



Bangkok Union Insurance



แบบแสดงรายการข้อมูลประจำปี

รายงานประจำปี

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(แบบ 56-1 One Report)

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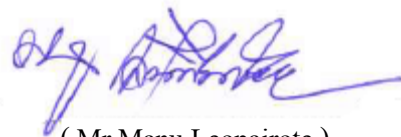
Message from the Chairman

In 2023, the company has focused on developing the potential of every sector in order to drive the company to gain more market share as well as develop competitiveness in products, prices, distribution channels, and personnel development. The company cooperates with partners, agents and brokers, as well as with stakeholders in every sector.

In the past year, the company has introduced technology and digital tools to lay the foundation for the insurance business in order to keep up with the digital economy era that is constantly evolving and to raise the level of insurance services to create maximum satisfaction for customers. In addition, the company promotes and support the insurance business, to be operations in line with the sustainable growth of the company.

In this regard, I, as Chairman of the Board of Directors, would like to thank the Board of Directors, the Managing Director, all employees, and business partners and partners of the company for their determination and commitment to work, which has cooperated well throughout the past year even though the country's economic situation has slowed down, it has continued to make the company profitable.

Finally, I would like to thank our valued customers for their trust in using insurance services with the company. The company sincerely hopes that it will impress you with its insurance services. The company will develop in issuing insurance products and improve insurance services to support the needs of customers according to the company's mission.
“Up-to-date, Efficient, care, Trust”



(Mr.Manu Leopaiprote)

The Chairman of the Board of Director

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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.

For investing in other businesses, the company has a policy to invest in asset classes and the investment proportion is in accordance with the relevant laws of the regulatory agencies. The company has diversified its investments in various types of assets, such as deposits with financial institutions, investing in government and private debt instruments, investing in equity instruments and investment units, etc. The company will invest in businesses that have stability and high returns in the long term.

1.1.1 Vision and Company Objectives

The company has set an operational strategy to be an organization with sustainable growth. It has good corporate governance and is a company with high performance as stated in the company's mission: “Up-to-date, Efficient, care, Trust “by raising the level of service, creating cooperation and expanding alliances, adjusting the organizational structure and developing personnel. The company has business goals for the next 4 years as follows:

- 1) To provide good, fast and fair service for customer with maximum satisfactory.
- 2) Develop the capabilities of employees, the efficiency of work processes, the potential of brokers and reform the work system on the basis of Digital Transformation to create market growth in every economic situation.
- 3) Create growth and financial strength to increase confidence in operating the general insurance business.
- 4) To provide customer with best products by continuing development in services and products.

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 in order to create an 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 was 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

The company has increased its registered capital periodically. Until in 2023, the company increased its registered capital from 299,997,900 baht to 329,997,690 baht, paid-up capital of 329,989,260 baht, number of common shares 32,998,926 shares, 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 for 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 automobile claim payment program make it a tool to check the claims incurred, from which part of the car's damage, which vehicle code has 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

In terms of information technology, the company has developed its 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. In addition, customers can check insurance information with the company via the website 24 hours a day in order to respond to the company's policy of providing comprehensive and up-to-date services to customers on a regular basis.

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's main business is non-life insurance, which is to provide services for accepting risks from the insured person under various types of insurance policies such as Fire insurance policies, Marine and transportation insurance policy, Motor insurance policy, and Miscellaneous Insurance Policy that the insured can choose to buy according to their needs to suit each type of property. In addition, the company also has a 20-storey office building for rent to set up various offices and a 7-storey office building that is partly used as the office of the company, and another part for rent generating extra income to increase revenue for the company.

In 2023, the company earned the income from non-life insurance 1,290,679.88 thousand baht, calculated as a percentage 92.82 and the income from rental of investment buildings and others 99,775.45 thousand baht, calculated as a percentage 7.18. Included is all domestic income 1,390,455.33 thousand baht.

By Product Line or Business Grouping

(Unit: Thousand Baht)

	2021	2022	2023
Total revenue from operations	1,293,606.66	1,611,534.78	1,390,455.33
Non-life insurance	1,208,537.54	1,517,273.90	1,290,679.88
Other	85,069.12	94,260.88	99,775.45

	2021	2022	2023
Total revenue from operations (%)	100.00	100.00	100.00
Non-life insurance (%)	93.42	94.15	92.82
Other (%)	6.58	5.85	7.18

By Geographical Area or Market

	(Unit: Thousand Baht)		
	2021	2022	2023
Total revenue from operations	1,293,606.66	1,611,534.78	1,390,455.33
Domestic	1,293,606.66	1,611,534.78	1,390,455.33
International	0.00	0.00	0.00

	2021	2022	2023
Total revenue from operations (%)	100.00	100.00	100.00
Domestic (%)	100.00	100.00	
International (%)	0.00	0.00	0.00

Other income as specified in the financial statements

	(Unit: Thousand Baht)		
	2021	2022	2023
Total other income	85,069.12	94,260.88	99,775.45
Other income from operations	85,069.12	94,260.88	99,775.45

Share of profit of joint ventures and associates accounted for using equity method

	2021	2022	2023
Share of profit	3,581.08	2,636.21	-1,469.19

(Unit : Thousand baht)	2021	2022	2023
R&D expenses in the past 3 years	N/A	N/A	N/A

1.2.2 Product Information

The company is a non-life insurance company who provides the service of accepting risks from a policyholder such as Fire insurance, Marine and cargo insurance, Motor 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, lightening 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, lightning, 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 : It is a policy that provides coverage for medical expenses due to injury from illness from disease.

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 other 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 result 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 to ensure customer satisfaction by setting strategies to support business expansion and support management policies as follows:

1. Build loyalty to the company to maintain customer base and sales of current agents.
2. Increase sales from existing agents by introducing new products that meet market needs.
3. Create new agents and brokers to expand work and create growth, develop the potential of agents and brokers to be able to negotiate and close sales.
4. Create new products to meet customer needs to generate new sales.
5. Expand sales channels and provide customer service, including online marketing communications/public relations to penetrate and increase the proportion of direct customers.
6. Reduce the cost of claims to create competitiveness 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 such as the insured who is a general person.

3) Industry Competition

Overview of the general insurance business in 2023, according to data from the Office of General Insurance Premium Rates. Total direct premiums of the general insurance business in 2023 grew by 3.5 percent compared to 2022 due to the start of economic recovery after the recession from the previous year, whether in part with the COVID-19 situation that has resolved. The value of product exports and imports tends to be higher. In the area of car insurance, the problem of parts in car production being in short supply has been alleviated. From these factors, automobile insurance grew by 3.4 percent, all-risk and

property insurance grew by 13.0 percent, health insurance grew by 10.8 percent, and fire insurance grew by 2.5 percent. Marine and shipping insurance decreased by 0.8 percent, and accident insurance growth decreased by 5.9 percent.

Trends in the Thai insurance business in 2024. The Thai General Insurance Association has forecast the growth trend of the general insurance business in 2024 that there will be a growth rate of approximately 5 to 6 percent or direct insurance premiums of approximately 301,050 - 303,900 million baht. which will grow from the continued increase in sales of electric cars due to the government's supportive policies. The increase in medical expenses has made people aware of the importance of having health insurance. The increase in the number of tourists is expected to double due to the country's opening policy. Including economic recovery and government transition. All of these factors have a positive effect on the non-life insurance business and result in the market trend of the non-life insurance business as follows.

- The majority of insurance types in the market in 2024 are still expected to be automobile insurance. This is due to the increase in sales of electric vehicles (EV) and thus car insurance policies tend to increase as well.

- Due to the situation of the COVID-19 epidemic, many people have given importance to health insurance to manage risks from various illnesses. Including entering the aging society, it is an opportunity for growth in the health insurance market.

- Thai people are increasingly using mobile applications to search for information, socialize online, and shop, which will result in a significant increase in insurance sales through online channels. In particular, car insurance and health insurance are likely to grow significantly from this channel.

- General insurance companies tend to be more mindful of profit margins and tend to increase insurance premiums in proportion to higher claims to premiums, especially car insurance.

- General insurance companies have a tendency to merge more in order to strengthen their finances and increase market share. Including preparing for new risks that affect the adjustment of non-life insurance companies, such as Financial Reporting Standards No. 17 (IFRS 17), etc.

In 2023, the company sold a total of 88,350 policies, a decrease of 14.17% from 2022, with direct insurance and reinsurance premiums equal to 1,287.44 million baht, a decrease of 9.02 % from 2022 and the company has a share of The market share for direct premiums was 0.50 percent with the following details:

Lines of Business	2023		2022	
	Market share	Ranked	Market share	Ranked
Property - Fire	0.72%	20 / 41	0.86%	18 / 43
- IAR	0.87%	17 / 38	1.02%	17 / 43
Marine & Transportation	0.40%	23 / 37	0.42%	24 / 39
Automobile - Compulsory	0.22%	30 / 39	0.26%	34 / 41
- Voluntary	0.18%	30 / 38	0.17%	32 / 40
Miscellaneous - Public Liability	0.22%	25 / 37	0.28%	25 / 38
- Engineering	1.40%	16 / 34	1.86%	12 / 38
- Personal Accident	0.38%	22 / 45	0.39%	22 / 47
- Travel	0.00%	32 / 38	0.00%	37 / 38
- Health Insurance	2.28%	13 / 35	3.03%	11 / 38
- etc.	n/a	n/a	n/a	n/a
Total	0.45%	29 / 48	0.51%	31 / 51

1.2.4 Products and Services

The company has been operating for more than 94 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. Therefore, brokers therefore play a very important role in offering various types of insurance that are consistent and appropriate for the client's business.

The company sees a change in the source of business base. Therefore, the company has been expanded our work by accepting jobs through brokers and more financial institutions in addition to dealing with direct contact with customers. As for sub-agents, they are 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. Commercial Line the source of work is from a broker and financial institution.
2. Personal Line the source 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 continuous operating system and adhere to the principle of investment without only aiming for the highest return but considering operating under acceptable risk tolerance, with the aim that the company can maintain appropriate liquidity.

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, 2023, the company has a registered capital of 329,997,690 baht, paid-up for 329,989,260 baht, divided into 32,998,926 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 6, 2024 according to a report from Thailand Securities Depository Co., Ltd.

No.	Name of Shareholders	Amount	Percentage
1	Liewpairat group	16,113,414	48.83
2	Iamsopana group	3,573,836	10.83
3	Kamol Siriwat group	2,540,000	7.70
4	Hong Yiah Seng Real Estates and Investment Co., Ltd.	1,598,220	4.84
5	Likitlersuang group	985,752	2.99
6	Lelavanichkul group	722,167	2.19
7	Taychanavakul group	507,020	1.54
8	D R Pattana Co., Ltd	381,862	1.16
9	Bonmavichit group	344,520	1.04
10	Sinpatanasakul group	324,109	0.98

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	2019	2020	2021	2022
Net Profit per Share (baht)	0.41	0.58	2.96	4.25
Dividend per Share (baht)	0.25	0.25	1.00	1.50
Dividend Payout Ratio (%)	60.84	42.75	33.77	78.32

1.5 Relationship with the business group of the major shareholder

The Company has already disclosed this 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

The company is a service provider for all types of casualty insurance based on the principles of management according to the principles of good governance, transparency/fairness, and adherence to risk management guidelines. As a result, there has been continuous growth in operating results under a slowing economy, high competition, and emerging risks such as floods, severe earthquakes, cyber-crimes, politics, or epidemics, etc., as well as the general insurance business is constantly in terms of external and internal factors.

The Board of Directors recognized the importance of systematic and efficient risk management and therefore assigns the Risk Management Committee to establish Enterprise Risk Management and Own risk and solvency Assessment (ERM and ORSA) to reduce the impact of fluctuations on business operations to an acceptable risk level, including linking, strategy, and capital, funds to ensure that the company has a stable financial status and capital funds that can be achieve the company's objectives, or goals, both in the short term and long term.

The Company determines risks that affect the achievement of the Company's objectives by Risk Identification, Risk Assessment, Risk Response, Risk Monitoring and Risk Reporting. The company has considered covering important risks that exist in the operating process that may affect the company's income, capital funds reputation or existence as follows:

1. Strategic Risk is the risk that arises from the formulation of policies, strategies, and operational plans, and that are improperly implemented inconsistent with internal factors and the external environment, including social and technological changes.

Strategic Risk Management

The company has designated the corporate strategy and risk management department as the main unit responsible for setting corporate strategies and annual operating plans. The Company's Board of Directors is responsible for screening and approving such strategies and plans. The company also has a process for monitoring, analyzing, managing, and reporting to executives and related departments on a regular basis in order to make decisions on important matters and to allow all involved parties to participate in planning the response and make various preparations step by step

2. Insurance Risk is the risk that arises from fluctuations in the frequency, severity, and time of damage that deviates from the assumptions used to determine insurance premium rates, underwriting consideration, and insurance reserve calculation.

Insurance risk management

2.1 Consideration for insurance

Requires the analysis of relevant statistical data to bring the information into consideration for accepting insurance, based on the principles of risk consideration, emphasizing the survey of dangers and setting appropriate underwriting conditions, as well as considering underwriting according to the company's ability

Establish an insurance policy and insurance manual that is consistent with the current situation and reinsurance management framework.

2.2 Reinsurance

Requires the creation of a reinsurance management framework be established and reviewed at least annually or whenever there are significant changes in circumstances so that the company reinsurance is appropriate to its size, complexity, and nature of business operations, capital position, and the company's ability to accept risks.

2.3 Product design and development

The company has a department that analyzes and develops products in order to be able to design products that meet customer needs and has an underwriting and product review committee to consider and screen products before offering them for sale.

2.4 Determination of insurance premium rates

The company determines the insurance premium rate by considering operation costs, expected profit, and appropriate coverage that is beneficial to the insured and does not conflict with the regulations of the regulatory.

2.5 Insurance reserve assessment

The company has designated relevant departments calculate the reserves that the company must maintain for current and future obligations. The company has the company's consultants who have knowledgeable, expertise, and experience working on such matters review in order to provide reasonable assurance.

3. Liquidity Risk is the risk that arises from the company's inability to pay its debts and obligations when due. This is because the company is unable to convert its assets in to cash or is unable to obtain sufficient funds or is able to secure financing but at an unacceptably high cost. This will affect the maintenance of the company's capital funds which may cause it to be insufficient to meet both short-term and long-term obligations.

Liquidity Risk Management

The company requires the preparation of cost estimates in order to be able to control and manage expenses effectively and the company sets an investment policy by investing in highly liquid assets in order to be able to convert investments into cash in time in case of having to pay a large amount of compensation.

4. Operational Risk is the risk that arises from a lack of supervision or lack of adequate and appropriate control of the company's processes, personnel, work systems, or information technology systems and includes internal and external fraud.

Operational Risk Management

4.1 Require relevant departments to follow up and coordinate in setting up or updating operational manuals from all departments within the company, such as underwriting considerations, claim considerations, etc.

4.2 Set up training both externally and internally for each department or learning through assigned tasks (Learning by doing), etc., in order to increase skills and knowledge in performing tasks and to reduce the risk of erroneous work.

4.3 The company has a Business Continuity Plan (BCP Plan) The contingency plan covers system, Recovery Time Objective (RTO) that is consistent with the company's main work systems to support continuous business operations and support the occurrence of abnormal events that may result in disruption of the company's business operations. It also includes plans for dealing with and responding to cyber threats.

4.4 The company has created a fraud risk management policy, and a code of ethics for employees and create an organizational culture that emphasizes ethics and honesty, including creating of criteria for considering the qualifications of non-life insurance agents/brokers in order to deter, and prevent fraud from inside and outside.

5. Market Risk is the risk that arises from changes in interest rates, foreign currency exchange rates, price of invested assets, instrument prices in the money market, capital market, and commodity prices.

Market Risk Management

The Company appoints the Investment Committee to determine the investment policy framework to supervise investments in accordance with the risk management policy, emphasizing investment in securities that are low risk, stable, and provide appropriate and consistent return. Including setting guidelines for investment management by specifying the framework and direction of investment each year, as well as specifying limits for all types and levels of investment, which are determined based on the target rate of return and liquidity. It is linked and consistent with the impact on the capital funds that must be maintained according to the regulations and acceptable risk levels.

6. Credit risk is the risk that arises from the inability of the counterparty to fulfill its obligations as agreed with the company, including the possibility that the counterparty's credit rating will be downgraded or the capital adequacy ratio (CAR) of the counterparty is

lower than the criteria set by the regulatory agency. This will have a negative impact on credit risk ratings, bankruptcy, and debt defaults.

Credit Risk Management

The company requires a tracking system, and reporting the status of outstanding premium debtors on a monthly basis, controlling the collection of insurance premiums in accordance with the announcement of the Office of the Insurance Commission, creating measures to control and prevent risks, set criteria for carefully selecting reinsurance companies, agent/broker, considers the history of business operations, ability to pay insurance premiums and must have securities or personal guarantors in the credit line set by the company.

Risk management for reinsurance consideration with reinsurance companies that have a credit risk rating of not less than B+ and must pass the underwriting committee for supervision.

The company has assigned the investment committee to be responsible for considering and review the various factors regularly to be used in making investment decisions for the company and control investments in accordance with the requirements of regulatory agencies. The company has invested in government and private debt instruments as for private debt instruments, the company has assigned a credit rating of no less than B+.

7. Compliance Risk is the risk that arises from non-compliance with laws related to business operations.

Compliance risk management

To manage such risks, the company has established a Compliance unit to be responsible for following up on changes in laws, announcements, and various regulations of government agencies that affect the company's operations and communicating them to relevant agencies to adjust processes and work practices to reflect changes in a timely manner.

In addition, the company has set important Key Risk Indicator (KRI) and acceptable Risk Appetite in accordance with regulatory standards.

8. Information Technology Risk is the risk that arises from the use of innovation and information technology to support business operations, which may affect the work system or operations of the company, including cyber threats.

Information Technology Risk Management

The company has established an information technology risk management policy, information security policy, and information technology operating guidelines along with

organizing training to provide knowledge to employees and setting security strict measures, including creating a threat response plan and responding to unusual cyber incidents in order to prepare to deal with various types of threats that may occur for security, and to reduce the impact when an incident occurs.

9. Catastrophe Risk means risk arising from rapidly changing situations, including natural disasters, and social situations economics and politics part of which is a matter of a catastrophe that occurred suddenly and suddenly. There are currently large-scale natural disasters occurring which are considered one of the important factors that may affect the Company's business operations. However, each type of insurance will provide different protections.

Catastrophe risk management

The company determines the maximum insured amount that can be risked for various types of risks and follow up on the report on the value of the insured risk regularly every month. The company has a process to monitor and follow up on news analysis of the chance of natural disasters from reinsurance companies and reinsurance brokerage companies, including analysis and estimation of the severity of cumulative threats according to actuarial principles. The company also has a process to consider adjusting coverage and insurance premium rates to be appropriate according to factors and risks of potential catastrophes.

10. Emerging Risk is a risk that has never appeared or been experienced before, which may be caused by changes in politics, law, society, technology, or newly emerging epidemics, etc.

Managing/managing emerging risks

The company collects information related to this emerging risk and continuously analyzes it to understand and find ways to appropriately limit the impact on the company, and review the policy coverage as well as the underwriting process, premium rates, setting and new products development to ensure that emerging risks are taken into account.

In addition, the company has continuously reviewed risk factors, and continuously assesses risks according to the specified time frame, including considering the situation and important changes. This may have an impact on the company's operations in order to determine appropriate risk management measures, and improve the risk management measures, and improve the risk management system to be sufficient to achieve the company's goals.

3. Driving the business for sustainability

Sustainability management policies and goals

The company places importance on managing the organization's sustainability in all dimensions, including economic, social, and environmental aspects, taking into account all stakeholders, including insured, shareholders, employees, communities, business partners, competitors, and creditors. Management through activities as follows:

Environmental Management Activities

The company places importance on energy conservation and promotes the efficient use of resources. Therefore, it has clearly established a policy on energy conservation by announcing it in the internal database to communicate to employees throughout the organization.

The company has cooperated with the Department of Alternative Energy Development and Efficiency (DEPA) to conduct annual energy management, and encourage employees to have knowledge and awareness of the importance of energy conservation. The company established an energy management working group to work strictly according to the energy conservation plan, including reviewing, regularly, analyzing and correcting shortcomings in energy management. As a result, the company received the Energy Saving Building Award (MEA ENERGY SAVING BUILDING) from the Metropolitan Electricity Authority.

For waste disposal, the company has separated waste that can be recycled and waste that may be hazardous for government agencies to collect and destroy properly. In the wastewater treatment section, the company strictly complies with the regulations of the Ministry of Natural Resources and Environment in cooperation with the Environment and Sanitation Department Bang Rak District Office closely monitor and correct the operation of the wastewater treatment system regularly so that it is ready for use at all times and submit a report summarizing the performance of the wastewater treatment system is submitted on a monthly basis.

Customer responsibility activities

The company is committed to satisfying insured by developing products that meet their needs. The company establishes a Customer Relationship Management (CRM) to conduct satisfaction surveys and receive matters that create dissatisfaction with customers in order to improve service quality, and create an impression on customers.

Employee responsibility activities

The company pays attention to ensuring that employees are treated according to labor standards correctly and appropriately in terms of compensation, benefits and working environment. The company has established a welfare committee with employer and employee representatives attending meetings and continuously considering employee related agendas.

As for hiring workers, the company treats workers fairly, and equally, with everyone having to pass the selection according to the company's standard test. In terms of personnel development, there is continuous and regular training to increase knowledge, abilities, and skills and create a good attitude towards work and service to customers

Business operations responsibility activities

The company is aware of fairness in business operations in order to operate efficiently and provide maximum benefit to both customers and the company. The company has appointed a claim committee to set standards for garages, spare parts shops, survey companies, car lift companies, glass shops, and car scraps and spare parts to control operations to be standardized and fair to relevant stakeholders.

Determine to treat customers and business partners equally and fairly based on the company's ethics Receiving fair compensation for doing business without considering any other benefits derived from incorrect operations, taking into account equality and fairness, having business ethics and striving to create satisfaction for customer base on the basis of operating according to the principles of good governance, cooperation with government agencies and the private sector which is a regulatory agency such as the Office of the Insurance Commission (OIC), the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand. (SET) and the Thai General Insurance Association in every matter beneficial to the insurance business in order to create stability, develop the quality and standards of the company's operations efficiently.

In addition, the company also takes into account the treatment of business competitors by adhering to the rules of not discouraging or destroying the reputation of business competitors in participating in business competitions or doing anything that is unfair to each other through the following activities

1. The Company requires a Company Secretary to coordinate with the Board of Directors and sub-committees in the Company's affairs, including organizing meetings of the Board of Directors to consider various matters in accordance with the law and responsible for storing documents related to board meetings and shareholder meetings in a secure location as well as providing various 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 report to the Board of Directors on a regular basis in order to review or evaluate the efficiency of risk management at least once a year.

3. The company has established a policy for related transactions that has been approved by the Board of Directors for compliance and compliance with the laws that govern the company. The company has important business transactions with related companies through having shareholders, and/or having some directors. The said transaction does not have any significant influence on related businesses and is in accordance with the normal general commercial conditions of business operations, taking into account the maximum benefit of the company, consistent with needs and normal business operations of the company.

4. The company has established an anti-corruption policy approved by the Board of Directors in order to comply with the spirit and determination to achieve anti-corruption results.

5. The company has established policies and guidelines for prevention and suppression of money laundering that have been approved by the Board of Directors so that the company can act correctly and in accordance with the requirements of the law regarding customer acquisition, customer risk management, and checking to know facts about customers.

6. The company establishes policies and guidelines for personal data protection so that owners of personal data are protected according to the law on personal data protection and in accordance with the guidelines for personal data protection standards.

Activities respecting human rights

The company places importance on complying with human rights laws and respects the basic rights of all stakeholder groups without discriminating against any person on the basis of race, religion, gender, age, and any other status that is considered a human right.

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 by promoting and supporting employment for people with disabilities have sufficient income for living with human dignity and being equal to other people.

Social assistance activities

The company recognizes the importance and value of personnel who will help develop communities and society for strength and well-being. Therefore, the company has

joined the project to provide scholarships to underprivileged students under the name of the project "Siam Smile Sharing Kindness to Students" every year. In 2023, the company provided scholarships to schools in various areas through the Siam Smile Foundation and donated funds on the occasion of SME's founding day to the Foundation for the Support of the Neurological Institute.

In addition, the company also participated in presenting the royal Kathin robes and join in making merit by offering the Kathin Samakkhi every year. In 2023, the company joined in offering the royal Kathin robes at Wat Thong Thammachat Worawihan, Khlong San Subdistrict, Khlong San District, Bangkok and participated in the Kathin Samakkhi offering at Tham Sarika Temple, Sarika Subdistrict, Mueang Nakhon Nayok District Nakhon Nayok and Ban Hin Sap Temple, Muak Lek Subdistrict, Muak Lek District Saraburi, including making merit at Maha Chula Kathin at Sri Don Mun Temple, Chomphu Subdistrict, Saraphi District, Chiang Mai.

Activities to develop an honest society

The Company has a clear intention to conduct business with transparently, fairness and opposes all forms of bribery, whether from government officials or between individuals in the private sector, including conflicts of interest, fraud, money laundering, and supporter terrorism. There are guidelines for controlling, preventing, and monitoring risks from corruption. Values are instilled and a good conscience is created to work with honesty and integrity among employees at all levels in order to respond to the spirit of the company and avoid operations that it goes against the principles of good management.

4. Explanation and Analysis of Financial Status and Performance

Financial Information

Summary of the report of the Independent Certified Public Accountant for the past three years

Mr. Nantawat Sumraunhant, CPA No.7731, the Independent Auditor from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. for the year 2021 showed an Unqualified Opinion for the Financial Statements of the year 2021.

Ms. Lasita Magut, CPA No.9039, the Independent Auditor from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. for the year 2022 and year 2023 showed an Unqualified Opinion for the Financial Statements of the year 2022 and year 2023.

