</u>	<u>(200,311,425)</u>	<u>(2,460,889,947)</u>
Total claim reserves	<u>131,438,802</u>	<u>2,009,630</u>	<u>7,458,468</u>	<u>67,140,641</u>	<u>170,801,160</u>	378,848,701
Claim reserves before year 2017						<u>1,271,914</u>
Total claim reserves						<u>380,120,615</u>

As at December 31, 2020

Accident year/ Reported year	2016	2017	2018	2019	2020	Unit : Baht Total
Estimate of ultimates :						
- End of accident year	444,860,918	1,060,739,426	860,317,244	619,696,963	435,633,316	
- One year later	422,589,148	775,946,077	833,938,441	595,218,044		
- Two year later	405,436,835	762,853,146	704,458,399			
- Three year later	405,245,461	794,190,991				
- Four year later	404,728,103					
Absolute estimated claim reserve and outstanding claim	404,728,103	794,190,991	704,458,399	595,218,044	435,633,316	2,934,228,853
Accumulative claim paid	<u>(404,454,064)</u>	<u>(661,494,469)</u>	<u>(698,716,022)</u>	<u>(557,075,095)</u>	<u>(231,789,283)</u>	<u>(2,553,528,933)</u>
Total claim reserves	<u>274,039</u>	<u>132,696,522</u>	<u>5,742,377</u>	<u>38,142,949</u>	<u>203,844,033</u>	380,699,920
Claim reserves before year 2016						<u>954,556</u>
Total claim reserves						<u>381,654,476</u>

15.2.2 Analysis of claims development - net

As at December 31, 2021

Accident year/ Reported year	2017	2018	2019	2020	2021	Unit : Baht Total
Estimate of ultimates :						
- End of accident year	345,428,860	425,008,295	477,538,604	371,173,495	324,255,986	
- One year later	346,597,356	398,559,020	486,050,827	335,025,217		
- Two year later	322,517,835	375,650,819	461,272,726			
- Three year later	317,766,275	393,059,036				
- Four year later	309,665,330					
Absolute estimated claim reserve and outstanding claim	309,665,330	393,059,036	461,272,726	335,025,217	324,255,986	1,823,278,295
Accumulative claim paid	(298,447,928)	(391,444,334)	(455,073,032)	(284,391,284)	(186,880,825)	(1,616,237,403)
Total claim reserves	11,217,402	1,614,702	6,199,694	50,633,933	137,375,161	207,040,892
Claim reserves before year 2017						1,413,401
Total claim reserves						208,454,293

As at December 31, 2020

Accident year/ Reported year	2016	2017	2018	2019	2020	Unit : Baht Total
Estimate of ultimates :						
- End of accident year	332,980,624	345,428,860	425,008,295	477,538,604	371,173,495	
- One year later	307,906,757	346,597,356	398,559,020	486,050,827		
- Two year later	291,993,683	322,517,835	375,650,819			
- Three year later	291,762,923	317,766,275				
- Four year later	292,072,567					
Absolute estimated claim reserve and outstanding claim	292,072,567	317,766,275	375,650,819	486,050,827	371,173,495	1,842,713,983
Accumulative claim paid	(291,906,907)	(305,757,156)	(371,752,182)	(450,696,669)	(194,687,945)	(1,614,800,859)
Total claim reserves	165,660	12,009,119	3,898,637	35,354,158	176,485,550	227,913,124
Claim reserves before year 2016						1,298,088
Total claim reserves						229,211,212

15.2.3 Assumption

Assumptions assess the measurement of liabilities incurred on insurance contracts are summarized below;

(a) Assumptions of incurred claim experience

At the end of the report period the Company estimates case reserves from the historical which is a standard that is generally accepted actuarial method by classified as gross and net case reserves by the accident year and the duration of claim development. The Company used the management's judgement to consider the Loss Development Factor to determine ultimate loss provide adequate with the best estimate of expected loss in the future based on historical data. In case of the short period of time for claim development. The Company adjust with estimated the loss ratio to increase credibility in the loss reserve.

(b) Assumptions of unallocated loss adjustment expenses (ULAE)

The Company estimates the unallocated loss adjustment expenses (ULAE) based on Claim Department's incurred expenses for example salaries, employee expenses, facility costs and technology costs, which is set as a ratio of ULAE to claim incurred.

16. AMOUNTS DUE TO REINSURERS

Amounts due to reinsurers as at December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Amount withheld on reinsurance	40,851,157	39,208,929
Other reinsurance payables	26,454,849	46,092,117
Total amounts due to reinsurers	<u>67,306,006</u>	<u>85,301,046</u>

17. EMPLOYEE BENEFIT OBLIGATIONS

The Company operates post - employment benefit plans under the Labor Protection Act, which are considered as unfunded defined benefits plans.

Movements in the present value of employee benefit obligations as at December 31, 2021 and 2020 were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Present value of obligation at the beginning of the years	15,136,682	14,649,560
Current service cost of the years	1,166,405	1,122,564
Interest cost	479,070	282,601
Actuarial loss in defined employee benefit plans	(96,873)	3,898,465
<u>Less Benefit paid during the years</u>	<u>-</u>	<u>(4,816,508)</u>
Present value of obligation at the end of the years	<u>16,685,284</u>	<u>15,136,682</u>

The expenses for employee benefit obligations that were recorded in the statements of profit or loss and other comprehensive income for the years ended December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Current service cost	1,166,405	1,122,564
Interest cost	479,070	282,601
Actuarial (gain) loss in defined employee benefit plans		
- From financial assumptions changes	(1,219,642)	1,632,098
- From demographic assumptions changes	898,506	(812,804)
- From experience adjustments	224,263	3,079,171
Total	<u>1,548,602</u>	<u>5,303,630</u>

The Company calculated employee benefit obligations by an actuary using the Projected Unit Credit Method. The assumptions consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
Financial assumptions		
Discount rate (percent per year)	2.87	1.87
Expect rate of salary increase (percent per year)	4.00	4.00
Demographic assumptions		
Turnover rate (percent per year)	3.01 - 33.36	3.44 - 38.13
Retirement age (years)	60	60
Mortality rates	Thailand Mortality Ordinary table 2017	Thailand Mortality Ordinary table 2017

Analysis of significant actuarial assumptions which impact on increase (decrease) in defined benefit obligation

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Financial assumptions		
Discount rate		
1% increase	(1,077,159)	(1,057,687)
1% decrease	1,214,201	1,199,224
Expect rate of salary increase		
1% increase	1,083,723	1,061,130
1% decrease	(981,891)	(957,129)
Turnover rate		
1% increase	(1,110,967)	(1,080,969)
1% decrease	1,245,171	1,217,467

The sensitivity analysis presented above may not be representative of the actual change in the employee benefit obligations as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the employee benefit obligations at the end of the report period have been calculated using the Projected Unit Credit Method, which is the same as that applied in calculating the post-employment benefit obligations liability recognized in the statement of financial position.

Maturity analysis of the benefit payments of the post-employment benefits obligation as at December 31, 2021 and 2020 was as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2021 Baht	2020 Baht
Within 1 year	3,104,140	3,118,184
Over 1 to 5 years	3,985,523	2,383,729
Over 5 years	9,595,621	9,634,769
Total	<u>16,685,284</u>	<u>15,136,682</u>

18. LEASE LIABILITIES

The Company has entered into lease agreements of land and building office. Minimum lease payments and present value of lease liabilities as at December 31, 2021 and 2020 were as follows:

	The minimum amount to be paid		Present value of minimum amount to be paid in the future	
	As at December 31, 2021 Baht	As at December 31, 2020 Baht	As at December 31, 2021 Baht	As at December 31, 2020 Baht
Within 1 year	3,703,800	3,696,000	1,330,105	1,269,866
Over than 1 year but not over 5 years	14,515,200	14,664,000	5,605,781	5,525,337
Over than 5 years	78,385,050	81,877,000	47,392,184	48,748,800
	<u>96,604,050</u>	<u>100,237,000</u>	<u>54,328,070</u>	<u>55,544,003</u>
<u>Less</u> Deferred interest expense	(42,275,980)	(44,692,997)	-	-
	<u>54,328,070</u>	<u>55,544,003</u>	<u>54,328,070</u>	<u>55,544,003</u>

The amounts recognized in profit or loss of lease liabilities were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2021 Baht	2020 Baht
Amounts recognized in profit or loss		
Depreciation on right-of-use assets	2,172,910	2,167,147
Interest expense on lease liabilities	2,428,373	2,478,338
Expense relating to short-term leases and leases of low value assets	1,380,200	1,371,280

19. OTHER LIABILITIES

Other liabilities as at December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021 Baht	2020 Baht
Deposits	16,650,086	16,473,398
Amount received in advance - premium	2,420,749	4,147,047
Deposits from agents	2,444,980	2,925,606
Undue output value-added tax	-	2,039,216
Others	<u>10,997,822</u>	<u>10,572,199</u>
Total other liabilities	<u>32,513,637</u>	<u>36,157,466</u>

20. LEGAL RESERVE

Pursuant to the Public Limited Companies Act B.E. 2535, the Company must allocate to a reserve fund from the annual net profit of the year, not less than five percent of the annual net profit deducted by the total accumulated loss brought forward (if any) until the reserve fund reaches an amount of not less than ten percent of the authorized capital. Such reserve fund is not available for distribution as dividend.

For the years ended December 31, 2021 and 2020, the Company has additionally legal reserve of Baht 4.44 million and Baht 0.88 million, respectively.

21. FINANCIAL INFORMATION BY SEGMENT

The business segment results are prepared based on the Management of the Company. The operating results by business segment provided to Chief Operating Decision Maker to make decisions about allocating resources to, and assessing the performance of, operating segments is measured in accordance with Thai Financial Reporting Standard.

The Company have been operating in two principal business segments: (1) Non-life insurance business and (2) Rental of office space business, which are only organized and managed in a single geographic area, namely in Thailand. Therefore, no geographical segment information is presented.

For the years ended December 31, 2021 and 2020, the Company has no gross written premium from a single external customer in the amount over 10% of total gross written premium.

For the years ended December 31, 2021 and 2020, the Company has income from rental with the external customers in the amount over 10% of total income from rental amounting to Baht 12.63 million and Baht 10.85 million, respectively.

