



Annual Registration Statement and Annual Report 2021 (Form 56-1 One Report)





Vision

To provide the best insurance coverage for all Thais and to become the most trusted service in the country

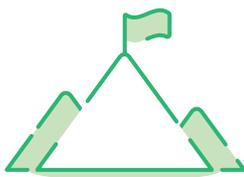


Mission and Key Goal

To build the company that has unbeatable financial strength and conducts a fair, ethical business model.

To provide plans that are affordable, accessible and most of all, plans that will lower the risks of damages for all.

To serve with standards, thrives for customers' satisfaction and partnerships that are legitimate and honorable.



Long-Term Goal

To be the innovative leader in the insurance business that cares for the environment.

Financial Highlights (Consolidated Financial Statements)

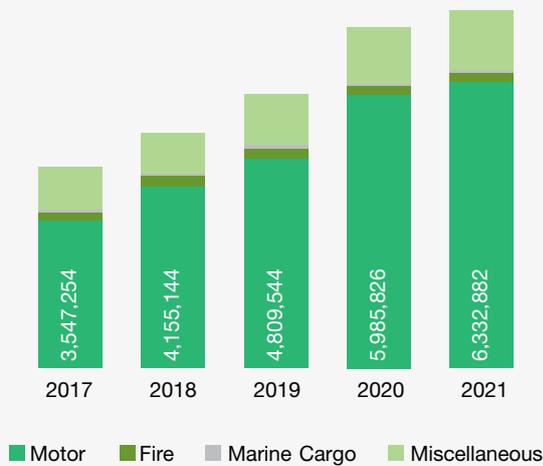
	2021	2020 ⁽¹⁾	2019	2018	2017
Common Share Information					
Basic earning per share	1.56	0.26	0.37	0.37	0.11
Dividend per share	0.70	0.20	0.20	0.07	0.05
Book value per share	5.90	4.40	4.29	4.08	3.84
Highest price ⁽²⁾	30.50	4.44	5.00	4.30	5.05
Lowest price ⁽²⁾	3.76	2.78	3.72	3.34	3.34
Close price	27.25	4.00	4.20	3.76	3.76
Share capital	303,000,000	303,000,000	303,000,000	303,000,000	303,000,000
Market capitalization (Million Baht)	8,256.75	1,212.00	1,272.60	1,139.28	1,139.28
Price earning ratio (PER)	17.49	15.60	11.35	10.29	35.47
Price per book value ratio (PBV)	4.62	0.91	0.98	0.92	0.98
Dividend yield ⁽³⁾	0.73%	5.00%	4.76%	1.86%	1.33%
Dividend payout ⁽⁴⁾	43.77%	77.26%	52.20%	52.53%	61.93%
Performance and Financial Position (Thousand Baht)					
Direct premium written	6,332,882	5,985,826	4,809,544	4,155,144	3,547,254
Investment income	196,327	4,943	136,726	23,222	92,730
Claim and loss adjustment expense	3,248,861	3,191,826	2,824,319	2,102,671	2,048,395
Operating expense	2,112,679	1,895,080	1,677,966	1,424,333	1,241,712
Net profit	472,004	77,670	112,157	110,693	32,123
Total assets	8,845,049	7,845,299	6,530,719	5,649,442	5,221,662
Total liabilities	7,044,197	6,499,541	5,217,146	4,396,791	4,038,909
Equity	1,800,852	1,345,758	1,313,573	1,252,651	1,182,753

Note

- ⁽¹⁾ Financial statements as of December 31, 2020 onwards are based on financial reporting standards relating to financial instruments. As a result, some financial statements and financial ratios cannot be compared with the prior year.
- ⁽²⁾ Highest price and lowest price during the year from Domestic trading Board
- ⁽³⁾ Calculate from close price and the price specific for Thaivivat insurance public company limited
- ⁽⁴⁾ Especially Thaivivat insurance public company limited

(Unit : Thousand Baht)