1. Summary of Financial Statements in which the Equity Method is Applied Comparison of the Year 2023, 2022 and 2021

STATEMENTS OF FINANCIAL POSITION

	(Unit: Thousand Baht)		
	As at December 31, 2023	As at December 31, 2022	As at December 31, 2021
ASSETS			
Cash and cash equivalents	257,575	282,718	204,734
Premium receivable	112,180	133,623	135,502
Accrued investment income	3,554	2,177	1,309
Reinsurance assets	384,338	536,765	321,930
Amounts due from reinsurers	1,737	2,510	2,909
Investments			
Investments in securities	810,641	766,697	734,672
Loans and accrued interest receivable	5,019	-	-
Investment property	46,765	52,148	70,233
Investment in an associate	43,389	44,759	44,357
Property, plant and equipment	306,206	302,951	301,805
Intangible assets	5,499	3,458	844
Deferred tax assets	4,268	-	-
Other assets	18,588	29,871	16,384
TOTAL ASSETS	1,999,759	2,157,677	1,834,679

	As at December 31, 2023	As at December 31, 2022	As at December 31, 2021
Insurance liabilities	852,422	1,045,009	785,113
Amounts due to reinsurers	67,237	119,567	67,306
Employee benefit obligations	18,394	17,195	16,685
Commission and brokerages payable	16,750	25,204	20,414
Lease liabilities	51,378	52,998	54,328
Accrued expenses	70,232	58,604	65,704
Deferred tax liabilities	-	4,487	9,617
Income tax payable	7,620	-	1,510
Other liabilities	32,279	33,329	32,514
TOTAL LIABILITIES	<u>1,116,312</u>	<u>1,356,393</u>	<u>1,053,191</u>
EQUITY			
Share capital			
Authorized share capital			
32,999,769 ordinary shares of Baht 10.00 each	<u>329,998</u>		
Authorized share capital			
30,000,000 ordinary shares of Baht 10.00 each		<u>300,000</u>	<u>300,000</u>
Issued and paid-up share capital			
32,998,926 ordinary shares of Baht 10.00 each	329,989		
Issued and paid-up share capital			
29,999,790 ordinary shares of Baht 10.00 each		299,998	299,998
Premium on share capital	86,593	86,593	86,593
Retained earnings			
Appropriated			
Legal reserve	33,000	28,414	25,541
Unappropriated	232,030	142,937	115,718
Other components of equity	201,834	243,342	253,637
TOTAL EQUITY	<u>883,446</u>	<u>801,284</u>	<u>781,488</u>
TOTAL LIABILITIES AND EQUITY	<u>1,999,759</u>	<u>2,157,677</u>	<u>1,834,679</u>

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Unit: Thousand Baht)

	<u>2023</u>	<u>2022</u>	<u>2021</u>
REVENUES			
Gross written premiums	1,290,680	1,517,274	1,208,538
<u>Less</u> Premiums ceded to reinsurers	367,944	434,068	335,941
Net premiums written	922,736	1,083,206	872,597
<u>Less</u> Unearned premium reserve increased from previous years	21,016	(22,333)	(7,742)
Net premium earned	943,752	1,060,873	864,855
Fee and commission income	32,234	55,377	44,823
Net investment income	25,683	22,864	17,380
Gain (loss) on investment	3,390	1,700	(2,273)
Share of profit from investment in an associate	(1,469)	2,637	3,581
Other income	290	815	1,568
Income from rental	70,412	68,882	68,395
Total revenues	<u>1,074,292</u>	<u>1,213,148</u>	<u>998,329</u>
EXPENSES			
Gross claim	303,871	650,819	324,577
<u>Less</u> Claim recovered from reinsurers	35,052	(183,290)	(39,551)
Commissions and brokerages	156,481	196,816	153,034
Other underwriting expenses	258,603	337,395	265,828
Operating expenses	113,504	87,858	101,940
Expected credit loss (reversal)	912	(205)	476
Other expenses - expenses for rental	35,988	51,128	47,596
Total expenses	<u>904,411</u>	<u>1,140,521</u>	<u>853,900</u>
Profit before income tax expense	169,881	72,626	144,429
Income tax expense	31,214	12,535	52,023
Net profit	<u>138,667</u>	<u>60,091</u>	<u>92,406</u>

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

(Unit: Thousand Baht)

	<u>2023</u>	<u>2022</u>	<u>2021</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	(52,446)	(10,754)	(596)
Share of other comprehensive profit (loss) of an associate	124	(2,793)	4,486
Income tax relating to components of other comprehensive income that will be reclassified subsequently	10,465	2,709	(777)
	<u>(41,857)</u>	<u>(10,838)</u>	<u>3,113</u>
Items that will not be reclassified subsequently to profit or loss			
Surplus on revaluation of land	-	-	(8,240)
Actuarial gain in defined employee benefit plans	437	678	97
Income tax relating to components of other comprehensive income that will not be reclassified subsequently	(88)	(135)	1,628
	<u>349</u>	<u>543</u>	<u>(6,515)</u>
Other comprehensive loss for the years - net of income tax	<u>(41,508)</u>	<u>(10,295)</u>	<u>(3,402)</u>
Total comprehensive income for the years	<u>97,159</u>	<u>49,796</u>	<u>89,003</u>
Basic earnings per share (Baht)	4.20	1.82	2.80

STATEMENTS OF CHANGES IN EQUITY

(Unit: Thousand Baht)

FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED

	Other components of equity								
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other comprehensive income				Total
			Appropriated Legal reserve	Unappropriate	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, 2021	299,998	86,593	21,100	35,254	230,912	30,232	(3,119)	(987)	699,984
Legal reserve	-	-	4,441	(4,441)	-	-	-	-	-
Dividend paid	-	-	-	(7,500)	-	-	-	-	(7,500)
Comprehensive income (loss)-equity method for the year	-	-	-	92,406	(6,592)	(476)	78	3,589	89,003
Ending balances as at December 31, 2021	299,998	86,593	25,541	115,719	224,320	29,756	(3,041)	2,602	781,487
Beginning balances as at January 1, 2022	299,998	86,593	25,541	115,719	224,320	29,756	(3,041)	2,602	781,487
Legal reserve	-	-	2,873	(2,873)	-	-	-	-	-
Dividend paid	-	-	-	(30,000)	-	-	-	-	(30,000)
Comprehensive income (loss)-equity method for the year	-	-	-	60,091	-	(8,603)	543	(2,234)	49,796
Ending balances as at December 31, 2022	299,998	86,593	28,414	142,937	224,320	21,152	(2,498)	368	801,284
Beginning balances as at January 1, 2023	299,998	86,593	28,414	142,937	224,320	21,152	(2,498)	368	801,284
Increased in ordinary shares	29,991	-	-	-	-	-	-	-	29,991
Legal reserve	-	-	4,586	(4,586)	-	-	-	-	-
Dividend paid	-	-	-	(44,988)	-	-	-	-	(44,989)
Comprehensive income (loss)-equity method for the year	-	-	-	138,667	-	(41,957)	349	99	97,160
Ending balances as at December 31, 2023	329,989	86,593	33,000	232,030	224,320	(20,805)	(2,149)	467	883,446

STATEMENTS OF CASH FLOWS

(Unit: Thousand Baht)

	2023	2022	2021
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Direct premium received	1,303,716	1,513,981	1,311,830
Cash paid from reinsurance	(300,326)	(303,555)	(279,698)
Interest income	15,032	12,381	10,320
Dividend income	9,817	10,169	7,672
Other income	268	815	1,255
Claims incurred from direct insurance	(440,814)	(461,224)	(322,118)
Commissions and brokerages from direct insurance	(162,805)	(188,776)	(153,606)
Other underwriting expenses	(258,624)	(338,344)	(261,796)
Operating expenses	(92,203)	(102,613)	(138,371)
Income tax expense	(21,947)	(20,649)	(15,927)
Refundable corporate income tax	-	-	33,566
Cash received from financial assets	145,690	58,862	42,197
Cash paid for financial assets	(230,554)	(111,290)	(154,944)
Investments in securities	-	-	-
Deposits at bank with maturity over 3 months	(5,000)	11,000	5,000
Investment property	38,659	38,363	41,545
Net cash provided by operating activities	<u>909</u>	<u>119,121</u>	<u>126,925</u>
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES			
CASH FLOWS PROVIDED BY			
Property, plant and equipment	15	-	10
Cash provided by investing activities	<u>15</u>	<u>-</u>	<u>10</u>
CASH FLOWS USED IN			
Property, plant and equipment	(1,796)	(3,796)	(312)
Intangible assets	(5,207)	(3,637)	-
Cash used in investing activities	<u>(7,003)</u>	<u>(7,433)</u>	<u>(312)</u>
Net cash used in investing activities	<u>(6,988)</u>	<u>(7,433)</u>	<u>(302)</u>
CASH FLOWS USED IN FINANCING ACTIVITIES			
Lease payment	(3,798)	(3,704)	(3,703)
Dividend paid	(15,266)	(30,000)	(7,500)
Net cash used in financing activities	<u>(19,064)</u>	<u>(33,704)</u>	<u>(11,203)</u>
Net increased in cash and cash equivalents	<u>(25,143)</u>	<u>77,984</u>	<u>115,420</u>
Cash and cash equivalents as at January 1,	<u>282,718</u>	<u>204,734</u>	<u>89,314</u>
Cash and cash equivalents as at December 31,	<u><u>257,575</u></u>	<u><u>282,718</u></u>	<u><u>204,734</u></u>

2. FINANCIAL RATIO

(Unit: Thousand Baht)

	2023	2022	2021
<u>Operation Results (Separate) Unit: million Baht</u>			
Premium Written	1,290,680	1,517,274	1,208,538
Net Premium Written	922,736	1,083,206	872,597
Total Underwriting Income	975,986	1,116,250	909,678
Insurance Claims and Loss adjustment expenses – net	338,923	467,528	285,025
Profit from Underwriting	221,980	114,511	205,790
Net Investments Income	29,073	24,565	15,106
Gains on Rental	34,424	17,753	20,799
Net Profit (Loss)	140,137	57,455	88,825
<u>Financial Status</u>			
Total Assets	2,003,185	2,159,734	1,837,137
Total Liabilities	1,116,313	1,356,394	1,053,191
Shareholder's Equity	886,873	803,340	783,945
<u>Liquidity Ratio</u>			
Liquidity Ratio (Times)	1.10	1.03	1.05
Premium Receivable Turnover (Days)	31.29	31.70	40.36
<u>Profitability Ratio</u>			
Retention Rate (%)	71.49	71.39	72.20
Loss Ratio (%)	35.91	44.07	32.96
Gross Profit Margin (%)	24.06	10.57	23.58
Underwriting Expenses Ratio (%)	43.98	50.36	48.43
Return on Investment (%)	2.65	2.36	1.56
Net Premium Written to Equity Ratio (%)	109.19	136.49	116.85
Net Profit Margin (%)	13.03	4.75	8.93
Return on Equity (%)	16.58	7.24	11.89
<u>Efficiency Ratio</u>			
Return on Assets (%)	6.73	2.88	4.96
Asset Turnover (Times)	0.52	0.61	0.56
<u>Leverage Ratio</u>			
Debt to Equity Ratio (Times)	1.26	1.69	1.34
Policy Liability to Capital Fund (Times)	0.96	1.30	1.00
Unearned Premium Reserve to Equity (Times)	0.48	0.59	0.52
Unearned Premium Reserve to Assets (%)	21.11	22.07	22.04
Dividends Payout Ratio (%)		78.32	33.77

Operating performance for 2023

In 2023, the income from the total written premium was 1,290.68 million baht, decreased by 226.59 million baht or 14.93 percent due to from the decrease of all types of insurance. 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. The company had a profit from underwriting of 221.98 million baht a increase of 107.47 million bath or 93.85 percent compared to the previous year. In addition, the revenue from other income was 62.87 million baht increased 45.08 percent from the previous year, less operating expense the amount were 113.50 million baht, a increase of 25.65 million baht or 29.19 percent from the previous year, resulting in the company having a profit before tax of 171.35 million baht, a increase of 101.36 million baht or 144.82 percent from the previous year. The company had income tax expenses of 31.21 million baht, resulting in the company's operating result, which was a net profit of 140.14 million baht, a increase from the previous year of 82.68 million baht or 143.91 percent, representing earnings per share of 4.25 baht.

However, the company had an investment in associates in 2023 which yielded the profit and shared those loss to the parent company of 1.47 million baht, the profit decreased 4.11 million baht from the previous year. In total, the company has the net profit on the basis of the equity method equal to 138.67 million baht increasing 75.58 million baht or 130.76 percent from the previous year, equivalent to 4.20 baht per share

Overall underwriting

In 2023, the company had underwriting profit at the amount of 221.98 million baht, a increase of 107.47 million baht from 2022 or 93.85 percent, from the gross written premium of 1,290.68 million baht, equivalent to the underwriting profit margin per gross written premium of 17.20 percent, when deducting the premiums ceded to reinsurers of 369.74 million baht, representing a net premium written of 922.74 million baht, equivalent to the underwriting profit margin per net written premium 24.06 percent which increase from the previous year. For the year 2022, the company had a profit from underwriting of 114.51 million baht from gross written premium of 1,517.27 million baht, equivalent to the underwriting profit margin per gross written premium 7.55 percent, the net premium written was 1,083.21 million baht, representing the underwriting profit margin from net premium written was 10.57 percent, proportion are as followed;

Unit: Thousand Baht

Lines of Business	2023		2022		% Increased (decreased)
	Gross Written Premium (baht)	Proportion (%)	Gross Written Premium (baht)	Proportion (%)	
Fire	72,991	5.66	96,360	6.35	(24.25)
Marine & Transportation	29,186	2.26	32,451	2.14	(10.06)
Motor	297,989	23.09	327,169	21.56	(8.92)
Miscellaneous	890,514	68.99	1,061,294	69.95	(16.09)
Total	1,290,680	100.00	1,517,274	100.00	(14.93)
Underwriting expenses	754,006	58.42	1,001,739	66.02	(24.73)
Profit from underwriting	221,980	17.20	114,511	7.55	93.85

The company had accepted the risk without reinsurance at the rate of 71.49 percent of 1,290.68 million baht which is a slight increase from the previous year which was 71.39 percent. Therefore, the company had the net written premium of 922.74 million baht decreasing by 14.82 percent. The cost of insurance has decreased by 24.73 percent from the previous year, including Insurance claims and loss adjustment, Commission and brokerages and other underwriting expenses totaled 754.01 million baht, an decrease of 247.73 million baht. The rate of underwriting expenses to Revenues from underwriting in 2023 decreased 7.60 percent in comparison with the previous year, consist of a net loss ratio of 35.91%, lower than the previous year's rate of 44.07% to 8.16%. This is a result of the losses in marine and transport insurance, motor voluntary insurance and miscellaneous insurance were lower than 2022. In addition, Commission and brokerages was 12.12 percent, slightly lower than the previous year, which was 12.97 percent in the previous year. The ratio of other underwriting expenses in 2023 was 20.04 percent slightly lower than last year as well, while the previous year was 22.24 percent. The company has profits from all insurance, total underwriting profit margin to net premium received increased from 10.57 percent the previous year to 24.06 percent.

Fire underwriting

As for the operating performance of fire insurance in 2023, the company received the gross premium of 72.99 million baht decreasing by 24.25 percent compared to the previous year. For fire insurance in 2023, the company accepted the risk without reinsurance 73.73 percent, increasing from 51.10 percent in 2022. Unearned premium reserves increased from the previous year in the amount of 0.13 million baht, resulting in a increase in net earned premiums from the previous year. In 2023, the amount was 53.12 million baht from 48.67 million baht in 2022. In addition, the company also had income from reinsurance in the amount of 8.70 million baht, an decrease of 12.50 million baht or 58.96 percent, making the company's

income from fire insurance 61.82 million baht, an decrease of 8.05 million baht or 11.52 percent. The underwriting cost had amount of 44.68 million baht decreasing by 4.34 million baht or 8.86 percent consisting of insurance claims and loss adjustment expenses, commissions and brokerages and underwriting expenses, net loss ratio increased from 11.97% in 2022 to 20.07% in 2023. Fire insurance operation has a profit of 17.14 million baht, with a profit margin of 31.85 percent of the net premium written, while the year 2022 is at the rate of 42.34 percent.

Marine and transportation underwriting

As for the operating performance of marine and transportation insurance in year 2023, the company received the gross premium of 29.19 million baht decreasing by 10.06 percent. The company accepted the risk without reinsurance up to 89.34 percent which is a slightly higher rate compared to 2022 at 88.51 percent. Unearned premium reserves decreased by 0.35 million baht, resulting in net earned premiums at 26.42 million baht, an decrease of 5.61 percent from the previous year's amount of 1.57 million baht. For insurance cost 10.75 million bath that decrease 59.28 percent from last year include insurance claims and loss adjustment expenses, commissions and brokerages and underwriting expenses, loss ratio was 7.94 percent decreased from 57.09 percent in 2022. Marine insurance and transportation operations recorded profit of 15.75 million baht, a increase from the previous year's profit of 14.03 million baht, or 815.34 percent. The ratio of profit margin to the net written premium was 60.41 percent which was 5.99 percent in 2022.

Motor insurance

The operating performance of motor insurance in year 2023 showed that the company received the gross premium of 297.99 million baht decreasing by 8.92 percent, by the decrease 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 254.84 million baht decreasing from the previous year by 5.69 percent. The premium from compulsory insurance was 43.14 million baht decreasing from the previous year by 24.22 percent. The company accepted all risk in the motor insurance without reinsurance, Net earned premium of 308.53 million baht decrease from the previous year 4.76 percent. Total insurance cost was 182.59 million baht, decreasing by 8.48 percent, include insurance claims and loss adjustment expenses, commissions and brokerages and underwriting expenses. Loss ratio of the year 2023 was 36.56 percent increase from 36.51 percent in the previous year. As a result, the motor insurance operation had a profit of 125.95 million baht, while the previous year had a profit of 124.96 million baht, an increase of 0.80 percent, with a profit margin of 42.27 which was 38.07 percent in 2022.

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, Insurance companies in Thailand and Malaysia provide insurance for the project which the company has gained the total insured share of 20 percent. Most of the risks from this project have been reinsured, only 0.10 percent of the suminsured was accepted by the company. The company gets involved in this project since 2008.

The operating performance of 2023 showed that the company received the premium of 890.51 million baht decreasing by 16.09 percent. The company accepted the risk without reinsurance 61.18 percent, which a slightly decreases from 2022 that the company accepts its own risk 61.18 percent. In addition, the company also had income from reinsurance in the amount of 23.45 million baht, an decrease of 10.09 million baht or 30.09 percent, resulting in the company's income from miscellaneous insurance 579.13 million baht, an decrease of 114.68 million baht or 16.53 percent. The total cost was 515.99 million baht decreasing by 29.01 percent consisting of insurance claims and loss adjustment expenses, commissions and brokerages and underwriting expenses, loss ratio decreased to 38.40 percent comparing to 49.59 percent of the previous year. As a result, Miscellaneous insurance operations showed a profit in 2023 with an underwriting loss of 63.13 million baht, while the previous year had a profit of 33.01 million baht.

Investment, building rental, etc.

In 2023, the company has income from investments, profit from building rental and others in the amount of 62.87 million baht, profit increased by 19.54 million baht or 45.08 percent. This was due to an increase in net investment income of 4.51 million baht or 18.35 percent, while profit from building rental increased by 16.67 million baht or 93.91 percent due to the company maintains assets that have been fully depreciated in a condition that can still be used.

Investment Asset

As of December 31, 2023, the company has the investment asset at the amount of 862.42 million baht increasing from 2022 by 43.58 million baht or 5.32 percent consists of investments in securities of 810.64 million baht, loan and accrued interest receivable of 5.02 million baht and investment properties of 46.77 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 2023, the income from investment in securities was 29.07 million baht increasing from 2022 by 18.35 percent, consisting of bank deposit interest, dividend payment and net profit (loss) from trading of stocks. The return yield was 2.65 percent.

Investment Property: investment properties worth 46.77 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 34.42 million baht increased from the previous year of 93.91 percent due to the company maintains assets that have been fully depreciated in a condition that can still be used. The return yield was 69.60 percent

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

(1) **Contents of assets** as of December 31, 2023 comprised of cash and cash equivalents 12.88 percent, premium receivable 5.61 percent, accrued investment income 0.18 percent, reinsurance assets 19.22 percent, amount due from reinsurers 0.09 percent, investment assets 43.13 percent, investment in an associate 2.17 percent, property, plant and equipment 15.31 percent, intangible assets 0.27 percent, deferred tax assets 0.21 percent and other assets 1.38 percent.

As of December 31, 2023, the company's total assets amount Baht 1,999.76 million, decreased from 2022 of 157.92 million or 7.32 percent.

(2) **Quality of assets**

Cash and cash equivalents as of December 31, 2023, the company had 257.58 million baht in cash and cash equivalents, decreased of 25.14 million baht or 8.89 percent include cash on hand, cheque on hand and deposits at bank (at call).

Investment assets as of December 31, 2023, 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 862.42 million baht, which was the fair value. The company pledged bonds with a face value of Baht 100.08 million as collateral with the Registrar in accordance with Non-life Insurance Act of 1992.

Investment Property as of December 31, 2023, the company had a net value on Investment Property of 46.77 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, 2023, the company had a net value on premises and equipment of 306.21 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, 2023, the company had reinsurance assets 384.34 million baht decreased by 154.43 million baht or 28.40 percent, consisting of loss reserves of 217.51 million baht, an decrease of 119.72 million baht or 35.50 percent, and unearned reinsurance premium reserves of 166.83 million baht, an decrease of 32.71 million baht or 16.39 percent.

Premiums receivable as of December 31, 2023, the company had a total of 112.18 million baht in net uncollected premiums, decreased of 21.44 million baht or 16.05 percent. Premium receivables are classified by aging as follows:

(unit: Thousand Baht)

	2023	2022	2021
From direct insurance			
Within credit terms	83,718	99,440	93,968
Less than 30 days	23,086	25,019	28,742
31 - 60 days	3,086	5,485	6,901
61 - 90 days	866	1,588	2,602
Over 90 days	2,196	2,776	6,278
Total premium receivable	112,952	134,308	138,491
<u>Less Allowance for doubtful accounts</u>	<u>(772)</u>	<u>(686)</u>	<u>(2,989)</u>
Premium receivable - net	<u>112,180</u>	<u>133,622</u>	<u>135,502</u>
Receivable under lawsuit			
Over 1 years	3,271	3,294	2,979
<u>Less</u>	<u>(3,271)</u>	<u>(3,294)</u>	<u>(2,979)</u>
Receivable under lawsuit - net	-	-	-
Premium receivable - net	<u>112,180</u>	<u>133,622</u>	<u>135,502</u>

The uncollected premium was 112.18 million baht. The premium which is not due and uncollected less than 60 days was 109.89 million baht or 97.96 percent of all uncollected premiums, the ratio increased from the previous year's rate of 97.25 percent, and had a turnover rate of premium receivables 31.29 days, which was lower than the previous year's rate of 31.70 days, that shows the efficiency in collecting premiums better. 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, 2023 the company had 257.56 million baht in cash and cash equivalents, decreased from 2022 of 25.14 million baht or 8.89 percent.

	Unit: Thousand Baht		
	<u>2023</u>	<u>2022</u>	<u>2021</u>
Cash flows (used) operating activities	909	119,121	126,925
Cash flows (used) investing activities	(6,988)	(7,433)	(302)
Cash flows (used) financing activities	<u>(19,064)</u>	<u>(33,704)</u>	<u>(11,204)</u>
Net (decrease) in cash and cash equivalents	<u>(25,143)</u>	<u>77,984</u>	<u>115,419</u>

Cash flow from the operating activities at the amount of 0.91 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 141.15 million baht, received from income on investment and other income 25.12 million baht, used in investment asset 51.20 million baht, paid for operating expenses 92.20 million baht, and paid for corporate taxes 21.95 million baht.

The cash flow used in investment was 6.99 million baht consisting of sale and purchase of the operating assets.

The cash flow used in financing activities was 19.06 million baht consisting a lease payment and dividend payment.

Liquidity ratio Liquidity Ratio - As of December 31, 2023, the financial status of the company has the liquidity ratio of 1.10 times, an increase from the previous year's rate of 1.03 times, which was considered the company's liquidity sufficient. The premium receivable turnover at 31.29 days, which is rotating faster than the previous year's 31.70 days 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 567.11 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 33.00 million baht as reserve fund or 10.00 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, 2023, the Company had Unearned premium reserve amount 422.88 million baht and Loss reserve and outstanding claims amount 429.55 million baht, total liabilities from insurance contracts 852.42 million baht. The Company had Insurance reserve refundable from reinsurer amount 384.34 million baht, insurance liability net amount 468.08 million baht. The company put securities amount baht 709.86 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.

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, 2022, the Company had Unearned premium reserve amount 476.60 million baht and Loss reserve and outstanding claims amount 568.40 million baht, total liabilities from insurance contracts 1,045.01 million baht. The Company had Insurance reserve refundable from reinsurer amount 536.77 million baht, insurance liability net amount 508.24 million baht. The company put securities amount baht 694.20 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 Website : <http://www.bui.co.th/> E-mail : bui@bui.co.th

The company has 5 branch offices, consisting of: Nakhon Sawan Branch, Khlong Luang District Branch, Chonburi Branch, Surat Thani Branch and Hat Yai Branch and Lampang Sub-Branch

1. Nakhon Sawan Branch 36/13-14 Kositai Road, Tumbol Paknampo
Amphur Muang, Nakorsawan 60000
Telephone: 0-5622-1884-5
2. Khlong Luang District Branch 25-27 Moo. 12, Phaholyothin Road, Tumbol
Kolngneung, Amphur Klongluang, Phatumthani 12120
Telephone: 0-2529-1615, 0-2529-0963
3. Chonburi Branch 192/3 Moo 1 Sukhumvit Road, Tumbol Klongtumru
Amphur muang, Chonburi 20000
Telephone: 0-3814-6125
4. Surat Thani Branch 123/77, 123/78 Moo. 1, Watpo-Bangyai Road, Tumbol
Makhamtia Amphur Muang, Suratthani 84000
Telephone: 0-7722-0149, 0-7722-0159
5. Hat Yai Branch 636/14 Phetkasem Road, Hat Yai, Hat Yai, Songkhla
90110
Telephone: 0-7433-4128

In addition, the company also has another subsidiary that provides claims services.

- Lampang Sub-Branch 199/2 Moo 13 Lampang-Ngao Road, Tumbol Pichai,
Amphur Muang, Lampang 52000
Telephone: 0-5438-2847

5.2 Ordinary Shares Registrar

Thailand Securities Depository Co., Ltd.
93, 14th Floor, Ratchadaphisek Road, Din Daeng, Din
Daeng, Bangkok 10400
Website: <http://www.set.or.th/tsd>
Telephone 0-2009-9999

5.3 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,
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Tel: (66) 0-2034-0000
Fax: (66) 0-2034-0100

2022 - 2023

Miss Lasita Magut
Certified Public Account (Thailand) No. 9039
Deloitte Touche Tohmatsu Jaiyos Co., Ltd.
AIA Sathorn Tower 23rd -27th Floor,
11/1 South Sathorn Road, Yannawa, Sathorn,
Bangkok, 10120, Thailand
Telephone 0-2034-0000
Fax 0-2034-0100

5.4 Legal Disputes

In addition to lawsuits arising from the Company's operations from normal casualty business operations, The Company has no cases that may have a negative impact on the Company's assets in cases with an amount higher than 5 percent of shareholders' equity according to the financial statements as of the end of the fiscal year.

Part 2

Management and corporate governance

6. Corporate governance policies

To achieve the objective of stable and sustainable growth in the insurance business. The company has adhered to the policy of providing services with honesty, integrity and giving importance to customer service so that customers receive maximum satisfaction both in terms of convenience, speed, quality, and fairness as in the company's mission or quality policy: "Modern, efficiency-minded, customer-focused, faith-increased." In addition, it places importance to the internal control system and internal audit to be in accordance with the law and to have systematic risk management throughout the organization. The internal control system is a tool for reducing risks in business operations and for reviewing operations in accordance with legal requirements, as well as developing a risk management system to be efficient and effective, appropriate up to date and always modern including encouraging directors and employees to work with ethics or good ethics.

6.1 Corporate governance policy

The company has a board of directors consisting of qualified experts with extensive experience and vision. They perform their duties in accordance with the law, objectives, company regulations, and resolutions of the shareholders' meeting with care, transparency, responsibility, honesty and ethics in order to increase the economic value of the company for maximum benefit to shareholders, the company insured, the public and the company's stakeholders. The Board of Directors is confident that good corporate governance is an important thing that will help promote the successful performance of the company. The Board of Directors is committed and intends to abide by these principles and has established policies to support corporate governance as follows.

6.1.1 Shareholders' rights/equal treatment of shareholders

The company is aware of and attaches importance to the rights of shareholders. The company is committed to having excellent operating results continuously in both present and future risk conditions, through transparent and fair, operations, includes increasing shareholder value by doing our best to protect assets and maintain the company's reputation.

- (1) Shareholders have equal basic rights to attend meetings by informs shareholders of various rules used in meetings and voting rights.
- (2) The company requires that an annual general meeting of shareholders be held within 4 months from the end of the company's accounting period.
- (3) The company specifies that the meeting invitation letter will be sent with details of the meeting agenda along with meeting documents are provided to shareholders at least 7 days in advance of the meeting date. The company has announced notice of the general meeting of shareholders in the

newspaper for not less than 3 consecutive days and not less than 3 days before the meeting date, including disclosure through the system of the Stock Exchange of Thailand.

- (4) Consideration of matters to be included in the agenda for the general meeting of shareholders is scheduled to be implemented from the end of January every year by presenting them to the Executive Chairman for consideration before presenting to the Board of Directors' meeting for approval in the meeting agenda and meeting documents, including the meeting invitation letter in order to provide meeting documents that will be sent to shareholders along with the meeting invitation letter have complete and sufficient information for shareholders to use in deciding to vote on various agendas.
- (5) At the shareholder meeting, the company has a policy that all directors have a duty to participate in every shareholder meeting, Shareholders can ask questions to the chairmen of various subcommittees on related matters.
- (6) Provide convenience to shareholders at every meeting, focusing on shareholders being able to attend the meeting in order to achieve equality as follows :
 - (6.1) The Company will arrange for use of a meeting place in Bangkok, which is the location of the Company's head office, which is of sufficient size to support shareholders. There are complete facilities, convenient transportation and complete meeting equipment such as audio equipment, microphones, and stationery, etc.
 - (6.2) In determining the date and time of the meeting, the company will consider appropriate times period as well, such as not holding meetings during holidays or continuous holidays, etc.
 - (6.3.) The company will organize voting on each agenda for consideration on a per agenda basis and voting on for each item in case where there are many items on the agenda, such as the agenda for the election of directors, etc.
- (7) In a shareholder meeting, shareholders have rights in the following matters:
 - (7.1) The right to propose meeting agenda and names of person of qualified to serve as director. The Company provides shareholders with an opportunity to propose such matters through direct channels with the company secretary or through the company website before the Board of Directors meeting in advance.

- (7.2) All shareholders have the right to participate in the meeting and vote in every meeting.
 - (7.3) The right to choose to appoint a proxy to attend the meeting on your behalf. The company attached the proxy form with the meeting invitation letter so that shareholders who wish to appoint others as proxies to attend the meeting and vote on their behalf can choose to authorize any person to attend the meeting on their behalf. The company determines that independent directors are responsible for taking care of shareholder by offering as an option for shareholders to choose to appoint an independent director as a proxy to attend the meeting on their behalf.
 - (7.4) The right to appoint individual directors.
 - (7.5) Right to appoint an auditor and determine audit fees.
 - (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 give shareholders the opportunity to have equal rights to express their opinions, give suggestions and ask questions to the meeting according to the meeting agenda.
 - (7.8) Shareholders can check their own shareholding information as of the closing date of the share transfer suspension register at Thailand Securities Depository Co., Ltd.
- (8) In addition to the annual general meeting of shareholders, if it is necessary to propose a special agenda as an urgent case that affects or is related to the interests of shareholders or related to conditions or regulations of the government or agencies that regulate the company that must be submitted for approval from shareholders, the company will call an extraordinary meeting of shareholders on a case by case basis.
- (9) The company discloses to shareholders the resolution of the meeting and the voting results of each agenda item in the shareholder meeting on the next business day by disclosing it through the system of the Stock Exchange of Thailand.
- (10) The company arranges for minutes to be prepared after the meeting within 14 days.
- (10.1) Record the number of shareholders who attending the meeting in person and authorizing others 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 who attend the meeting and directors who were absent from the meetings, record explaining the voting process to the meeting before the meeting, record issues or questions from shareholders, Director's answer, details of considerations, discussions, various opinions expressed by shareholders and voting results in each agenda whether shareholders agree, disagree and abstain from voting.

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

(11) In addition to the above shareholders have various rights, as provided by the law.

6.1.2 Business Ethics

The Company has a policy of adhering to doing the right thing as a guideline for conducting business. 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 perform their duties carefully to avoid the risk of damage to the company and the public. The work ethics of employees appears in the company quality policy, the company's work regulations, and the company insurance and indemnity work regulations employee to able by with a working group assigned to inspect the performance of employees. The internal audit department is responsible for monitoring compliance with the code of ethics and for considering disciplinary action in the event of violations.

6.1.3 Leadership & Vision

The Board of Directors consists of directors who have knowledge, ability and experience in business operations, understand their qualifications, duties, and responsibilities and have a variety of experience or skills appropriate to the nature, size, complexity, and risk of the company. Therefore, it participates in setting policies, strategies, and operational goals of the company so that the management can carry out operations in accordance with the established policies with efficiency and effectiveness, which will lead to increasing economic value for the company and shareholders.

The Board of Directors places great importance on good corporate governance. Therefore, the company has been organized to have an internal control system, internal audit, with an Audit Committee to review it to be appropriate and efficient, including following up on the implementation of such matters regularly in the Board of Directors' meetings.