The financial information of the Company for the years ended December 31, 2021 and 2020 were presented by business segment as follows:

Financial statements in which the equity method is applied

For the years ended December 31,

	Non-life insurance business										Rental of office space		Non-allocable		Total	
	Fire		Marine		Motor		Miscellaneous		Total		business					
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Underwriting income																
Gross written premiums	87,620,938	89,363,285	24,331,412	19,146,494	299,693,400	288,981,584	796,891,785	741,533,867	1,208,537,535	1,139,025,230	-	-	-	-	1,208,537,535	1,139,025,230
<u>Add (Less) Premiums ceded to reinsurers</u>	<u>(39,598,719)</u>	<u>(38,993,889)</u>	<u>(2,684,603)</u>	<u>(2,559,095)</u>	<u>764,463</u>	<u>(23,244,911)</u>	<u>(294,421,574)</u>	<u>(286,250,762)</u>	<u>(335,940,433)</u>	<u>(351,048,657)</u>	-	-	-	-	<u>(335,940,433)</u>	<u>(351,048,657)</u>
Net premiums written	48,022,219	50,369,396	21,646,809	16,587,399	300,457,863	265,736,673	502,470,211	455,283,105	872,597,102	787,976,573	-	-	-	-	872,597,102	787,976,573
<u>Add (Less) Unearned premium reserve (increased) decreased</u>																
from the previous years	1,326,373	(1,050,361)	(2,468,780)	(62,252)	(12,582,235)	16,707,752	5,982,869	(4,300,716)	(7,741,773)	11,294,423	-	-	-	-	(7,741,773)	11,294,423
Net premium earned	49,348,592	49,319,035	19,178,029	16,525,147	287,875,628	282,444,425	508,453,080	450,982,389	864,855,329	799,270,996	-	-	-	-	864,855,329	799,270,996
Fee and commission income	18,948,940	18,281,651	68,799	90,736	2,613,750	2,420,571	23,191,507	29,466,237	44,822,996	50,259,195	-	-	-	-	44,822,996	50,259,195
Total underwriting income	68,297,532	67,600,686	19,246,828	16,615,883	290,489,378	284,864,996	531,644,587	480,448,626	909,678,325	849,530,191	-	-	-	-	909,678,325	849,530,191
Net investment income									18,687,027	9,069,423	-	-	-	-	18,687,027	9,069,423
Other income									-	-	-	-	1,568,344	164,459	1,568,344	164,459
Rental and service income																
Rental income									-	-	34,354,501	34,971,589	-	-	34,354,501	34,971,589
Service income - revenue recognition overtime									-	-	34,040,333	34,750,627	-	-	34,040,333	34,750,627
Total rental and service income									-	-	68,394,834	69,722,216	-	-	68,394,834	69,722,216
Total revenues									928,365,352	858,599,614	68,394,834	69,722,216	1,568,344	164,459	998,328,530	928,486,289
Underwriting expenses																
Gross claim	28,280,113	41,566,956	2,846,012	1,915,679	110,861,590	176,230,357	182,589,072	105,220,837	324,576,787	324,933,829	-	-	-	-	324,576,787	324,933,829
<u>Add (Less) Claim recovered from reinsurers</u>	<u>(10,838,552)</u>	<u>(30,073,194)</u>	-	-	-	6,934,131	(28,712,864)	94,247,739	(39,551,416)	71,108,676	-	-	-	-	(39,551,416)	71,108,676
Commissions and brokerages	18,114,182	17,824,241	2,863,906	2,014,311	36,025,860	33,949,519	96,030,458	87,874,118	153,034,406	141,662,189	-	-	-	-	153,034,406	141,662,189
Other underwriting expenses	16,044,409	13,499,887	4,940,817	3,856,559	36,285,760	32,652,624	208,557,511	186,200,643	265,828,497	236,209,713	-	-	-	-	265,828,497	236,209,713
Total underwriting expenses	51,600,152	42,817,890	10,650,735	7,786,549	183,173,210	249,766,631	458,464,177	473,543,337	703,888,274	773,914,407	-	-	-	-	703,888,274	773,914,407
Operating expenses									-	-	-	-	101,939,671	82,899,403	101,939,671	82,899,403
Other expenses - expenses for rental									-	-	47,595,520	45,117,903	-	-	47,595,520	45,117,903
Expected credit loss									-	-	-	-	476,246	10,686,384	476,246	10,686,384
Total expenses									703,888,274	773,914,407	47,595,520	45,117,903	102,415,917	93,585,787	853,899,711	912,618,097
Profit before income tax expense															144,428,819	15,868,192
Income tax expense															52,022,988	2,847,873
Net profit for the years															92,405,831	13,020,319

Separate financial statements
For the years ended December 31,

	Non-life insurance business										Rental of office space business		Non-allocable		Total	
	Fire		Marine		Motor		Miscellaneous		Total		2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht
	2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht						
Underwriting income																
Gross written premiums	87,620,938	89,363,285	24,331,412	19,146,494	299,693,400	288,981,584	796,891,785	741,533,867	1,208,537,535	1,139,025,230	-	-	-	-	1,208,537,535	1,139,025,230
Add (Less) Premiums ceded to reinsurers	(39,598,719)	(38,993,889)	(2,684,603)	(2,559,095)	764,463	(23,244,911)	(294,421,574)	(286,250,762)	(335,940,433)	(351,048,657)	-	-	-	-	(335,940,433)	(351,048,657)
Net premiums written	48,022,219	50,369,396	21,646,809	16,587,399	300,457,863	265,736,673	502,470,211	455,283,105	872,597,102	787,976,573	-	-	-	-	872,597,102	787,976,573
Add (Less) Unearned premium reserve (increased) decreased from the previous years	1,326,373	(1,050,361)	(2,468,780)	(62,252)	(12,582,235)	16,707,752	5,982,869	(4,300,716)	(7,741,773)	11,294,423	-	-	-	-	(7,741,773)	11,294,423
Net premium earned	49,348,592	49,319,035	19,178,029	16,525,147	287,875,628	282,444,425	508,453,080	450,982,389	864,855,329	799,270,996	-	-	-	-	864,855,329	799,270,996
Fee and commission income	18,948,940	18,281,651	68,799	90,736	2,613,750	2,420,571	23,191,507	29,466,237	44,822,996	50,259,195	-	-	-	-	44,822,996	50,259,195
Total underwriting income	68,297,532	67,600,686	19,246,828	16,615,883	290,489,378	284,864,996	531,644,587	480,448,626	909,678,325	849,530,191	-	-	-	-	909,678,325	849,530,191
Net investment income									15,105,946	13,592,330	-	-	-	-	15,105,946	13,592,330
Other income									-	-	-	-	1,568,344	164,459	1,568,344	164,459
Rental and service income																
Rental income									-	-	34,354,501	34,971,589	-	-	34,354,501	34,971,589
Service income - revenue recognition overtime									-	-	34,040,333	34,750,627	-	-	34,040,333	34,750,627
Total rental and service income									-	-	68,394,834	69,722,216	-	-	68,394,834	69,722,216
Total revenues									924,784,271	863,122,521	68,394,834	69,722,216	1,568,344	164,459	994,747,449	933,009,196
Underwriting expenses																
Gross claim	28,280,113	41,566,956	2,846,012	1,915,679	110,861,590	176,230,357	182,589,072	105,220,837	324,576,787	324,933,829	-	-	-	-	324,576,787	324,933,829
Add (Less) Claim recovered from reinsurers	(10,838,552)	(30,073,194)	-	-	-	6,934,131	(28,712,864)	94,247,739	(39,551,416)	71,108,676	-	-	-	-	(39,551,416)	71,108,676
Commissions and brokerages	18,114,182	17,824,241	2,863,906	2,014,311	36,025,860	33,949,519	96,030,458	87,874,118	153,034,406	141,662,189	-	-	-	-	153,034,406	141,662,189
Other underwriting expenses	16,044,409	13,499,887	4,940,817	3,856,559	36,285,760	32,652,624	208,557,511	186,200,643	265,828,497	236,209,713	-	-	-	-	265,828,497	236,209,713
Total underwriting expenses	51,600,152	42,817,890	10,650,735	7,786,549	183,173,210	249,766,631	458,464,177	473,543,337	703,888,274	773,914,407	-	-	-	-	703,888,274	773,914,407
Operating expenses									-	-	-	-	101,939,671	82,899,403	101,939,671	82,899,403
Other expenses - expenses for rental									-	-	47,595,520	45,117,903	-	-	47,595,520	45,117,903
Expected credit loss									-	-	-	-	476,246	10,686,384	476,246	10,686,384
Total expenses									703,888,274	773,914,407	47,595,520	45,117,903	102,415,917	93,585,787	853,899,711	912,618,097
Profit before income tax expense															140,847,738	20,391,099
Income tax expense															52,022,988	2,847,873
Net profit for the years															88,824,750	17,543,226

The assets and liabilities of the Company's operating segments as at December 31, 2021 and 2020 were presented as follows:

Financial statements in which the equity method is applied								
As at December 31,								
	Non-life insurance business		Rental of office space business		Non-allocable		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Total assets	<u>1,245,384,233</u>	<u>1,161,248,738</u>	<u>71,166,168</u>	<u>88,947,388</u>	<u>518,127,873</u>	<u>481,979,433</u>	<u>1,834,678,274</u>	<u>1,732,175,559</u>
Total liabilities	<u>888,696,114</u>	<u>906,139,891</u>	<u>16,650,086</u>	<u>16,473,398</u>	<u>147,844,839</u>	<u>109,578,461</u>	<u>1,053,191,039</u>	<u>1,032,191,750</u>
Separate financial statements								
As at December 31,								
	Non-life insurance business		Rental of office space business		Non-allocable		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Total assets	<u>1,247,842,491</u>	<u>1,170,876,918</u>	<u>71,166,168</u>	<u>88,947,388</u>	<u>518,127,873</u>	<u>481,979,433</u>	<u>1,837,136,532</u>	<u>1,741,803,739</u>
Total liabilities	<u>888,696,114</u>	<u>906,139,891</u>	<u>16,650,086</u>	<u>16,473,398</u>	<u>147,844,839</u>	<u>109,578,461</u>	<u>1,053,191,039</u>	<u>1,032,191,750</u>

22. OPERATING EXPENSES

Operating expenses for the years ended December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Employee benefit expense, excluded underwriting and claim adjustment expenses	80,731,421	53,606,632
Premises and equipment expense, excluded underwriting expenses	20,000,683	12,069,354
Tax and duties	82,972	82,210
Doubtful of bad debts and doubtful accounts (reversal)	(9,640,790)	7,043,665
Directors' remuneration (see Note 29)	1,658,000	1,498,000
Marketing expenses	1,031,079	1,454,994
Other operating expenses	8,076,306	7,144,548
Total operating expenses	<u>101,939,671</u>	<u>82,899,403</u>

23. EMPLOYEE EXPENSES

Employee expenses for the years ended December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Salary and wages	82,105,142	84,386,161
Social fund expenses	1,032,948	1,308,748
Employee benefit expenses	1,645,475	1,405,166
Provident fund (see Note 31)	1,484,403	1,638,429
Other benefits	35,445,180	8,098,976
Total employee expenses	<u>121,713,148</u>	<u>96,837,480</u>

24. EXPECTED CREDIT LOSS

Expected credit loss for the periods ended December 31, 2021 and 2020, as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
<u>Expected credit loss</u>		
Investment at amortised cost	476,246	10,686,384
	<u>476,246</u>	<u>10,686,384</u>

25. EFFECT FROM INCOME TAX RELATING TO COMPONENTS OF OTHER COMPREHENSIVE INCOME

Effect from income tax relating to components of other comprehensive income for the years ended December 31, 2021 and 2020, are as follows:

	Financial statements in which the equity method is applied					
	2021			2020		
	Before tax	Income tax	Net of tax	Before tax	Income tax	Net of tax
	income			income		
	Baht	Baht	Baht	Baht	Baht	Baht
Item that will be reclassified subsequently to profit or loss						
Loss on remeasuring investment at fair value through other comprehensive income	(595,930)	119,186	(476,744)	(15,600,192)	3,120,038	(12,480,154)
Share of other comprehensive income (loss) of an associate	4,486,051	(897,210)	3,588,841	(1,116,747)	223,349	(893,398)
Item that will not be reclassified subsequently to profit or loss						
Surplus on revaluation of land	(8,240,000)	1,648,000	(6,592,000)	-	-	-
Actuarial gain (loss) in defined employee benefit plans	96,873	(19,375)	77,498	(3,898,465)	779,693	(3,118,772)
Total	<u>(4,253,006)</u>	<u>850,601</u>	<u>(3,402,405)</u>	<u>(20,615,404)</u>	<u>4,123,080</u>	<u>(16,492,324)</u>
	Separate financial statements					
	2021			2020		
	Before tax	Income tax	Net of tax	Before tax	Income tax	Net of tax
	Baht	Baht	Baht	Baht	Baht	Baht
Item that will be reclassified subsequently to profit or loss						
Loss on remeasuring investment at fair value through other comprehensive income	(595,930)	119,186	(476,744)	(15,600,192)	3,120,038	(12,480,154)
Item that will not be reclassified subsequently to profit or loss						
Surplus on revaluation of land	(8,240,000)	1,648,000	(6,592,000)	-	-	-
Actuarial gain (loss) in defined employee benefit plans	96,873	(19,375)	77,498	(3,898,465)	779,693	(3,118,772)
Total	<u>(8,739,057)</u>	<u>1,747,811</u>	<u>(6,991,246)</u>	<u>(19,498,657)</u>	<u>3,899,731</u>	<u>(15,598,926)</u>

26. GAIN (LOSS) ON INVESTMENT

Gain (loss) on investment for the years ended December 31, 2021 and 2020 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Gain (loss) on sale of investment	(3,635,647)	2,851,450
Gain (loss) on impairment of investment at fair value through other comprehensive income - equity securities	1,361,743	(3,747,113)
Total loss on investment in securities	<u>(2,273,904)</u>	<u>(895,663)</u>

27. BASIC EARNINGS PER SHARE

Basic earnings per share for the years ended December 31, 2021 and 2020 were as follows:

	Financial statements in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
Net profit (Baht)	92,405,831	13,020,319	88,824,750	17,543,226
Issued and paid-up share capital (shares)	29,999,790	29,999,790	29,999,790	29,999,790
Basic earnings per share (Baht)	<u>3.08</u>	<u>0.43</u>	<u>2.96</u>	<u>0.58</u>

28. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, liabilities, revenues and expenses arose from transactions with related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. The accompanying financial statements reflect the effects of these transactions determined on the basis of commitments and conditions as in the normal course of business. Transactions with the related parties are mainly as follows:

The relationships between the Company and its related parties are summarized below:

Companies	Relationship	Type of Business
BUI Life Insurance Public Company Limited	An associate	Life insurance
TPI Polene Pcl.	Some common shareholders and directors	Concrete products
Bangkok Union Broker Co., Ltd.	Some common shareholders	Life and non-life insurance broker
Hong Yiah Seng Realestates and Investment Company Limited	Some common shareholders and directors	Investment in stock and lands
Leophairatana Enterprises Company Limited	Major shareholders and some common directors	Investment in stock
TPI Concrete Co., Ltd.	Some common directors	Concrete products
TPI Polene Bio Organics Co., Ltd.	Some common directors	Chemical fertilizer products
TPI Polene Power Public Co., Ltd.	Some common directors	Production and transmission of electricity
TPI All Seasons Co., Ltd.	Some common directors	Plastic products production
Thai Plastic Products Co., Ltd.	Some common directors	Plastic package products
Thai Plastic Film Co., Ltd.	Some common directors	Plastic products
International Trading Development Corporation Limited	Some common directors	Rice retail and wholesale
Hong Yiah Seng Company Limited	Some common directors	Rice retail and wholesale
Pornchai Enterprises Co., Ltd.	Some common directors	Property rental
Polene Plastic Company Limited	Some common directors	Cement and plastic products
United Grain Industry Co., Ltd.	Some common directors	Plastic package products
Thai Nitrate Co., Ltd.	Some common directors	Nitric acid and Ammonium nitrate products
D.R.Development Co., Ltd.	Some common directors	Property rental
Patjakij Paisan Underwriting Company Limited	Some common shareholders	Non-life Insurance agent and brokers
Thai Industrial Corporation Limited	Some common directors	Land development for sale and rental
ARIP Public Company Limited	Some common directors	Exhibition business management
Hi-Tech Utilities Corporation Limited	Some common directors	Water supply and distribution for household and industrial for water supply system
Master Achieve (Thailand) Co., Ltd.	Some common directors	Wholesale of retired petroleum products
Hi-Tech Kabin Logistics Corp., Ltd	Some common directors	Buying and selling of on own account of non-residential buildings
Three Homes Property Co., Ltd.	Some common directors	Buying and selling of on own account of non-residential buildings

Companies	Relationship	Type of Business
Dhara Dhevi Hotel Company Limited	Some common directors	Hotels and resort hotels
Sin Patanasakul Enterprises Co., Ltd.	Some common directors	Renting and operating of self-owned or leased of non-residential buildings
Samran Creation Co., Ltd.	Some common directors	Buying and selling of on own account of non-residential buildings

Significant balances and transactions were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	As at December 31,	
	2021	2020
	Baht	Baht
Premium receivable		
Associate	-	10,705
Other related parties	26,067,892	70,615,903
Investment at fair value through other comprehensive income - equity securities		
Other related parties	116,611,841	101,341,566
Investment at amortised cost - Private enterprise debt securities		
Other related parties	210,000,000	110,000,000
Accrued interest income - Debentures		
Other related parties	1,029,014	679,110
Claim reserves		
Associate	23,000	13,000
Other related parties	31,717,466	31,232,718
Amount due to reinsurer		
Associate	-	6,481,837
Accrued rental and service income		
Other related parties	200	-
Lease liabilities		
Other related parties	50,018,544	50,804,331
Other liabilities - Rental deposit		
Associate	1,503,894	1,503,894
Other related parties	36,000	36,000
Rent payable		
Other related parties	-	1,500
Commissions and brokerages payable		
Other related parties	6,659,263	11,438,162
Prepaid rental expense		
Other related parties	34,500	-

**Financial statements in which
the equity method is applied and
separate financial statements**

**For the years ended
December 31,**

**2021 2020
Baht Baht**

Gross written premium		
Associate	53,406	180,656
Other related parties	278,371,721	246,584,881

The Company used the same pricing policy and conditions for the above premiums as it did for other customers and other insurance companies.

Rental and service income		
Associate	5,098,371	5,091,517
Other related parties	159,144	159,186

The Company has land and building rental agreement with a related company. Rental rates and conditions are the same as the related party offers to other companies.

Claims		
Associate	10,000	6,600,486
Other related parties	29,798,966	(67,493,122)

The Company paid insurance claims in compliance with insurance policy criteria and it is normal commercial transaction for insurance.

Commissions and brokerages		
Other related parties	34,630,309	35,963,058

The Company paid commissions and brokerages expenses in compliance with the Office of Insurance Commission criteria and the same basis of the commission rate that the Company has offered to other companies.

Interest income		
Other related parties	6,494,192	2,735,425

Interest was charged at the same interest rates at a related company has offered to other companies.

Dividend income		
Other related parties	4,654,528	3,311,491

The Company received dividend income as approval from the Shareholder's related parties.

29. DIRECTORS AND KEY MANAGEMENT PERSONNEL'S REMUNERATION

Executive compensation is a benefit paid to executives and directors of the Company consists of monetary compensation, including salaries, related benefits, director's remuneration and post-employment benefits. The management of the Company stands for individuals who are defined according to regulation of Securities and Exchange.

The Company directors and management personnel's remuneration recognized as expenses for the years ended December 31, 2021 and 2020 were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	For the years ended December 31,	
	2021	2020
	Baht	Baht
Directors and key management personnel's remuneration		
Short - term benefits	19,109,225	19,673,010
Post-employment benefits	290,274	233,558
Directors' remuneration (see Note 22)	1,658,000	1,498,000
Total	<u>21,057,499</u>	<u>21,404,568</u>

Directors' remuneration for the years 2021 and 2020 were approved by the ordinary shareholder's meeting of the Company held on April 21, 2021 and June 25, 2020, respectively

30. DIVIDENDS PAID

On April 21, 2021, the Annual general meeting of shareholders of the Company passed a resolution to distribute the dividend for the year 2020 of Baht 0.25 per share for 29,999,790 shares, totaling Baht 7.50 million which were paid to shareholders on May 21, 2021

On February 21, 2020, the Board of Directors' Meeting No.1/2020 passed a resolution to distribute the interim dividend for the year 2019 of Baht 0.25 per share for 30,000,000 shares, totaling Baht 7.50 million which were paid to shareholders on June 5, 2020. On June 25, 2020 the Annual Shareholders' Meeting considered and approved the dividends payment.

31. PROVIDENT FUND

The Company has established a contributory registered provident fund, in accordance with the Provident Fund Act B.E. 2530. Under the plan, employees must contribute their basic salaries, with the Company matching the individuals' contributions as follow:

Years of service	Percent (%)
Less than 3 years	3
3 years but less than 5 years	4
5 years and above	5

A registered provident fund manager has been appointed to manage the fund in compliance with the requirements of the Ministerial Regulations issued under the Provident Fund Act B.E. 2542.

For the years ended December 31, 2021 and 2020, the Company's contributions recorded as expenses in the statements of profit or loss and other comprehensive income were Baht 1.48 million and Baht 1.64 million, respectively (see Note 23).

32. SECURITIES PLEDGED AND ASSETS RESERVED WITH THE REGISTRAR

As at December 31, 2021 and 2020, certain investments in securities of the Company were pledged and used for assets reserved with the Registrar (see Note 8) in accordance with the Insurance Act and the Notification of the Office of Insurance Commission regarding "Rates, Rules and Procedures for pledge of unearned premium reserve of Non-Life Insurance Company B.E. 2557", respectively, as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2021	2020
	Baht	Baht
Investment in securities used to secure the facilities collateral with the Office of Insurance Commission		
Securities pledged with the registrar		
Government and state enterprise securities	15,003,843	14,980,174
Assets reserved with the registrar		
Government and state enterprise securities	66,327,729	66,899,376
Total investment in securities of pledged	<u>81,331,572</u>	<u>81,879,550</u>

33. CONTRIBUTION TO NON-LIFE GUARANTEE FUND

As at December 31, 2021 and 2020, the Company has accumulated funding amount which was paid into contribution to non-life guarantee fund amounting to Baht 28.02 million and Baht 25.08 million, respectively.

34. SHORT-TERM LEASES AND SERVICE AGREEMENTS OR LOW VALUE ASSETS

Short-term leases and service agreements or low value assets as at December 31, 2021 and 2020 consisted of the following:

Type	Financial statements in which the equity method is applied and separate financial statements		
	Remaining periods		Total rental payments for the remaining periods Baht
	Within 1 year	1 - 5 years	
	Baht	Baht	
As at December 31, 2021			
Equipment and service - Other	1,066,000	2,554,750	3,620,750
	<u>1,066,000</u>	<u>2,554,750</u>	<u>3,620,750</u>
As at December 31, 2020			
Equipment and service - Other	964,900	338,600	1,303,500
	<u>964,900</u>	<u>338,600</u>	<u>1,303,500</u>

For the years ended December 31, 2021 and 2020, the Company recorded the rental and service fees under operating lease agreements as expense in the statements of profit or loss and other comprehensive income amounting to Baht 1.38 million and Baht 1.37 million, respectively.