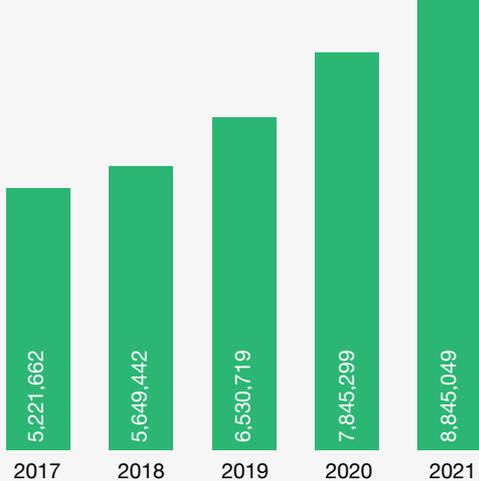
Direct Premium Written



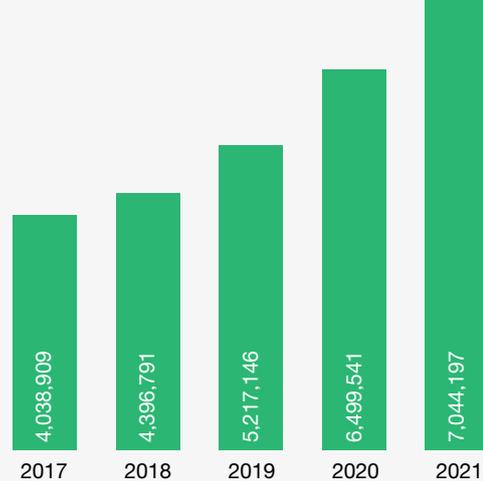
Net profit



Total assets



Total liabilities



	2021	2020 ⁽¹⁾	2019	2018	2017
Net premium written ratio ⁽²⁾	3.63	4.01	2.98	2.68	2.36
Net profit margin ratio	8.20	1.65	2.89	3.41	1.13
Liquidity ratio	0.51	0.47	0.49	0.50	0.50
Return on assets ratio (ROA)	5.66	1.08	1.84	2.04	0.64
Return on equity ratio (ROE)	30.00	5.84	8.74	9.09	2.81

Note

⁽¹⁾ Financial statements as of December 31, 2020 onwards are based on financial reporting standards relating to financial instruments. As a result, some financial statements and financial ratios cannot be compared with the prior year.

⁽²⁾ Net premium written from ceded to reinsurers

Contents

004	Statement of the Board of Directors	088	Part 3 Financial Statements (Report for the Past 3 Years)
006	Statement of Chief Executive Officer		
008	Part 1 Business Operation and Performance	099	Attachment
009	1. Structure and Operation of the Group of Company	100	Attachment 1 Details on Board of Directors, Executives, Controlling Persons and Corporate Secretary
024	2. Risk Management	105	Attachment 2 Details on Directorship of Directors and Executives
029	3. Steering Business towards Sustainability	116	Attachment 3 Business Assets and Details on Asset Valuation
046	4. Management Discussion and Analysis	117	Attachment 4 Policies and Guidelines for Corporate Governance and Business Ethics
050	5. General Information and Other Important Information	118	Attachment 5 Report of Board Committees
052	Part 2 Corporate Governance	124	Attachment 6 Report of the Board of Directors' Responsibilities for Financial Reports
053	6. Corporate Governance Policy	125	Attachment 7 Independent Auditor's Report
058	7. Corporate Governance Structure and Important Information Concerning the Board of Directors, Board Committees, Executives, Employees and Others	130	Attachment 8 Financial Statements and Notes to the Financial Statements
071	8. Report on Important Operational Results of Corporate Governance		
076	9. Internal Control and Related Party Transactions		

Statement of the Board of Directors

Aside from prudent risk management and business growth, non-life insurance business needs to take into account various factors affecting business management both from the public and private sectors such as cooperation for social responsibility and understanding of the household economy to ensure that the economic systems of the whole country will move forward together.

With the hope of becoming an insurance company that adopts innovations to develop all types of insurance products to meet the needs of all insured by adhering to the “Think for All Lives” slogan that is in line with the current economic situation and lifestyle. The Company continues to develop its auto insurance products by introducing the on-off auto insurance. The Company also offers health insurance that has a broad coverage and encourages the insured to take better care of their health. Aside from product development, the Company has increased access to insurance products for customers and improved its insurance services to meet customer needs and provide convenience to the insured.