6.2 Policies, guidelines, and corporate governance systems in the past year

6.2.1 Environmental management policy

The Company is committed and aware of efficient and sustainable environmental management based on environmental responsibility and give importance to reducing environmental impacts resulting from business operations in according with the royal speech of His Majesty King Rama IX, given on November 20, 1996 “Any problems related to the environment due to pollution or deterioration of natural resources, regardless of where it happens, will have a continuous impact on other places. For this reason, every person in every country in the world must share responsibility in both solving and reducing problems and improving and enhancing the environment to return it to a condition that will be conducive to the happy living of oneself and fellow human beings” In order to bring forward the royal speech on environmental management, the company has therefore established an environmental management policy consisting of energy conservation, water management, and waste and garbage management in order to promote, supervise and manage the environment and so that the policy can be transferred into concrete practice throughout the organization. The details are as follows:

Energy conservation

In order for the operation to be successful as intended, the company has therefore applied an energy conservation system to manage energy within buildings as follows:

1. The company will operate and develop an energy management system by making it part of the company's operations and in accordance with the law and other requirements related.
2. The company will continuously improve energy efficiency and make it appropriate for the business by giving importance to the building's total electrical energy use, especially in the air conditioning system, turning the light bulb on and off, and using of electrical appliances in order not to causing unnecessary losses.
3. The Company regards energy conservation as the duty and responsibility of executives and employees at all levels to help adhere to energy saving measures regularly and continuously.
4. The company will promote, support, publish and publicize knowledge to employees in order to create awareness of saving energy including procuring and replacing high-efficiency equipment to replace worn-out equipment.
5. The company monitors and evaluates performance, including guidelines for allocating resources efficiently and continually presenting them to the management team. as well as reviewing energy management policies and methods on an annual basis.

Water management

To achieve the goal of using water efficiently and ensuring that the company will have sustainable water management. This is because water is a natural resource that is important to life. It is an important basic factor for living and working. Therefore, in order to achieve the objectives of water pollution management and wastewater treatment including solving and enhancing the efficiency of water use. The company has therefore applied the Circular Economy Concept to manage water within buildings as follows:

1. The company will control and oversee the use of water responsibly by using the 3Rs technique, which consists of Reduce, Reuse, Recycle, including monitoring the amount of water used, focusing on reducing water intensity.

2. The company will aim to create awareness of the value-intensive use of water to ensure that the company's operations will not affect the community's water use rights by controlling wastewater quality before releasing it into the environment, it complies with the standards set by law, including guidelines for implementing the water resources management master plan under Thailand's national strategy.

3. The company will support resources in terms of personnel, budget, and participation in presenting opinions to develop water management.

4. The company will monitor and evaluate water management operations as set forth in the annual work plan in order to achieve serious practice and maximum efficiency.

Waste and garbage management

To develop the company's garbage and waste management operations to be continuously efficient. The company has therefore adopted the Circular Economy Concept as part of its business operations to reduce the amount of resource use, the amount of waste generated, and reduce the impact on the environmental. It starts with environmentally friendly waste management through a process of reducing waste and reusing it to avoid creating waste then consider recycling the materials in the discarded garbage. If it cannot be recycled, it should be put into the process of turning waste into energy. These processes are in addition to being a way to reduce the use of natural resources but also helps reduce energy consumption. The company has therefore applied this concept to waste and waste management as follows:

1. The company will control, prevent, and reduce the amount of garbage and waste by adhering to the 5Rs principle, which consists of reducing use or using as little as necessary, reusing, reprocessing, using renewable resources and refusing to use substances that are not environmentally friendly.

2. The company carries out a waste separation process within the building by preparing trash bins to accommodate the separation of each type of waste, including biodegradable trash bins, general trash bins, and recycling trash bins and hazardous waste bins.

3. The company will support training, knowledge or public relations to create awareness of waste and waste management among executives and employees.

4. The company will follow up on the performance of garbage and waste management and conduct policy reviews along with reporting performance to executives on an annual basis.

6.2.2 Human rights policy

The Company conducts business by adhering to the principles of good corporate governance and has an ideology of conducting business with ethics by adhering to social responsibility, employees and all groups of outsiders receive basic rights fairly and equally according to the principles of corporate governance and business ethics, including the importance of strictly implementing human rights according to standards accepted both domestically and internationally. In particular, compliance with the Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGPs), the Declaration of Fundamental Principles and Rights in The work of the International Labor Organization (The International Labor Organization Declaration on Fundamental Principles and Rights at Work: ILO) and basic human rights principles according to the Constitution of the Kingdom of Thailand, B.E. 2017.

For this purpose, the Company has established a policy on human rights in order to have the policy transferred into concrete practice throughout the organization. The details are as follows:

Term definition

Human Rights means the rights and freedoms that every human being has from birth equally, regardless of birth gender, gender identity, nationality, race, language, religion, age, skin color, education, social status political opinion cultural traditions or anything else. Human rights are universal, indivisible, interdependent and interrelated.

Employees means directors, executives, employees, personnel, and employees who are under employment contracts, whether they are permanent employees or temporary employees of the company.

Third parties mean customers, parties, trading partners, contractors, stakeholders, individuals or groups of people involved in the Company's business.

The Company means Bangkok Union Insurance Public Company Limited.

Scope

This human rights policy applies to directors, executives, and employees in all positions, covering all activities of the company.

Human Rights Policy

The company recognizes the importance of and respects the human rights of employees and outsiders, as well as society and communities, including

- Treating everyone according to the principles of human rights equally without discrimination.
- Avoid actions that directly or indirectly violate human rights.
- Support, promote, respect and comply with human rights principles.
- Communicate, disseminate, provide knowledge, and public relations so that operations are in accordance with human rights principles.

Human rights guidelines

1. Must respect the human rights of employees and outsiders equally and with consideration to human dignity, treating each other equally regardless of gender at birth, gender identity, nationality, race, language, religion, age, skin color, education, social status, political opinions, cultural traditions or anything else.

2. Respect the rights of personal data owners. Including measures to protect personal information and maintain strict information security for both employees and outsiders.

3. Respect the rights of employees and the third parties, including treating employees and the third parties humanely, not using violence, sexual harassment, threats, or bullying in any way.

4. Support and promote human rights operations, especially true at the employee level, which the company considers to be the most valuable resource, as follows.

4.1 Treat employees in matters of employment and termination fairly and equally under the law, without forced labor and child labor under the legal age specified.

4.2 Compensation and/or any other benefits are paid appropriately and fairly without considering gender, nationality, race, language, religion, skin color, social status, political opinions, etc.

4.3 Develop, promote and support employees at all levels to regularly receive training in knowledge related to business operations to enhance knowledge and understanding and increase skills in performing their duties, not specifically executives or senior employees.

4.4 Support personnel and budget resources for safe and hygienic working conditions and working environments.

4.5 Provide opportunities for employees to express their opinions and suggestions for conducting business together.

5. Use caution in performing your duties, including not neglecting or ignoring actions that directly and indirectly violate human rights when seeing an action that is considered a violation of human rights, set to report to supervisor immediately, so that the company can investigate the facts and take further action.

6. Promote, support, disseminate and publicize knowledge to employees and outsiders to create awareness of human rights.

7. Follow up on human rights performance and conduct policy reviews along with reporting performance to executives on an annual basis.

8. Establish penalties for violators and/or those whose behavior is considered to be a violation of human rights. If the perpetrator is an employee disciplinary action must be considered. If the perpetrator is a third party and such action is against the law, the company will consider following legal procedures.

6.2.3 Remuneration Policy

The Company has established a remuneration committee the same committee as the recruitment committee to consider remuneration for company directors. There are appropriate criteria using a comparison base with compensation rates of companies in the same type of business with similar sizes, including the company's operating results that are taken into consideration. The consideration is careful, clear and transparent, following the principles of corporate governance as well as considering appropriateness and consistency with the scope Duties and responsibilities of company directors before presenting to the shareholder meeting for consideration and approval.

1. Remuneration for company directors consists of:

1.1 Remuneration in the form of money includes salary, meeting allowances for the Board of Directors. Sub-committee meeting allowance, bonus in accordance with the company's operating results.

1.2 Other remuneration: none.

1.3 Welfare includes accident insurance, health insurance.

2. Executive remuneration

Various remunerations of the executives will be at a motivating level Considering suitability and consistency with the scope of duties and responsibilities based on the performance of the executives as well as the performance according to the Action Plan, the profit growth in the past year of the company the overall economic condition of the company is consistent with the long-term interests of the business, including comparing with the remuneration rates of companies in the same business with similar sizes, along with the annual performance evaluation that is performed. The Company's Board of Directors considers and

approves compensation for executives, consisting of:

2.1 Monetary compensation includes salary and bonus which must be consistent with the company's operating results and performance of executives.

2.2 Other remuneration includes contributions to provident fund and retirement compensation.

2.3 Welfare includes annual health check, accident insurance, health insurance, social security and recreational activities, etc.

3. Employee compensation

The company focuses on providing compensation to motivate employees. This is done by comparing benefits of the same type of business with similar sizes fairly. The Board of Directors places importance on fair employment, taking into account the capabilities performance of work according to the abilities of employees in various positions which takes into account the principles of equality, fairness, appropriate qualifications to promote career progression and grow with the company in a sustainable manner. It has established a compensation policy that is consistent with the company's operating results and linked to employee performance. There are corporate level indicators (Corporate KPIs) used in considering employee compensation, including:

3.1 Compensation in monetary terms includes salary and bonus which must be consistent with the company's operating results and the performance of employees.

3.2 Other remunerations include contributions to the provident fund, retirement compensation, living expenses living.

3.3 Welfare includes annual health check, accident insurance, health insurance, social security, and recreational activities, etc.

In addition, the company has a policy to develop employees at all levels to have quality and higher standards of work through continuous development. There is a plan for in-house training and external training throughout the year. In addition, there is continuous. On the job training, with regular evaluation and follow-up in order to gain knowledge and understanding of the company's work system and higher work standards.

6.2.4 Policy on recruiting company directors

The Company conducts its business with transparency and efficiency in accordance with the principles of good corporate governance and with the regulations of relevant laws of the agencies regulating the company. The company is committed to ensuring that the company's operations achieve the vision and business goals set forth, including building confidence returns to employees, investors, insured, and stakeholders. The company manages its business to suit the situation, social and economic conditions in order to create growth that is beneficial to the good business operations of the company in the long term.

The selection process for company directors is important; the criteria for recruiting company directors have been clearly established in order to acquire company directors including qualified senior executive positions and knowledge, abilities and expertise appropriate to the business.

Qualifications of company directors

The Company's Board of Directors consists of people with knowledge, abilities, expertise, skills, and experiences that are beneficial, regardless of age, as well as having the intention to understand the duties and responsibilities of directors, being able to fully dedicate their time to being a company director, and having ethics in their work. Directors are ready to express their opinions independently in considering various matters, taking into account the best interest of the company, shareholders, and insured, and can participate in supporting the company's business operations to be stable and sustainable.

Qualifications of independent directors

Independent directors have additional qualifications from those of company directors as follows:

1. Hold shares not exceeding 1% of the total number of shares with voting rights of the company*. This includes the shares held by related persons of that independent director as well.

2. Not being or having ever been a director who participates in management, an employee, a staff member, or an advisor who receives a regular salary, or a person with controlling authority of the company* unless it has been free from the aforementioned characteristics for not less than 2 years.

3. Not person related by blood or legal registration to other directors, company executive, major shareholders, controlling person, or persons who will be nominated to be directors executives or persons with controlling authority of the company or subsidiary company.

4. Do not have or have ever had a business relationship with the company* in a manner that may interfere with the use of one's independent judgment, including not being or having never been a significant shareholder or a controlling person of a person who has a business relationship with the company* unless they have been free of the aforementioned characteristics for not less than 2 years.

5. Not being or having been the company's auditor* and not being a significant shareholder controlling person or partner of the audit firm who has the company's auditor*, unless he has been free from the aforementioned characteristics for not less than 2 years.

6. Not being or having been a professional service provider of any kind. This includes serving as a legal advisor or financial advisor, who receives service fees of more than 2 million

baht per year from the company* and is not a significant shareholder controlling person or a partner of that professional service provider as well Unless you have been free from having the aforementioned characteristics for not less than 2 years.

7. Not being a director appointed to represent the company's directors, major shareholders, or shareholder who is related to a major shareholder.

8. Do not engage in business that has the same nature and is in significant competition with the business of the company or its subsidiaries or not being a significant partner in the partnership or being a director who participates in management, an employee, an employee, or an advisor who receives a regular salary or holding shares exceeding 1% of the total number of shares with voting rights of other companies, which operates a business that has the same nature and is in significant competition with the business of the Company or its subsidiaries.

9. Do not have any other characteristics that prevent you from giving independent opinions regarding the Company's operations.

* Including the parent company, subsidiaries, joint companies, major shareholders or the controlling person of the company.

Qualifications of the Audit Committee

1. Appointed by the Board of Directors.

2. Qualified as an independent director.

3. Not being a director assigned by the board of directors to decide on the operation of the company, parent company, subsidiaries, associated companies, same-level subsidiaries, major shareholders or the controlling person of the company.

4. Not being a director of the parent company, subsidiaries, or subsidiaries of the same level, only those that are listed companies.

5. Have sufficient knowledge and experience to be able to act as an audit committee member. There must be at least 1 audit committee member who has sufficient knowledge and experience to be able to perform the duty of reviewing the reliability of the financial statements.

Knowledge and expertise of the Board of Directors that is beneficial to the Company's business operations.

The Board of Directors evaluates its own performance at least once a year, on an annual basis, so that the Board of Directors can consider and review its performance, issues and obstacles during the last year.

Company Director Selection Process and independent committee

The company has established a selection committee to consider selecting company directors which criteria for recruiting, considering and determining the qualifications of directors to be appropriate and consistent with the company's business strategy. The Directors must have all qualifications according to Section 68 of the Public Limited Companies Act B.E. 2535 (including amendments) and must not have prohibited characteristics according to the Act. Securities (including amendments), other laws and related regulations based on the requirements of the Securities and Exchange Commission (SEC), Stock Exchange of Thailand (SET), and Office of the Insurance Commission (OIC) for consideration and approval first proposing to the general meeting of shareholders to consider and approve the appointment, which must be certified and approved by the annual general meeting of shareholders or the extraordinary meeting of the company's shareholders with a majority vote of the shareholders who attended the meeting and had voting rights

In addition to selecting individuals to be appointed as company directors, they must go through the selection process of the Nominating Committee and has been approved by the annual general meeting of shareholders. The Board of Directors has given every shareholder and every group an equal opportunity to nominate individuals that they consider appropriate to be directors of the company. They can nominate them through the channels specified on the company website in advance during the specified time period before the annual general meeting of shareholders with the criteria and methods for election are in accordance with the Company's regulations as follows:

1. Board of Directors consists of not less than 9 persons, with not less than half of the total number of directors having to reside in the Kingdom and not less than 3/4 of the total number of directors must be persons of Thai nationality.

2. Voting to elect directors to be observed as follows:

2.1 One shareholder has a vote equivalent to 1 share per 1 vote.

2.2 The election of directors involves voting for one person or several people at one time to fill the total number of directors to be elected at that time, as the shareholder meeting deems appropriate. By voting, whether it is the election of one person or many people, each person whom the shareholder votes to elect will receive votes from the shareholder according to the total number of shares that shareholder has according to (Section 2.1). Such shareholders will allocate their votes to one or more persons, however much or how little.

2.3 The persons who receive the highest number of votes in descending order are elected as directors equal to the number of directors that should be or will be elected at that time. In the case where the person who is elected in descending order have the equal votes, exceeding the number of directors that should be or

will be elected at that time, the chairman have the deciding vote.

3. At every annual ordinary shareholder meeting 1/3 of the number of directors who will have to leave their positions. If the number of directors cannot be divided into exactly 3 parts, then the number closest to 1 in 3 will be removed.

4. Directors who retire from office may choose to take up the position again.

For the appointment of directors to replace vacant director positions in cases other than due to the expiration of their terms, approval must be obtained by the board meeting with a vote of not less than three-fourths of the number of remaining directors. In this case, the person approved to become a company director will have a term of office equal to the remaining original term of the outgoing company director.

6.2.5 Tax policy

The company is committed to continuous compliance with the principles of good corporate governance and conduct business with transparency. The company is aware of its duties and responsibilities regarding tax operations by complying with tax laws and regulations, related matters correctly, appropriately, and verifiably to build trust among stakeholders and demonstrate social responsibility, which is an important element in driving business operations. The company has therefore established a tax policy as follows:

1. The company adheres to and complies with relevant laws and conducts business correctly according to standards by operating in accordance with the spirit of relevant laws and regulations, including both direct taxes and indirect taxes.

2. The Company avoids using fraudulent or misguided tax structures or deliberately creating complexity for tax benefits.

3. The company uses tax benefits legally. This is consistent with the principles of creating efficiency in the tax system according to the intended objectives. Tax benefits may include certain periods of tax exemption or other benefits, all of which are subject to government policy.

4. The company respects the government's right to determine the tax structure, tax rates, and tax collection mechanisms. The company coordinates with relevant officials in government tax agencies to build relationships and maintain legal practices.

5. The company is responsible to shareholders by being a company with good financial status and a tax system that adds sustainable value to shareholders.

6. The company has tax planning management, following newly issued tax policies or

laws in order to study and analyze the impacts that may because as well as determine tax planning for maximum benefit to the company to prevent and reduce tax risks that may occur.

7. The company establishes rules and procedures for controlling the preparation and payment of taxes to be correct and on schedule.

8. The company assesses and controls tax risks. Tax risk assessment by considering potential impacts and identification measures to control tax risks within acceptable limits and tax risks are reported to senior executives for acknowledgment.

9. The company reviews compliance with tax laws. There is coordination between internal auditors and external auditors on risk or damage issues related to tax matters.

10. The Company does not seek opportunities from tax structures that do not have a commercial content in order to avoid taxes.

11. Determining prices for related company transactions. The company has determined that it is based on the principle of reference to market prices, the requirements of the Revenue Code, and related tax laws.

Disclosure of tax information, the Company complies with relevant laws by disclosing such information in the Company's financial reports in accordance with accounting standards.

6.2.6 Organization development policy for sustainability

The Company conducts its business with transparency and efficiency and is aware of the duties and responsibilities regarding conducting business in accordance with the principles of corporate governance and business ethics in order to build trust among all groups of stakeholders by taking into account the creation of value in three areas: economic, social and environmental, which are important element in driving business operations. The company has therefore established a policy for organizational development for sustainability in order to have the policy transferred into concrete practice throughout the organization. The details are as follows:

Economic

1. The company adheres to the principles of good corporate governance with caution, transparency, responsibility, honesty and ethics in order to increase the economic value of the company for maximum benefit to shareholders, insured, the public, and all groups of stakeholders.

2. The company emphasizes on providing equal and humane customer service, including measures to protect personal information and maintain strict information security.

The company has a secure storage system that is accurate, complete, and can be accessed and reused. The company has measures to protect such information so that it is not altered, altered, lost, or destroyed without authority.

3. The company has innovated and developed both standard insurance policies and insurance policies are designed to suit each customer by considering suitability to needs financial ability and the ability to understand the target customer group and adhere to investment principles without only aiming for the highest return but consider the best interests of customers and all groups of stakeholders as important.

4. The company provides efficient work procedures and has appropriate channels for selling insurance products considering the complexity of insurance policies and the ability to understand the policies of target customers.

Social

1. The company focuses on promoting and supporting the company's employees to have knowledge, understanding and undergoes internal training on the insurance products that will be offered for sale and able to provide information and advice to customers.

2. The company supports personnel and budget resources to provide working conditions and a working environment that are safe and hygienic.

3. The company respects the human rights of employees and outsiders with equality and consideration of human dignity and treats each other as equals.

4. The company supports and assists in activities that are beneficial to society, such as donating money to help fund scholarships and upholding religion, etc.

Environmental

1. The company has effective and sustainable environmental management based on environmental responsibility and give importance to reducing environmental impacts resulting from business operations.

2. The company conducts environmental management operations in accordance with relevant environmental laws and regulations.

3. The Company considers environmental conservation to be the duty and responsibility of executives and employees at all levels to help strictly comply with the Company's policies.

4. The company will promote, support, disseminate and publicize knowledge to employees in order to create awareness of the environment.

6.2.7 Anti-fraud and corruption policy

The company conducts business in compliance with the law, with transparency, honesty, integrity, and adherence to morality. It complies with the principles of good corporate

governance and is responsible to society and stakeholders to ensure that the company's intention and determination to fight against corruption and corruption will be achieved. The company has prepared "Anti-Corruption and Corruption Policy" in writing Including guidelines and preventive measures as follows:

1. Definition

"Corruption" means the use of authority or the misuse of existing assets or any other benefits that should not be obtained (Asset misappropriation) for personal benefit, family, friends, acquaintances, which causes damage to the benefits of others.

"Corruption" means giving, offering, promising to give, calling or accepting to give property or money including any other illegal benefits, both directly and indirectly for government officials, foreign government officials, and officials of international organizations or any other person doing business with the company to cause such persons to act or refrain from performing their duties or use the power of the position illegally, violating the law, ethics, or trade customs that are allowed.

"Political assistance" means giving money, property, or any other benefits. to political parties or politicians to support political activity Including promoting division in society both directly and indirectly.

"Charitable donation" means donating money or items or any other thing that can be calculated in monetary terms to a public charity organization without expecting anything in return.

"Support" means money paid or things given or other rewards given for the purpose of the company's business, brand, or reputation and is beneficial to building relationships and trade credibility.

"Gift fees, hospitality fees and other related expenses" means money or any other assets on a special occasion according to tradition or trade conventions.

"The Company" means Bangkok Union Insurance Public Company Limited.

"Employee" means an employee of the Company.

"Director" means a director of the company.

"Executive" means the Managing Director or the first four executive position holders following the managing director came down. Every person holding a position equivalent to the person holding the fourth executive level position and includes persons holding management positions in accounting or finance at the level of department manager or higher or equivalent.

2. Scope of the policy

This policy applies to directors, executives and employees of the company Bangkok

United Insurance Public Company Limited

3. Risks that cause corruption and fraud

The company has determined the risk factors that cause fraud and corruption as follows:

3.1 Corruption risks include:

- (1) Asset Misappropriation
- (2) Spending money for the company's operations
- (3) Forgery of false documents

3.2 Corruption risks include:

- (1) Political assistance
- (2) Charitable donation
- (3) Providing support
- (4) Gift costs, hospitality services and other expenses

4. Anti-fraud and corruption policy

4.1 Objectives

To show the direction and framework of the company's business operations regarding anti-corruption and corruption according to the principles of good corporate governance, directors, executives and employees of the company must adhere to and comply with this anti-corruption policy. This is in order for the organization to have good management and ethics in conducting business efficiently and effectively.

4.2 Anti-fraud and corruption policy

(1) The company prohibits directors, executives, employees, general insurance agents, general insurance brokers and business partners who have business connections with the company Commit all forms of dishonesty and corruption, whether directly or indirectly.

(2) Create an organizational culture regarding anti-fraud and corruption to enable employees, directors, and executives to understand, be aware of, and cooperate in combating corruption and performing their duties and responsibilities fairly.

(3) Encourage employees and other persons to report information or clues about fraud and corruption. There are measures to keep information safe for informants.

(4) Set guidelines for managing the risk of fraud and corruption in various forms including political assistance charitable donations, financial support, gift fees, hospitality fees and other related expenses.

(5) Set up monitoring and review of appropriate anti-fraud and corruption measures in line with changing circumstances.

5. Duties and responsibilities

5.1 Board of Directors

- (1) Consider and approve policies and support the fight against fraud and corruption.
- (2) Supervise the operations of the management department. This is to ensure that the management gives importance to and is aware of anti-fraud and corruption.
- (3) In the case of fraud and corruption occurring in the organization that affects the company. The Board of Directors is responsible for giving advice and recommending solutions to problems and considering punishment together with the Executive Chairman.

5.2 Audit Committee

- (1) Review the adequacy of the internal control system and report the audit according to that the internal audit department proposes to assess the risk of fraud and corruption that may affect the financial position and operations of the company.
- (2) Provide recommendations to the Board of Directors regarding operations to reduce risks and executives must implement the recommendations.
- (3) Consider and review the suitability of changes in anti-fraud and corruption policies that the Managing Director proposes to the Board of Directors for approval.

5.3 Risk Management Committee

- (1) Assess risks in the company's operations to identify operations that are at risk related to fraud and corruption.
- (2) Set guidelines for prevention and risk reduction, as well as monitor analyze and evaluate the results of risks that occur.

5.4 Executives

- (1) Establish a policy against fraud and corruption to present to the Board of Directors
- (2) Promote and communicate to personnel within the organization and those involved with the company's operations that they are aware of the anti-fraud and corruption policy.
- (3) Review the appropriateness of the company's anti-fraud and corruption policy to be consistent and appropriate for the business or legal requirements submitted to the Board of Directors
- (4) Assign executives of each agency Encourage employees within their departments or departments to comply with the anti-fraud and corruption policy and report the results to the Executive Chairman.

5.5 Internal Audit Department

- (1) Perform duties in accordance with the specified audit plan and submit a report on the audit of the internal control system and risk assessment regarding fraud and corruption to the Audit Committee.
- (2) Perform work as assigned by the Audit Committee in investigating fraud and corruption in the organization in addition to the inspection plan that has been established.

6. Guidelines for combating fraud and corruption

- (1) Directors, executives and employees of the company must not participate in fraud

and corruption. They are responsible for following the anti-fraud and corruption policy and operating manual and the company's regulations strictly.

(2) Not allowing directors Executives and employees of the company bring money, property, or other expenses that is obtained from the performance of duties for personal use (Asset Misappropriation), including making false documents in order to obtain money or property illegally.

(3) Directors, executives and employees of the company must avoid accepting gifts, favors, or contributions from customers, general insurance agent, general insurance broker or business partners of the company with a value exceeding 3,000 baht per time per person and if it is necessary to receive or received a gift Gifts with a value exceeding the limit must be sent to the company.

(4) Giving gifts, gifts, hospitality services, entertainment and other benefits must be appropriate according to the situation according to the traditions and regulations of the company. It has business objectives and is in line with the anti-fraud and corruption policy. The value must not exceed 3,000 baht per time per person and is given on behalf of the company only.

(5) Charitable donation to charity public benefit must be a donation to the organization or agencies that are reliable and do so on behalf of the company only.

(6) Providing financial support or give company assets to support the project or various activities must be named specified in the name of the company only with the objective is for the business and reputation of the company.

(7) The company has no policy to provide assistance to any political party or support political parties or politicians, whether directly or indirectly. Directors, executives and employees of the company must not carry out any transactions that create political support within the company. However, reimbursement for any expenses related to supporting a political party cannot be made.

(8) Various expenses arising from the provision of financial support charitable donations, gifts, favors, hospitality fees and other expenses must be reliable and verifiable evidence. Both operations must be in accordance with the processes and procedures in accordance with company regulations and the level of approval authority of the company.

7. Measures and Operations

(1) The company supports and encourages employees, directors and executives give importance and cultivate awareness of anti-fraud and corruption until it becomes an organizational culture. It also provides good internal controls to prevent fraud and corruption within the organization.

(2) Personnel management process: The company has implemented anti-fraud and corruption practices from the recruitment or personnel selection process, promotion, performance evaluation, employee compensation, training, and penalties. If the anti-fraud and

corruption policy is not followed, supervisors at all levels to communicate and understand employees in order to be used in the company's operations correctly and efficiently.

(3) The company has measures and procedures to provide protection for employees who report fraud and corruption related to the company and will be fair and protect employees who deny wrongdoing, will not be demoted, will not punish or give negative results to employees even if that action will cause the company to lose business opportunities.

(4) Fraud and corruption are considered an offense according to the company's work regulations. Employees who commit fraud or corruption will be subject to disciplinary punishment as specified in the company regulations and other related laws.

(5) The company supports insurance agents, general insurance broker and business partners join the anti-fraud and corruption project it also informs of the company's anti-fraud and corruption policy in order to use it as a guideline to prevent fraud and corruption.

8. Internal control

(1) The company has established internal controls to prevent fraud and corruption, covering the aspects of receiving money and making payments. Operation of accounting processes and data collection including evaluating the adequacy of a good internal control system consisting of Control Environment, Risk Assessment, Control Activities, Information & Communication System, Monitoring Activities and report on internal control assessment results.

(2) The company has an internal audit by independent auditors from outside agencies in accordance with the criteria set by the Office of the Insurance Commission.

In addition, the Audit Committee oversees the company's internal controls including considering financial reports and other processes related to anti-fraud and corruption measures.

9. Reporting clues and channels for receiving clues, complaints, or giving advice about fraud and corruption.

When fraud and corruption related to the company, both direct and indirect in all forms are seen including violations of procedures according to company regulations that affect internal control actions that cause the company to lose benefits and affect the reputation and stability of the company illegal act Business ethics and ethics or the financial status report has irregularities and is not transparent, etc.

The Board of Directors has assigned the Audit Committee and the Managing Director to consider whistleblowing, complaints, actions that may cause suspicion of fraud and corruption, and provide advice on corruption and corruption that happened to the company, through the channels for receiving matters specified in this policy.

Complainants can report clues, complaints, or suggestions regarding fraud and corruption by specifying the details of the matter to be reported along with their name, address, and telephone number where they can be contacted and sending them to the channels for receiving the matter as follows:

1. Notify through the E-mail channel of the Managing Director's Office.
bui@bui.co.th or by mail
“Manager of the Managing Director's Office
Bangkok Union Insurance Public Company Limited
175-177 Surawong Road, Suriyawong Subdistrict, Bang Rak District, Bangkok 10500”
2. Report via the whistleblowing box. (In case within the company Located in the personnel room)
3. Whistleblower or the complainant has a complaint the managing director or executive of the company requests that you submit your complaint directly to the Audit Committee.

10. Measures to protect and maintain confidentiality

The company protects the rights of complainants and information providers who act in good faith by keeping names, address or any information secret and forbidding the disclosers of information to other persons who have no related duties unless it is disclosed as required by law, by a court order, or by a relevant regulatory agency or orders of government agencies.

11. Publication of anti-fraud and corruption policy

Various information communication companies related to anti-fraud and corruption measures for employees, executives, shareholders, customers, general insurance agents, general insurance broker and business partners including all groups of stakeholders and those involved in business being informed as follows:

- (1) The company will post its anti-fraud and corruption policy on the public relations board so that all employees and executives in the company can read it.
- (2) The company will publish an anti-fraud and corruption policy through the company's communication channels such as sending E-mail, disclosing on the company's website and the company's annual report.
- (3) The company provides training on anti-fraud and corruption policies for employees.