35. CONTINGENT LIABILITIES AND COMMITMENTS

35.1 As at December 31, 2021 and 2020, lawsuits have been brought against the Company, as insurer, from which the Company estimates and records losses totaling Baht 18.36 million and Baht 12.49 million, respectively. The Company's management believes that such estimation is adequate to losses and do not believe the outcome of the litigation to result in losses that significantly differ from the recorded liability.

35.2 As at December 31, 2020, the Company have outstanding commitments in respect of software development of Baht 0.10 million and building improvement Baht 0.06 million (December 31, 2021 : None).

36. OFFICE SPACE RENTAL AGREEMENTS

The Company entered into office rental and service agreements to rent out office spaces with many customers. Under these agreements, the Company shall receive rental and service payments which were classified by period as follows:

Type	Financial statements in which the equity method is applied and separate financial statements			
	Remaining periods			Total rental payments for the remaining periods Baht
	Within 1 year	1 - 5 years	Over 5 years	
	Baht	Baht	Baht	
As at December 31, 2021				
An associate	4,973,976	10,776,948	-	15,570,924
A related company	144,000	204,000	-	348,000
Others	43,997,392	41,438,601	-	85,435,993
	<u>49,115,368</u>	<u>52,419,549</u>	<u>-</u>	<u>101,534,917</u>

As at December 31, 2020

An associate	4,973,976	828,996	-	5,802,972
A related company	60,000	-	-	60,000
Others	47,889,339	42,833,193	-	90,722,532
	<u>52,923,315</u>	<u>43,662,189</u>	<u>-</u>	<u>96,585,504</u>

For the years ended December 31, 2021 and 2020, the Company recorded the rental income under operating agreements as income in the statements of profit or loss and other comprehensive income amounting to Baht 57.95 million and Baht 59.02 million, respectively.

37. INSURANCE AND FINANCIAL RISK MANAGEMENT

37.1 Insurance risk

37.1.1 Insurance risk management policy

The Company has emphasized the importance of development and improvement of risk management by the Company's management to govern and manage risk management system in the Company overview in order to comply with the risk management policy of which the policy frame and guidelines has been appropriately and continuously established by the Board of Directors to control the risk to the acceptable level.

Insurance risk is a risk arising directly from inappropriate insurance policies and pricing causing obligation in ineffective and inefficient payment of claims which will finally result in financial loss. The following actions are undertaken by the company to manage this risk:

- The Company's management is established for development of products and pricing to match the needs of customers as well as maintain competitiveness of the Company.
- The policy and underwriting standard practice are introduced along with the instruction of underwriting and authority of underwriters which is used as a guideline to consider and control the risk to the acceptable level.
- Strategy management of reinsurance is established for both Proportional Reinsurance and Non-proportional Reinsurance and policy and risk management has been established consistent towards the Company's policy regarding underwriting each year.

37.1.2 Sensitivity analysis

The sensitivity analysis is performed on the net loss reserve and outstanding claims, based on changes in assumptions that may affect the level of liabilities. Effect of risk that changes in assumptions as at December 31, 2021 and 2020 is as follows:

**Financial statements
in which the equity method
is applied and
separate financial statements**

	2021	
	Increase (decrease) in insurance contract liabilities Baht	Increase (decrease) in profit and equity Baht
Claim reserves		
Gross		
10 % increase	9,262,374	(9,262,374)
10 % decrease	(9,132,095)	9,132,095

**Financial statements
in which the equity method
is applied and
separate financial statements**

2021

	Increase (decrease) in insurance contract liabilities Baht	Increase (decrease) in profit and equity Baht
Net of reinsurance		
10 % increase	8,464,656	(8,464,656)
10 % increase	(8,334,377)	8,334,377
Unallocated claim adjustment expenses		
Gross and net of reinsurance		
10 % increase	1,097,822	(1,097,882)
10 % decrease	(1,097,882)	1,097,822

**Financial statements
in which the equity method
is applied and
separate financial statements**

2020

	Increase (decrease) in insurance contract liabilities Baht	Increase (decrease) in profit and equity Baht
Claim reserves		
Gross		
10 % increase	13,122,821	(13,122,821)
10 % decrease	(11,969,723)	11,969,723
Net of reinsurance		
10 % increase	12,434,092	(12,434,092)
10 % increase	(11,786,741)	11,786,741
Unallocated claim adjustment expenses		
Gross and net of reinsurance		
10 % increase	1,247,374	(1,247,374)
10 % decrease	(1,247,374)	1,247,374

37.1.3 Concentration of insurance risks

Concentration risk is a risk arising from the concentration of reinsuring to one company or concentrating on only one type of insurance in the large and inappropriate amount. The Company has considered to the risk management for this kind of risk as follows:

- Limitation of risk taking and diversification of each type of risks are introduced with control and monitoring through the system called Block Management.
- For management of reinsurance to reduce the concentration risks, the process of selection of the reinsurance company is prioritized where the credit rating will be considered in order to get only quality reinsurance companies. Moreover, the importance of monitoring and assessing the financial stability and diversification of reinsurers are also taken into account.

The following table shows the Company's exposure to concentration of insurance contract liabilities per category of business.

	Financial statements in which the equity method is applied and separate financial statements				
	Fire Baht	Marine Baht	Motor Baht	Miscellaneous Baht	Total Baht
As at December 31, 2021					
Claim reserve					
Gross	113,964,520	1,818,652	137,465,478	126,871,965	380,120,615
Net of reinsurance	16,570,666	1,818,652	126,279,227	63,785,748	208,454,293
Unearned premium reserve					
Gross	43,339,281	7,549,246	168,300,795	185,802,845	404,992,167
Net of reinsurance	23,962,594	7,549,246	168,300,795	54,915,926	254,728,561
As at December 31, 2020					
Claim reserve					
Gross	107,945,635	737,759	163,251,484	109,719,598	381,654,476
Net of reinsurance	13,519,075	737,759	152,065,233	62,889,145	229,211,212
Unearned premium reserve					
Gross	43,433,598	5,096,435	155,718,560	190,085,126	394,333,719
Net of reinsurance	25,288,967	5,080,466	155,718,560	60,898,795	246,986,788

37.2 Financial instrument risk

37.2.1 Accounting policies

Details of significant accounting policies and methods adopted, including criteria for recognition of revenues and expenses relating to financial assets and financial liabilities are disclosed in Note 3.

37.2.2 Liquidity risk

Liquidity risk is a risk arising from lack of ability to pay debt or perform other obligations when such debts or obligations are due.

The Company manages, controls and monitors the liquidity ratio closely to provide sufficient supporting the debt arising from the insurance contract and demanding the money in each time interval. The Company's financial assets mainly comprise cash and deposit at financial institutions and investments in securities which are highly liquid and are able to be sold quickly at close to their fair value when the Company wishes to raise funds.

The analysis of the liquidity risk from claim reserves which estimate base on an analysis of payment histories.

	Financial statements in which the equity method is applied and separate financial statements			
	Payment periods			Total
Less than 1 year	1 - 5 years	5 - 10 years		
	Baht	Baht	Baht	Baht
As at December 31, 2021				
Claim reserves	178,275,238	184,080,312	17,765,065	380,120,615
As at December 31, 2020				
Claim reserves	175,993,841	193,047,622	12,613,013	381,654,476

37.2.3 Credit risk

Concentrations of the credit risk with respect to premium receivable are insignificant because the Company's customers diverse across different industries and geographic regions in Thailand. The maximum exposure to credit risk is limited to the carrying value of such premium receivable after deduction of allowance for doubtful debts as stated in the statements of financial position.

37.2.4 Interest rate risk

Interest rate risk arises from changes in interest rates which affect the interest income from investments. The Company's investments include both short-term and long-term investments with floating interest rate and fixed interest rates. The Company manages the risk by considering the risk of investments together with appropriateness of return on such investments.

As at December 31, 2021 and 2020, significant financial assets classified by type of interest rate were as follows:

	Financial statements in which the equity method is applied and separate financial statements			
	As at December 31, 2021			
	Floating interest rate	Fixed interest rate	No interest rate	Total
	Baht	Baht	Baht	Baht
Cash and cash equivalents				
Deposits at bank	166,034,505	30,000,000	6,954,536	202,989,041
Investment in securities				
Investment at amortised cost				
Government and state enterprise securities	-	112,273,094	-	112,273,094
Private enterprises debt securities	-	228,837,370	-	228,837,370
Deposits at banks with maturity over 3 months	-	51,000,000	-	51,000,000
Total	166,034,505	422,110,464	6,954,536	595,099,505

	Financial statements in which the equity method is applied and separate financial statements			
	As at December 31, 2020			
	Floating interest rate	Fixed interest rate	No interest rate	Total
	Baht	Baht	Baht	Baht
Cash and cash equivalents				
Deposits at bank	46,187,735	40,178,688	2,312,292	88,678,715
Investment in securities				
Investment at amortised cost				
Government and state enterprise securities	-	109,740,713	-	109,740,713
Private enterprises debt securities	-	139,313,616	-	139,313,616
Deposits at banks with maturity over 3 months	-	56,000,000	-	56,000,000
Total	46,187,735	345,233,017	2,312,292	393,733,044

The financial instruments carrying interest at fixed rates were classified based on the length of time from the statement of financial position date to the date specified for the fixing of a new rate or to the maturity date (whichever is sooner) as follows:

	Financial statements in which the equity method is applied and separate financial statements				
	As at December 31, 2021				
	Period specified for fixing new interest rate				Average
	Within 1 year	1 - 5 years	Over 5 years	Total	interest rate
Baht	Baht	Baht	Baht	%	
Investment in securities					
Held-to-maturity securities					
Government and state enterprise securities	-	102,105,872	10,167,222	112,273,094	2.61
Private enterprises debt securities	14,919,888	213,917,482	-	228,837,370	3.83
Deposits at banks with maturity over 3 months	51,000,000	-	-	51,000,000	0.54
Total	65,919,888	316,023,354	10,167,222	392,110,464	

**Financial statements in which the equity method is applied
and separate financial statements**

As at December 31, 2020

	Period specified for fixing new interest rate			Total Baht	Average interest rate %
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht		
Investment in securities					
Held-to-maturity securities					
Government and state enterprise securities	7,104,978	33,040,490	69,595,245	109,740,713	2.74
Private enterprises debt securities	49,678,823	89,634,793	-	139,313,616	3.91
Deposits at banks with maturity over 3 months	<u>56,000,000</u>	<u>-</u>	<u>-</u>	<u>56,000,000</u>	0.99
Total	<u>112,783,801</u>	<u>122,675,283</u>	<u>69,595,245</u>	<u>305,054,329</u>	

37.2.5 Equity securities risk

Equity securities risk is a risk arising from the fluctuation of equity security value which derives from interest rate, stock prices, and exchange rates resulting in decrease of the Company's assets value. The Company considers the risk and risk management guidance as follows:

- Investment policy and investment plan that focuses on investments with caution is established. Selection of the appropriate investment, giving priority to the safety of principal and return on investment under the acceptable risk is made.
- Management of investment which the Company has hired the expert financial institute to manage the Company's portfolio in order to gain an appropriate return from the investment and reduce the risks from market fluctuation. The operation performance report is regularly sent to the Company.
- Monitoring and updating the changes in interest rate and the key currency exchange rate which affect to the Company is established, so that the Company can alter its financial policy to be suitable for the economic trends.