To celebrate its 70th anniversary, the Company launched the Thaivivat Innovation Awards 2021 in 2021 to support and build a foundation for innovation development for the future with scholarships worth 100,000 baht in total. To help create a good society, the Company organized the “Caring is Giving” project to help children and youth and promote public health, education, and quality of life by donating 2,100,000 baht to the Thai Red Cross Society, Ramathibodi Foundation, and Yuvabadhana Foundation to support the foundations’ activities.

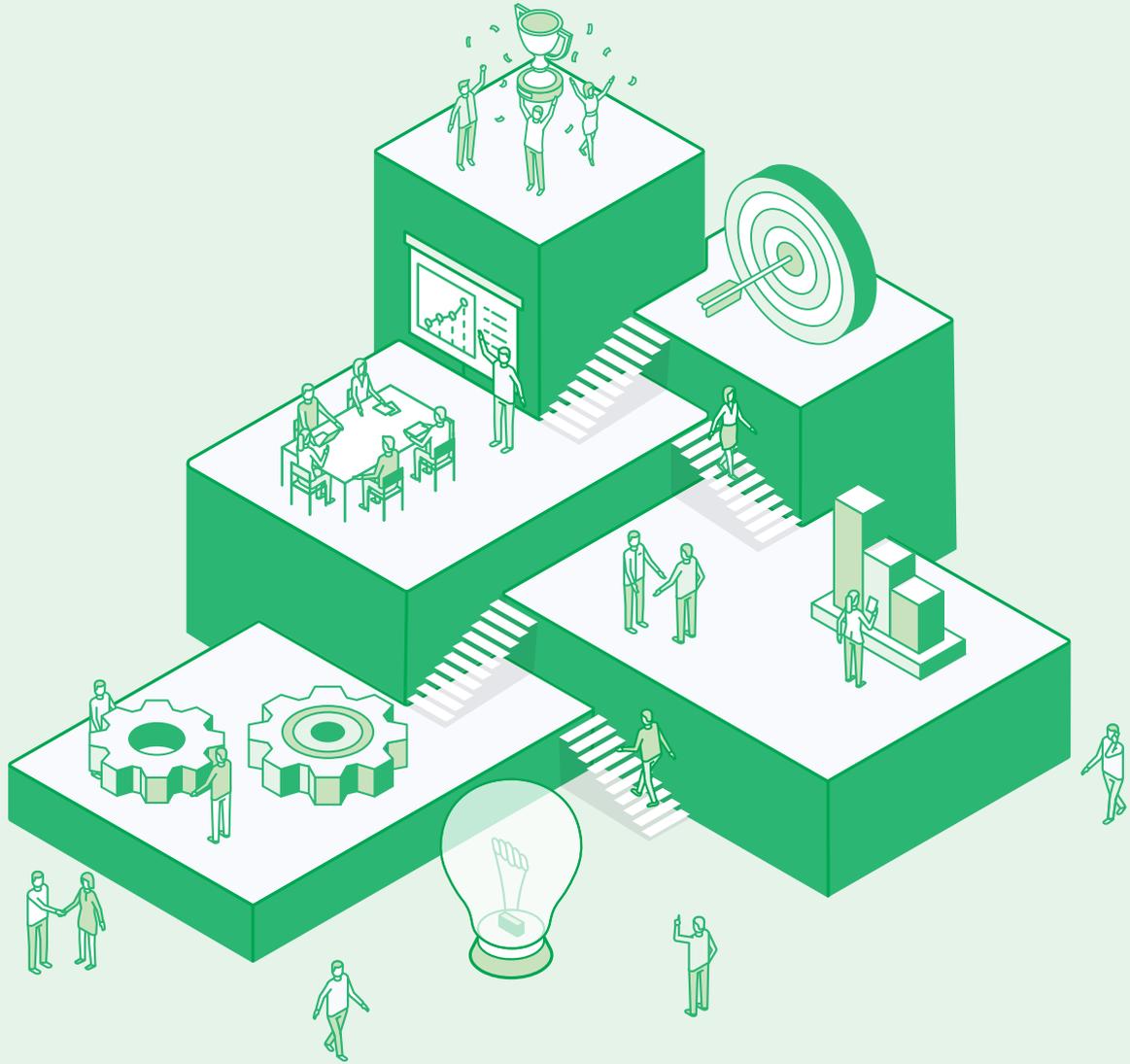
The Company focuses on taking care of and developing its employees as it believes that personnel are valuable assets for the organization and society. The Company ensures the safety from COVID-19 by strictly complying with the COVID-19 control measures. The Company provides trainings and development opportunities to employees to enhance their knowledge and capacity. The Company also creates a strong culture that is customer-centric and adheres to the moral principles of work ethics, and strives to become a truly anti-corruption organization.