12. Monitoring and reviewing policies

The Company requires monitoring and reviewing this policy on a regular basis by the Risk Management Committee considers changing risks and reports on the adequacy and effectiveness of anti-fraud and corruption measures to the Board of Directors on a quarterly basis in order to determine measures to prevent fraud and corruption.

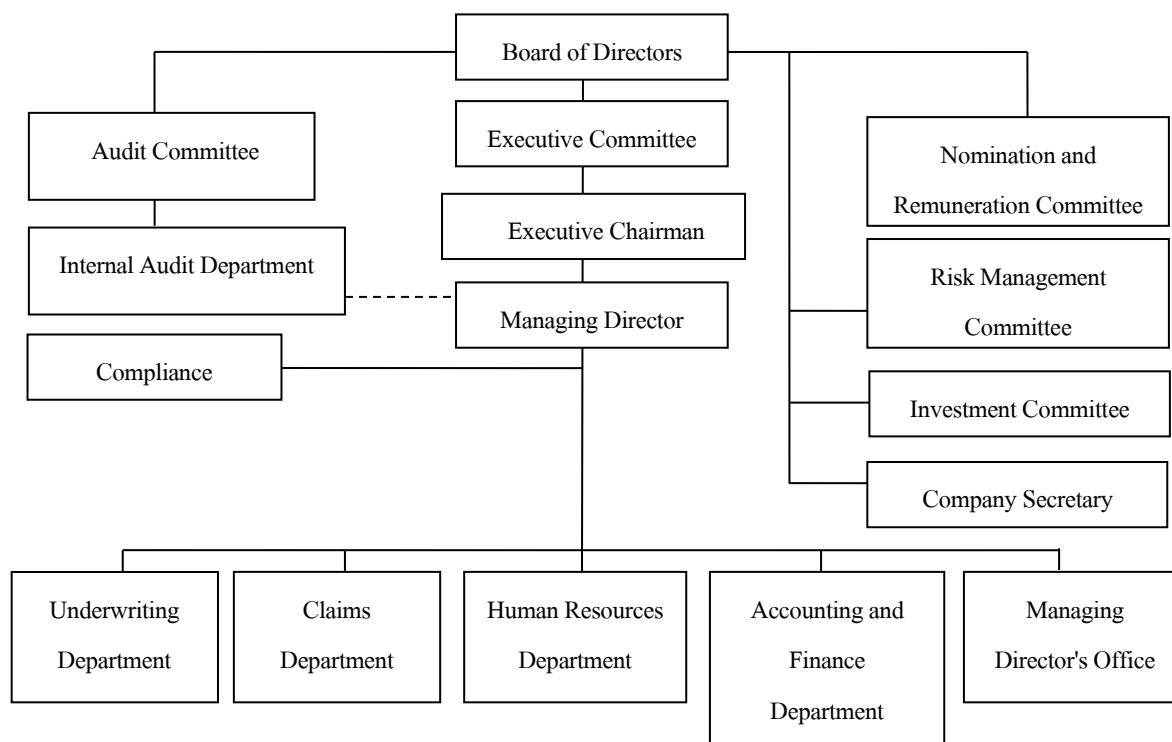
13. Violation of Policy

The company considers compliance with the anti-fraud and corruption policy extremely important. All directors, executives, and employees of the company must strictly comply with it. Anyone who violates or neglects to comply is considered an offense and must be punished as specified in the company regulations and/or other relevant laws.

7. Corporate governance structure and key information about the board

Sub-committees, Executives, Employees, and others

7.1 Corporate governance structure as of December 31, 2023



7.2 Information about the Board of Directors

The company's management structure as of December 31, 2023 consists of 5 committees: the Company's Board of Directors, Audit Committee, Nomination and Remuneration Committee, Investment Committee, Risk Management Committee. There are also 2 sub-committees specifically responsible for considering insurance operation: Underwriting and Product Review Committee, and the Claims Committee.

7.2.1 Company Director There are a total of 10 people, consisting of 4 independent directors, of whom the number of independent directors is more than 1 in 3 of the total directors. The details are as follows:

(1) Board of Directors information

The committee meets at least once every 3 months, approximately every second Tuesday of the month and have additional special meetings as necessary. The company sends a meeting invitation with agenda and documents 7 days in advance to the committee before attending the meeting. Each meeting will take approximately 2 hours. The company records meeting minutes in writing and stores meeting minutes that have been certified by the board of directors so that the board and related parties can inspect them.

For the year 2023, a total of 5 Board of Directors meetings were held. The attendance of each director is summarized as follows.

Director	Position	Number of people attending the meeting / Total number of meetings (times)
1. Mr. Manu Leopairote	Chairman/Independent Director	5 / 5
2. Mr. Pichit Sinpatanasakul	Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee/ Risk Management Committee/ Independent Director	5 / 5
3. Mr. Soonthorn Konuntakiet	Chairman of the Risk Management Committee/Audit Committee/ Nomination and Compensation Committee/Independent Director	5 / 5
4. Mr. Thavich Taychanavakul	Member of the Audit Committee/ Nomination and Compensation Committee/ Independent Director	5 / 5
5. Ms. Malinee Leopairat	Executive Chairman	5 / 5
6. Ms. Thanyaratt Iamsopana	Executive Committee/ Managing Director/ Risk Management Committee	
7. Mr. Prachai Leophairatana	Executive committee	
8. Ms. Maneerat Iamsopana	Executive committee	5 / 5
9. Ms. Sujintana Champeesri	Executive committee	5 / 5
10. Mr. Pakorn Leopairut	Executive committee	5 / 5

There are 6 directors who have the authority to sign legal acts on behalf of the company: Ms. Malinee Leopairat, Mr. Prachai Leophairatana, Ms. Thanyaratt Iamsopana, Ms. Maneerat Iamsopana, Mr. Pakorn Leopairut, and Ms. Sujintana Champeesri, two of these six people jointly signed and affixed the company seal.

As for the authority to sign and bind the company's insurance policy, there must be one director signing and affixing the company's seal for the company's policy.

List of new directors appointed in the past year

List of continuing directors (full term of directorship and being re-appointed as a director)

General information	Position	Date position was assumed	Experience and expertise
1. Mr. MANU LEOPAIROTE Gender: Male Age: 80 years old Thai nationality: Yes Residing in Thailand: Yes	Chairman of the board (Non-executive, Independent director) Director type: Re-elected as director	Date position was assumed: 26 Jul 1999	Economics, Leadership, Law, Insurance, Commerce, Marketing, Strategic Management, Risk Management, Audit
2. Ms. SUJINTANA CHAMPISRI Gender: Female Age: 64 years old Thai nationality: Yes Residing in Thailand: Yes	Director (Executive) Director type: Re-elected as director	Date position was assumed: 3 May 2006	Economics, Insurance, Accounting, Finance, Commerce
3. Ms. TANYARATT IAMSOPANA Gender: Female Age: 46 years old Major: Engineering Thai nationality: Yes Residing in Thailand: Yes	Director (Executive) Director type: Re-elected as director	Date position was assumed: 3 May 2006	Insurance, Commerce, Marketing, Engineering, Leadership, Strategic Management, Risk Manage

Qualifications of directors

1. Have leadership, vision, morality and ethics, as well as knowledge, abilities, and experience that are beneficial to the company's business operations.
2. Have an interest in the company's affairs and be able to dedicate and devote sufficient time to the company.
3. This is in accordance with Section 68 of the Public Limited Companies Act, B.E. 2535, which stipulates the qualifications of directors in public companies must be a natural person and

- Major
- Not being bankrupt, incompetent person, or a quasi-incompetent person
- Never received imprisonment by a final judgment for an offense involving property that was committed dishonestly.
- Never been punished, fired or removed from government service or government organization or agency for malfeasance.

Powers and duties of the Board of Directors

1. Supervise and manage the company in accordance with the law, objectives, regulations and resolutions of the shareholder meeting.
2. Have the power to appoint one director to be chairman of the board and appoint one or more directors to be vice chairman as the board deems appropriate.
3. Appoint an executive committee to run the company's business as determined by the board of directors.
4. Determine and amend the directors who have the authority to sign to bind the company.
5. Set interim dividends to shareholders.
6. Appoint and remove company employees. The board of directors may assign one or more directors of the company to act on its behalf.
7. Determine the payment of gratuities to employees or employees of the company or any person who does business for the company, whether they are full-time employees or not.
8. Have duties according to the Company's regulations, which include supervising and managing the Company in accordance with the law, objectives and regulations of the Company, including the resolutions of the shareholders' meeting.
9. Approve the policy, vision, mission, values that the company aims for, including business ethics.
10. Consider and approve strategies, business plans, and budgets, as well as effectively monitor the operations and performance of the management to be in line with the business plans and budgets.
11. Supervise and ensure that there is an efficient internal control system and appropriate risk management.
12. Ensure that there is supervision and inspection by internal auditors and external auditors to perform their duties effectively.
13. The committee must meet at least once every 3 months.

14. The board must organize a shareholder meeting. It is an annual general meeting within 4 months from the end of the company's fiscal year. Other shareholder meetings are called extraordinary meetings. The board of directors may call a shareholder meeting as an extraordinary meeting at any time it deems appropriate.

15. The board of directors must prepare a balance sheet and profit and loss account at the end of the company's fiscal year and submit them to the annual general meeting of shareholders for consideration and approval. The board must arrange for an auditor to complete the audit before presenting it to the shareholder meeting.

16. Payment of interim dividends to shareholders from time to time when it is considered that the company has sufficient profits to do so and when dividends have been paid, it shall be reported to the shareholders' meeting at the next meeting.

Directors' performance assessment

Method used to evaluate directors' : Whole-board-of-directors assessment, Individual-director assessment (self-assessment), Cross-assessment (Assessment of another director) performance

7.2.2 Audit Committee

The Company has established an Audit Committee consisting entirely of independent directors. In 2023, the Audit Committee held 4 meetings to consider various matters.

Director	Position	Number of people attending the meeting / Total number of meetings (times)
1. Mr. Pichit Sinpatanasakul	Chairman of the Audit Committee	4 / 4
2. Mr. Soonthorn Konuntakiet	Audit Committee	4 / 4
3. Mr. Thavich Taychanavakul	Audit Committee	4 / 4

Powers and duties of the Audit Committee

1. Review to ensure that the company has an adequate and reliable financial reporting process by coordinating with the auditor and executives responsible for preparing financial reports.

2. Review connected transactions or transactions that may have conflicts of interest or transactions that may cause corruption in order to consider disclosing important information about such transactions.

3. Review to have an appropriate internal control system. Including considering the results of the evaluation of the internal control system to ensure that it is efficient enough to carry out the work.

4. Review the company's compliance with the law on securities and exchange, the regulations of the stock exchange, or laws related to the company's business.

5. Prepare and review the Audit Committee Charter with the performance of the Audit Committee's duties. The contents of the Audit Committee Charter should be clear regarding the performance of various duties of the Audit Committee.

6. Review that the company has an internal audit department that is independent and has an effective internal audit system. Review the activities and structure of the internal audit department and approve the charter of the internal audit department.

7. Consider selecting and appointing an independent person to act as the company's auditor and propose auditor compensation, taking into account reliability and performance in the past year as well as consider removing the auditor, which must be approved by the Board of Directors for further consideration and approval, including attending meetings with the auditor without the management attending at least once a year.

8. Prepare a report on the performance of the Audit Committee to the Board of Directors' meeting for information by disclosing it in the Company's annual report, which must be signed by the Chairman of the Audit Committee.

9. Review to ensure that the company has good corporate governance, including providing suggestions and encouraging the board of directors to implement good corporate governance.

10. Review to ensure that the company has an efficient risk management process that complies with risk management regulations by consulting with the Risk Management Working Group of the Management regarding giving opinions on the risk management report.

11. Supervise the process for receiving information about corruption or actions that violate compliance with laws, company regulations, or other related laws.

12. The Audit Committee should evaluate its own performance at least once a year and summarize the results to present to the Board of Directors for information.

13. Perform other duties as assigned by the Board of Directors with the approval of the Audit Committee.

7.2.3 Nomination and Remuneration Committee

The Company has established a Nomination and Remuneration Committee consisting entirely of independent directors. In 2023, the Nomination and Remuneration Committee held 1 meeting to consider various matters.

Director	Position	Number of people attending the meeting / Total number of meetings (times)
1.Mr. Pichit Sinpatanasaku	Chairman of the Nomination and Remuneration Committee	1 / 1
2. Mr. Soonthorn Konuntakiet	Nomination and Remuneration Committee	1 / 1

Powers and duties of the Nomination and Remuneration Committee

1. Set policies, criteria and methods for selecting directors and senior executives.
2. Establish guidelines for selection in accordance with the laws and regulations of the company.
3. Select and nominate qualified persons to serve as directors and senior executives.
4. Ensure that the Company's Board of Directors has the appropriate size and composition for the organization, including adjustments to be in line with the changing environment. The Board of Directors must consist of people with knowledge, abilities, and experience in various fields.
5. Consider the remuneration of company directors with appropriate criteria by using a comparison base with the remuneration rates of companies in the same industry with similar sizes, including the company's operating results for consideration before presenting it to the shareholders' meeting for approval.

7.2.4 Investment Committee

The Company has established an Investment Committee consisting of 4 Company Directors and 1 person within the Company who works in finance. In 2023, the Investment Committee held 3 meetings to consider various matters.

Director	Position	Number of people attending the meeting / Total number of meetings (times)
1. Ms. Malinee Leopairat	Chairman of the Investment Committee	3 / 3
2. Ms. Thanyaratt Iamsopana	Investment Committee	3 / 3
3. Ms. Maneerat Iamsopana	Investment Committee	3 / 3
4. Ms. Sujintana Champeesri	Investment Committee	3 / 3
5. Ms. Thitiporn Saetang	Investment Committee (Secretary)	3 / 3

Powers and duties of the Investment Committee

Investment

1. Set appropriate policies, criteria, and investment plans, taking into account compliance with regulations, criteria, announcements of the government and/or relevant agencies and in accordance with the company's risk management policy.
2. Consider and approve the company's investment rules and procedures.
3. Consider and approve the determination of limits, scope of investment in each type of asset and allocate investment in assets appropriately.
4. Consider and approve investments according to the level of approval authority. (In the case of investment exceeding the approval authority of the management)
5. Supervise, supervise, and control the company's investment management in accordance with the policies approved by the Board of Directors and related laws.
6. Supervise, supervise, and follow up on the status of the company's investments and report operating results to the company's board of directors.
7. Supervise good governance, transparency, and prevention of conflicts of interest related to the company's investment transactions.
8. Supervise work systems, personnel, and information used to support the company's investments to ensure they are adequate for operations.
9. Review operating results and adjust investment policies annually to suit the changing environment.

Debt collection

1. Participate in considering the drafting of agent, broker and other contracts related to agents.

2. Set procedures for recruiting agents, providing guarantees, collecting debts, and opening agent codes.
3. Set criteria for considering agent debt, evaluating agents, reviewing government requirements and reporting progress in premium collection management according to the Cash before Cover criteria.
4. Follow up and report overdue debtors and creditors for direct insurance, reinsurance and claims so that present it to the committee.
5. Consider and analyze overdue debtors and all types of legal debtors.
6. Follow up and report on the management of various securities that the company uses as collateral and securities that agents or customers bring as collateral.
7. Establish a policy for setting aside allowance for doubtful accounts and review the age of accrued premiums on a monthly basis.
8. Establish a policy for estimating and recording accrued premiums.
9. Set a policy for recording outstanding items without delay.
10. Set policies or regulations for considering lending by specifying the minimum collateral value in accordance with the investment announcement.

7.2.5 Risk Management Committee

The Company has established a Risk Management Committee to supervise and manage the Company's overall risk management system in accordance with the appropriately set risk management policy, consisting of 3 Company Directors and another 3 internal company officials from various departments with expertise in various tasks in order to be able to carry out effective risk management, scheduled regular meetings. In 2023, there will be a total of meetings 4 times.

Director	Position	Number of people attending the meeting / Total number of meetings (times)
1. Mr. Soonthorn Konuntakiet	Chairman of the Risk Management Committee	4 / 4
2. Mr. Pichit Sinpatanasakul	Risk Management Committee	4 / 4
3. Ms. Thanyaratt Iamsopana	Risk Management Committee	4 / 4
4. Mrs. Wanphen Kongchartree	Risk Management Committee	4 / 4
5. Ms. Walaipatch Wongsoontorn	Risk Management Committee	4 / 4
6. Mr. Pramote Watthanateerakul	Risk Management Committee	4 / 4

Powers and duties of the Risk Management Committee

1. Establish a risk management policy framework.
2. Evaluate the adequacy of the company's risk management strategy and efficiency.
3. Arrange a meeting at least every quarter to follow up on risk status, progress in risk management, and things that need to be improved, including reporting to the Board of Directors once a quarter or regularly.

7.3 Sub-committees

In addition, the company has established two sub-committees to control and oversee operations within the company, namely the underwriting and product committee and the claims committee, as follows:

7.3.1 Underwriting and Product Review Committee

The company has established a committee to underwriting and product committee. There are 2 company directors and 6 company officials with expertise in various fields. In 2023, the Underwriting and Product Review Committee held 4 meetings to consider various matters.

Director	Position	Number of people attending the meeting / Total number of meetings (times)
1. Ms. Thanyaratt Iamsopana	Chairman of Underwriting and Product Review Committee	4 / 4
2. Ms. Sujintana Champeesri	Underwriting and Product Review Committee	4 / 4
3. Mrs. Yaovadee Chaitanapinyo	Underwriting and Product Review Committee	4 / 4
4. Mrs. Wanphen Kongchartree	Underwriting and Product Review Committee	4 / 4
5. Capt. Manop Varaphakdi	Underwriting and Product Review Committee	4 / 4
6. Mr. Tanes Jirachalanan	Underwriting and Product Review Committee	4 / 4
7. Ms. Walaipatch Wongsoontorn	Underwriting and Product Review Committee	4 / 4
8. Mr. Aumporn Veraporasu	Underwriting and Product Review Committee	4 / 4

Powers and duties of the underwriting and product review committee

1. Set insurance and reinsurance policies, that are appropriate and flexible according to changing conditions, taking into account risks and related laws.
2. Consider and approve the rules, procedures, and manuals regarding insurance and reinsurance of the company.
3. Consider and determine the level of insurance approval authority to present to the Executive Chairman, Managing Director and the Board of Directors.
4. Take action to ensure that the company has underwritten insurance according to the policy approved by the board of directors.
5. Control insurance operations to ensure compliance with the rules, regulations and policies of the company.
6. Consider issuing insurance products in accordance with insurance principles, legal principles, regulations, orders, announcements, guidelines and related requirements.
7. Consider and approve insurance premium rates according to actuarial principles, consistent with coverage conditions, benefits, and take financial ratios such as Loss Ratio/Combined Ratio into consideration.
8. Determine channels for offering insurance policies to be appropriate for customer groups.

9. Communicate insurance policy information and work procedures so that salespeople can accurately and completely present insurance policies to customers.

10. Consider and approve the list of reinsurers, survey companies, and others involved (Authorized list of reinsurers, Loss adjuster).

11. Prepare in various areas, including capital adequacy, offering process, underwriting process, risk management and/or reinsurance process, premium collection policy, compensation management process, complaint management process, process of organizing information and technology systems and planning for adequate resources as well as developing products to have even higher quality

12. Consider and give opinions on high-risk underwriting cases, such as new product underwriting.

13. Set guidelines for solving insurance problems.

14. Review and adjust insurance and reinsurance policies to suit the changing environment.

7.3.1 Claims Committee

The company has established a compensation committee consisting of 2 company directors and 5 company officials with expertise in various fields. In 2023, the Claims Committee held 4 meetings to consider various matters.

Director	Position	Number of people attending the meeting / Total number of meetings (times)
1. Ms. Malinee Leopairat	Chairman of the Claims Committee	4 / 4
2. Ms. Thanyaratt Iamsopana	Claims Committee	4 / 4
3. Mrs. Yaovadee Chaitanapinyo	Claims Committee	4 / 4
4. Mr. Tanes Jirachalanan	Claims Committee	4 / 4
5. Mrs. Wanphen Kongchartree	Claims Committee	4 / 4
6. Mrs. Jiravadee Phromsopee	Claims Committee	4 / 4
7. Mr. Sopojs Charungchitaree	Claims Committee	4 / 4

Powers and duties of the Claims Committee

Claims

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.

7.4 Executives

As of December 31, 2023, the Company has 6 executives as follows:

- | | | |
|----|-----------------------------|--|
| 1. | Ms. Malinee Leopairat | Chairman of Executive Director |
| 2. | Ms. Thanyaratt Iamsopana | Executive Director / Managing Director |
| 3. | Ms. Sujintana Champeesri | Executive Director / Manager, Finance & Accountancy Department |
| 4. | Mrs. Yaovadee Chaitanapinyo | Deputy Manager, Underwriting Department |
| 5. | Ms. Sunee Khunavorathum | Manager, Human Resources Department |
| 6. | Ms. Walaipatch Wongsoontorn | Acting Assistant Manager, Managing Director's Office / Company Secretary |

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

7.5.1 Company Secretary

The Company's Board of Directors, at its meeting No.3/2022 on August 9, 2022, resolved to appoint Ms. Walaipatch Wongsoontorn to serve as the Company Secretary (appears in attachment 1.)

7.5.2 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.

The accounting supervisor is Ms.Warunee Lewiwatthaworn since June 22, 2009 and Mr.Surachai Wichitkongkakul since May 22, 2023, appears in attachment 3.

7.6 Remuneration for directors and executives

The Company has established a Remuneration Committee to be 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 with similar size including the Company's operating results for consideration before being presented to the shareholders' meeting for approval.

Management remuneration is the benefit paid to the Company's management and directors, consist of 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 year ending December 31, 2023, the Company has compensation for directors and key executives as follows:

Directors' remuneration	1,672,000 baht
Executive' remuneration	<u>5,871,600</u> baht
Total	<u>7,543,600</u> baht

7.7 Employees

7.7.1 The company has a total of 193 employees. In 2023, the company has paid remuneration to employees totaling 113.13 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	33
● Marketing Department	36
● Claim Department	43
Operating	56
Account and Finance	25
Total	193

The company has a policy to develop employees at all levels of quality and standards in higher work by providing continuous development with in-house training and external training all year, in addition, the job training is done consistently and with measurement and follow up regularly to achieve knowledge and understanding of both the company's system and promote regular work rotations.

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

7.7.2 Employee employment of the company in the past 3 years, divided into number of employees, classified by gender.

		2020	2021	2022	2023
Total number of empl	Persons	185	193	191	193
Total number of male employees	Persons	84	89	79	83
Percentage of male employees	%	45.41	46.11	41.36	43.01
Total number of female employees	Persons	101	104	112	110
Percentage of female employees	%	54.59	53.89	58.64	56.99

7.7.3 Employees by Age Group

		2020	2021	2022	2023
Total number of employees under 30 years old	Persons	30	33	39	36
Percentage of employees under 30 years old	%	16.22	17.10	20.42	18.65
Total number of employees 30-50 years old	Persons	95	101	101	103
Percentage of employees 30-50 years old	%	51.35	52.33	52.88	53.37
Total number of employees over 50 years old	Persons	60	59	51	54
Percentage of employees over 50 years old	%	32.43	30.57	26.70	27.98

7.7.4 Male Employees by Age group

		2020	2021	2022	2023
Total number of male employees under 30 years old	Persons	4	3	5	8
Percentage of male employees under 30 years old	%	4.76	3.37	6.33	9.64
Total number of male employees 30-50 years old	Persons	50	55	49	49
Percentage of male employees 30-50 years old	%	59.52	61.80	62.03	59.04
Total number of male employees over 50 years old	Persons	30	31	25	26
Percentage of male employees over 50 years old	%	35.71	34.83	31.65	31.33

7.7.5 Female Employees by Age group

		2020	2021	2022	2023
Total number of female employees under 30 years old	Persons	26	30	34	28
Percentage of female employees under 30 years old	%	25.74	28.85	30.36	25.45
Total number of female employees 30-50 years old	Persons	45	46	52	54
Percentage of female employees 30-50 years old	%	44.55	44.23	46.43	49.09
Total number of female employees over 50 years old	Persons	30	28	26	28
Percentage of female employees over 50 years old	%	29.70	26.92	23.21	25.45

7.7.6 Employees by Employee

		2020	2021	2022	2023
Total number of employees in operational level	Persons	173	180	178	181
Percentage of employees in operational level	%	93.51	93.26	93.19	93.78
Total number of employees in management level	Persons	10	11	11	10
Percentage of employees in management level	%	5.41	5.70	5.76	5.18
Total number of employees in executive level	Persons	2	2	2	2
Percentage of employees in executive level	%	1.08	1.04	1.05	1.04

7.7.7 Male Employees by Employee Category

		2020	2021	2022	2023
Total number of male employees in operational level	Persons	79	83	74	79
Percentage of male employees in operational level	%	94.05	93.26	93.67	95.18
Total number of male employees in management level	Persons	5	6	5	4
Percentage of male employees in management level	%	5.95	6.74	6.33	4.82
Total number of male employees in executive level	Persons	0	0	0	0
Percentage of male employees in executive level	%	0.00	0.00	0.00	0.00

7.7.8 Female Employees by Employee Category

		2020	2021	2022	2023
Total number of female employees in operational level	Persons	94	97	104	102
Percentage of female employees in operational level	%	93.07	93.27	92.86	92.73
Total number of female employees in management level	Persons	5	5	6	6
Percentage of female employees in management level	%	4.95	4.81	5.36	5.45
Total number of female employees in executive level	Persons	2	2	2	2
Percentage of female employees in executive level	%	1.98	1.92	1.79	1.82

7.7.9 Employment of Workers with Disabilities

		2020	2021	2022	2023
Total employment of workers with disabilities	Persons	0	2	2	2
Total number of employees with disabilities	Persons	-	2	2	2
Percentage of employees with disabilities	%	-	1.04	1.05	1.04
Total number of workers who are not employees with disabilities	Persons	-	0	0	0

7.7.10 Employee Remuneration

Employee Remuneration by Gender		2020	2021	2022	2023
Total employee remuneration	Baht	96,840,419.00	121,720,000.00	109,640,000.00	113,131,334.00
Total male employee remuneration	Baht	45,017,536.00	55,759,910.00	50,328,795.00	50,026,676.00
Percentage of remuneration in male employees	%	46.49	45.81	45.90	44.22
Total female employee remuneration	Baht	51,822,883.00	65,960,090.00	59,311,205.00	63,104,658.00
Percentage of remuneration in female employees	%	53.51	54.19	54.10	55.78
Average remuneration of employees	Baht/Person	523,461.72	630,673.58	574,031.41	586,172.72
Average remuneration of male employees	Baht/Person	535,923.05	626,515.84	637,073.35	602,731.04
Average remuneration of female employees	Baht/Person	513,097.85	634,231.63	529,564.33	573,678.71
Ratio of average remuneration of female employees to male employees		0.96	1.01	0.83	0.95

7.7.11 Employee Provident Fund

		2020	2021	2022	2023
Total number of employees joining employee provident fund	Persons	104	92	90	104
Percentage of total number of employees joining employee provident fund to total number of employees	%	56.22	47.67	47.12	53.89
Total amount of provident fund contributed by the Company	Baht	1,988,699.00	1,908,886.00	1,951,837.00	2,324,703.00
Percentage of total amount of provident fund contributed by the Company to total employee remuneration	%	2.05	1.57	1.78	2.05

7.7.12 Human Capital Development, Average employee training hours

		2020	2021	2022	2023
Average employee training hours	Hours/ Person / Year	2.20	1.40	4.00	4.00
Employee training and development expenses		2020	2021	2022	2023
Total amount spent on employee training and development	Baht	65,532.50	18,798.00	681,861.00	70,147.00

7.7.13 Employee Relation and Engagement

Employee turnover leaving the Company voluntarily by Gender		2020	2021	2022	2023
Total number of employee turnover leaving the Company voluntarily	Persons	70	66	75	44
Percentage of total number of employee turnover leaving the Company voluntarily to total number of employees	%	37.84	34.20	39.27	22.80
Total number of male employee turnover leaving the Company voluntarily	Persons	46	46	48	28
Percentage of male employee turnover leaving the Company voluntarily	%	65.71	69.70	64.00	63.64
Total number of female employee turnover leaving the Company voluntarily	Persons	24	20	27	16
Percentage of female employee turnover leaving the Company voluntarily	%	34.29	30.30	36.00	36.36
Significant labor dispute	Yes / No	No	No	No	No

7.8 Balance of Power from Non-Management Directors

Board of Directors consists of 10 directors

Directors with management position 6 directors

Directors with non-management positions 4 directors

As of December 2023, there are 4 non-executive directors who are independent directors, representing 40 percent of all directors. Consisting of 1 chairman and 3 independent directors, they serve as members of the Audit Committee, Risk Management Committee and Nomination and Remuneration Committee.

Corporate governance structure

Composition of the Board of Directors	Unit	2022		2023	
		Male	Female	Male	Female
Directors	Persons	6	5	6	4
		11		10	
	% of total directors	54.55	45.45	60.00	40.00
		100.00		100.00	
Executive directors	Persons	2	4	2	4
		6		6	
	% of total directors	18.18	36.36	20.00	40.00
		54.55		60.00	
Non-executive directors	Persons	4	1	4	0
		5		4	
	% of total directors	36.36	9.09	40.00	0.00
		45.45		40.00	
Independent directors	Persons	4	1	4	0
		5		4	
	% of total directors	36.36	9.09	40.00	0.00
		45.45		40.00	
Non-executive directors who have no position in independent directors	Persons	0	0	0	0
		0		0	
	% of total directors	0.00	0.00	0.00	0.00
		0.00		0.00	
Average director age	Years	67	62	68	58
		64		64	
The Chairman of the Board is an independent director	Yes / No	Yes		Yes	
The Chairman of the Board is the Highest-ranking Executive	Yes / No	No		No	
The Chairman of the Board and the Highest-ranking Executive are from the same family	Yes / No	No		No	
The Company appoints at least one independent director to determine the agenda of the Board of Directors' meeting	Yes / No	No		No	

7.9 Nomination of Board of Directors and Executive Officers

7.9.1 Independent Directors

Independent directors have additional qualifications from those of company directors as follows:

1. Hold shares not exceeding 1% of the total number of shares with voting rights of the company*, including shares held by related persons of that independent director as well.