37.2.6 Fair value measurements

Considerable judgment is necessarily required in estimation of fair value of financial assets or financial liabilities. Accordingly, the estimated fair value presented herein is not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Company in estimating fair values of financial instruments.

37.2.6.1 Financial assets or financial liabilities measured at fair value

Certain financial assets or financial liabilities of the Company are measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets or financial liabilities are determined:

Financial statements in which the equity method is applied and separate financial statements				
	Fair value		Fair value	Valuation
	As at December 31,		hierarchy	techniques
	2021	2020		and key inputs
	Baht	Baht		
<u>Financial assets</u>				
Investment at fair value through other comprehensive income				
Equity Securities -				
public enterprise	158,830,046	146,538,645	Level 1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand
Equity securities -				
Unit trusts	11,615,760	15,355,080	Level 2	Unit trusts' net asset value at the last working day of the reporting period
Debt securities -				
Unit trusts	148,512,917	148,876,171	Level 2	Unit trusts' net asset value at the last working day of the reporting period
Equity Securities	23,602,666	14,914,373	Level 3	Using book value approach or discounted cash flows

37.2.6.2 Financial assets or financial liabilities not measured at fair value

Cash and cash equivalents, Premium receivable, Accrued investment income, Reinsurance assets, Amount due from reinsurers, Deposits at bank used as collateral, Insurance liabilities and Amount due to reinsurers; the fair values approximate their carrying values due to the relatively short period to maturity.

The transactions disclosed in the following tables, are considered that the carrying amounts recognized in the financial statements are different from their fair values as follows:

Financial assets	Fair value hierarchy	Financial statements in which the equity method is applied and separate financial statements	
		As at December 31, 2021	
		Carrying amount Baht	Fair value Baht
<u>Financial assets</u>			
Investment at amortised cost	Level 2*	392,110,464	389,132,500

Financial assets	Fair value hierarchy	Financial statements in which the equity method is applied and separate financial statements	
		As at December 31, 2020	
		Carrying amount Baht	Fair value Baht
<u>Financial assets</u>			
Investment at amortised cost	Level 2*	305,054,329	305,060,548

* For debts securities, their fair values are determined based on the prices approached by the Thai Bond Market Association.

37.2.6.3 Non-financial assets measured at fair value or measured at cost but their fair values are disclosed

Investment property has fair value as disclosed in Note 9 which fair value is determined based on the Replacement Cost Approach, fair value hierarchy level 3.

Land has fair value equal to its carrying amount which fair value is determined based on the Sale Price Approach, fair value hierarchy level 3.

37.3 Capital management

The Company's objective in managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

Monitoring the capital level of the Company to be comply with the requirement under the Notifications of the Office of Insurance Commission is conducted.

As at December 31, 2021 and 2020, the Company maintains capital level in compliance with such requirement.

38. EVENT AFTER THE REPORTING PERIOD

At the Company's Board of Directors' meeting held on February 24, 2022, the Board of Directors passed a resolution to approve a dividend payment of Baht 1 per share for 30 million shares, totaling Baht 30 million. However, the payment of dividend must be approved by the resolution of the Annual General Meeting of shareholders of the Company.

39. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved for issuance by the Company's Board of Directors on February 24, 2022.

Part 4
Confirmation of Information
Accuracy

Confirmation of Information Accuracy



The Company having carefully, reviewed the information contained in this Annual Registration Statement, hereby certify that the said information is accurate, complete and true, is not misleading and does not omit any material information which is required to be disclosed and false or that:

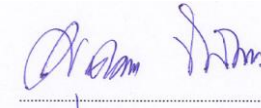
(1)The financial statements and financial information forming a part hereof contain accurate and complete material information in respect of the financial condition, results of operations and cash flows of the Company and its subsidiaries;

(2)The Company is responsible for arranging for an effective disclosure system to assure that the Company properly and completely discloses the material information of the Company and its subsidiaries, and shall be responsible for monitoring to ensure compliance with such system;

(3)The Company is responsible for arranging for an effective internal controls and monitoring them to ensure compliance with such system, and the Company has reported the information as of 17 February 2022 relating to the internal control, including the deficiency and material change of the internal control that may affect preparation of financial reports of the Company and its subsidiaries, to the auditor and Audit Committee.

As evidence that all documents are the same set of documents that the Company has reviewed. The Company assigned Ms. Sujintana Champeesri to initial all pages hereof. If any pages do not have the initials of Ms. Sujintana Champeesri indicated, it shall be deemed that the Company has not reviewed the aforesaid information. Name Position Signature.

<u>Name</u>	<u>Position</u>	<u>Signature</u>
1.Ms.Malinee Leopairat	Executive Chairman	
2.Ms.Tanyaratt Iamsopana	Executive Director/Managing Director	

<u>Name</u>	<u>Position</u>	<u>Signature</u>
Ms.Sujintana Champeesri.	Executive Director	

Part 5

Appendix

Appendix 1

Profile about directors, executives, people with power to control the company and company secretary

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Sharehold ing percentag e in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
1. Mr. Manu Leopaiprote - Chairman of the Board(2000) - Independent Director	77	<ul style="list-style-type: none"> ● Ph.D., Honorary Doctorate of Business Administration Thammasat University ● Master's degree M.Sc. (Economics) University of Kentucky, U.S.A. ● Bachelor's degree in Economics (Good Honors) Thammasat University ● Diploma of Industrial Development from Nagoya Training Center, Japan. ● Diploma, Class 34, National Defense College ● Certificate of the Thai Institute of Directors <ul style="list-style-type: none"> ➤ Role of Chairman (RCM) Course Class 3/2001 ➤ Directors Certification Program (DCP) Class 30/2003 <p>Insignia</p> <ul style="list-style-type: none"> - Knight Grand Cross (First Class) of the Most Noble Order of the Crown of Thailand. - Knight Grand Cross (First Class) of the Most Exalted Order of the White Elephant. - Knight Grand Cordon (Special Class) of the 	None	None	Listed company	2010-Present Chairman of the Board 2004-Present Chairman of the Board/Independent Director 2004-Present Chairman of the Board of Directors/Chairman of the Audit Committee/Independent Director 2006-present Chairman of the Audit Committee/Independent Director 2010-Present Chairman of the Board of Directors/Independent Director 2011-present Chairman of the Board of Directors / Audit Committee / Independent Director 2010-Present Independent Director 2010-Present Chairman of the Board of Directors/Audit Committee/ Independent Director 2016-Present Chairman of the Audit	ARIP Public Company Limited Khon Kaen Sugar Industry PCL. Polyplex (Thailand) Public Company Limited Siam Steel International Public Company Limited Jubilee Enterprise Public Company Limited T.M.C. Industry Plc. Kang Yong Electric Public Company Limited SVOA Public Company Limited TPI Polene Power Public Company

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Sharehold ing percentag e in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
		Most Noble Order of the Crown of Thailand. - Knight Grand Cordon (Special Class) of the Most Exalted Order of the White Elephant.			2020-present	Committee/Independent Director Chairman of the Board of Directors/Chairman of the Audit Committee	Limited The Steel Public Company Limited
					<u>General company</u> 2003-Present	Committee of the Council of State, 5th Faculty (Trade and Industry)	
					2004-Present	Director/Audit Committee	Office of the Council of State (Trade and Industry) Thai Beverage Public Company Limited (stock market Singapore)
2. Mr. Pichit Sinpatanasakul - Chairman of the Audit Committee (2013) - Audit Committee (1999- 2013) - Nomination and Remuneration Committee (2007) - Independent Director	64	<ul style="list-style-type: none"> • Master's degree in Business Administration, Sasin College Chulalongkorn University • Bachelor of Business Administration, Boston University Massachusetts U.S.A. • Certificate of the Thai Institute of Directors <ul style="list-style-type: none"> ➤ Directors Accreditation Program (DAP), Class 6/2003 ➤ Directors Certification Program (DCP) Class 46/2004 ➤ Audit Committee Program (ACP) Class 15/2006 ➤ Monitoring Fraud Risk Management course ➤ Role of the Compensation Committee (RCC) 	0.43% 129,373 stock	None	<u>Listed company</u> 2020 - Present 2013 - Present 2007-Present 2016-2017 1999-2013 <u>General company</u> 1999-present	Audit Committee/Independent Director Chairman of the Audit Committee Nomination and Remuneration Committee Risk Management Committee Audit Committee Director	Inter Far East Energy Corporation Public Company Limited Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. BANGKOK GINNING MILL LIMITED

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Sharehold ing percentag e in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
		Class 11/2010					
3. Associate Professor Pranom Kowinwiphat - Chairman of the Nomination and Remuneration Committee (2007) - Audit Committee (1999) - Independent Director	78	<ul style="list-style-type: none"> • Master of Accounting, Georgia State University, USA. • Bachelor's degree in Accounting, Thammasat University • Operations to increase knowledge in accounting Texas University at Austin, U.S.A. • Thai Institute of Directors Certification <ul style="list-style-type: none"> ➤ Directors Certification Program (DCP), class 12/2001 ➤ Role of Chairman Program (RCP), class 10/2004 	None	None	<u>Listed company</u> 1999-present 2007-Present current 2016-2017 in the past	Audit Committee Chairman of the Nomination and Remuneration Committee Chairman of the Audit Committee/Independent Director Risk Management Committee Director and Audit Committee	Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Thai Plastic Coated Fabric Industry PCL. Bangkok Union Insurance PCL. Bangchak Petroleum Plc.
		<ul style="list-style-type: none"> ➤ Corporate Fraud Detection and Prevention Course ➤ Audit Committee Program (ACP), class 15/2005 ➤ Role of the Compensation Committee (RCC) Course, Class 11/2010 ➤ What the Board Should Do in a Downturn Situation Course ➤ หลักสูตร Monitoring Fraud Risk Management 			<u>General company</u> current in the past in the past in the past in the past	Advisory Committee Thammasat's birthday merit fund Accounting Lecturer Member of the Faculty of Commerce and Accountancy Director and Chairman of the Audit Committee Member of the Audit Committee of the Tax Auditor	Thammasat Relations Office, Thammasat University Maharakham University Thammasat University Metropolitan Electricity Authority Department of Revenue, Ministry of Finance

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Sharehold ing percentag e in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
		<ul style="list-style-type: none"> Workshop on "Audit Committee in a New Era of Governances" Harvard Business School, U.S.A. Responsibilities of the Board of Directors and Executives under the Securities and Exchange Act B.E. 2535 (Revised) The latest revised accounting standard, version 7 from the Federation of Accounting Professions. under the royal patronage Keep up with international accounting standards. Faculty of Commerce and Accountancy Thammasat University 			<p>in the past</p> <p>in the past</p>	<p>Member of the Accreditation Committee and evaluating the quality of education</p> <p>Expert committee</p>	<p>Office for Accreditation and Quality Assessment of Education (Public Organization) or ONESQA</p> <p>Faculty of Commerce and Accountancy Thammasat University</p>