On behalf of the board of directors, I would like to take this opportunity to thank our shareholders, customers, business partners, and stakeholders for your continued trust and support. Apart from that, I would like to thank our management and employees for their dedication and hard work to drive Thaivivat as the insurance company in the heart of our customers, which will bring about our reputation and prosperity in the future.



(Dr. Phisit Setthawong)

Chairman



Statement of Chief Executive Officer

In 2021, the Thai economy grew by 1.6 percent from the previous year, driven by recovery of domestic consumption and production, recovery in the tourism sector following the government's reopening of the country, expansion of exports, especially in the second half of the year, and state budget disbursement. Additionally, over the past years, Thaivivat Insurance Public Company Limited has operated with prudent risk management and has adopted innovations to accelerate its product development in order to provide convenience and meet the needs of customers. Due to those reasons, the Company has been able to maintain its position as a highly trusted non-life insurance company and the insurance company of consumers and business partners' choice. As a result, the Company was able to achieve satisfying results with the higher growth rate of insurance premiums than the entire insurance market. 2021 was another year in which the Company was able to set a new record by achieving total insurance premiums of 6,330 million baht, an increase of 6 percent from the previous year.

2021 was the year in which the country faced the COVID-19 pandemic, which resulted in people becoming more cautious with their spending. As a result, coupled with the Company's commitment to its "Think for All Lives" slogan, the Company launched the "On-Off Home Plus Auto Insurance", the most innovative insurance product in the new normal era, which transforms the insurance industry with Thailand's first and only "car and home" coverage for 24 hours a day in a single insurance plan. It is an insurance product that offers both value for money, which can save up to 70 percent on insurance premiums, and design of coverage that charges premiums based on actual usage rates, in line with the current economic situation and lifestyle. The Company also improve its services and direct communication with consumers for greater convenience by implementing InsurTech to bring highest benefits to consumers and launched the "Thaivivat" application under the "One app for all – a new experience that make all insurance easy for you" slogan, which offers a one-stop service for all insurance policies and special privileges for Thaivivat Insurance customers.

In addition to product development, Thaivivat Parking will still be provided in 6 Central Department Stores in 2021. Customers can reserve private parking and unlock the parking space by themselves using the Thaivivat Application. The Company also provides a car wash service delivered to the customer's home and other services through the customer's mobile phone, such as the emergency hotline service which allows you to contact the Company without having to dial a phone number, automatically locate the accident with GPS, and search the nearest hospital and garage associated with our contract.

With an aim of becoming an insurance company that apply innovations to support non-life insurance product development. In 2018, the Company presented the Active Health insurance which not only transformed the health insurance industry with a comprehensive coverage plan, but also encouraged the insured to exercise and take better care of their health through the Thaivivat Health mobile application. The insured will receive a discount on the monthly insurance premium based on their exercise. So far, the Company has received positive feedback from customers of Active Health insurance.

Given the positive feedback of Active Health insurance, the Company introduced an additional Active Health insurance in 2021, the "Simple Active Health" insurance plan, which is a health insurance product that encourages the insured to exercise and take better care of their health, as an alternative to consumers seeking medical coverage and better healthcare plan. Under the Simple Active Health insurance plan, the insured can select to pay premiums on a monthly basis, which reduces the amount of payment per time. The Company has expanded the sales channel to e-Commerce to meet the lifestyle of consumers and provided special benefits to the insured in terms of quality food. The insured are also encouraged to exercise in various ways that are offered by the Company such as joining exercise activities at various famous fitness centers and receive discounts on healthy food to promote good health in all dimensions, reflecting the Company's commitment to improving its services to respond to the modern era of advanced communication technology.