2. Must not be or have ever been a director who participates in management, an employee, an employee, a consultant who receives a regular salary, or a controlling person of the company* unless he has been free from such characteristics for not less than 2 years.

3. Not a person related by blood or legal registration to other directors, company executives, major shareholders, controlling persons or persons who will be nominated to be directors, executives or controlling persons of the company or subsidiary

4. Do not have or have ever had a business relationship with the company* in a manner that may impede the use of one's independent judgment, including not being or having previously been a significant shareholder or controlling person of a person who has business relationships with the company* unless it has been free from having such characteristics for not less than 2 years.

5. Not being or having been the company's auditor* and not being a significant shareholder, controlling person or partner of the auditing firm which has the company's auditor*, unless it has been free from having the aforementioned characteristics for not less than 2 years.

6. Not being or having ever been a professional service provider, including providing services as a legal advisor or financial advisor who receives service fees exceeding 2 million baht per year from the company* and not being a significant shareholder, controlling person or partner of that professional service provider, unless it has been free from having the aforementioned characteristics for not less than 2 years.

7. Not being a director appointed to represent the company's directors, major shareholders, or shareholders who are related to the major shareholders.

8. Do not operate a business that has the same nature and is in significant competition with the business of the Company or its subsidiaries or is not a significant partner in a partnership or a director who participates in management, an employee, an employee, or an advisor who receives a regular salary or holding shares exceeding 1% of the total number of shares with voting rights of another company which operates a business of the same nature and which is in significant competition with the business of the Company or its subsidiaries.

9. Not having any other characteristics that prevent him from giving independent opinions about the company's operations.

Remark: * Including the parent company, subsidiaries, associated companies, major shareholders or controlling persons of the company.

The Company has definition of Independent Directors which is equal to those defined by Securities and Exchange Commission and the Stock Exchange of Thailand.

The Chairman of the Board of Directors is the independent director.

The 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

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) Persons receiving the highest number of votes in descending order will be elected as directors equal to the number of directors to be elected or will be elected on that occasion. In the event that the persons elected in descending order have equal votes, the number of directors that should be or will be elected at that time, the chairman shall have a casting vote.
- 4) 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
 - (2.1) Deceased
 - (2.2) Resign
 - (2.3) Disqualified
 - (2.4) The shareholders' resolution of not less than three quarter of quorum,
 - (2.5) Court dispel

7.10 Supervision of operations of subsidiaries and associated companies

- none –

7.11 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). In addition, 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 2022 in the amount of 2,490,000 baht.

2. Non-audit fee

Service fee for review/audit RBC reports for the Office of Insurance Committee (OIC.) in the amount of 570,000 Baht

8. Internal control and risk management

The Board of Directors has assigned the Company's Audit Committee to oversee the financial reporting process in order to comply with generally accepted accounting principles as well as the requirements of relevant laws. The duties and responsibilities of the Audit Committee include reviewing operating results to ensure compliance with corporate governance principles, taking into account suitability, efficiency and effectiveness of the internal control system, inspection process, and selection of auditors as well as providing opinions to the auditor and other duties as assigned by the Board of Directors.

The Company has established an internal audit department responsible for reviewing the adequacy of the internal control system and reporting findings directly to the Audit Committee. The Audit Committee regularly reviews the findings of the Internal Audit Department to ensure that the Company has an internal control system that is efficient, adequate, and appropriate, and to ensure that the Company is able to achieve its objectives. There is a review and assessment of the adequacy of the company's internal control system according to The Securities and Exchange Commission, Thailand's internal control system adequacy assessment form, which covers the following areas:

8.1 Internal control

The company has set a vision and mission which has been communicated to all employees as a guideline for employees to achieve common goals and objectives throughout the organization.

The Company sets goals and objectives for all departments on an annual basis and has a process for tracking the success of those objectives and reviewing them from time to time. The company promotes teamwork and believes in efficiency of teamwork.

The company has established a good organizational structure. It specifies the duties and responsibilities of each person in the main duties and other duties. The Company has an internal audit department that reports directly to the Company's Audit Committee. The organizational chart specifies the reporting structure of the internal audit department that reports directly to the Audit Committee. Customized training is an important tool in knowledge development, skills and abilities for employees. The company has a policy of finding executives to succeed in important positions. The company has established regulations regarding ethics (Code of Conduct) for the board of directors, executives, and employees at all levels. The aforementioned ethical requirements have been announced for all employees to sign. For new employees, ethics requirements are included in orientation.

Risk management

The Company has a Risk Management Committee responsible for supervising and

managing the Company's overall risk management system in accordance with the appropriately defined risk management policy. There are sub-committees, including the Underwriting and Product Review Committee, the Claims Committee, the Investment Review Committee and the Management Committee, responsible for monitoring and managing risks related to the work assigned to each committee, closely monitoring and supervising risks that may occur and review factors that may cause risk. Such factors are regularly considered to ensure effective risk management and compliance with relevant rules, regulations, and laws. The Company has established four important risk management processes: Risk Identification, Risk Assessment, Risk Response and Risk Monitoring and Review according to integrated risk management standards by identifying risks.

The company has considered to cover risks in various areas, including Strategic Risks, Insurance Risk, Market Risk, Concentration Risk, Credit Risk, Liquidity Risk, Operational Risk and Legal compliance Risks. In addition, the company encourages employees at all levels to be aware and give importance to controlling risks to an acceptable level. The company provides preventive and control measures to reduce risks that may occur. The Company has a risk management framework and policy which has been approved by the Risk Management Committee and the Board of Directors. There is a report on risk management, impacts and control methods to reduce risks. The said risk management report is reviewed quarterly by the Risk Management Committee.

Control Activities

The company has established policies and operating procedures with clearly defined authority and responsibility for approving financial limits of executives at each level and strict supervision and supervision of compliance with laws and regulations. Compliance with the aforementioned rules is reviewed by the Legal Department and Internal Audit Department to ensure that operations will be successful, efficient and effective as determined by the management.

The Company has an internal policy that clearly states the issue of related party transactions and which transactions are related transactions, related persons and related companies including policies used and measures for the implementation of all related transactions in accordance with the rules and regulations of the SEC and SET reports on related transactions have been presented to the Audit Committee and the Board of Directors. Related transactions play a part in driving the company's business. Persons with authority to approve transactions have no interest in those activities. The company and its executives are aware of the rules and regulations of the SEC/SET and internal control practices have been implemented for this purpose. All related transactions other than those specified in the related party transaction policy must be approved by the Company's Audit Committee. The first thing that related transactions are considered by the Audit Committee and the Board of Directors is

the reason for the transactions, benefits to the company and price driving mechanism. The company is confident that it has followed the recommendations of the SEC / SET regarding related transactions, confident that such transactions are in accordance with fair rules.

The related party transaction policy is regularly reviewed by management and the Audit Committee. This gives confidence that the regulations and overall objectives of the company have been complied with.

8.2 Information and communication systems

The company has an information system related to operations that is adequate and appropriate to the needs of the workers. Recording of accounting transactions and information is complete, accurate and sufficient for decision-making, both financial and operational information, with regular supervision of operations and the information system has been improved and developed to be more efficient by using new technology to support the continuous expansion of the company's business to cover the needs of users and provide customer service.

The Company and its executives are confident in the efficiency and adequacy of the information provided to the Board of Directors for consideration. Minutes of the Board of Directors' meetings are prepared by the Company Secretary team. The meeting minutes cover all discussions at the Board of Directors' meeting, reviewed by the directors and signed by the meeting chairman. Company secretary and the secretary of the audit committee complied with / provided information / assisted the company directors as requested. The company has a whistleblowing policy as an official channel for receiving complaints from various sources.

8.3 Tracking system

The organization monitors and evaluates internal controls and evaluates the quality of operations by determining work procedures to continually monitor compliance with the internal control system. There is a normal operating process for the management, supervisors, and those with related duties to monitor and evaluate the results of operations in comparison with the goals that the company has set for every department. The management will report operating results to the Board of Directors on a quarterly basis.

In addition, the Audit Committee is responsible for reviewing compliance with the internal control system covering various activities according to the company's structure, reviewing accounting audits, selecting auditors and fees, reviewing work performance, investigating corruption and fraud, and compliance with regulations, orders of the Company and government regulatory agencies as specified, then reported to the Board of Directors for consideration and acknowledgment.

The Company's quarterly consolidated financial statements are reviewed and approved by the Audit Committee at its quarterly meeting. The Audit Committee also reviews the annual

financial statements that have been audited by the auditor to provide opinions and present them to the Board of Directors for consideration and approval. The Company's Internal Audit Department reviews the Company's internal control system in accordance with the annual audit plan approved by the Audit Committee. The Internal Audit Department reviews the Company's work processes and pays particular attention to evaluating the adequacy and effectiveness of internal controls. In addition, at the quarterly meeting, the Audit Committee has considered recommendations for the internal control system of all departments presented by the auditor according to the company's organizational chart. The internal audit department reports directly to the audit committee. The Audit Committee approves the annual internal audit plan. Internal auditors report their findings to the department being audited, including the executives of that agency. A complete audit report will be presented to the audit recipient and the executives of that agency as well. The Audit Committee regularly considers the important audit results of the internal audit department. In addition to regular quarterly meetings of the Audit Committee, the Audit Committee may hold additional meetings if there is an important and urgent agenda for consideration.

The internal control system and efficiency of work processes throughout the organization have been defined with scope of responsibilities, goals, and plans at both the management and operational levels. There is control and supervision of the use of the company's assets for maximum benefit. There is segregation of duties among operators to create appropriate checks and balances. In addition, the Company has an internal audit system to ensure that the Company's main operations and important financial activities are carried out in accordance with the established guidelines and are efficient. In this regard, the company has considered amending and improving the operational processes of various departments/departments in order to have a good, sufficient and appropriate internal control system. The Audit Committee reports its opinions on the company's internal control system. This includes resolving and closing issues based on the internal auditor's recommendations and the auditor's observations that are deemed appropriate and sufficient and that the company has a good enough internal control system.

The team of internal audit department personnel consists of an experienced team that is independent and ready to work, clearly understanding the content of the work, allowing them to see how various departments operate and guidelines for solving problems and be able to work according to the set plan, creating clarity in work and making the operation go in the direction and direction that has been set, including being able to perform according to the set plan.

8.4 Head of Internal Audit and Head of Operational Supervision

In 2023, the company has an internal audit supervisor, 1. Mr.Pisit Prasitsomboon, works from January 1, 2023 to October 31, 2023, 2. Mr. Sirisak Sangpan, Internal Audit

Department Manager, works from November 23, 2023 to the present. They are responsible for conducting internal audits of the company and reporting directly to the Audit Committee. The details and qualifications appear in Attachment 3.

However, the consideration of appointment, removal and transfer of the person holding the position of Internal Audit Department Manager must be approved by the Audit Committee.

In 2023, the company has a supervisor to supervise operations, namely Ms. Walaiphat Wongsunthorn, Acting Assistant Manager of the Managing Director's Office. The details and qualifications appear in Attachment 1.

9. Related transactions

9.1 Nature of related transactions

During the year, the Company had important business transactions with related companies by having common shareholders and/or having some directors. The said transaction does not have significant influence on related businesses and is in accordance with normal general trading conditions of doing business, taking into account the maximum benefit of the company along with strictly following the laws that govern the company in terms of business operations.

The company has established a policy on related party transactions for compliance. This policy has been approved by the Audit Committee and the Board of Directors as follows:

9.1.1 Necessity and reasonableness of related transactions

The Company has business transactions with related parties to help support the Company's operations in order to maintain and expand the Company's customer base. The said transaction does not have significant influence on related businesses and is in accordance with normal general trading conditions of doing business, taking into account the maximum benefit of the company is important.

9.1.2 Measures for conducting related transactions between the company and related companies

In conducting transactions between the Company and its subsidiaries (if any) with persons who may have conflicts of interest, have a vested interest, or there may be future conflicts of interest with the company, such as major shareholders, directors, executives, controlling persons, or related persons. The objective must be to conduct normal business operations consistent with needs and the Company's business operations must be as agreed in the contract which creates commercial benefits for both parties without the objective of transferring benefits between them or having any special transactions, as well as strictly following the laws that govern the company in terms of business operations, stakeholders will not be able to participate in the consideration and approval of such transactions.

For selling insurance to major shareholders The company must operate directly, not through agents or brokers. There must be commercial terms and conditions that are in accordance with the company's policy on related transactions.

In entering into transactions that are trade agreements with general trading conditions and transactions that are trade agreements that are not general trading conditions, the following principles must be followed:

1. Transactions that are agreements with general commercial conditions: approved in principle by the Board of Directors. The company can approve such transactions. If such

transaction has a commercial agreement in the same manner as a reasonable person would have with a normal contracting party in the same situation with trade bargaining power without being influenced by your status as a director, executive or related person. (as the case may be) under reasonable conditions that can be verified and does not cause a transfer of benefits which is necessary for the Company's business operations and is for the Company's highest benefit.

2. Transactions that are commercial agreements that are not general commercial terms: must be reviewed and given an opinion by the Audit Committee regarding the necessity of entering into the transaction and the suitability of the price of that item by considering various conditions to ensure that it is in accordance with normal trading conditions in the market, which can be compared with the prices that occur with outsiders and at a fair and reasonable price before being presented to the Board of Directors for further consideration and approval.

In the case that the Audit Committee does not have the expertise to consider related party transactions that may occur. The Company will appoint an independent expert or the Company's auditor to give an opinion on such related transactions for the Audit Committee and the Board of Directors to use as information for decision making to ensure that entering into such transactions is necessary and reasonable, taking into account the interests of the Company. Persons who may have conflicts of interest or have interests in related transactions will not have the right to vote in approving such related transactions.

The Company will prepare a report summarizing such transactions to report at the Audit Committee and Board of Directors meetings every quarter. The internal audit department is responsible for checking information and preparing reports for the Audit Committee to consider and give opinions on the necessity of making transactions and the reasonableness of such transactions.

The Company will disclose related party transactions in the annual registration statement and notes to the financial statements that have been audited by the Company's auditor.

9.2 Policy on future related transactions

The Company has a policy to continue having business transactions with related companies in the future as necessary and reasonable, as well as maintaining the highest interest of the company is important. Related transactions that may occur in the future must comply with the measures for related transactions between the Company and its related companies as specified above and in accordance with the law on securities and the stock exchange, including regulations, announcements and orders of the Capital Market Supervisory Board and the Stock Exchange of Thailand and comply with the requirements regarding disclosure of information on related transactions of the company or its subsidiaries (if any) in accordance with the accounting standards set by the Association of Certified Accountants and Auditors of Thailand.

Important related transactions

The company has disclosed related transactions in Note 28 to the financial statements (transactions with related businesses). Important related transactions in the years 2023 and 2022 are as follows:

Legal entities that may have conflicts	Transaction value (million baht)		Nature of the transaction/Necessity and reasonableness
	Installment 1 year	Installment 1 year	
	Ends 31 Dec. 2023	Ends 31 Dec. 2022	
1. Bangkok Union Broker Co.,Ltd., Related transactions : Insurance commission	20.11	25.49	Bangkok Union Broker Co.,Ltd., Become a property insurance broker, life insurance broker, and reinsurance brokers. Acting as an intermediary in accepting insurance work, receiving a commission at the rate specified by the Registrar (OIC). <u>Necessity and reasonableness</u> : The transactions between the brokerage fees paid by the Company are appropriate and not higher than those of other brokerage companies and are in accordance with general trading conditions and the price is no different from outsiders whose commission payment standards have been set by the OIC.
Related transactions : Land rental fee: 3 million baht per year	3.00	3.00	The company has rented land owned by Bangkok Union Broker Co., Ltd., with a rental area of 1 rai 29.9 sq m. The rental period is from July 7, 2022 to July 6, 2025, with a rent of 3 million baht per year. To be used as the location of the company's office building, No. 175-177, Bangkok Union Insurance Building, Surawong Road, Suriyawong, Bang Rak, Bangkok <u>Necessity and reasonableness</u> : Transactions that occurred between each other. As for the land rental that the company paid as agreed upon, it was appropriate and the company didn't benefit Bangkok Union Broker Co., Ltd.,
2. Patjakij Paisan Underwriting Co., Ltd.,	11.21	13.04	Patjakij Paisan Underwriting Co., Ltd., Become a property insurance broker. Acting as an intermediary in accepting insurance work, receiving a commission at the rate specified by the Registrar (OIC). <u>Necessity and reasonableness</u> : Transactions that occurred

Legal entities that may have conflicts	Transaction value (million baht)		Nature of the transaction/Necessity and reasonableness
	Installment 1 year Ends 31 Dec. 2023	Installment 1 year Ends 31 Dec. 2022	
Related transactions : Insurance commission			between each other. As for the commission paid by the company, it is appropriate and not higher than other brokerage companies and is in accordance with general trading conditions and the price is not different from that of outsiders whose commission payment standards have been set by the OIC.
3. BUI Life Insurance Public Company Limited Related transactions : Rental and service income	4.97	4.97	BUI Life Insurance PCL. rents space to set up an office. The rental area is 1,184.28 sq m. with a specified rental period. From 1 March 2022 to 28 February 2025, with a monthly rental rate of 414,498 baht. <u>Necessity and reasonableness</u> : Related transactions for building rental The Company has set the building rental price and service fees at the same rate that the Company charges from general building rental customers. which is appropriate and the company does not provide any benefits to BUI Life Insurance PCL.

The Audit Committee has considered related transactions between the Company and companies related to juristic persons that may have conflicts of interest have a vested interest or there may be conflicts of interest in the future according to the announcement of the Securities and Exchange Commission. In the meeting, the Audit Committee commented that transactions between the Company and related companies are intended to help support the Company's operations by taking into account the Company's maximum benefit. It is to maintain and expand the company's customer base without having significant influence in related companies, reasonable, and according to the normal commercial conditions of doing business, insurance premium rates and various conditions is set appropriate to the risks. There is a survey of dangers to the property to be insured before considering underwriting. There is an approval process in accordance with the company's underwriting regulations and in accordance with the requirements of the Office of the Insurance Commission and is treated in the same way as other unrelated persons or businesses and there is no transfer of benefits between companies.

For selling insurance to major shareholders The Audit Committee agrees with changing the method of accepting insurance work from the major shareholder company. Require the

company to accept work directly, not through related brokerage companies. The company has started operations since April 2019 onwards.

The Board of Directors' meeting considered transactions between the Company and related companies in accordance with the opinions of the Audit Committee. It was resolved to approve the policy for related party transactions and to approve a change in the method of accepting insurance work from the major shareholder to allow the company to accept work directly, not through related brokerage companies.

Chapter 3

Financial Statements

10. Financial Statement

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, 2023, 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, 2023, 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 Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our 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 the Code of Ethics for Professional Accountants. 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>Claim reserves for claim incurred but not reported</p> <p>As at December 31, 2023, 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 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 assumptions used in the measurement and details of claim reserve for IBNR were disclosed in Note 16 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 use of work of the auditor’s actuary expert who assessed key data and assumption used in determination of ultimate loss, which was applied by the management to evaluate loss development factor, used in calculating claim reserve for IBNR. These included 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 assumptions 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.



Lasita Magut

Certified Public Accountant (Thailand)

Registration No. 9039

BANGKOK

February 20, 2024

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

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,	December 31,	December 31,	December 31,
		2023	2022	2023	2022
ASSETS					
Cash and cash equivalents	4	257,575,017	282,717,992	257,575,017	282,717,992
Premium receivable	5	112,179,756	133,622,513	112,179,756	133,622,513
Accrued investment income		3,554,171	2,176,514	3,554,171	2,176,514
Reinsurance assets	6 and 16	384,337,937	536,765,304	384,337,937	536,765,304
Amounts due from reinsurers	7	1,736,535	2,510,251	1,736,535	2,510,251
Investments					
Investments in securities	8	810,640,505	766,696,977	810,640,505	766,696,977
Loan and accrued interest receivable	9	5,019,007	-	5,019,007	-
Investment property	10	46,765,274	52,148,462	46,765,274	52,148,462
Investment in an associate	11	43,389,350	44,759,239	46,815,756	46,815,756
Property, plant and equipment	12	306,205,972	302,951,139	306,205,972	302,951,139
Intangible assets	13	5,499,027	3,458,193	5,499,027	3,458,193
Deferred tax assets	14	4,267,770	-	4,267,770	-
Other assets	15	18,588,478	29,870,458	18,588,478	29,870,458
TOTAL ASSETS		1,999,758,799	2,157,677,042	2,003,185,205	2,159,733,559

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, 2023

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,	December 31,	December 31,	December 31,
		2023	2022	2023	2022
LIABILITIES AND EQUITY					
Insurance liabilities	16	852,422,446	1,045,008,628	852,422,446	1,045,008,628
Amounts due to reinsurers	17	67,237,292	119,567,451	67,237,292	119,567,451
Employee benefit obligations	18	18,394,262	17,194,945	18,394,262	17,194,945
Commission and brokerages payable		16,749,863	25,203,885	16,749,863	25,203,885
Lease liabilities	19	51,378,284	52,997,966	51,378,284	52,997,966
Accrued expenses		70,231,891	58,604,033	70,231,891	58,604,033
Deferred tax liabilities	14	-	4,487,057	-	4,487,057
Income tax payable		7,620,176	-	7,620,176	-
Other liabilities	20	32,278,455	33,329,541	32,278,455	33,329,541
TOTAL LIABILITIES		1,116,312,669	1,356,393,506	1,116,312,669	1,356,393,506
EQUITY					
Share capital	21				
Authorized share capital					
32,999,769 ordinary shares of Baht 10.00 each		329,997,690		329,997,690	
30,000,000 ordinary shares of Baht 10.00 each			300,000,000		300,000,000
Issued and paid-up share capital					
32,998,926 ordinary shares of Baht 10.00 each		329,989,260		329,989,260	
29,999,790 ordinary shares of Baht 10.00 each			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	22	32,999,769	28,413,956	32,999,769	28,413,956
Unappropriated		232,029,962	142,936,868	235,923,545	145,361,258
Other components of equity		201,833,956	243,341,629	201,366,779	242,973,756
TOTAL EQUITY		883,446,130	801,283,536	886,872,536	803,340,053
TOTAL LIABILITIES AND EQUITY		1,999,758,799	2,157,677,042	2,003,185,205	2,159,733,559

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, 2023

Unit : Baht

	Notes	FINANCIAL STATEMENTS IN WHICH		SEPARATE	
		THE EQUITY METHOD IS APPLIED		FINANCIAL STATEMENTS	
		2023	2022	2023	2022
REVENUES					
Gross written premiums	23	1,290,679,876	1,517,273,898	1,290,679,876	1,517,273,898
<u>Less</u> Premiums ceded to reinsures	23	(367,943,789)	(434,068,354)	(367,943,789)	(434,068,354)
Net premiums written		922,736,087	1,083,205,544	922,736,087	1,083,205,544
<u>Add (less)</u> Unearned premium reserve					
decreased (increased) from previous years	23	21,016,354	(22,332,342)	21,016,354	(22,332,342)
Net premium earned		943,752,441	1,060,873,202	943,752,441	1,060,873,202
Fee and commission income	23	32,233,529	55,377,209	32,233,529	55,377,209
Net investment income	23	25,682,615	22,864,337	25,682,615	22,864,337
Gain on investments	23 and 28	3,389,924	1,700,445	3,389,924	1,700,445
Share of profit (loss) from investment					
in an associate	11 and 23	(1,469,193)	2,636,208	-	-
Other income	23	290,561	814,850	290,561	814,850
Rental and service income	23	70,412,351	68,881,249	70,412,351	68,881,249
Total revenues		1,074,292,228	1,213,147,500	1,075,761,421	1,210,511,292
EXPENSES					
Gross claim	23	303,871,104	650,818,502	303,871,104	650,818,502
<u>Add (less)</u> Claim recovered from reinsurers	23	35,051,801	(183,290,240)	35,051,801	(183,290,240)
Commissions and brokerages	23	156,480,928	196,815,504	156,480,928	196,815,504
Other underwriting expenses	23	258,602,638	337,395,375	258,602,638	337,395,375
Operating expenses	23 and 24	113,504,221	87,858,349	113,504,221	87,858,349
Expected credit losses (reversal)	23 and 26	912,223	(205,007)	912,223	(205,007)
Other expenses - expenses for rental	23	35,988,292	51,128,599	35,988,292	51,128,599
Total expenses		904,411,207	1,140,521,082	904,411,207	1,140,521,082
Profit before income tax expense		169,881,021	72,626,418	171,350,214	69,990,210
Income tax expense	14	31,213,599	12,535,131	31,213,599	12,535,131
Net profit		138,667,422	60,091,287	140,136,615	57,455,079

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2023

Unit : Baht

	Notes	FINANCIAL STATEMENTS IN WHICH		SEPARATE	
		THE EQUITY METHOD IS APPLIED		FINANCIAL STATEMENTS	
		2023	2022	2023	2022
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Loss on remeasuring investment at fair value through other comprehensive income		(52,445,569)	(10,754,125)	(52,445,569)	(10,754,125)
Share of other comprehensive profit (loss) of an associate	11	124,130	(2,793,084)	-	-
Income tax relating to components of other comprehensive income that will be reclassified subsequently		10,464,288	2,709,442	10,489,114	2,150,825
		(41,857,151)	(10,837,767)	(41,956,455)	(8,603,300)
Items that will not be reclassified subsequently to profit or loss					
Actuarial gain in defined employee benefit plans	18	436,848	678,476	436,848	678,476
Income tax relating to components of other comprehensive income that will not be reclassified subsequently		(87,370)	(135,695)	(87,370)	(135,695)
		349,478	542,781	349,478	542,781
Other comprehensive loss for the years - net of income tax		(41,507,673)	(10,294,986)	(41,606,977)	(8,060,519)
Total comprehensive income for the years		97,159,749	49,796,301	98,529,638	49,394,560
Basic earnings per share	BAHT 29	4.20	1.82	4.25	1.74

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, 2023

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
			Appropriated Legal reserve	Unappropriated	Other comprehensive income			Total other comprehensive income		
					Surplus on revaluation of asset	Investment at fair value through other comprehensive income	Actuarial gain (loss) on defined employee benefits plan		Share of other comprehensive income (loss) of an associate	
Beginning balances as at January 1, 2022	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
Legal reserve	22	-	2,872,754	(2,872,754)	-	-	-	-	-	-
Dividend paid	32	-	-	(30,000,000)	-	-	-	-	-	(30,000,000)
Comprehensive income (loss) - equity method for the year	-	-	-	60,091,287	-	(8,603,300)	542,781	(2,234,467)	(10,294,986)	49,796,301
Ending balances as at December 31, 2022	299,997,900	86,593,183	28,413,956	142,936,868	224,320,000	21,152,249	(2,498,493)	367,873	243,341,629	801,283,536
Beginning balances as at January 1, 2023	299,997,900	86,593,183	28,413,956	142,936,868	224,320,000	21,152,249	(2,498,493)	367,873	243,341,629	801,283,536
Increased in ordinary shares	29,991,360	-	-	-	-	-	-	-	-	29,991,360
Legal reserve	22	-	4,585,813	(4,585,813)	-	-	-	-	-	-
Dividend paid	32	-	-	(44,988,515)	-	-	-	-	-	(44,988,515)
Comprehensive income (loss) - equity method for the year	-	-	-	138,667,422	-	(41,956,455)	349,478	99,304	(41,507,673)	97,159,749
Ending balances as at December 31, 2023	329,989,260	86,593,183	32,999,769	232,029,962	224,320,000	(20,804,206)	(2,149,015)	467,177	201,833,956	883,446,130

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, 2023

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	Surplus on revaluation of asset	Investment at fair value through other comprehensive income	Actuarial gain (loss) on defined employee benefits plan		
Beginning balances as at January 1, 2022	299,997,900	86,593,183	25,541,202	120,778,933	224,320,000	29,755,549	(3,041,274)	251,034,275	783,945,493
Legal reserve	22	-	2,872,754	(2,872,754)	-	-	-	-	-
Dividend paid	32	-	-	(30,000,000)	-	-	-	-	(30,000,000)
Comprehensive income (loss) for the year	-	-	-	57,455,079	-	(8,603,300)	542,781	(8,060,519)	49,394,560
Ending balances as at December 31, 2022	<u>299,997,900</u>	<u>86,593,183</u>	<u>28,413,956</u>	<u>145,361,258</u>	<u>224,320,000</u>	<u>21,152,249</u>	<u>(2,498,493)</u>	<u>242,973,756</u>	<u>803,340,053</u>
Beginning balances as at January 1, 2023	299,997,900	86,593,183	28,413,956	145,361,258	224,320,000	21,152,249	(2,498,493)	242,973,756	803,340,053
Increased in ordinary shares	29,991,360	-	-	-	-	-	-	-	29,991,360
Legal reserve	22	-	4,585,813	(4,585,813)	-	-	-	-	-
Dividend paid	32	-	-	(44,988,515)	-	-	-	-	(44,988,515)
Comprehensive income (loss) for the year	-	-	-	140,136,615	-	(41,956,455)	349,478	(41,606,977)	98,529,638
Ending balances as at December 31, 2023	<u>329,989,260</u>	<u>86,593,183</u>	<u>32,999,769</u>	<u>235,923,545</u>	<u>224,320,000</u>	<u>(20,804,206)</u>	<u>(2,149,015)</u>	<u>201,366,779</u>	<u>886,872,536</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, 2023

Unit : Baht

	Note	FINANCIAL STATEMENTS IN WHICH		SEPARATE	
		THE EQUITY METHOD IS APPLIED		FINANCIAL STATEMENTS	
		2023	2022	2023	2022
CASH FLOWS PROVIDED BY (USED IN)					
OPERATING ACTIVITIES					
Direct premium received		1,303,715,680	1,513,980,949	1,303,715,680	1,513,980,949
Cash paid from reinsurance		(300,325,585)	(303,555,362)	(300,325,585)	(303,555,362)
Interest income		15,031,974	12,380,911	15,031,974	12,380,911
Dividend income		9,817,063	10,169,448	9,817,063	10,169,448
Other income		268,126	814,744	268,126	814,744
Claims incurred from direct insurance		(440,814,110)	(461,223,860)	(440,814,110)	(461,223,860)
Commissions and brokerages from					
direct insurance		(162,804,960)	(188,776,268)	(162,804,960)	(188,776,268)
Other underwriting expenses		(258,624,094)	(338,343,612)	(258,624,094)	(338,343,612)
Operating expenses		(92,203,239)	(102,612,722)	(92,203,239)	(102,612,722)
Income tax expense		(21,946,507)	(20,648,715)	(21,946,507)	(20,648,715)
Cash received from financial assets		145,690,268	58,862,140	145,690,268	58,862,140
Cash paid for financial assets		(230,554,009)	(111,289,570)	(230,554,009)	(111,289,570)
Deposits at bank with maturity over 3 months		-	11,000,000	-	11,000,000
Loan		(5,000,000)	-	(5,000,000)	-
Investment property		38,658,809	38,362,665	38,658,809	38,362,665
Net cash provided by operating activities		909,416	119,120,748	909,416	119,120,748
CASH FLOWS PROVIDED BY (USED IN)					
INVESTING ACTIVITIES					
CASH FLOWS PROVIDED BY					
Property, plant and equipment		14,953	107	14,953	107
Cash provided by investing activities		14,953	107	14,953	107

BANGKOK UNION INSURANCE PUBLIC COMPANY LIMITED

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2023

Unit : Baht

	Note	FINANCIAL STATEMENTS IN WHICH		SEPARATE	
		THE EQUITY METHOD IS APPLIED		FINANCIAL STATEMENTS	
		2023	2022	2023	2022
CASH FLOWS PROVIDED BY (USED IN)					
INVESTING ACTIVITIES (CONTINUED)					
CASH FLOWS USED IN					
Property, plant and equipment		(1,795,962)	(3,795,649)	(1,795,962)	(3,795,649)
Intangible assets		(5,207,000)	(3,637,000)	(5,207,000)	(3,637,000)
Cash used in investing activities		(7,002,962)	(7,432,649)	(7,002,962)	(7,432,649)
Net cash used in investing activities		(6,988,009)	(7,432,542)	(6,988,009)	(7,432,542)
CASH FLOWS USED IN FINANCING ACTIVITIES					
Lease payment		(3,797,800)	(3,703,800)	(3,797,800)	(3,703,800)
Dividend paid		(15,266,582)	(30,000,000)	(15,266,582)	(30,000,000)
Net cash used in financing activities		(19,064,382)	(33,703,800)	(19,064,382)	(33,703,800)
Net increased in cash and cash equivalents		(25,142,975)	77,984,406	(25,142,975)	77,984,406
Cash and cash equivalents as at January 1,		282,717,992	204,733,586	282,717,992	204,733,586
Cash and cash equivalents as at December 31,	4	257,575,017	282,717,992	257,575,017	282,717,992

Notes to financial statements form an integral part of these statements

**NOTES TO THE FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED
AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023**

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 29.72% of the Company’s share capital.