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
4. Mr. Thavich Taychanavakul - Audit Committee (2013) - Chairman of the Audit Committee (1999-2013) - Independent Director	71	<ul style="list-style-type: none"> • Bachelor's degree in Business Administration kinki University Osaka Japan • National Defense College Kingdom Defense Course Public-private partnership model 366 <ul style="list-style-type: none"> ➤ Thai Institute of Directors Certificate ➤ Directors Accreditation Program (DAP), class 27/2004 ➤ Finance for Non Finance Directors (FND) Class 30/2006 	0.52% 156,067 stock	None	<ul style="list-style-type: none"> <u>listed company</u> 2020-present 1999-present 2013-present 2008-present 2018-Present 2016-20171999-2013 <u>general company</u> 2013-present 2012-Present 2012-Present 1991-Present 1990-present 1991-2011 	<ul style="list-style-type: none"> Chairman of the Board/Chairman of the Executive Committee/Chief Executive Officer director Audit Committee director Audit Committee Risk Management Committee Chairman of the Audit Committee Chairman of the Board of Directors Honorary Advisor Executive Chairman Executive Chairman Managing Director secretary general 	<ul style="list-style-type: none"> Inter Far East Energy Corporation Plc. Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. TPI Polene Plc. TPI Polene Plc. Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Mae Fah Luang University Thai Industrial Estate Association and its partners Hi-Tech Kabin Logistics Co., Ltd. Ayutthaya Technician Training Center Thai Industrial Estate Co., Ltd. Association of Thai Industrial Estates

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
5. Mr. Soonthorn Konuntakiet - Director(2535) - Audit Committee (1999) - Member of the Nomination and Remuneration Committee (2007) - Chairman of the Risk Management Committee (2016) - Independent Director	63	<ul style="list-style-type: none"> • Business Administration University of Detroit Michigan U.S.A. • Thai Institute of Directors Certificate <ul style="list-style-type: none"> ➤ Directors Accreditation Program (DAP), Class 6/2003 ➤ <input type="checkbox"/> Finance for Non Finance Directors (FND) Course, Class 12/2004 ➤ Understanding the Fundamental of Financial Statements (UFS), Class 2/2006 ➤ Role of the Compensation Committee (RCC) Course, Class 11/2010 	0.11% 33,750 stock	None	<ul style="list-style-type: none"> 1999-present 2007-Present 2016-Present 2012-2015 1999-2011 	<ul style="list-style-type: none"> Director/Audit Committee Nomination and Remuneration Committee Chairman of Risk Management Committee Deputy Marketing Manager Marketing Department Manager 	<ul style="list-style-type: none"> Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Good World Intertrade Co., Ltd. Sea Value Co., Ltd.
6. Ms. Malinee Leopairat -Director(1973) - Executive Chairman (2011) -Risk Management Committee (2018) - Being a director who has the authority to sign and bind as stipulated in the certifying letter.	78	<ul style="list-style-type: none"> • Master of Actuarial Science University of Georgia united states • Bachelor of Statistics (2nd Class Honors) in Statistics, Commerce and Accounting Chulalongkorn University • Certificate of the Thai Institute of Directors <ul style="list-style-type: none"> ➤ Directors Certification Program (DCP) Class 22/2002 	2.54% 763,052 stock	is a sister Mr.Prachai Leophairatan a	<ul style="list-style-type: none"> 2011-present 2018-Present 2016-Present 2016-Present 1973-2011 	<ul style="list-style-type: none"> Executive Chairman Risk Management Committee director director Managing Director 	<ul style="list-style-type: none"> Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. TPI Polene Plc. TPI Polene Power Plc. Bangkok Union Insurance PCL.

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
		➤ Actuarial License, Section 78/2 of the Non-Life Insurance Act, B.E. 2535 (1992), amended by Non-Life Insurance Act (No. 2) B.E. 2551			1997-present 1973-present 1989-present 1987-1989	director director director president of the association	Bangkok Union Life Assurance PCL. Leopairattana Enterprise Co., Ltd. United Cereal Industry Co., Ltd. Thai General Insurance Association
		➤ Actuarial License, Section 83/2 of the Life Insurance Act, B.E. 2535 (1992), amended by Life Insurance Act (No. 2) B.E. 2551					

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
7. Mr. Prachai Leophairatana - Director(2012) - Being a director who has the authority to sign and bind as stipulated in the certifying letter.	76	<ul style="list-style-type: none"> • Ph.D., Honorary Doctorate of Engineering Industrial Engineering Rajamangala University of Technology Krungthep • Master's degree, Master of Engineering University of California (Berkeley) united states • Bachelor's degree in Engineering (First Class Honors) University of Canterbury new zealand • Certificate of the Thai Institute of Directors • Directors Accreditation Program (DAP) Class 35/2005 • An important honor to be honored • Decorations – The Royal Order of the White Elephant (1999) • Red Cross Medal – Bestowment, 1st class, the highest (1990) • Decorations - Pathom Direkkunaphorn (2014) 	4.05% 1,215,000 stock	is the younger brother of Miss Malinee Leopairat	2012-Present 2001-Present 1991-Present 2000-2006 1990-present 1989-present 1989-present 1988-Present 1973-present 1978-2006 1969-1997	director Chief Executive Officer chairman of the board Executive Chairman Chairman of the Board Chairman of the Board Chairman of the Board Chairman of the Board Chief Executive Officer Chairman of the Board	Bangkok Union Insurance PCL. TPI Polene Plc. TPI Polene Power Plc. Bangkok Union Insurance PCL. Thai Nitrate Co., Ltd. United Grains Industry Co., Ltd. Thai Plastic Film Co., Ltd. Thai Plastic Products Co., Ltd. Leopairattana Enterprise Co., Ltd. Thai Petrochemical Industry PCL. and TPI affiliates Cathay Finance Securities Plc.

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	period	position	Name of organization / company / type of business
8. Ms. Thanyaratt Iamsopana - Executive Director (2006) - Managing Director (2011) - Being a director who has the authority to sign and bind as stipulated in the certifying letter.	43	<ul style="list-style-type: none"> • Master's degree in Engineering, Technical University Berlin, Germany • Bachelor's degree in Engineering Thammasat University • Thai Institute of Directors Certificate <ul style="list-style-type: none"> ➢ Directors Accreditation Program (DAP) Class 58/2006 ➢ Ministry of Finance Management Skills Development Course For Young Leaders (EYP) Class 2/2016 	2.86% 857,365 stock	She is the older sister of Miss Maneerat Iamsopana.	<u>listed company</u>		
					2020-present	director	TPI Polene Plc.
					2011-present	Managing Director	Bangkok Union Insurance PCL.
					2006-present	Executive Director	Bangkok Union Insurance PCL.
					2010-2011	Vice Managing Director	Bangkok Union Insurance PCL.
					2004-2010	Marketing Manager	Bangkok Union Insurance PCL.
					<u>general company</u> <u>current</u>	Director	Bangkok Union Life Assurance PCL.
2009-2011	Director, Subcommittee on Property	non-life insurance association					
2007-2009	Director, Young Insurer Club(YIC.)	non-life insurance association					
9. Mr. Pakorn Leopairut - Executive Director (2019) - Being a director who has the authority to sign and bind as stipulated in the certifying letter.	41	<ul style="list-style-type: none"> • Master of Public and Private Management NIDA • CEDI-BABSON ENTREPRENEURIAL LEADERSHIP PROGRAM model 1/2013 • Young F.T.I Eite, Class 1, The Federation of Thai Industries • Executive Development Program, Class 10, Ministry of Finance. • Learning to Economic Guru, Class 3, Ministry of Finance • Energy Executive Program, Class 1, Federation of Thai Industries 	0.49% 147,184 stock	None	<u>listed company</u>		
					2007-present	director	TPI Polene Power Plc.
					Jan 2016-Present	management committee member	TPI Polene Power Plc.
					Feb. 2016 - Present	Managing Director	TPI Polene Power Plc.
					2008-present	Assistant Vice President	TPI Polene Plc.
					<u>general company</u>		
					2009-present	Executive Director	TPI All Seasons Co., Ltd.
					2010-Present	Executive Director	TPI Polene Organic Co., Ltd.
2010-Present	Executive Director	TPI Services Co., Ltd.					
2010-Present	Executive Director	Zenith International Trading Co., Ltd.					

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	period	position	work experience Name of organization / company / type of business
		<ul style="list-style-type: none"> Directors Accreditation Program (DAP) Class 132/2016 from Thai Institute of Directors Association 			2014-Present Jul 2015-Present Jul 2015-Present 2007-2008 2006-present 2002-2007 2007-Present	Executive Director Executive Director Executive Director Investment Analyst Executive Director supervisor Managing Director	TPI Commerce Co., Ltd. TPI Inter Trade Co., Ltd. TPI Refinery (1997) Co., Ltd. MFC Asset Management Plc. Thai Petrochemical Industry Co., Ltd. Thai Petrochemical Industry PCL. Thai Nitrate Co., Ltd.
10. Ms. Sujintana Champeesri - Executive Director (2007) - Being a director who has the authority to sign and bind as stipulated in the certifying letter. - Company Secretary (2006) - Manager of Accounting and Finance	61	<ul style="list-style-type: none"> Master's degree, Master of Economics (Business Economics), Thammasat University. Bachelor of Business Administration majoring in Accounting. Ramkhamhaeng University Thai Institute of Directors Certificate <ul style="list-style-type: none"> Directors Accreditation Program (DAP), Class 60/2006 Company Secretary Program (CSP), Class 20/2006 Diploma, Corporate Secretary Development Program, Class 2, Year 1994 Faculty of Commerce and Accountancy 	0.03% 10,095 stock	None	<u>listed company</u> 2007-Present 2006-present 2002-Present 2016-2017 <u>general company</u> (none)	Executive Director Director/Company Secretary Manager of Accounting and Finance Risk Management Committee	Bangkok Union Insurance PCL.

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
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Chulalongkorn University

Duties and Responsibilities of

Company Secretary

(1) to act in coordination with the Board of Directors and sub-committees in the Company's business, including Organize a meeting of the Board of Directors to consider various activities to be in accordance with the law

(2) Store documents related to the Board of Directors' meetings and shareholders' meetings in a safe place.

(3) Provide information and advice to the Board of Directors. in order to comply with the law

(4) Notifying the resolutions of the Board of Directors for the relevant departments of the Company to implement. and follow up on

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
performance to report to the Board of Directors							
(5) Disclosure any information as required by law.							
11. Ms. Maneerat Iamsopana - Executive Director (2020) - Being a director who has the authority to sign and bind as stipulated in the certifying letter.	41	<ul style="list-style-type: none"> Master's degree, Master of Business Administration Major in Finance, University of Wisconsin-Whitewater, USA Bachelor's degree in Business Administration Marketing Kasetsart University Diploma in Enterprise Risk Management Faculty of Economics Chulalongkorn University 	5.47% 1,641,352 stock	She is the younger sister of Miss Thanyaratt Iamsopana.	2020-present 2013-2020 2000-2012	Executive Director Managing Director Vice Managing Director Assistant Managing Director	Bangkok Union Insurance PCL. Bangkok Union Life Assurance PCL.