In addition to product development, the Company has improved customer's access to its insurance products and the quality of insurance services such as offering insurance products through e-Commerce channels. The Company has also increased the variety of its access to consumers through digital and offline channels including radio, television, magazine, newspaper, LED sign, and large billboard. Mr. Teeradetch Metawarayut (Alek), a real user of the Company's insurance services, is still our brand ambassador who promotes our efficient insurance services and emphasizes our success and commitment to introducing insurance that meets the needs of consumers. Moreover, the Company offers www.thaivivat.co.th, a website which meets the safety standards for insurance purchases and online payment of the Department of Business Development. The Insured can choose to pay their insurance premiums through various channels including credit card, banks, and mobile payment.

The Company recognizes social responsibility and the building of a foundation for innovation for the country. In 2021, the Company held the Thaivivat Innovation Awards 2021 to celebrate the Company's 70th anniversary and offer scholarships worth 100,000 baht in total with an aim of supporting youth in innovation development for better quality of life in the future. The event received support and cooperation from leading organizations in innovation and

technology to provide knowledge and advice to participants. For example, the National Electronics and Computer Technology Center (NECTEC) shared knowledge on artificial intelligence, Internet of Things, and big data. Amazon Web Services Company (Thailand) Company Limited (AWS) shared knowledge and advice on the adoption of cloud computing technology. The National Innovation Agency (Public Organization) (NIA) shared knowledge on the innovation development process in economic and social dimensions. The Company has developed a business model canvas to be part in inspiring youth, building new knowledge, and creating innovation that can be applied in real life. To be part in creating a good society, the Company has organized the “Caring is Giving” project to help children and youth and promote public health, education, and quality of life by donating 2,100,000 baht to agencies and foundations such as the Thai Red Cross Society, Ramathibodi Foundation, and Yuvabadhana Foundation. Customers are able to participate in the project through their premium payments which are part of the donation to children and youth development.

The Company focuses on taking care of and developing its employees as it believes that personnel are valuable assets for the organization and society. The Company has cooperated with the public sector by following the COVID-19 control measures and ensuring the hygiene of its buildings and employees. For example, the company has sprayed disinfectant, increased screening points, promoted health practices to prevent COVID-19, implemented social distancing, arranged areas for employees according to the measures, and allowed employees to work from home. The Company continues to provide trainings and development opportunities to its employees by establishing the Thaivivat Academy as the learning center for employees and by creating a strong culture that is customer-centric and adheres to the moral principles of work ethics. The Company also encourages its employees to express opinions for organizational development, taking into account opinions of all employees without prejudice, and promotes teamwork, knowledge transfer, and expertise development from one employee to another to create common understanding and improve customer services.

On behalf of the executives and employees, I would like to thank our customers and business partners for your continued trust in our insurance risk management.



(Mr. Jiraphant Asvatanakul)
Chief Executive Officer & President

1. Structure and Operation of the Group of Company

1.1 Policy and Business Overview

1.1.1 Background of Thaivivat Insurance Public Company Limited

Thaivivat Insurance Public Company Limited is a non-life insurance that operates its business over 70 years focusing on being the stable guarantee for Thai people, the asset management as adequate reserve for liabilities and obligations pursuant to the insurance contracts, and the Risked-Based Capital Maintenance according to laws. Therefore, the Company has a strong financial position for providing the services to the people. Moreover, the efficient risk management has also been selected through a quality-focused guarantee, together with adjustment of the competitive strategies through acquisition of the new potential marketing channels via Counter Service or online. Meanwhile, the Company has concerned on the people needs by persistently developing the good insurance products and services. Besides the transparent management with the principle of governance, the Company has also participated in the non-profit making projects that are useful for the society, for instance, Microinsurance Project, focusing on the provision of insurance services at the price accessible by the common people; and participated in the Wet Season Rice Insurance Project with the Government since 2011 as creation of income security for the agriculturists.

Three existing constant operating missions of the Company are 1) Build the company that has unbeatable financial strength and conducts a fair, ethical business model., 2) Provide plans that are affordable, accessible and most of all, plans that will lower the risks of damages for all, and 3) Serve with standards, thrives for customers' satisfaction and partnerships that are legitimate and honorable. The Company is ready to be the consultant of all insurances for customers and population by having the various operating guidelines in the organization development continuously human and intellectual capital development, innovation development, and operational process improvement to be standard and effective.