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 “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2022 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 B.E. 2566 dated February 8, 2023 which has been effective since January 1, 2023 onwards.
- 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 statement of financial position in which the equity method is applied and the sperate statement of financial position as at December 31, 2023, presented herein for comparison, have been derived from the financial statements in which the equity method is applied and the sperate financial statements of the Company for the year then ended.
- 2.5 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.

2.6 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 issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

The Federation of Accounting Professions issued the Accounting Guideline "Financial Instruments and Disclosures for Insurance Business", which has been effective for the financial statements for the period beginning on or after January 1, 2023 onwards. The adoption of these the Accounting Guideline does not have any significant impact on the Company's financial statements.

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

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2024, onwards

The revised TFRSs are mostly the revision of wording and terminology and clarification of accounting requirements. TFRSs which have been amended and are relevant to the Company are as follows:

Thai Accounting Standard No.1 "Presentation of Financial Statements"

The amendments change the requirements regarding the disclosure of accounting policies from "significant accounting policies" to "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Thai Accounting Standard No.8 "Accounting Policies, Changes in Accounting Estimates and Errors"

The amendments change the definition of accounting estimates to be "monetary amounts in financial statements that are subject to measurement uncertainty", to help an entity to be able to segregate the difference of "change in accounting estimates" from "change in accounting policies".

Thai Accounting Standard No.12 "Income Taxes"

The amendments add the requirements for the initial recognition of deferred tax, which give rise to equal taxable and deductible temporary differences such as right-of-use assets and lease liabilities and decommissioning obligation. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. At the beginning of the earliest comparative period, an entity recognizes a deferred tax asset, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, and a deferred tax liability for all deductible and taxable temporary differences associated with such transactions. The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate).

In addition, such amendments also add the exemption for the International Tax Reform - Pillar Two Model. An entity should not recognize and not disclose the deferred tax assets and deferred tax liability which are relevant to Pillar Two income tax.

The Accounting Guidelines for financial instruments and disclosures on insurance business

The Federation of Accounting Professions issued the amendments to the Accounting Guideline “Financial Instruments and Disclosures for Insurance Business”, which will be effective for the financial statements for the period beginning on or after January 1, 2024 onwards with earlier application permitted. The amendments add the requirements for the disclosure of accounting policies in accordance with Thai Accounting Standard No.1 “Presentation of Financial Statements”.

The Federation of Accounting Professions issued the Accounting Guideline “Other Thai Financial Reporting Standards that relevant to the adoption of Thai Financial Reporting Standard No.4 “Insurance Contracts” during the period which Thai Financial Reporting Standard No.17 “Insurance Contracts” has not been effective for Insurance Business”. An entity which adopts Thai Financial Reporting Standard No.4 should adopt this Accounting Guideline during the period which Thai Financial Reporting Standard No.17 has not been effective in Thailand. An entity should adopt all Thai Financial Reporting Standards that are effective as at January 1, 2024, except for the paragraphs of each Thai Financial Reporting Standard that specified in this Accounting Guideline.

The Company’s management will adopt such TFRSs and the Accounting Guideline in the preparation of the Company’s financial statements when they become 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.

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2025, onwards

Thai Financial Reporting Standard No.17 “Insurance Contracts” establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes Thai Financial Reporting Standard No.4 “Insurance Contracts”.

The Company’s management will adopt TFRS 17 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 this TFRS 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 recognised 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 recognised 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:

- Investments measured at amortized cost are stated at amortized cost. The premium or discount on debt securities is amortized or accreted by the effective rate method with the amortized or accreted amount presents as an adjustment to the interest income.
- Investments measured at fair value through other comprehensive income are stated at fair value. Changes in the fair value of these investments are recorded in other comprehensive income, and accumulated in the investments revaluation reserve. The cumulative gain or loss 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.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognized in profit or loss.

2) Impairment of financial assets

Debt instruments

The Company recognizes the expected credit losses on investment for debt instruments both of the investments measured at amortized cost and the investments measured at fair value through other comprehensive income by the expected credit loss model. The amount of expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the investment assets.

Equity instruments and unit trusts

The Company recognizes losses on impairment in equity instruments and unit trusts which measured at fair value through other comprehensive income, in profit or loss immediately when there is an evidence of impairment. The Company will recognize allowance of losses in other comprehensive income and the carrying amount of investments which measured at fair value through other comprehensive income, in the statement of financial position will not be decreased. 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.

An investment in an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Company's share of the profit or loss and other comprehensive income of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognized immediately as profit or loss in the statement of comprehensive income in the period in which the investment is acquired.

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
-------------------	---------

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 are 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 is 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 benefit, net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value based on salary, mortality rate, service period and other factors. The discount rate used in determining post-employment benefit obligation is the yield of the government bond.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized as an expense in the statement of comprehensive income on a straight-line basis until the benefits become vested. To the extent that the benefits is vested, the expense is recognized immediately in the statement of comprehensive income.

The Company recognizes all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in the statement of comprehensive income.

Past service cost related to the plan amendment is recognized as an expense in the income statement 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.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Company and the lease does not benefit from a guarantee from the Company.

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.

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.

Finance lease income is calculated with reference to the gross carrying amount of the lease receivables, except for credit-impaired financial assets for which interest income is calculated with reference to their amortized cost (i.e. after a deduction of the loss allowance).

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 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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 obligations

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 18.

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 39.2.6.

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 39.2.6.

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 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 such as the duration of the leases. The appraisal relies on the theoretical hypothesis where the investment properties will be separated as if they were fully independent.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Cash on hand	206,507	226,783
Cheques on hand	3,100,472	1,259,298
Deposits at bank - at call	254,268,038	281,231,911
Cash and cash equivalents	<u>257,575,017</u>	<u>282,717,992</u>

5. PREMIUM RECEIVABLE

Premium receivable as at December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
From direct insurance		
Within credit terms	83,717,828	99,440,145
Less than 30 days	23,086,272	25,018,794
31 - 60 days	3,086,028	5,484,800
61 - 90 days	865,736	1,588,348
Over 90 days	2,196,077	2,776,152
Total premium receivable	<u>112,951,941</u>	<u>134,308,239</u>
<u>Less</u> Allowance for doubtful accounts	<u>(772,185)</u>	<u>(685,726)</u>
Premium receivable	<u>112,179,756</u>	<u>133,622,513</u>
Receivable under lawsuit		
Over 1 years	3,271,129	3,293,982
<u>Less</u> Allowance for doubtful accounts	<u>(3,271,129)</u>	<u>(3,293,982)</u>
Receivable under lawsuit	<u>-</u>	<u>-</u>
Premium receivable	<u>112,179,756</u>	<u>133,622,513</u>

As at December 31, 2023 and 2022, receivables under lawsuit of Baht 3.27 million and Baht 3.29 million, respectively, were fully reserved allowance for doubtful.

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, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Insurance reserve refundable from reinsurers		
Claim reserves	217,506,011	337,221,283
Unearned premium reserve		
- Unearned reinsurance premium reserve	166,831,926	199,544,021
Total reinsurance assets (see Note 16)	<u>384,337,937</u>	<u>536,765,304</u>

7. AMOUNTS DUE FROM REINSURERS

Amounts due from reinsurers as at December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Amounts due from reinsurers	8,139,457	9,666,937
<u>Less</u> Allowance for doubtful accounts	<u>(6,402,922)</u>	<u>(7,156,686)</u>
Total amount due from reinsurers	<u>1,736,535</u>	<u>2,510,251</u>

Aging analyzes for amounts due from reinsurers as at December 31, 2023 and 2022 were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Within credit terms	898,915	1,347,655
Not over 12 months	833,681	1,166,184
Over 1 year to 2 years	7,876	22,447
Over 2 years	<u>6,398,985</u>	<u>7,130,651</u>
	8,139,457	9,666,937
<u>Less</u> Allowance for doubtful accounts	<u>(6,402,922)</u>	<u>(7,156,686)</u>
Total amount due from reinsurers	<u>1,736,535</u>	<u>2,510,251</u>

8. INVESTMENTS IN SECURITIES

Investments in securities as at December 31, 2023 and 2022 consisted of the following:

8.1 Investments in securities

	Financial statements in which the equity method is applied and separate financial statements	
	December 31, 2023	
	Cost/ Amortized Cost	Fair value
	Baht	Baht
Investment at fair value through other comprehensive income		
Private enterprise debt securities	141,191,607	139,751,313
Equity securities	244,806,846	212,702,663
Total	385,998,453	352,453,976
<u>Add</u> Unrealized losses	(25,997,752)	-
<u>Less</u>	(7,546,725)	-
Total Investment at fair value through other comprehensive income	352,453,976	352,453,976
Investment at amortised cost		
Government and state enterprise securities	111,156,375	
Private enterprises debt securities	318,900,000	
Deposits at banks with maturity over 3 months	40,000,000	
Total	470,056,375	
<u>Less</u>	(11,869,846)	
Total Investment at amortised cost	458,186,529	
Total Investments in securities	810,640,505	

Financial statements in which the equity method is applied and separate financial statements	
December 31, 2022	
Cost/ Amortized Cost Baht	Fair value Baht
Investment at fair value through other comprehensive income	
Private enterprise debt securities	141,191,607
Equity securities	191,942,440
Total	333,134,047
<u>Add</u> Unrealized gains	26,447,817
<u>Less</u>	(7,546,725)
Total Investment at fair value through other comprehensive income	352,035,139
Investment at amortised cost	
Government and state enterprise securities	111,719,461
Private enterprises debt securities	273,900,000
Deposits at banks with maturity over 3 months	40,000,000
Total	425,619,461
<u>Less</u>	(10,957,623)
Total Investment at amortised cost	414,661,838
Total Investments in securities	766,696,977

As at December 31, 2023 and 2022, certain investments in securities are pledged and used for assets reserved with the Registrar amounting to Baht 100.08 million and Baht 100.63 million, respectively (see Note 34).

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, 2023		December 31, 2022	
	Fair Value	Allowance for expected credit loss into other comprehensive income	Fair Value	Allowance for expected credit loss into other comprehensive income
	Baht	Baht	Baht	Baht
Investment at fair value through other comprehensive income				
Debt securities with not significantly increased in credit risk (Stage 1)	139,751,313	-	142,831,968	-
Total	139,751,313	-	142,831,968	-

8.2.2 Investment at amortised cost

	Financial statements in which the equity method is applied and separate financial statements		
	December 31, 2023		
	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)	441,156,375	(729,352)	440,427,023
Debt securities with significantly increased in credit risk (Stage 2)	8,900,000	(372,494)	8,527,506
Debt securities with credit impairment (Stage 3)	20,000,000	(10,768,000)	9,232,000
Total	470,056,375	(11,869,846)	458,186,529

	Financial statements in which the equity method is applied and separate financial statements		
	December 31, 2022		
	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)	405,619,461	(883,623)	404,735,838
Debt securities with credit impairment (Stage 3)	20,000,000	(10,074,000)	9,926,000
Total	425,619,461	(10,957,623)	414,661,838

8.3 Debt securities classified by the remaining maturity fair value through other comprehensive income and amortised cost as at December 31, 2023 and 2022 were as follows:

	Financial statements in which the equity method is applied and separate financial statements			
	December 31, 2023			
	Cost / Amortized Cost			
	Maturities			Total Baht
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	
Government and state enterprise securities	-	101,020,286	10,136,089	111,156,375
Private enterprises debt securities	70,000,000	228,900,000	161,191,607	460,091,607
Total	70,000,000	329,920,286	171,327,696	571,247,982
Less Unrealized losses	-	-	(1,440,294)	(1,440,294)
Less Allowance for expected credit losses	(61,913)	(1,039,933)	(10,768,000)	(11,869,846)
Total	69,938,087	328,880,353	159,119,402	557,937,842

Financial statements in which the equity method is applied and separate financial statements				
December 31, 2022				
Cost / Amortized Cost				
Maturities				
	Within 1 year	1 - 5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht
Government and state enterprise securities	-	101,567,672	10,151,789	111,719,461
Private enterprises debt securities	45,000,000	208,900,000	161,191,607	415,091,607
Total	45,000,000	310,467,672	171,343,396	526,811,068
<u>Add</u> Unrealized gains	-	-	1,640,361	1,640,361
<u>Less</u> Allowance for expected credit losses	(91,167)	(792,456)	(10,074,000)	(10,957,623)
Total	44,908,833	309,675,216	162,909,757	517,493,806

8.4 The fair value of investments in debt securities as at December 31, 2023 and 2022 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, 2023		As at December 31, 2022	
	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	449,752,260	(1,054,771)	407,282,340	(4,401,534)
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	139,751,313	(3,080,655)	142,831,968	(5,680,949)

9. LOAN AND ACCRUED INTEREST RECEIVABLE

Loan and accrued interest receivable as at December 31, 2023 and December 31, 2022 consisted of the following:

Financial statements in which the equity method is applied and separate financial statements		
Loan and accrued interest receivable		
Mortgage Loan		
	As at December 31, 2023 Baht	As at December 31, 2022 Baht
Loan with not significantly increased in credit risk (Stage 1)	5,019,017	-
Total loan - net	5,019,007	-

10. INVESTMENT PROPERTY

Investment property as at December 31, 2023 and 2022 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, 2023	Ending balance of investment property as at December 31, 2023
	As at January 1, 2023	Increase	Transfer out during the period (see Note 12)	As at December 31, 2023	As at January 1, 2023	Depreciation	Transfer out during the period (see Note 12)	As at December 31, 2023		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Land	4,697,000	-	(2,688,000)	2,009,000	-	-	-	-	4,697,000	2,009,000
Right-of-use assets	51,422,058	-	-	51,422,058	(4,746,652)	(1,582,218)	-	(6,328,870)	46,675,406	45,093,188
Building	459,829,698	-	(1,372,000)	458,457,698	(458,724,390)	-	266,693	(458,457,697)	1,105,308	1
Building improvement	70,116,210	-	-	70,116,210	(69,990,462)	(7,663)	-	(69,998,125)	125,748	118,085
Total	586,064,966	-	(4,060,000)	582,004,966	(533,461,504)	(1,589,881)	266,693	(534,784,692)	52,603,462	47,220,274
Less Allowance for impairment	(455,000)	-	-	(455,000)	-	-	-	-	(455,000)	(455,000)
Total investment property	585,609,966	-	(4,060,000)	581,549,966	(533,461,504)	(1,589,881)	266,693	(534,784,692)	52,148,462	46,765,274

	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, 2022	Ending balance of investment property as at December 31, 2022
	As at January 1, 2022	Increase	Disposal / Write - off	As at December 31, 2022	As at January 1, 2022	Depreciation	Disposal / Write - off	As at December 31, 2022		
Baht	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	(3,164,434)	(1,582,218)	-	(4,746,652)	48,257,624	46,675,406
Building	459,829,698	-	-	459,829,698	(442,684,665)	(16,039,725)	-	(458,724,390)	17,145,033	1,105,308
Building improvement	70,116,210	-	-	70,116,210	(69,982,799)	(7,663)	-	(69,990,462)	133,411	125,748
Total	586,064,966	-	-	586,064,966	(515,831,898)	(17,629,606)	-	(533,461,504)	70,233,068	52,603,462
Less Allowance for impairment	-	(455,000)	-	(455,000)	-	-	-	-	-	(455,000)
Total investment property	586,064,966	(455,000)	-	585,609,966	(515,831,898)	(17,629,606)	-	(533,461,504)	70,233,068	52,148,462

In February 2023, the Company transferred certain land and building, that total carrying amount were Baht 2.69 million and Baht 1.11 million, respectively, from investment property to property, plant and equipment. Since the Company has changed its objective from holding as investment property to use in operation as the Company's branch (see Note 12).

As at December 31, 2023 and 2022, investment property which are building and building improvement located on land leased from a related company under an operating lease agreement (see Note 38) and other land and building had total carrying amount of Baht 46.77 million and Baht 52.15 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, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022	As at December 31, 2023	As at December 31, 2022
	Building located on land leased	195.72	195.72	Income Approach	Income Approach	August 18, 2021
Other land and building	1.55	5.61	Market Approach	Market Approach	March 18, 2022	March 18, 2022

Depreciation for the years ended December 31, 2023 and 2022 amounting to Baht 1.59 million and Baht 17.63 million, respectively, were included in expenses for rental.

As at December 31, 2023 and 2022, certain items of investment property with costs of Baht 528.42 million and Baht 528.42 million, respectively, were fully depreciated but still in use.

The maturity analysis of lease liabilities is presented in Note 19.

11. INVESTMENT IN AN ASSOCIATE

As at December 31, 2023 and 2022, 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	
		2023	2022	Carrying value under equity method		Cost	
		Percent	Percent	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Associate							
BUI Life Insurance Public Company Limited	Life Insurance	9.60	9.60	43,389,350	44,759,239	46,815,756	46,815,756

As at December 31, 2023 and 2022, an associate had total assets and total liabilities as follows:

	Baht : '000	
	As at December 31,	
	2023	2022
Total assets	573,823.83	599,420.36
Total liabilities	122,003.55	133,335.20

For the years ended December 31, 2023 and 2022, an associate had total revenues, net loss and net other comprehensive income (loss) as follows:

	Baht : '000	
	For the years ended	
	December 31,	
	2023	2022
Total revenues	46,199.82	51,018.69
Net loss	(15,298.95)	(3,727.85)
Other comprehensive income (loss)		
Items that will be reclassified subsequently to profit or loss		
Gain (loss) on remeasuring available-for-sale investments	1,292.59	(29,084.84)
Income tax relating to components of other comprehensive income that will be reclassified subsequently to profit or loss	(258.52)	5,816.97
Other comprehensive income (loss) - net of income tax	<u>1,034.07</u>	<u>(23,267.87)</u>

The statements of profit or loss and other comprehensive income in which the equity method is applied for the years ended December 31, 2023 and 2022 recognized share of loss in portion of shareholding in investment in an associate as follows:

	Baht: '000	
	For the years ended	
	December 31,	
	2023	2022
Share of profit (loss) of investment in an associate	(1,469.19)	2,636.21
Other comprehensive income (loss)		
Items that will be reclassified subsequently to profit or loss		
Share of other comprehensive income (loss) of an associate	124.13	(2,793.08)
Income tax relating to components of other comprehensive income that will be reclassified subsequently to profit or loss	(24.83)	558.62
Share of other comprehensive income (loss) of an associate - net of income tax	<u>99.30</u>	<u>(2,234.46)</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,	
	2023	2022
Net assets of an associate	451,820.28	466,085.16
Proportion of the Company's shareholding in an associate (%)	9.60	9.60
Carrying amount of the investment in an associate	<u>43,389.35</u>	<u>44,759.24</u>

12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements										Beginning balances of property, plant and equipment as at January 1, 2023	Ending balances of property, plant and equipment as at December 31, 2023
	Cost					Accumulated depreciation						
	As at January 1, 2023	Increase	Transfer out during the period (see Note 10)	Disposal / Write - off	As at December 31, 2023	As at January 1, 2023	Depreciation	Transfer out during the period (see Not 10)	Disposal / Write - off	As at December 31, 2023		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Land												
Cost	10,718,000	-	2,688,000	-	13,406,000	-	-	-	-	-	10,718,000	13,406,000
Increase of land revaluation (2021)	280,400,000	-	-	-	280,400,000	-	-	-	-	-	280,400,000	280,400,000
Decrease of land revaluation (2021)	(1,412,400)	-	-	-	(1,412,400)	-	-	-	-	-	(1,412,400)	(1,412,400)
Right-of-use assets	5,396,184	-	-	(736,504)	4,659,680	(1,766,838)	(482,907)	-	411,576	(1,838,169)	3,629,346	2,821,511
Building and building improvement	113,232,381	367,252	1,372,000	(130,000)	114,841,633	(109,514,555)	(382,301)	(266,693)	129,999	(110,033,550)	3,717,826	4,808,083
Fixtures and office equipment	53,025,182	319,746	-	(29,786,548)	23,558,380	(48,343,644)	(1,134,897)	-	29,777,146	(19,701,395)	4,681,538	3,856,985
Vehicles	8,283,063	-	-	-	8,283,063	(8,283,058)	-	-	-	(8,283,058)	5	5
Total	469,642,410	686,998	4,060,000	(30,653,052)	443,736,356	(167,908,095)	(2,000,105)	(266,693)	30,318,721	(139,856,172)	301,734,315	303,880,184
Office equipment - under installation	1,216,824	1,108,964	-	-	2,325,788	-	-	-	-	-	1,216,824	2,325,788
Total	470,859,234	1,795,962	4,060,000	(30,653,052)	446,062,144	(167,908,095)	(2,000,105)	(266,693)	30,318,721	(139,856,172)	302,951,139	306,205,972

	Financial statements in which the equity method is applied and separate financial statements										Beginning balances of property, plant and equipment as at January 1, 2022	Ending balances of property, plant and equipment as at December 31, 2022
	Cost					Accumulated depreciation						
	As at January 1, 2022	Increase	Disposal / Write - off	As at December 31, 2022	As at January 1, 2022	Depreciation	Disposal / Write - off	As at December 31, 2022	Baht	Baht		
Baht	Baht	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)	280,400,000	-	-	280,400,000	-	-	-	-	-	-	280,400,000	280,400,000
Decrease of land revaluation (2021)	(1,412,400)	-	-	(1,412,400)	-	-	-	-	-	-	(1,412,400)	(1,412,400)
Right-of-use assets	5,396,184	-	-	5,396,184	(1,175,622)	(591,216)	-	(1,766,838)	4,220,562	-	3,629,346	3,629,346
Building and building improvement	113,232,381	-	-	113,232,381	(109,226,681)	(287,874)	-	(109,514,555)	4,005,700	-	3,717,826	3,717,826
Fixtures and office equipment	50,447,957	2,578,825	(1,600)	53,025,182	(46,575,196)	(1,770,046)	1,598	(48,343,644)	3,872,761	-	4,681,538	4,681,538
Vehicles	8,283,063	-	-	8,283,063	(8,283,058)	-	-	(8,283,058)	5	-	5	5
Total	467,065,185	2,578,825	(1,600)	469,642,410	(165,260,557)	(2,649,136)	1,598	(167,908,095)	301,804,628	-	301,734,315	301,734,315
Office equipment - under installation	-	1,216,824	-	1,216,824	-	-	-	-	-	-	1,216,824	1,216,824
Total	467,065,185	3,795,649	(1,600)	470,859,234	(165,260,557)	(2,649,136)	1,598	(167,908,095)	301,804,628	-	302,951,139	302,951,139

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 Market Approach according to the appraisal reports dated July 5, 2021 and August 18, 2021.

Depreciation for the years ended December 31, 2023 and 2022 amounting to Baht 2.00 million and Baht 2.65 million, respectively, were included in operating expenses.

As at December 31, 2023 and 2022, certain building and equipment with costs of Baht 133.23 million and Baht 161.96 million, respectively, were fully depreciated but still in use.

The maturity analysis of lease liabilities is presented in Note 19.

13. INTANGIBLE ASSETS

Intangible assets as at December 31, 2023 and 2022 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, 2023	Ending balances of intangibles asset as at December 31, 2023	
	As at January 1, 2023	Increase	Write - off	As at December 31, 2023	As at January 1, 2023	Amortization			As at December 31, 2023
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Computer software	19,266,167	3,667,000	-	22,933,167	(15,807,974)	(1,626,166)	(17,434,140)	3,458,193	5,499,027
Total	19,266,167	3,667,000	-	22,933,167	(15,807,974)	(1,626,166)	(17,434,140)	3,458,193	5,499,027

	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, 2022	Ending balances of intangibles asset as at December 31, 2022	
	As at January 1, 2022	Increase	Write - off	As at December 31, 2022	As at January 1, 2022	Amortization			As at December 31, 2022
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Computer software	15,629,167	3,637,000	-	19,266,167	(14,784,779)	(1,023,195)	(15,807,974)	844,388	3,458,193
Total	15,629,167	3,637,000	-	19,266,167	(14,784,779)	(1,023,195)	(15,807,974)	844,388	3,458,193

Amortization for the years ended December 31, 2023 and 2022 amounting to Baht 1.63 million and Baht 1.02 million, respectively, were included in operating expenses.

As at December 31, 2023 and 2022, certain intangible assets with costs of Baht 14.76 million and Baht 14.76 million, respectively, were fully amortized but still in use.