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
Other executives							
1. Mrs. Yaovadee Chaitanapinyo - Deputy Manager of Warranty Department	55	<ul style="list-style-type: none"> Bachelor's degree, majoring in English. Ramkhamhaeng University Certificate, "Insurance Business Executive Development", Class 15, 2008, Chulalongkorn University 	None	None	2012-Present	Deputy Manager of Warranty Department	} Bangkok Union Insurance PCL.
					1999 – 2012	Manager of the insurance department 3	
					1994 – 1999	Assistant Claims Supervisor	
					2001 – 2003	Marine and Transport Insurance Subcommittee	
2. Mr. Suthee Sirivoratham - Claims manager	69	<ul style="list-style-type: none"> Bachelor's degree in Management Ramkhamhaeng University 	None	None	2016-Present	Claims Manager	Bangkok Union Insurance PCL.
					2015-2016	Company consultant	AXA Insurance Plc.
					1977-2014	Senior director Auto claim department	MSIG Insurance (Thailand) PCL.
3. Ms. Sunee Kunvoratham - Human Resources Manager	57	<ul style="list-style-type: none"> Bachelor's degree in General Management Sukhothai Thammathirat Open University Certificate, "Finance for Management" Program, Class 5, Year 1994, Chulalongkorn University. Certificate, "Insurance Business Executive Development" Course, Class 14, Year 2006, Thai General Insurance Association. • Certificate, "Human Resource 	None	None	2008-present	Human Resources Manager	} Bangkok Union Insurance PCL.
					2012-2020	Acting Managing Director Office Manager	
					1990-2008	Finance Manager	

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
		Management and Development for a New Age Organization", Class 11, 2010, Institute of Development Administration (Nida)					
4. Mr. Bunlung Kaewpankan - Manager of the Director's Office - Company Secretary (starting November 15, 2021) - Head of Compliance	59	<ul style="list-style-type: none"> Bachelor's degree in Law Ramkhamhaeng University Diploma of the Modern Managers Program (MMP 51), 2005, Faculty of Commerce and Accountancy, Chulalongkorn University. Certificate of the Thai Institute of Directors Company Secretary Program (CSP) Class 35/2010 Effective Minute Taking (EMT) course, class 16/2010 Fundamental Practice for Corporate Secretary (FPCS 22), Thai Listed Companies Association, 2010 Executive Legal and Compliance 2011 Certificate from Creative Entrepreneurship Development Institute Bangkok University License Lawyers Council under the Royal 	None	None	2020-present 2019-2021 2015-2018 2007-2014 2021-Present 2021-Present	Manager, Office of the Managing Director and the company secretary Senior Director Accident/Law Division assistant managing director head of legal Legal Manager and Corporate Secretary Legal and Regulations Committee Advisor to the Automotive Insurance Lawyers Club	Bangkok Union Insurance PCL. Thai Sri Insurance PCL. Mittae Insurance PCL. Thai Economy Insurance PCL. Thai General Insurance Association Thai General Insurance Association

Name - Surname / Position / Appointment Date	Age (year s)	Education/Training	Sharehold ing percentag e in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
Patronage							
<ul style="list-style-type: none"> • Attorneys who certify signatures and documents. 							
<ul style="list-style-type: none"> • Lawyers Council under the Royal Patronage 							

Appendix 2

Profile of the Board of Directors, Bangkok Union Insurance Public Company Limited, associated companies and related companies as of December 31, 2021

list of directors list of companies	Mr. Manu Leopairote	Mr. Pichit Sinpatanasakul	Assoc.Prof. Pranom	Mr.Soonthorn Konuntakiet	Mr. Thavich Taychanavakul	Ms. Malinee Leopairat	Ms.Thanyaratt Iamsopana	Ms.Maneerat Iamsopana	Mr. Prachai Leophairatana	Mr. Pakorn Leopairut	Ms.Sujintana Champeesri
company	X	/	/	/	/	//	//	//	//	//	//
associated company	-	-	-	-	-	//	//	//	-	-	-
Kang Yong Electric Plc.	/	-	-	-	-	-	-	-	-	-	-
The Steel Plc.	X/	-	-	-	-	-	-	-	-	-	-
T.M.C. Industry Plc.	X/	-	-	-	-	-	-	-	-	-	-
TPI Polene Co., Ltd.	-	-	-	-	/	/	/	//	//	/	-
TPI Polene Power Plc.	/	-	-	-	-	/	-	-	X	/	-
Khon Kaen Sugar Industry PCL.	X/	-	-	-	-	-	-	-	-	-	-
Polyplex (Thailand) PCL.	X/	-	-	-	-	-	-	-	-	-	-
Jubilee Enterprise Plc.	X/	-	-	-	-	-	-	-	-	-	-
Siam Steel International Plc.	/	-	-	-	-	-	-	-	-	-	-
Inter Far East Energy Corporation Plc.	-	/	-	-	X	-	-	-	-	-	-
Thai Plastic-Coated Fabric Industry Plc.	-	-	/	-	-	-	-	-	-	-	-
SVOA Plc.	X/	-	-	-	-	-	-	-	-	-	-
ARIP Plc.	X	-	-	-	-	-	-	-	-	-	-

list of directors list of companies	Mr. Manu Leopairote	Mr. Pichit Sinpatanasakul	Assoc.Prof. Pranom	Mr.Soonthorn Konuntakiet	Mr. Thavich Taychanavakul	Ms. Malinee Leopairat	Ms.Thanyaratt Iamsopana	Ms.Maneerat Iamsopana	Mr. Prachai Leophairatana	Mr. Pakom Leopairut	Ms.Sujintana Champeesri
Three Homes Property Co., Ltd.	-	//	-	-	-	-	-	-	-	-	-
D R Pattanakam Co., Ltd.	-	-	-	-	-	//	/	/	-	-	-
TPI Concrete Co., Ltd.	-	-	-	-	-	-	-	-	X//	//	-
TPI Polene Organic Biotechnology Co., Ltd.	-	-	-	-	-	-	-	-	X//	//	-
TPI All Seasons Co., Ltd.	-	-	-	-	-	-	-	-	X//	//	-
Thai Plastic Products Co., Ltd.	-	-	-	-	-	//	-	//	X//	//	-
Thai Plastic Film Co., Ltd.	-	-	-	-	-	//	-	//	X//	//	-
Thai Pattana International Trade Co., Ltd.	-	-	-	-	-	-	-	-	X//	//	-
Thai Industrial Estate Co., Ltd.	-	-	-	-	//	-	-	-	-	-	-
Hong Yiah Seng Realestates and Investment Company Limited	-	-	-	-	-	//	-	-	X//	//	-
Hong Yiah Seng Company Limited	-	-	-	-	-	//	-	-	X//	//	-
Thai Nitrate Co., Ltd.	-	-	-	-	-	-	-	-	//	//	-
Pornchai Enterprises Co., Ltd.	-	-	-	-	-	//	-	-	X//	//	-
Polene Plastic Company Limited	-	-	-	-	-	-	-	-	X//	//	-
Master Achieve (Thailand) Co., Ltd.	-	-	-	-	-	-	-	-	X//	//	-
TPI REFINERY (1997) CO., LTD.	-	-	-	-	-	-	-	-	X//	//	-
Dhara Dhevi Hotel Company Limited	-	-	-	-	//	-	-	-	-	-	-

list of directors	Mr. Manu Leopairote	Mr. Pichit Sinpatanasakul	Assoc.Prof. Pranom	Mr.Soonthorn Konuntakiet	Mr. Thavich Taychanavakul	Ms. Malinee Leopairat	Ms.Thanyaratt Iamsopana	Ms.Maneerat Iamsopana	Mr. Prachai Leophairatana	Mr. Pakom Leopairut	Ms.Sujintana Champeesri
list of companies											
Leophairatana Enterprises Company Limited	-	-	-	-	-	X//	-	-	//	-	-
Sin Patanasakul Enterprises Co., Ltd.	-	//	-	-	-	-	-	-	-	-	-
United Grain Industry Co., Ltd.	-	-	-	-	-	//	-	//	X//	//	-
Hi-Tech Kabin Logistics Corp., Ltd	-	-	-	-	//	-	-	-	-	-	-
Hi-Tech Utilities Corporation Limited	-	-	-	-	//	-	-	-	-	-	-

Note X = Chairman of the Board // = Executive Director / = Director

Company = Bangkok Union Insurance Public Company Limited

Associated Company = Bangkok Union Life Assurance Public Company Limited

Appendix 3

Profile of the Head of Internal Audit, Head of Compliance and Accounting Supervisor

Name - Surname / Position	Age (years)	Educational qualifications/Training history	Percentage of shareholdin g in the company	Family relationship between directors and executives	period	work experience position	Name of organization / company / type of business
1. Mr. Sutee Chuaypitak Internal Audit Department Manager	44	<ul style="list-style-type: none"> Bachelor's degree in Business Administration Financial Accounting Rajamangala Institute, Bophitphimuk CampusIFRS 9 : Investment (International Financial Reporting Standard No. 9 Financial Instruments) Federation of Accounting Professions Under the royal patronage of the year 2017 Information Technology Risk Management (IT&Cyber Risk Management) 	none	none	2020-present	Manager, Internal Audit Department	} Bangkok Union Insurance PCL. MC Zen Co., Ltd.
					2013-2020	Senior Corporate Development Officer	
					2005-2013	internal audit staff	
					1999-2005	Head of Internal Audit Department	
2. Mr. Bunlung Keawpankan Managing Director's Office Manager and company secretary	60	<ul style="list-style-type: none"> Bachelor's degree in Law Ramkhamhaeng University Diploma of Modern Managers Program (MMP 51), 2005, Faculty of Commerce and Accountancy, Chulalongkorn University. Certificate of the Thai Institute of Directors - Company Secretary Program (CSP) Class 35/2010 Effective Minute Taking (EMT) course, class 16/2010 Fundamental Practice for Corporate Secretary 	none	none	2020-present	Manager, Office of the Managing Director and company secretary	Bangkok Union Insurance Public Company Limited
					2019-2021	Senior Director Accident/Law Division	Thaisri Insurance Plc.
					2015-2018	Assistant Managing Director head of legal	Mittae Insurance Public Company Limited
					2007-2014	Legal Manager and Company Secretary	Thai Economics Insurance Plc.
					2021-Present	Legal and Regulations Committee	Thai General Insurance Association
					2021-Present	Auto Insurance Lawyers Club Advisor	Thai General Insurance Association

		(FPCS 22), Thai Listed Companies Association, 2010						
		<ul style="list-style-type: none"> • Executive Legal and Compliance 2011 Certificate from Creative Entrepreneurship Development Institute Bangkok University • License Lawyers Council under the Royal Patronage • Attorneys who certify signatures and documents. Lawyers Council under the Royal Patronage 						
3. Ms. Warunee Lewiwatthavorn Accounting Supervisor	54	<ul style="list-style-type: none"> • Bachelor's degree, Faculty of Business Administration, Accounting Siam University • IFRS 9 Financial Instruments Course and IFRS 17 Insurance Contracts Federation of Accounting Professions under the Royal Patronage of His Majesty the King 	none	none	2009-present	Accounting Manager	}	Bangkok Union Insurance Public Company Limited
					1999-2008	Assistant head of accounting department		
					1989-1998	accountant		

Appendix 4

Operation assets

Assets used in business

• Fixed assets / important assets in business

land and buildings

The head office of the Company is located on the Company's 7-storey office building located on the Company's land plot with an area of 412 square wa, located at 175-177 Surawong Road, Suriyawong Sub-district, Bangrak District, Bangkok.

in the provinces The company has 2 plots of land and buildings which are

Plot 1, area of 30 square wa, with a 3-storey building, located at 192/3 Moo 1, Sukhumvit Road, Khlong Tamru Subdistrict, Mueang District, Chonburi Province. by using it as the location of the Chonburi branch office

Plot 2, area 18 square wa, with a 4-storey building, located at 25/27 Village No. 12, Rangsit Village, Pathumphon Karn Kheha, Phaholyothin Road, Khlong Nueng Subdistrict Khlong Luang District Pathum Thani Province by using it as the location of the Klong Luang District branch office

As of December 31, 2021, the aforementioned land and buildings It has a total book value of 293.62 million baht, of which the land is worth 289.71 million baht and the building is worth 3.91 million baht.

in order to support the service of the insured In operating insurance, which is the company's core business, The company also has a branch office in Surat Thani. Nakhon Sawan Branch Sub-Branch Ha Yaek Koh Yo and Lampang Sub-Branch It is an office building leased by the company to serve customers in the said province. and nearby provinces

In addition to the aforementioned buildings The Company also owns ownership of a 20-storey building located at 177/1 Surawong Road, Suriyawong Sub-District, Bangrak District, Bangkok. Adjacent to a 7-storey building, the building has a total usable area of approximately 13,800 square meters for rent as office locations, which will increase the company's income further. It is also used as a parking lot. to facilitate customers as well which has a book value of 70.23 million baht, which the company has entered into a land lease agreement with the company Bangkok Union Brokerage Co., Ltd. 30-year lease, commencing from July 6, 1992, due in 2022. The Company is obligated to pay the land lease fee under the lease agreement at a rate of 3 million baht per year.