14. DEFERRED TAX ASSETS (LIABILITIES)

Deferred tax assets (liabilities) as at December 31, 2023 and 2022 were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2023 Baht	2022 Baht
Deferred tax assets (liabilities)	4,267,770	(4,487,057)

Movements of deferred tax assets for the years ended December 31, 2023 and 2022 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, 2023 Baht	Transactions recognized into profit or loss Baht	Transactions recognized into other comprehensive income or loss Baht	Balances at December 31, 2023 Baht
Deferred tax assets				
Allowance for doubtful accounts				
- Premium receivable	795,942	12,721	-	808,663
Allowance for doubtful accounts				
- Amount due from reinsurers	1,431,337	(150,753)	-	1,280,584
Allowance for doubtful accounts				
- Other receivable	381,266	22,998	-	404,264
Claim reserve	32,237,496	(3,434,561)	-	28,802,935
Incurred but not reported claims	11,552,761	350,268	-	11,903,029
Building lease deposits	3,220,842	(7,827)	-	3,213,015
Post-employee benefit obligations	3,438,989	327,233	(87,370)	3,678,852
Premium ceded payables				
- excess of loss	285,163	(180,801)	-	104,362
Expected credit losses and allowance for impairment losses of investments	2,670,101	182,445	-	2,852,546
Gain on remeasuring investment at fair value through other comprehensive income	-	-	6,233,323	6,233,323
Lease liabilities	10,060,950	214,707	-	10,275,657
	<u>66,074,847</u>	<u>(2,663,570)</u>	<u>6,145,953</u>	<u>69,557,230</u>
Deferred tax liabilities				
Gain on assets revaluation	(55,706,520)	-	-	(55,706,520)
Gain on remeasuring investment at fair value through other comprehensive income	(4,255,791)	-	4,255,791	-
Right-of-use assets	(10,599,593)	1,016,653	-	(9,582,940)
	<u>(70,561,904)</u>	<u>1,016,653</u>	<u>4,255,791</u>	<u>(65,289,460)</u>
Deferred tax assets	<u>(4,487,057)</u>	<u>(1,646,917)</u>	<u>10,401,744</u>	<u>4,267,770</u>

Financial statements in which the equity method is applied and separate financial statements				
	Balances at January 1, 2022	Transactions recognized into profit or loss	Transactions recognized into other comprehensive income or loss	Balances at December 31, 2022
	Baht	Baht	Baht	Baht
Deferred tax assets				
Allowance for doubtful accounts				
- Premium receivable	1,193,683	(397,741)	-	795,942
Allowance for doubtful accounts				
- Amount due from reinsurers	486,223	945,114	-	1,431,337
Allowance for doubtful accounts				
- Other receivable	440,577	(59,311)	-	381,266
Claim reserve	28,504,697	3,732,799	-	32,237,496
Incurred but not reported claims	10,457,610	1,095,151	-	11,552,761
Building lease deposits	3,330,017	(109,175)	-	3,220,842
Post-employee benefit obligations	3,337,057	237,627	(135,695)	3,438,989
Premium ceded payables				
- excess of loss	2,126,527	(1,841,364)	-	285,163
Expected credit loss	2,711,102	(41,001)	-	2,670,101
Right-of-use assets	-	10,060,950	-	10,060,950
	<u>52,587,493</u>	<u>13,623,049</u>	<u>(135,695)</u>	<u>66,074,847</u>
Deferred tax liabilities				
Gain on assets revaluation	(55,797,520)	91,000	-	(55,706,520)
Gain on remeasuring investment at fair value through other comprehensive income	(6,406,616)	-	2,150,825	(4,255,791)
Lease liabilities	-	(10,599,593)	-	(10,599,593)
	<u>(62,204,136)</u>	<u>(10,508,593)</u>	<u>2,150,825</u>	<u>(70,561,904)</u>
Deferred tax liabilities	<u>(9,616,643)</u>	<u>3,114,456</u>	<u>2,015,130</u>	<u>(4,487,057)</u>

Income tax expense for the years ended December 31, 2023 and 2022, consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Income tax expense from taxable income per income tax return	29,566,682	15,649,587
Deferred tax expenses relating to the origination and reversal of temporary differences	<u>1,646,917</u>	<u>(3,114,456)</u>
Income tax expense per the statements of profit or loss and other comprehensive income	<u>31,213,599</u>	<u>12,535,131</u>

Reconciliation of effective tax rate for the years ended December 31, 2023 and 2022 are as follows:

	Financial statements in which the equity method is applied			
	2023		2022	
	Tax Rate (%)	Amount (Baht)	Tax Rate (%)	Amount (Baht)
Profit before income tax expense		169,881,021		72,626,418
Income tax using the corporation tax rate	20.00	33,976,204	20.00	14,525,284
Tax effect of non-deductible income	(1.63)	(2,762,605)	(2.74)	(1,990,153)
Income tax expense per the statements of profit or loss and other comprehensive income	<u>18.37</u>	<u>31,213,599</u>	<u>17.26</u>	<u>12,535,131</u>
	Separate financial statements			
	2023		2022	
	Tax Rate (%)	Amount (Baht)	Tax Rate (%)	Amount (Baht)
Profit before income tax		171,350,214		69,990,210
Income tax using the corporation tax rate	20.00	34,270,043	20.00	13,998,042
Tax effect of non-deductible income	(1.78)	(3,056,444)	(2.09)	(1,462,911)
Income tax expense per the statements of profit or loss and other comprehensive income	<u>18.22</u>	<u>31,213,599</u>	<u>17.91</u>	<u>12,535,131</u>

15. OTHER ASSETS

Other assets as at December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023 Baht	2022 Baht
Agents receivables	218,206	218,206
Compensation receivables	2,313,991	3,171,799
<u>Less</u> Allowance for doubtful accounts	<u>(2,021,318)</u>	<u>(1,906,328)</u>
Total	<u>510,879</u>	<u>1,483,677</u>
Accrued service income	-	1,472,802
Accrued rental income	407,513	183,105
Receivable from sale on investment	-	9,610,740
Guarantee deposits	2,826,729	3,709,165
Refundable corporate income tax	3,720,591	3,720,591
Revenue department receivable	6,932,968	4,255,892
Others	4,189,798	5,434,486
Total Other assets	<u>18,588,478</u>	<u>29,870,458</u>

16. INSURANCE LIABILITIES

Insurance liabilities as at December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements		
	As at December 31, 2023		
	Insurance contract liabilities Baht	Reinsurance liabilities (see Note 6) Baht	Net Baht
Claim reserves			
Claim incurred and reported	366,058,342	(213,533,529)	152,524,813
Claim incurred but not reported	63,487,629	(3,972,482)	59,515,147
	<u>429,545,971</u>	<u>(217,506,011)</u>	<u>212,039,960</u>
Premium reserve			
Unearned Premium reserve	422,876,475	(166,831,926)	256,044,549
Total	<u>852,422,446</u>	<u>(384,337,937)</u>	<u>468,084,509</u>

	Financial statements in which the equity method is applied and separate financial statements		
	As at December 31, 2022		
	Insurance contract liabilities Baht	Reinsurance liabilities (see Note 6) Baht	Net Baht
Claim reserves			
Claim incurred and reported	508,251,259	(334,832,644)	173,418,615
Claim incurred but not reported	60,152,445	(2,388,639)	57,763,806
	<u>568,403,704</u>	<u>(337,221,283)</u>	<u>231,182,421</u>
Premium reserve			
Unearned Premium reserve	476,604,924	(199,544,021)	277,060,903
Total	<u>1,045,008,628</u>	<u>(536,765,304)</u>	<u>508,243,324</u>

16.1 Insurance reserve for short-term insurance contract

16.1.1 Claim reserves

Claim reserves as at December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements		
	As at December 31, 2023		
	Gross Baht	Reinsurance Baht	Net Baht
Balance as at beginning year	568,403,704	(337,221,283)	231,182,421
Claim incurred during the year	451,947,594	(107,359,982)	344,587,612
Changing on estimated claim	(173,701,650)	141,322,924	(32,378,726)
Changing on assumptions used in calculating claim reserve	3,335,184	(1,583,843)	1,751,341
Claim paid during the year	(420,438,861)	87,336,173	(333,102,688)
Balance as at ending year	<u>429,545,971</u>	<u>(217,506,011)</u>	<u>212,039,960</u>

	Financial statements in which the equity method is applied and separate financial statements		
	As at December 31, 2022		
	Gross Baht	Reinsurance Baht	Net Baht
Balance as at beginning year	380,120,615	(171,666,322)	208,454,293
Claim incurred during the year	658,511,226	(177,315,503)	481,195,723
Changing on estimated claim	(36,122,542)	(7,435,487)	(43,558,029)
Changing on assumptions used in calculating claim reserve	4,015,008	1,460,750	5,475,758
Claim paid during the year	(438,120,603)	17,735,279	(420,385,324)
Balance as at ending year	<u>568,403,704</u>	<u>(337,221,283)</u>	<u>231,182,421</u>

16.1.2 Unearned premium reserve

	Financial statements in which the equity method is applied and separate financial statements		
	As at December 31, 2023		
	Gross Baht	Reinsurance Baht	Net Baht
Balance as at beginning year	476,604,924	(199,544,021)	277,060,903
Premium written for the year	1,290,679,876	(367,943,789)	922,736,087
Earned premium for the year	(1,344,408,325)	400,655,884	(943,752,441)
Balance as at ending year	<u>422,876,475</u>	<u>(166,831,926)</u>	<u>256,044,549</u>

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

As at December 31, 2022

	Gross Baht	Reinsurance Baht	Net Baht
Balance as at beginning year	404,992,167	(150,263,606)	254,728,561
Premium written for the year	1,517,273,898	(434,068,354)	1,083,205,544
Earned premium for the year	<u>(1,445,661,141)</u>	<u>384,787,939</u>	<u>(1,060,873,202)</u>
Balance as at ending year	<u>476,604,924</u>	<u>(199,544,021)</u>	<u>277,060,903</u>

16.1.3 Unexpired risk reserve

As at December 31, 2023 and 2022, no additional reserve for unexpired risk reserve has been established as the unexpired risk reserve estimated by the Company amounting to Baht 168.60 million gross and Baht 112.00 million net of reinsurance (as at December 31, 2022: amounting to Baht 199.14 million and Baht 127.48 million, respectively), is lower than the unearned premium reserve.

16.2 Claims development tables

16.2.1 Analysis of claims development - gross

As at December 31, 2023

Accident year/ Reported year	2018	2019	2020	2021	2022	2023	Unit : Baht Total
Estimate of ultimates :							
- End of accident year	860,317,244	619,696,963	435,633,316	371,112,585	691,755,290	439,767,718	
- One year later	833,938,441	595,218,044	400,391,484	330,774,725	539,659,353		
- Two years later	704,458,399	571,229,979	370,129,137	317,778,284			
- Three years later	702,493,876	568,345,129	365,738,569				
- Four years later	702,584,705	600,130,301					
- Five years later	702,801,688						
Absolute estimated claim reserve and outstanding claim	702,801,688	600,130,301	365,738,569	317,778,284	539,659,353	439,767,718	2,965,875,913
Accumulative claim paid	<u>(701,456,246)</u>	<u>(564,237,306)</u>	<u>(363,957,778)</u>	<u>(315,320,269)</u>	<u>(474,997,786)</u>	<u>(236,324,209)</u>	<u>(2,655,933,594)</u>
Total claim reserves	<u>1,345,442</u>	<u>35,892,995</u>	<u>2,140,791</u>	<u>2,458,015</u>	<u>64,661,567</u>	<u>203,443,509</u>	<u>309,942,319</u>
Claim reserves before year 2018							119,603,652
Total claim reserves							<u>429,545,971</u>

As at December 31, 2022

Accident year/ Reported year	2017	2018	2019	2020	2021	2022	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	691,755,290	
- One year later	775,946,077	833,938,441	595,218,044	400,391,484	330,774,725		
- Two years later	762,853,146	704,458,399	571,229,979	370,129,137			
- Three years later	794,190,991	702,493,876	568,345,129				
- Four years later	794,510,724	702,584,705					
- Five years later	802,673,237						
Absolute estimated claim reserve and outstanding claim	802,673,237	702,584,705	568,345,129	370,129,137	330,774,725	691,755,290	3,466,262,223
Accumulative claim paid	<u>(663,638,260)</u>	<u>(701,215,855)</u>	<u>(564,511,153)</u>	<u>(358,177,351)</u>	<u>(301,602,909)</u>	<u>(309,631,422)</u>	<u>(2,898,776,950)</u>
Total claim reserves	<u>139,034,977</u>	<u>1,368,850</u>	<u>3,833,976</u>	<u>11,951,786</u>	<u>29,171,816</u>	<u>382,123,868</u>	<u>567,485,273</u>
Claim reserves before year 2017							918,431
Total claim reserves							<u>568,403,704</u>

16.2.2 Analysis of claims development - net

As at December 31, 2023

Accident year/ Reported year	2018	2019	2020	2021	2022	2023	Unit : Baht Total
Estimate of ultimates :							
- End of accident year	425,008,295	477,538,604	371,173,495	324,255,986	510,280,216	383,854,054	
- One year later	398,559,020	486,050,827	335,025,217	287,086,997	463,387,750		
- Two years later	375,650,819	461,272,726	307,065,272	274,073,007			
- Three years later	393,059,036	458,615,740	303,366,019				
- Four years later	393,389,297	455,588,433					
- Five years later	393,708,875						
Absolute estimated claim reserve and outstanding claim	393,708,875	455,588,433	303,366,019	274,073,007	463,387,750	383,854,054	2,273,978,138
Accumulative claim paid	(393,126,138)	(455,202,969)	(301,439,112)	(271,511,874)	(429,140,945)	(224,253,278)	(2,074,674,316)
Total claim reserves	582,737	385,464	1,926,907	2,561,133	34,246,805	159,600,776	199,303,822
Claim reserves before year 2018							12,736,138
Total claim reserves							212,039,960

As at December 31, 2022

Accident year/ Reported year	2017	2018	2019	2020	2021	2022	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	510,280,216	
- One year later	346,597,356	398,559,020	486,050,827	335,025,217	287,086,997		
- Two years later	322,517,835	375,650,819	461,272,726	307,065,272			
- Three years later	317,766,275	393,059,036	458,615,740				
- Four years later	309,665,330	393,389,297					
- Five years later	309,808,219						
Absolute estimated claim reserve and outstanding claim	309,808,219	393,389,297	458,615,740	307,065,272	287,086,997	510,280,216	2,266,245,741
Accumulative claim paid	(298,508,181)	(392,461,474)	(455,817,456)	(298,730,671)	(264,107,616)	(326,328,902)	(2,035,954,300)
Total claim reserves	11,300,038	927,823	2,798,284	8,334,601	22,979,381	183,951,314	230,291,441
Claim reserves before year 2017							890,980
Total claim reserves							231,182,421

16.2.3 Assumptions

Assumptions used in 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.

17. AMOUNTS DUE TO REINSURERS

Amounts due to reinsurers as at December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Amount withheld on reinsurance	24,880,244	51,811,564
Other reinsurance payables	42,357,048	67,755,887
Total amounts due to reinsurers	<u>67,237,292</u>	<u>119,567,451</u>

18. 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, 2023 and 2022 were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Present value of obligation at the beginning of the years	17,194,945	16,685,284
Current service cost of the years	1,581,543	1,392,136
Interest cost	587,697	585,488
Actuarial gain in defined employee benefit plans	(436,848)	(678,476)
<u>Less</u> Benefit paid during the years	<u>(533,075)</u>	<u>(789,487)</u>
Present value of obligation at the end of the years	<u>18,394,262</u>	<u>17,194,945</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, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Current service cost	1,581,543	1,392,136
Interest cost	587,697	585,488
Actuarial (gain) loss in defined employee benefit plans		
- From financial assumptions changes	199,930	(572,998)
- From demographic assumptions changes	(900,033)	(410,477)
- From experience adjustments	263,255	304,999
Total	<u>(436,848)</u>	<u>(678,476)</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	
	2023	2022
Financial assumptions		
Discount rate (percent per year)	3.20	3.41
Expect rate of salary increase (percent per year)	4.00	4.00
Demographic assumptions		
Turnover rate (percent per year)	3.05 - 35.39	2.68 - 35.53
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 the present value of the defined benefit obligation

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Financial assumptions		
Discount rate		
1% increase	(912,735)	(930,348)
1% decrease	1,018,498	1,039,268
Expect rate of salary increase		
1% increase	951,398	969,970
1% decrease	(869,372)	(885,319)
Turnover rate		
1% increase	(949,895)	(969,710)
1% decrease	1,053,278	1,076,704

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, 2023 and 2022 was as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2023 Baht	2022 Baht
Within 1 year	4,966,572	4,651,525
Over 1 to 5 years	6,413,725	6,171,269
Over 5 years	7,013,965	6,372,151
Total	<u>18,394,262</u>	<u>17,194,945</u>

19. 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, 2023 and 2022 were as follows:

	Financial statements in which the equity method is applied and separate financial statements			
	The minimum amount to be paid		Present value of minimum amount to be paid in the future	
	As at December 31, 2023 Baht	As at December 31, 2022 Baht	As at December 31, 2023 Baht	As at December 31, 2022 Baht
Within 1 year	3,523,800	3,703,800	1,272,220	1,387,142
Over than 1 year but not over 5 years	14,095,200	14,335,200	5,670,515	5,665,294
Over than 5 years	71,337,450	74,861,250	44,435,549	45,945,530
	<u>88,956,450</u>	<u>92,900,250</u>	<u>51,378,284</u>	<u>52,997,966</u>
<u>Less</u> Deferred interest expense	<u>(37,578,166)</u>	<u>(39,902,284)</u>	<u>-</u>	<u>-</u>
	<u>51,378,284</u>	<u>52,997,966</u>	<u>51,378,284</u>	<u>52,997,966</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	
	2023 Baht	2022 Baht
Amounts recognized in profit or loss		
Depreciation on right-of-use assets	2,065,124	2,173,433
Interest expense on lease liabilities	2,307,762	2,373,696
Expense relating to short-term leases and leases of low value assets	1,275,750	1,346,200

At December 31, 2023 and 2022, the Company is committed to Baht 2.20 million and Baht 3.52 million, respectively, for short-term leases.

20. OTHER LIABILITIES

Other liabilities as at December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023 Baht	2022 Baht
Deposits	16,265,076	16,120,553
Amount received in advance - premium	259,202	274,032
Deposits from agents	4,602,316	2,510,956
Others	11,151,861	14,424,000
Total other liabilities	<u>32,278,455</u>	<u>33,329,541</u>

21. SHARE CAPITAL

On April 4, 2023, the Annual General Meeting passed the approval resolutions as follows:

- 21.1 Approved the declaration of the dividend for the year ended December 31, 2022 to ordinary shareholders at Baht 1.50 per share for 29,999,790 shares, totaling Baht 44,999,685 which were paid as stock dividend at the ratio of 10 existing shares to 1 stock dividend or at Baht 1 per share, totaling Baht 29,999,790 and cash dividend at the rate of Baht 0.50 per share totaling Baht 14,999,895. The Company paid such dividend on May 3, 2023.
- 21.2 Approved the decrease of the authorized share capital from Baht 300,000,000 to Baht 299,997,900 by canceling 210 unissued shares, Baht 10 each par value each, totaling Baht 2,100. The Company registered such capital decrease with the Ministry of Commerce on April 27, 2023.

21.3 Approved the increase of the authorized share capital from Baht 299,997,900 to Baht 329,997,690 by increasing the number of shares by 2,999,979 ordinary shares, Baht 10 each par value each, totaling Baht 29,999,790. The Company registered such capital increase with the Ministry of Commerce on May 3, 2023.

Subsequently on May 12, 2023, The Company registered the change in paid-in capital with the Department of Business Development, Ministry of Commerce. The Company totally paid stock dividend 2,999,136 ordinary shares of Baht 29,991,360 (see Note 29).

22. 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, 2023 and 2022, the Company has additional legal reserve of Baht 4.59 million and Baht 2.87 million, respectively.

23. 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, 2023 and 2022, 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, 2023 and 2022, the Company has income from rental with the external customers in the amount over 10% of total income from rental amounting to Baht 7.05 million and Baht 6.94 million, respectively.

The financial information of the Company for the years ended December 31, 2023 and 2022 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 business		Non-allocable		Total		
	Fire		Marine		Motor		Miscellaneous		Total		2023	2022	2023	2022	2023	2022	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022							
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Underwriting income																	
Gross written premiums	72,991,346	96,359,974	29,186,146	32,451,059	297,989,139	327,168,937	890,513,245	1,061,293,928	1,290,679,876	1,517,273,898	-	-	-	-	1,290,679,876	1,517,273,898	
<u>Add (less)</u> Premiums ceded to reinsurers	(19,173,998)	(47,117,595)	(3,111,048)	(3,727,795)	-	1,014,356	(345,658,743)	(384,237,320)	(367,943,789)	(434,068,354)	-	-	-	-	(367,943,789)	(434,068,354)	
Net premiums written	53,817,348	49,242,379	26,075,098	28,723,264	297,989,139	328,183,293	544,854,502	677,056,608	922,736,087	1,083,205,544	-	-	-	-	922,736,087	1,083,205,544	
<u>Add (less)</u> Unearned premium reserve decreased (increased)																	
from the previous years	(694,920)	(568,928)	346,208	(732,952)	10,539,860	(4,242,968)	10,825,206	(16,787,494)	21,016,354	(22,332,342)	-	-	-	-	21,016,354	(22,332,342)	
Net premium earned	53,122,428	48,673,451	26,421,306	27,990,312	308,528,999	323,940,325	555,679,708	660,269,114	943,752,441	1,060,873,202	-	-	-	-	943,752,441	1,060,873,202	
Fee and commission income	8,698,345	21,194,650	79,086	125,192	10,270	518,515	23,445,828	33,538,852	32,233,529	55,377,209	-	-	-	-	32,233,529	55,377,209	
Total underwriting income	61,820,773	69,868,101	26,500,392	28,115,504	308,539,269	324,458,840	579,125,536	693,807,966	975,985,970	1,116,250,411	-	-	-	-	975,985,970	1,116,250,411	
Net investment income									24,213,422	25,500,545	-	-	-	-	24,213,422	25,500,545	
Gain on investment									3,389,924	1,700,445	-	-	-	-	3,389,924	1,700,445	
Other income									-	-	-	-	290,561	814,850	290,561	814,850	
Rental and service income																	
Rental income									-	-	34,941,762	34,849,987	-	-	34,941,762	34,849,987	
Service income																	
- revenue recognition overtime									-	-	35,470,589	34,031,262	-	-	35,470,589	34,031,262	
Total rental and service income									-	-	70,412,351	68,881,249	-	-	70,412,351	68,881,249	
Total revenues									1,003,589,316	1,143,451,401	70,412,351	68,881,249	290,561	814,850	1,074,292,228	1,213,147,500	
Underwriting expenses																	
Gross claim	18,784,905	13,894,677	2,097,008	15,979,705	112,798,692	117,144,521	170,190,499	503,799,599	303,871,104	650,818,502	-	-	-	-	303,871,104	650,818,502	
<u>Add (less)</u> Claim recovered																	
from reinsurers	(8,125,620)	(8,068,778)	-	-	-	1,133,779	43,177,421	(176,355,241)	35,051,801	(183,290,240)	-	-	-	-	35,051,801	(183,290,240)	
Commissions and brokerages	15,129,437	20,978,543	3,322,304	3,555,019	37,028,116	42,335,856	101,001,071	129,946,086	156,480,928	196,815,504	-	-	-	-	156,480,928	196,815,504	
Other underwriting expenses	18,888,666	22,213,500	5,327,971	6,859,770	32,760,142	38,889,879	201,625,859	269,432,226	258,602,638	337,395,375	-	-	-	-	258,602,638	337,395,375	
Total underwriting expenses	44,677,388	49,017,942	10,747,283	26,394,494	182,586,950	199,504,035	515,994,850	726,822,670	754,006,471	1,001,739,141	-	-	-	-	754,006,471	1,001,739,141	
Operating expenses									-	-	-	-	113,504,221	87,858,349	113,504,221	87,858,349	
Expected credit loss (reversal)									-	-	-	-	912,223	(205,007)	912,223	(205,007)	
Other expenses - expenses for rental									-	-	35,988,292	51,128,599	-	-	35,988,292	51,128,599	
Total expenses									754,006,471	1,001,739,141	35,988,292	51,128,599	114,416,444	87,653,342	904,411,207	1,140,521,082	
Profit before income tax expense															169,881,021	72,626,418	
Income tax expense															31,213,599	12,535,131	
Net profit for the years															138,667,422	60,091,287	

The assets and liabilities of the Company's operating segments as at December 31, 2023 and 2022 were presented as follows:

	Financial statements in which the equity method is applied							
	Non-life insurance business		As at December 31,				Total	
	Rental of office space business		Non-allocable					
	2023	2022	2023	2022	2023	2022	2023	2022
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Total assets	1,358,598,784	1,488,529,816	47,172,787	52,331,567	593,987,228	616,815,659	1,999,758,799	2,157,677,042
Total liabilities	952,422,979	1,206,988,952	16,265,077	16,120,553	147,624,613	133,284,001	1,116,312,669	1,356,393,506

24. OPERATING EXPENSES

Operating expenses for the years ended December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Employee benefit expense, excluded underwriting and claim adjustment expenses	89,671,605	67,175,969
Premises and equipment expense, excluded underwriting expenses	14,034,775	12,012,525
Tax and duties	93,647	81,972
Doubtful of bad debts and doubtful accounts (reversal)	(562,264)	(2,675,441)
Directors' remuneration (see Note 31)	1,672,000	1,757,000
Marketing expenses	1,312,024	1,375,184
Other operating expenses	7,282,434	8,131,140
Total operating expenses	113,504,221	87,858,349

25. EMPLOYEE EXPENSES

Employee expenses for the years ended December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Salary and wages	97,853,769	89,203,098
Social fund expenses	1,747,017	1,140,368
Employee benefit expenses	2,169,240	1,977,624
Provident fund (see Note 33)	1,789,118	1,620,144
Other benefits	28,737,039	15,697,716
Total employee expenses	132,296,183	109,638,950

26. EXPECTED CREDIT LOSS (REVERSAL)

Expected credit loss (reversal) for the years ended December 31, 2023 and 2022, was as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Expected credit loss (reversal)		
Investment at amortised cost	912,223	(205,007)

27. 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, 2023 and 2022, are as follows:

	Financial statements in which the equity method is applied					
	2023			2022		
	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	(52,445,569)	10,489,114	(41,956,455)	(10,754,125)	2,150,825	(8,603,300)
Share of other comprehensive income (loss) of an associate	124,130	(24,826)	99,304	(2,793,084)	558,617	(2,234,467)
Item that will not be reclassified subsequently to profit or loss						
Actuarial gain in defined employee benefit plans	436,848	(87,370)	349,478	678,476	(135,695)	542,781
Total	<u>(51,884,591)</u>	<u>10,376,918</u>	<u>(41,507,673)</u>	<u>(12,868,733)</u>	<u>2,573,747</u>	<u>(10,294,986)</u>
	Separate financial statements					
	2023			2022		
	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	(52,445,569)	10,489,114	(41,956,455)	(10,754,125)	2,150,825	(8,603,300)
Item that will not be reclassified subsequently to profit or loss						
Actuarial gain in defined employee benefit plans	436,848	(87,370)	349,478	678,476	(135,695)	542,781
Total	<u>(52,008,721)</u>	<u>10,401,744</u>	<u>(41,606,977)</u>	<u>(10,075,649)</u>	<u>2,015,130</u>	<u>(8,060,519)</u>

28. GAIN ON INVESTMENTS

Gain on investments for the years ended December 31, 2023 and 2022 consisted of the following:

	Financial statements in which the equity method is applied and separate financial statements	
	2023 Baht	2022 Baht
Gain on sale of investments	<u>3,389,924</u>	<u>1,700,445</u>

29. BASIC EARNINGS PER SHARE

Basic earnings per share for the years ended December 31, 2023 and 2022 were as follows:

	Financial statements in which the equity method is applied		Separate financial statements	
	2023	2022	2023	2022
Net profit (Baht)	138,667,422	60,091,287	140,136,615	57,455,079
Issued and paid-up share capital (shares)	29,999,790	29,999,790	29,999,790	29,999,790
Additional stock dividend in 2023 (shares) (see Note 21)	<u>2,999,136</u>	<u>2,999,136</u>	<u>2,999,136</u>	<u>2,999,136</u>
Number of shares after stock dividend (shares)	<u>32,998,926</u>	<u>32,998,926</u>	<u>32,998,926</u>	<u>32,998,926</u>
Basic earnings per share (Baht)	<u>4.20</u>	<u>1.82</u>	<u>4.25</u>	<u>1.74</u>

30. 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 Public Company Limited	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 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
Hong Yiah Seng Company Limited	Some common directors	Rice retail and wholesale
Pornchai Enterprises Co., Ltd.	Some common directors	Property rental
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
Master Achieve (Thailand) Co., Ltd.	Some common directors	Wholesale of retired petroleum products
TPI Bio Pharmaceuticals Co., Ltd.	Some common directors	Production of deli for livestock on the farm

Significant balances and transactions with related companies were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	As at December 31,	
	2023	2022
	Baht	Baht
Premium receivable		
Associate	-	10,705
Other related parties	26,739,005	20,934,154
Investment at fair value through other comprehensive income - equity securities		
Other related parties	94,816,626	112,953,175
Investment at amortised cost - Private enterprise debt securities		
Other related parties	210,000,000	205,000,000
Accrued interest income - Debentures		
Other related parties	1,190,397	973,356
Claim reserves		
Associate	6,000	6,000
Other related parties	70,993,644	151,059,145
Lease liabilities		
Other related parties	48,338,958	49,197,288
Other liabilities - Rental deposit		
Associate	1,503,894	1,503,894
Other related parties	36,000	36,000
Commissions and brokerages payable		
Other related parties	5,383,856	6,755,439
Prepaid rental expense		
Other related parties	34,500	34,500

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

	As at December 31,	
	2023	2022
	Baht	Baht
Gross written premium		
Associate	4,197	40,900
Other related parties	312,808,197	336,739,352

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	5,220,898	5,201,891
Other related parties	147,607	147,600

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

Claims		
Associate	-	4,750
Other related parties	(59,182,498)	152,238,261

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	31,322,602	38,527,212

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	8,401,438	7,965,123

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

Dividend income		
Other related parties	6,772,332	6,456,991

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

31. 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, 2023 and 2022 were as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	For the years ended December 31,	
	2023	2022
	Baht	Baht
Directors and key management personnel's remuneration		
Short - term benefits	14,829,440	18,989,650
Post-employment benefits	344,869	290,274
Directors' remuneration (see Note 24)	1,672,000	1,757,000
Total	<u>16,846,309</u>	<u>21,036,924</u>

Directors' remuneration for the years 2023 and 2022 were approved by the ordinary shareholder's meeting of the Company held on April 21, 2023 and April 21, 2022, respectively

32. DIVIDENDS PAID

On April 4, 2023, the Annual general meeting of shareholders of the Company passed a resolution to distribute the dividend for the year 2022 of Baht 1.50 per share for 29,999,790 shares, totaling Baht 44,999,685 divided into dividend shares at the rate of 10 original shares to 1 Stock dividends or a rate of 1 baht per share, totaling Baht 29,999,790, and cash at the rate of 0.50 baht per share, totaling Baht 14,999,895 which were paid to shareholders on May 3, 2023.

On April 21, 2022, the Annual general meeting of shareholders of the Company passed a resolution to distribute the dividend for the year 2021 of Baht 1 per share for 29,999,790 shares, totaling Baht 29,999,790 which were paid to shareholders on May 20, 2022.

33. 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, 2023 and 2022, the Company's contributions recorded as expenses in the statements of profit or loss and other comprehensive income were Baht 1.79 million and Baht 1.62 million, respectively (see Note 25).

34. SECURITIES PLEDGED AND ASSETS RESERVED WITH THE REGISTRAR

As at December 31, 2023 and 2022, 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	
	2023	2022
	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	15,019,286	15,011,458
Assets reserved with the registrar		
Government and state enterprise securities	85,058,415	85,618,036
Total investment in securities of pledged	<u>100,077,701</u>	<u>100,629,494</u>

35. CONTRIBUTION TO NON-LIFE GUARANTEE FUND

As at December 31, 2023 and 2022, the Company has accumulated funding amount which was paid into contribution to non-life guarantee fund amounting to Baht 35.12 million and Baht 31.44 million, respectively.

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

Short-term leases and service agreements or low value assets as at December 31, 2023 and 2022 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 Baht	1 - 5 years Baht	
As at December 31, 2023			
Equipment and service - Other	1,021,600	1,182,500	2,204,100
	<u>1,021,600</u>	<u>1,182,500</u>	<u>2,204,100</u>
As at December 31, 2022			
Equipment and service - Other	1,281,450	2,235,100	3,516,550
	<u>1,281,450</u>	<u>2,235,100</u>	<u>3,516,550</u>

For the years ended December 31, 2023 and 2022, 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 1.28 million and Baht 1.34 million, respectively.

37. CONTINGENT LIABILITIES AND COMMITMENTS

37.1 As at December 31, 2023 and 2022, lawsuits have been brought against the Company, as insurer, from which the Company estimates and records losses totaling Baht 18.59 million and Baht 21.01 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.

37.2 As at December 31, 2023, the Company has outstanding commitments in respect of office equipment of Baht 0.20 million, respectively.

As at December 31, 2022, the Company has outstanding commitments in respect of software development and office equipment of Baht 5.64 million and Baht 1.31 million, respectively.

38. OFFICE SPACE RENTAL AGREEMENTS

Operating leases, in which the Group is the lessor, relate to investment property owned by the Group with lease terms of between 1 to 3 years, with an extension option. The lessee does not have an option to purchase the property at the expiry of the lease period. 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:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Year 1	52,420,401	53,327,477
Year 2	27,093,681	30,425,991
Year 3	14,358,044	6,539,618
Total	<u>93,872,126</u>	<u>90,293,086</u>

The following table presents the amounts reported in profit or loss:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	2022
	Baht	Baht
Lease income on operating leases	58,700,355	58,529,436

39. INSURANCE AND FINANCIAL RISK MANAGEMENT

39.1 Insurance risk

39.1.1 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.

39.1.2 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, 2023 and 2022 is as follows:

	Financial statements in which the equity method is applied and separate financial statements	
	2023	
	Increase (decrease) in insurance contract liabilities Baht	Increase (decrease) in profit and equity Baht
Claim reserves		
Gross		
10 % increase	12,273,964	(12,273,964)
10 % decrease	(15,484,399)	15,484,399
Net of reinsurance		
10 % increase	11,447,632	(11,447,632)
10 % decrease	(14,658,068)	14,658,068
Unallocated claim adjustment expense reserves		
Gross and net of reinsurance		
10 % increase	1,078,658	(1,078,658)
10 % decrease	(1,078,658)	1,078,658

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

	2022	
	Increase (decrease) in insurance contract liabilities Baht	Increase (decrease) in profit and equity Baht
Claim reserves		
Gross		
10 % increase	12,063,064	(12,063,064)
10 % decrease	(12,063,064)	12,063,064
Net of reinsurance		
10 % increase	11,296,862	(11,296,862)
10 % decrease	(11,296,862)	11,296,862
Unallocated claim adjustment expense reserves		
Gross and net of reinsurance		
10 % increase	1,012,094	(1,012,094)
10 % decrease	(1,012,094)	1,012,094

39.1.3 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, 2023					
Claim reserve					
Gross	118,694,336	4,386,906	112,509,411	193,955,318	429,545,971
Net of reinsurance	14,874,155	4,386,906	112,509,411	80,269,488	212,039,960
Unearned premium reserve					
Gross	35,015,509	7,935,990	162,003,903	217,921,073	422,876,475
Net of reinsurance	25,226,442	7,935,990	162,003,903	60,878,214	256,044,549
As at December 31, 2022					
Claim reserve					
Gross	116,758,976	8,016,838	102,893,717	340,734,173	568,403,704
Net of reinsurance	16,210,299	8,016,838	102,893,717	104,061,567	231,182,421
Unearned premium reserve					
Gross	48,560,845	8,282,198	172,543,763	247,218,118	476,604,924
Net of reinsurance	24,531,522	8,282,198	172,543,763	71,703,420	277,060,903

39.2 Financial instrument risk

39.2.1 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.

39.2.2 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 Baht
	Less than 1 year Baht	1 - 5 years Baht	5 - 10 years Baht	
As at December 31, 2023				
Claim reserves	203,137,716	207,629,047	18,779,208	429,545,971
As at December 31, 2022				
Claim reserves	265,473,848	278,911,378	24,018,478	568,403,704

39.2.3 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.

39.2.4 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, 2023 and 2022, 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, 2023			
	Floating interest rate Baht	Fixed interest rate Baht	No interest rate Baht	Total Baht
Cash and cash equivalents				
Deposits at bank	208,201,860	41,000,000	5,066,178	254,268,038
Investment in securities				
Investment at fair value through other comprehensive income				
Private enterprise debt securities	-	-	139,751,313	139,751,313
Equity securities	-	-	212,702,663	212,702,663
Investment at amortised cost				
Government and state enterprise securities	-	111,156,375	-	111,156,375
Private enterprises debt securities	-	307,030,154	-	307,030,154
Deposits at banks with maturity over 3 months	-	40,000,000	-	40,000,000
Total	208,201,860	499,186,529	357,520,154	1,064,908,543
	Financial statements in which the equity method is applied and separate financial statements			
	As at December 31, 2022			
	Floating interest rate Baht	Fixed interest rate Baht	No interest rate Baht	Total Baht
Cash and cash equivalents				
Deposits at bank	236,378,506	41,000,000	3,853,405	281,231,911
Investment in securities				
Investment at fair value through other comprehensive income				
Private enterprise debt securities	-	-	142,831,968	142,831,968
Equity securities	-	-	209,203,171	209,203,171
Investment at amortised cost				
Government and state enterprise securities	-	111,719,461	-	111,719,461
Private enterprises debt securities	-	262,942,377	-	262,942,377
Deposits at banks with maturity over 3 months	-	40,000,000	-	40,000,000
Total	236,378,506	455,661,838	355,888,544	1,047,928,888

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, 2023					
	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					
Investment at amortise cost					
Government and state enterprise securities	-	101,020,286	10,136,089	111,156,375	2.60
Private enterprises debt securities	69,938,087	227,860,067	9,232,000	307,030,154	3.89
Deposits at banks with maturity over 3 months	40,000,000	-	-	40,000,000	1.60
Total	<u>109,938,087</u>	<u>328,880,353</u>	<u>19,368,089</u>	<u>458,186,529</u>	
Financial statements in which the equity method is applied and separate financial statements					
As at December 31, 2022					
	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					
Investment at amortise cost					
Government and state enterprise securities	-	101,567,672	10,151,789	111,719,461	2.61
Private enterprises debt securities	44,908,833	208,107,544	9,926,000	262,942,377	4.07
Deposits at banks with maturity over 3 months	40,000,000	-	-	40,000,000	0.90
Total	<u>84,908,833</u>	<u>309,675,216</u>	<u>20,077,789</u>	<u>414,661,838</u>	

39.2.5 Equity securities risk

Equity securities risk is a risk arising from the fluctuation of equity security value which derives from interest rate, and stock prices 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.

39.2.6 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.

39.2.6.1 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			Valuation techniques and key inputs
	Fair value		Fair value hierarchy	
	As at December 31, 2023 Baht	2022 Baht		
<u>Financial assets</u>				
Investment at fair value through other comprehensive income				
Equity Securities - public enterprise	187,978,246	168,017,862	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	10,422,360	12,172,680	Level 2	Unit trusts' net asset value at the last working day of the reporting period
Debt securities - Unit trusts	139,751,313	142,831,968	Level 2	Unit trusts' net asset value at the last working day of the reporting period
Equity Securities	14,302,057	29,012,629	Level 3	Using book value approach or discounted cash flows

39.2.6.2 Financial assets or financial liabilities not measured at fair value

Cash and cash equivalents, premium receivable, accrued investment income, amount due from reinsurers, other assets, Insurance liabilities and amount due to reinsurers; commission and brokerages payable, accrued expenses and other liabilities 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:

	Fair value hierarchy	Financial statements in which the equity method is applied and separate financial statements	
		As at December 31, 2023	
		Carrying amount Baht	Fair value Baht
<u>Financial assets</u>			
Investment at amortised cost	Level 2*	458,186,529	449,752,260

	Fair value hierarchy	Financial statements in which the equity method is applied and separate financial statements	
		As at December 31, 2022	
		Carrying amount Baht	Fair value Baht
<u>Financial assets</u>			
Investment at amortised cost	Level 2*	414,661,838	407,282,340

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

39.2.6.3 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.

39.3 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, 2023 and 2022, the Company maintains capital level in compliance with such requirement.

40. EVENTS AFTER THE REPORTING PERIOD

On February 20, 2024, the Board of director Meeting passed the approval resolutions as follows:

- 40.1 Approved the dividend payment for 32,999,769 shares, totaling Baht 92,396,993 which will be divided into stock dividend at the ratio of 4 existing share to 1 stock dividend or at Baht 2.80 per share, totaling Baht 82,497,310 and cash dividend at the rate of Baht 0.30 per share totaling Baht 9,899,683. However, the payment of dividend must be approved by the resolution of the Annual General Meeting of shareholders of the Company.
- 40.2 Approved the decrease of the authorized share capital from Baht 329,997,690 to Baht 329,989,260 by canceling 843 unissued shares, Baht 10 each par value each, totaling Baht 8,430. However, the capital decrease must be approved by the resolution of the Annual General Meeting of shareholders of the Company.
- 40.3 Approved the increase of the authorized share capital from Baht 329,989,260 to Baht 412,486,570 by increasing the number of shares by 8,249,731 ordinary shares, Baht 10 each par value each, totaling Baht 82,497,310. However, the capital increase must be approved by the resolution of the Annual General Meeting of shareholders of the Company.

41. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved for issuance by the Company's Board of Directors on February 20, 2024.

Part 4

Confirmation of Information Accuracy

11. Confirmation of Information Accuracy



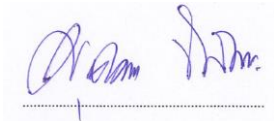
The Company has carefully reviewed the information in this annual registration statement. The Company hereby certifies that the said information is correct, complete, not false, does not mislead others, or is not missing any important information that should be disclosed. In addition, the Company hereby certifies that:

(1) The financial statements and financial information summarized in the annual registration statement have presented accurate and complete information regarding the financial position, performance and cash flow of the company and its subsidiaries

(2) The company has established a good information disclosure system. To ensure that the company has disclosed information regarding important aspects of both the company and its subsidiaries correctly and completely. Including controlling and supervising compliance with the said system.

(3) The company has established a good internal control system and has overseen compliance with the said system. And the company has reported information on the evaluation of the internal control system as of February 15, 2024 to the auditor and the audit committee of the company. It covers shortcomings and important changes in the internal control system. Including wrongful actions that may affect the preparation of financial reports of the Company and its subsidiaries.

In this case, as evidence that all documents are the same documents that the company has certified as correct. The company has assigned Miss. Sujintana Champeesri is the one who has signed this document on every page. If any document does not have Miss. Sujintana Champeesri's signature on it, the Company will consider it not information that the Company has certified as correct as above.

<u>Name</u>	<u>Position</u>	<u>Signature</u>
1. Miss. Malinee Leopairat	Executive Chairman	
2. Miss. Tanyaratt Iamsopana	Executive Committee/Mar Director	
<u>Attorney</u>		
Miss. Sujintana Champeesri	Executive Committee	

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	Shareholding percentage in the company	Family relationship between directors and executives	work experience		
					period	position	Name of organization / company / type of business
1. Mr. Manu Leoparote - Chairman of the Board(2000) - Independent Director	80	<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><u>Insignia</u></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. 	None	None	<p><u>Listed company</u></p> <p>2004-Present</p> <p>2004-Present</p> <p>2006-present</p> <p>2010-Present</p> <p>2010-Present</p> <p>2011-present</p> <p>2010-Present</p> <p>2016-Present</p> <p>2020-Present</p>	<p>Chairman of the Board/Independent Director</p> <p>Directors/Chairman of the Audit Committee/Independent Director</p> <p>Chairman of the Audit Committee</p> <p>Chairman of the Board of Directors</p> <p>Chairman of the Board of Directors</p> <p>Chairman of the Board of Directors/Audit Committee</p> <p>Chairman of the Board of Directors/Audit Committee</p> <p>Chairman of the Audit Committee</p> <p>Chairman of the Board of Directors/ Chairman of the Audit</p>	<p>Khon Kaen Sugar Industry PCL</p> <p>Polyplex (Thailand) Public Company Limited</p> <p>Siam Steel International Public Company Limited</p> <p>ARIP Public Company Limited</p> <p>Jubilee Enterprise Public Company Limited</p> <p>T.M.C. Industry Plc.</p> <p>SVOA Public Company Limited</p> <p>TPI Polene Power Public Company Limited</p> <p>The Steel Public Company Limited</p>

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	work experience		
					period	position	Name of organization / company / type of business
		- Knight Grand Cordon (Special Class) of the Most Noble Order of the Crown of Thailand. - Knight Grand Cordon (Special Class) of the Most Exalted Order of the White Elephant.				Committee	
					<u>General company</u>		
					None		
2. Mr. Pichit Sinpatanasakul	66	<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) Class 11/2010 ● Certificate of Thailand Insurance Leadership Program Class 7 	0.43%	None	<u>Listed company</u>		
- Chairman of the Audit Committee (2013)			142,309 stock		2020-Present	Audit Committee/Independent Director	Inter Far East Energy Corporation PCL.
- Audit Committee (1999-2013)					2013-Present	Chairman of the Audit Committee	Bangkok Union Insurance PCL.
- Nomination and Remuneration Committee (2007)					2007-Present	Nomination and Remuneration Committee	Bangkok Union Insurance PCL.
- Independent Director					2016-2017	Risk Management Committee	Bangkok Union Insurance PCL.
					1999-2013	Audit Committee	Bangkok Union Insurance PCL.
					<u>General company</u>		
					None		

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	work experience		
					period	position	Name of organization / company / type of business
3. Mr. Thavich Taychanavakul	74	<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 • Thai Institute of Directors Certificate <ul style="list-style-type: none"> ➤ Directors Accreditation Program (DAP), class 27/2004 ➤ Finance for Non Finance Directors (FND) Class 30/2006 	0.55%	None	<u>Listed company</u>		
- Audit Committee (2013)			183,023 stock		2020-present	Chairman of the Board/Chairman of the Executive Committee/Chief Executive Officer	Inter Far East Energy Corporation Plc.
- Chairman of the Audit Committee (1999-2013)					1999-present	Director	Bangkok Union Insurance PCL.
- Independent Director					2013-present	Audit Committee	Bangkok Union Insurance PCL.
					2008-present	Director	TPI Polene Plc.
					2018-present	Audit Committee	TPI Polene Plc.
					2016-2017	Risk Management Committee	Bangkok Union Insurance PCL.
					1999-2013	Chairman of the Audit Committee	Bangkok Union Insurance PCL
					<u>general company</u>		
					2013-present	Chairman of the Board of	Mae Fah Luang University
					2012-Present	Honorary Advisor	Thai Industrial Estate Association and its partners
					2012-Present	Executive Chairman	Hi-Tech Kabin Logistics Co., Ltd.
					1991-Present	Executive Chairman	Ayutthaya Technician Training Center
					1990-present	Managing Director	Thai Industrial Estate Co., Ltd.
					1991-2011	Secretary General	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	work experience		
					period	position	Name of organization / company / type of business
4. 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	66	<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 ➤ 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 	0.04% 15,125 stock	None	<u>Listed company</u> 1999-Present 2007-Present 2016-Present <u>General company</u> 2012-2015 1999-2011	Director/Audit Committee Nomination and Remuneration Committee Chairman of Risk Management Committee Deputy Marketing Manager Marketing Department Manager	Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Good World Intertrade Co., Ltd. Sea Value Co., Ltd.
5. 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.	81	<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% 839,357 stock	is a sister Mr.Prachai Leophairatana	<u>Listed company</u> 2011-present 2018-2021 2016-Present 2016-Present 1973-2011	Executive Chairman Risk Management Committee Director Director Managing Director	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	work experience		
					period	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			<u>General company</u>		
					1997-present	Director	Bangkok Union Life Assurance PCL.
					1973-present	Director	Leopairattana Enterprise Co., Ltd.
					1989-present	Director	United Cereal Industry Co., Ltd.
		➤ Actuarial License, Section 83/2 of the Life Insurance Act, B.E. 2535 (1992), amended by Life Insurance Act (No. 2) B.E. 2551			1987-1989	president of the association	Thai General Insurance Association

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	work experience		
					period	position	Name of organization / company / type of business
6. Mr. Prachai Leophairatana - Director(2012) - Being a director who has the authority to sign and bind as stipulated in the certifying letter.	79	<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 <ul style="list-style-type: none"> Directors Accreditation Program (DAP) Class 35/2005 <p><u>An important honor to be honored</u></p> <ul style="list-style-type: none"> Decorations – The Royal Order of the White Elephant (1999) Red Cross Medal – Bestowment, 1st class, the highest (1990) Knight Grand Cordon (Special Class) of the Most Noble Order of the Crown of Thailand. (1996) Decorations - Pathom Direkkunaphorn (2014) 	4.05% 1,336,500 stock	is the younger brother of Miss Malinee Leopairat	<p><u>Listed company</u></p> <p>2012-Present 2001-Present 1991-Present 2000-2006</p> <p><u>General company</u></p> <p>1990-present 1989-present 1989-present 1988-Present 1973-Present 1978-2006</p> <p>1969-1997</p>	<p>Director Chief Executive Officer Chairman of the Board Executive Chairman</p> <p>Chairman of the Board Chairman of the Board Chairman of the Board Chairman of the Board Chairman of the Board Chief Executive Officer</p> <p>Chairman of the Board</p>	<p>Bangkok Union Insurance PCL. TPI Polene Plc. TPI Polene Power Plc. Bangkok Union Insurance PCL.</p> <p>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.</p>

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	work experience		
					period	position	Name of organization / company / type of business
7. 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.	46	<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 ➢ Global Executive Program (GEP) Class 1/2022 ➢ Modern Management Program Class 52 ➢ Ministry of Finance Management Skills Development Course For Young Leaders (EYP) Class 2/2016 	5.22% 1,722,974 stock	She is the older sister of Miss Maneerat Iamsopana	<u>Listed company</u> 2020-present 2011-present 2006-present 2022-present 2010-2011 2004-2010 <u>General company</u> current 2021-present 2009-2011 2007-2009	Director Managing Director Executive Director Risk Management Committee Vice Managing Director Marketing Manager Director Director, Accident and Health Insurance Committee Director, Subcommittee on Property Director, Young Insurer Club (YIC.)	TPI Polene Plc. Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Bangkok Union Insurance PCL. Bangkok Union Life Assurance PCL. Non-life Insurance Association Non-life Insurance association Non-life Insurance Association
		<ul style="list-style-type: none"> ● 19th Thailand Insurance CIO Forum 2023 “Embracing Tech-Driven Insurance Solutions” ● Workshop on Cyber Resilience Leadership “Mission for Embracing the Future of AI & Cybersecurity” 					

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	work experience		
					period	position	Name of organization / company / type of business
		<ul style="list-style-type: none"> Executive Breakfast Forum 2022 Ep.12 Balancing Risk, Trust and Opportunity in an Uncertain World (MDES) (DUGA) EXACT (Executive Architect Council Training) Class 4 			2002-2007	Supervisor	Thai Petrochemical Industry PCL.
9. Ms. Sujintana Champeesri - Executive Director (2007) - Being a director who has the authority to sign and bind as stipulated in the certifying letter. - Manager of Accounting and Finance	64	<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 Chulalongkorn University 	0.03% 11,105 stock	None	<u>Listed company</u> 2007-Present 2006-Present 2002-Present 2016-2017 2006-2021 <u>General company</u> (none)	Executive Director Director Manager of Accounting and Finance Risk Management Committee Company Secretary	} Bangkok Union Insurance PCL.

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	work experience		
					period	position	Name of organization / company / type of business
10. Ms. Maneerat Iamsopana - Executive Director (2020) - Being a director who has the authority to sign and bind as stipulated in the certifying letter.	44	<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% 1,805,487 stock	She is the younger sister of Miss Thanyaratt Iamsopana.	<u>Listed company</u>		
					2020-present	Executive Director	Bangkok Union Insurance PCL.
					2020-present	Managing Director	} Bangkok Union Life Assurance PCL.
					2013-2020	Vice Managing Director	
			2000-2012	Assistant Managing Director			

Name - Surname / Position / Appointment Date	Age (years)	Education/Training	Shareholding percentage in the company	Family relationship between directors and executives	work experience		
					period	position	Name of organization / company / type of business
Other Executives							
1. Mrs. Yaovadee Chaitanapinyo - Deputy Manager of Warranty Department - Director of Insurance and Insurance Product Review - Claims Committee	57	<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	Non-life Insurance Association
2. Mr.Tanes Jirachaianan - Claims Department Manager - Director of Claims	62	<ul style="list-style-type: none"> Bachelor's Degree in Law, Sukhothai Thammathirat Open University Certificate of Development Program for Non-life Insurance Business Executives Faculty of Commerce and Accountancy Chulalongkorn University Certificate of Legal Studies from Lawyer's License, Lawyers Council of Thailand 	None	None	2022-Oct.2023	Claims Manager	Bangkok Union Insurance PCL.
					1991-2021	Heavy Car Claims Department Manager	Thaivivat Insurance Plc.
3. Ms. Sunee Kunvoratham - Human Resources Manager	61	<ul style="list-style-type: none"> Bachelor's degree in General Management, Sukhothai Thammathirat Open University Certificate, "Finance for Management" 	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	work experience		
					period	position	Name of organization / company / type of business
		<p>Program, Class 5, Year 1994, Chulalongkorn University.</p> <ul style="list-style-type: none"> ● Certificate, "Insurance Business Executive Development" Course, Class 14, Year 2006, Thai General Insurance Association. ● Certificate, "Human Resource Management and Development for a New Age Organization", Class 11, 2010, Institute of Development Administration (Nida) 					
4. Ms. Walaiatch Wongsoontorn - Acting Assistant Manager, Office of the Managing Director - Company Secretary (starting August 9, 2022) - Acting for the head of the company's compliance unit (Compliance), starting August 15, 2022	35	<ul style="list-style-type: none"> ● Bachelor's Degree in Law Ramkhamhaeng University ● Barrister, Institute of Legal Education of the Thai Bar Association ● Lawyer Council License ● Innovative for Performance Improvement 4.0, DS Johnson Development Institute ● Compliance and Compliance Audit, Institute of Internal Auditors of 	None	None	2022–Present	Company secretary Acting Assistant Manager, Managing Director's Office	} Bangkok Union Insurance Plc.
					2021-2022	Senior Legal and Regulatory Officer	
					2021	Supervisor Compliance	Navakij Insurance Plc.
					2018-2021	Assistant Head of Compliance Department	Nam Seng Insurance Plc.
					2015-2018	Lawyer	

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

Thailand

- Anti-Money Laundering and Anti-Terrorist Financing Standard Course, AMLO Office

Appendix 2

Profile of the Board of Directors, Bangkok Union Insurance Public Company Limited, associated companies and related companies as of December 31, 2023

list of directors											
list of companies	Mr. Manu Leopairrote	Mr. Pichit Sinpatanasakul	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	-	-	-	-	//	//	//	-	-	-	
TPI Polene Co., Ltd.	-	-	-	/	/	//	-	//	//	-	
TPI Polene Power Plc.	/	-	-	-	/	-	-	X	//	-	
D R Pattanakarn 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//	//	-	
Hong Yiah Seng Realestates and Investment Co., Ltd.	-	-	-	-	//	-	-	X//	//	-	
Hong Yiah Seng Co., Ltd.	-	-	-	-	//	-	-	X//	//	-	
Thai Nitrate Co., Ltd.	-	-	-	-	-	-	-	X//	//	-	
Pornchai Enterprises Co., Ltd.	-	-	-	-	//	-	-	X//	//	-	
Master Achieve (Thailand) Co., Ltd.	-	-	-	-	-	-	-	X//	//	-	
Leophairatana Enterprises Co., Ltd.	-	-	-	-	X//	-	-	//	-	-	
United Grain Industry Co., Ltd.	-	-	-	-	//	-	-	X//	//	-	

Remark: 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 shareholding in the company	Family relationship between directors and executives	work experience		
					period	position	Name of organization / company / type of business
1. Mr.Pisit Prasitsomboon Assistant Manager of Internal Audit Department (Start 10 November 2022- 31 November 2023)	36	<ul style="list-style-type: none"> • Bachelor's Degree Faculty of Business Administration Accounting, Rajamangala University of Technology Krungthep • Field inspection techniques and work paper preparation. Federation of Accounting Professions • Tool and Techniques for The Beginning Auditor, Association of Internal Auditors of Thailand 	None	None	2022-31 Nov 2022	Assistant Manager of Internal Audit Department	} Bangkok Union Insurance Plc.
					Nov 2020-2022	Asst.Internal Audit Manager	
					2019-2020	Senior Internal Auditor	
					2017-2019	Senior inspection officer	
					2011-2016	Head of Internal Audit	
2. Mr. Sirisak Sangpan - Internal Audit Department Manager (Start 1 November 2023)	52	<ul style="list-style-type: none"> • Bachelor's Degree , Business Administration majoring in Accounting, Ramkhamhaeng University • Bachelor's Degree in Law ,Sukhothai Thammathirat Open University • Bachelor's Degree, Business Administration (General insurance), Sukhothai Thammathirat Open University • Tax Auditor, The Revenue Department • Lawyers Council License under the Royal Patronage • Certified Professional Internal Auditor of Thailand (CPIAT-20), The Institute of Internal Auditors of Thailand • Certificate in the Basic Internal Audit Professional Course, Chulalongkorn University 	None	None	2023 - Present	Internal Audit Department Manager	Bangkok Union Insurance PCL
					2014 – 2023	Senior Manager of Internal Audit Department	ERGO Insurance (Thailand) PCL
					2003 – 2014	Insurance Audit Manager	Thanachart Bank PCL
						Thanachart Insurance PCL.	Siam Commercial Bank PCL
					1996 - 2003	Audit officer in the Subsidiary Company	Accounting and lawyer offices
					1993 - 1995	Assistant Certified Public Accountant	G.S. International

Name - Surname / Position	Age (years)	Educational qualifications/Training history	Percentage of shareholding in the company	Family relationship between directors and executives	work experience		
					period	position	Name of organization / company / type of business
		<ul style="list-style-type: none"> • Certificate in the Keeping up with taxes, financial reporting standards for entities that do not have public interest 2023, and accounting professional ethics ,Tax Auditors Association of Thailand • Certificate in the IA for Financial version 1, Thai Institute of Banking and Finance Association 					
3.Ms. Walaipatch Wongsoontorn - Head of Compliance	35	**** Information is shown in Attachment 1 ****					
4. Ms. Warunee Lewiwatthavorn - Accounting Supervisor	56	<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 1999-2008 1989-1998	Accounting Manager Assistant Head of Accounting Department Accountant	} Bangkok Union Insurance Plc.
5. Mr.Surachai Wichitkongkakul - Accounting Supervisor	50	<ul style="list-style-type: none"> • Master of accountancy , Chulalongkorn University • Degree of Bachelor of Business Administration (Accounting), Sukhothai Thammathirat Open University • TFRS 9 Financial Instruments and TFRS 17 Insurance Contracts, Thailand Federation of Accounting Professions • Insurance Development Management Program (IMDP 13),Chulalongkorn University 	None	None	2023-Present 2004-2022 2002-2003 1998-2001	Accounting Manager financial leader Senior accounting officer Accountant	

Appendix 4 Assets used in business operations and details regarding property appraisal items

1. Assets used in business operations

- **Fixed assets/important assets in business operations**

Land and buildings

The head office of the company is located in the company's office building, a 7-story building, located in the company's land area of 412 square meters, located at 175-177 Surawong Road, Suriyawong, Bang Rak, Bangkok.

In other provinces the company has another 3 plots of building land:

Plot 1, area 30 square wah with 3-story building, located at 192/3 Village No. 1, Sukhumvit Road, Khlong Tamru, Mueang Chonburi, Chonburi. Used as the location of the Chonburi branch office.

Plot 2, area 18 square wah with 4-story building, located at 25/27 Village No. 12, Rangsit Pathumphon Village, Phahonyothin Road, Khlong Nueng, Khlong Luang, Pathum Thani. Used as the location of the Khlong Luang branch office.

Plot 3, area 22.4 square wah with 3-story building, located at 636/14 Soi Phetkasem 15/2, Phetkasem Road, Hat Yai, Hat Yai, Songkhla. Used as the location of the Hat Yai branch office.

As of December 31, 2023, the land and buildings mentioned above. It has a total book value of 295.85 million baht, with land worth 292.39 million baht and buildings worth 3.46 million baht.

In order to support the service of the insured In insurance operations, which is the company's main business, The company also has a branch office in Surat Thani. Nakhon Sawan Branch and Lampang sub-branch It is an office building that the company rents to serve customers in the said province and nearby provinces.

In addition to the aforementioned building. The company also owns the ownership of a 20-story building located at 177/1 Surawong Road, Suriyawong Subdistrict, Bang Rak District, Bangkok. It is next to a 7-story building. The building has a total usable area of approximately 13,800 square meters for rent to house various offices, which will increase the company's income. It is also used as a parking lot to facilitate customers, which has a book value of 45.21 million baht. The Company has entered into a land rental agreement with Bangkok Union Broker Co., Ltd. a 3-year rental contract from July 7, 2022 to July 6, 2025. The Company has an obligation to pay land rental according to the lease agreement at the rate of 3 million baht per year.

Such fixed assets of the Company do not create any obligation.

- **Investment property**

The company has an investment objective to increase the company's income. It will invest in assets that have low risk, are stable, and provide returns at an appropriate rate. In addition, the company has also complied with the criteria of the announcement of the Office of Insurance Commission regarding investments in other businesses of non-life insurance companies.

2. Details about the property appraisal list

- None -

Appendix 5 Audit Committee Report

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. Mr. Thavich Taychanavakul | Audit Committee |
| 3. 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 2023, 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 2023 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 2023 internal audit results to ensure appropriateness and efficiency of the audit plan. The Audit Committee get

opinions about the operation plan and the manpower of the internal audit department for the year 2023 and suggested improvements 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 2023 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 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



Bangkok Union Insurance

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