Such fixed assets of the Company are not used to create any obligations.

- **Investment property**

The company has investment objectives to increase the company's revenue. It will invest in assets with low risk, stability and returns at an appropriate rate. In addition, the Company has also complied with the rules of the Notification of the Insurance Commission regarding investment in other businesses of non-life insurance companies.

Appendix 5

Policy and Guideline for Corporate Governance And Code of Conduct of the Company

1. Corporate Governance Policy

The company has a committee made up of experts with extensive experience and vision. by performing duties in accordance with the law, objectives, and articles of association of the Company and resolutions of the shareholders' meeting with care, transparency, responsibility honesty and ethical To increase the company's economic value for the best benefits to shareholders, insureds, citizens and stakeholders of the company. In addition, the Board of Directors is confident that good corporate governance it is important to support the success of the company's performance. The Board of Directors is committed and intends to comply with the aforementioned principles by establishing policies to support corporate governance as follows:

1.1 Rights of Shareholders/Equal Treatment of Shareholders

The Company has realized and given importance to the rights of shareholders. The company is determined to have consistently excellent performance under current and future risks with transparent and fair operation including adding value to shareholders by doing their best to protect their assets and maintain the reputation of the company

(1) Shareholders have equal fundamental rights to attend the meeting. The company informs shareholders of the rules used in the meeting right to vote.

(2) The company determines to hold an annual general meeting of shareholders within 4 months from the end of the company's accounting period.

(3) The company requires the delivery of the meeting invitation letter. The details of the meeting agenda together with supporting documents are provided to shareholders at least 7 days in advance of the meeting date. In addition, the Company has published the notice of the Annual General Meeting of Shareholders in a newspaper at least 3 days in a row and not less than 3 days before the meeting date, including disclosed through the system of the Stock Exchange of Thailand

(4) Consideration of arranging the matter as an agenda of the Annual General Meeting of Shareholders. Scheduled to operate from the end of January every year. It is proposed to the Executive Chairman for consideration before proposing to the Board of Directors' meeting. to ask for approval on the agenda and supporting documents for the meeting Including the meeting invitation letter in order to provide supporting documents for the meeting to be delivered to the shareholders together with the invitation letter. There is sufficient information for shareholders to use in making decision to vote on various agendas.

(5) At the shareholders' meeting The company has a policy that every director has a duty to attend every shareholder meeting whereby shareholders can ask questions of the chairman of the committees on any related issues.

(6) To provide convenience to shareholders in every meeting by focusing on allowing shareholders to be able to attend the meeting to achieve equality as follows:

(6.1) The company will arrange to use the meeting place in the district. Bangkok, where the company's head office is located is of sufficient size to accommodate shareholders. There are complete facilities. Convenient transportation and complete meeting equipment such as audio equipment, microphones and stationery, etc.

(6.2) Determining the date and time of the meeting The company will consider the appropriate time as well, for example not holding the meeting during the holidays. or continuous holidays, etc.

(6.3.) The company will arrange to vote on each agenda item for consideration. and vote on each item In the event that there are multiple items, such as the agenda for election of directors.

(7) At the shareholders' meeting, shareholders are entitled to the following matters:

(7.1) Right to propose agenda and a list of qualified persons.
suitable for holding the position of director The Company provides an opportunity for shareholders to propose such matters through direct channels with the company secretary or through the company website Before the Board of Directors' meeting.

(7.2) All shareholders are entitled to attend the meeting and vote at every meeting.

(7.3) The right to choose to appoint any person as a proxy to attend the meeting on his/her behalf. The company attached the proxy form along with the meeting invitation letter. In order for the shareholders who wish to appoint a proxy to attend the meeting and vote on their behalf, they have chosen to appoint any person as a proxy to attend the meeting on their behalf. And the company specifies that independent directors are responsible for taking care of the shareholders. by offering an alternative for shareholders to choose to appoint a proxy allow independent directors to attend the meeting instead

(7.4) The right to appoint individual directors.

(7.5) Right to appoint an auditor and set the audit fee.

(7.6) The right to approve the allocation of dividends from the Company's operating results. and receive an equal share of profits in the form of dividends.

(7.7) Chairman of the meeting Provide opportunities for shareholders to have equal rights to express their opinions give feedback and ask questions to the meeting according to the meeting agenda as well.

(7.8) Shareholders can check their own shareholding information as of the closing date of the register book to suspend the transferor of shares at the Company. Thailand Securities Depository Co., Ltd.

(8) In addition to the annual general meeting of shareholders If it is necessary to propose a special agenda in an urgent case that affects or relates to the interests of the shareholders or related to the conditions or regulations of the government or agency governing the company which must be proposed for approval from the shareholders The Company will call an Extraordinary General Meeting of Shareholders on a case by case basis.

(9) The company discloses to shareholders of the meeting's resolutions and voting results of each agenda in the shareholders' meeting on the next business day which is disclosed through the system of the Stock Exchange of Thailand.

(10) The company arranges to produce the minutes of the meeting after the meeting within 14 days.

(10.1) Record the number of shareholders attending the meeting in person and authorize other persons to attend the meeting, both the number of persons and the number of shares including the proportion of the number of shares attending the meeting compared to the total number of shares.

(10.2) Record the names of directors, attendees and directors who leave the meeting Record of clarification of voting procedures to the meeting prior to the meeting Record issues or questions of shareholders Director's answer Details of considerations, discussions, opinions of shareholders and voting results in each agenda that shareholders agree, disagree and abstain.

(10.3) The company discloses the minutes of the meeting to shareholders disclosed on the company's website and through the system of the Stock Exchange of Thailand.

(11) Other than those mentioned above Shareholders have various rights as provided by law.

1.2 Business ethics

The company has a policy of adhering to doing what is right as a guideline for the company's business operations. All directors, executives and employees have a common mission to perform their duties with honesty and fairness within the framework of the law, and within the scope of their responsibility as well as performing duties with prudence in order to avoid any risk of damage to the Company and the public. The code of conduct for employees will appear in the company's quality policy. Articles of Association of the Company and operating regulations for non-life insurance Company indemnification for employees to adhere to by assigning the working group to inspect the employees' performance and the Internal Audit Department is responsible for monitoring the implementation of the Code of Conduct and to consider disciplinary action in the event of a violation.

Appendix 6

Report of the Audit Committee

To: The shareholders

The Audit Committee was appointed by the Board of Directors of the Company on May 9, 2021, comprising four members, all of whom are independent directors in accordance with the requirements and best practices of the Audit Committee of the Stock Exchange of Thailand. They are all capable Directors with experience in accounting and finance, and personnel management. The members of The Audit Committee are as follow:

- | | |
|----------------------------------|---------------------------------|
| 1. Mr. Pichit Sinpatanasakul | Chairman of the Audit Committee |
| 2. Asso. Prof. Pranom Kowinwipat | Audit Committee |
| 3. Mr. Thavich Taychanavakul | Audit Committee |
| 4. Mr. Soonthorn Konuntakiet | Audit Committee |

The Audit Committee performs the duty according to the charter approved by the Board of Directors and in compliance with the Stock Exchange of Thailand (SET) regulations. During 2021, the Audit Committee held 4 meetings with the management, external and internal auditors. The main issues are as follow:

Review Financial Statements

The Audit Committee reviewed the company's 2021 quarterly financial statements, annual financial statements and notes to financial statements audited by the auditor of Deloitte Touche Tohmatsu Jaiyos Co., Ltd., a CPA firm on the approved list of The Securities and Exchange Commission (SEC.), by inviting Accounting and Finance manager to confer, discuss and answer questions on the preparation of financial statements. This would ensure the completeness and correctness before endorsement on the financial statements and notes to financial statements.

Review of Internal Control

The company has effective internal control which specific scopes and objectives both at the management and operational level. In order to control and make best use of assets, the company has segregation and internal control system to ensure that the operating business is in accordance to the company directives.

Review of the Compliance with rules and regulations of the Stock Exchange of Thailand, laws for non-life insurance business, and corporate good governance.

The Audit Committee reviewed and evaluated the operation in order to be in accordance with the Stock Exchange of Thailand and non-life insurance regulations. This will ensure that the company has sufficient corporate good governance.

Review of Internal Audit

The Audit Committee examined and reviewed internal audit plan to be in accordance with Professional Practice of Internal Auditing. Reviewed the company's 2021 internal audit results to ensure appropriateness and efficiency of the audit plan. The Audit Committee's meetings were held four times on a quarterly basis. The Audit Committee had opinions about the operation plan and the manpower of the internal control department for the year 2021. They suggested the improvement to ensure the better control in order to cover all important points of operation.

Review of the External Auditor

The Audit Committee recommended to the Company's Board of Directors to appoint the CPAs from Deloitte Touche Tohmatsu Jaiyos Co., Ltd. as the company's external auditors in 2021 in order to audit the financial statements and the Risk-Based Capital report submitted to the Office of Insurance Commission.

Opinion on conflict of interest transaction

The Audit Committee has reviewed the transactions between the company and related companies and legal entities whether there were conflicts of interest in the present or in the future according to the notification of the Securities and Exchange Commission (SEC) regarding the related transaction with the related companies. All related transactions were without conflict of interest and demonstrated reasonableness and fairness under normal trade terms. They existed for the sole purpose of supporting the operation of the company and maximization of profit for the company. All related parties transactions comply with the regulations of the Office of Insurance Commission.

As for the transactions with major shareholders, the company started underwriting policies directly with the major shareholders and not via related brokers since April 2019.

The Audit Committee opined that the company observed good governance in providing accuracy and credibility of financial statements and accountancy in compliance to the regulations which related to the business. The company also has proper internal control system and complies with the regulations. Additionally, the risk management of the company was evaluated to be systematic and efficient.



Mr. Pichit Sinpatanasakul
Chairman of the Audit Committee



บางกอกสหประกันภัย
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