Since 1980, the Company has been aware of the changes in technology and consumer need, Therefore, applied the information and technology system to the business operation. Until 1989, the Company had been selected to be honored with HI TECH Award in term of service. The Company has still developed to continuously apply the modern technology to be consistent both with products and services. From 2017, the Company has been continuously awarded in the technological field, whether being Thailand ICT Excellence Awards 2017 in the field of Innovation Projects, Prime Minister's Insurance Award for Technological Innovation Creation in Insurance Week Event for 2018, or Innovativeness and Total Innovation Management Award and Certificate from National Innovation Agency, etc.

In 2021, Thaivivat Insurance Public Company Limited has reached its 70th anniversary of the "InsureTech" leadership success, and stepped toward the 8th decade to aim at creation of future experiences, fully adopt InsureTech, advance to create the new innovation, focus to understandably solve the consumer problems in all dimensions, expect to build the maximum impression for the insured under the "Think for Every Life" concept, as well as creation of benefit in return to the society on a continuous basis by organizing the special campaign of "Caring is Giving" to give some part of the written premium amount from online sales in total of Baht 1 million to Yuvabadhana Foundation, Ramathibodi Foundation, and Thai Red Cross Society. In addition, the Company has been honored for Best Brand Performance on Social Media Awards from the event of Thailand Social Awards 2021 as the successful brand on social media of the year in the insurance group.

1.1.2 Environment Affecting the Operation

Economic Condition

According to the continuous COVID-19 pandemic situation from 2020, it has considerably affected the economy due to the severity of Delta strain, the Government has had to apply the strict policy for continuously suppressing the pandemic, affecting the tourism, entertainment, and recreation, even the enforcement has been increasingly eased when compared with in 2020, resulting in a low rate of economic expansion state.

As Thai economy must highly depend on tourism sector, the reduction of expansion figures by various agencies and several bureaus has been required. For instance, the World Bank reduced the forecast of Thai economy to be remained at 1% only from the previous expectation on 2.2% of expansion. For supporting the economic condition, particularly the people spending, the Government has required to issue a measure for stimulating the consumption and income compensation for the affected persons due to the lockdown measure, for instance, “Half-Half measure, etc. The Government has to spend the large amount of money that has been borrowed from the domestic bond market and extend the limit of public debt to GDP from not exceed 60% to be not exceed 70%; and issue the Emergency Decree on Five Hundred Billion Baht Loan in addition from the Emergency Decree on One Trillion Baht Loan in 2020.

The household impact of the COVID-19 pandemic has been extensive, affected in a higher household debt. The amount of household debt in Q2/2021 was Baht 14.27 trillion, increasing from Q1/2021 up to 5% at the approximate proportion of 89% of GDP.

The tourism and service sector has been continuously affected for the second year. The income of the entrepreneurs has been reduced a lot. Several entrepreneurs have been illiquid and needed to cease or dissolve their businesses due to the large decreasing number of tourists. However, the tourism of the domestic tourists has been improving recovered due to after the lockdown situation, assistance on compensation of the entrepreneurs’ income, while the measure for permitting the foreign tourists to enter the country via the Sand Box system or quarantine in a certain period before they are allowed to travel if an infection is not detected. In addition, the Test and Go measure launched at year-end has been a hope of the tourism sector on the ability to increase the foreign tourists in the existing ceaseless global pandemic situation. There was a prediction that it must take another 2-3 years period for the tourism sector to overcome the pandemic, and then return toward the normal situation.

The electronic industry and international transport sector have been considerably beneficial due to an increase in the global usage demand of IT and IC devices due to the lockdown measure. Most person in public and private sectors have to work from home, causing the rapid increase in the demand of IT and IC devices. Another factor has been due to a considerable increase in the demand of EV Car manufacturers to use the integrated circuits. These factors have continuously affected supply chain of which the goods have been unable to be manufactured as many as the demand. In addition, the usage demand of some types of electronic parts has been substantially increased until shortage due to the leap growth of crypto currency data mining. The aspects of the electronic goods demand, discontinuance of supply chain, as well as increasing usage demand of energy particularly coal, have continuously resulted in the international transport sector’s shortage of the international break-bulk carriers and containers to worldwide, causing a substantial increase in freight particularly the vessels.

The banking and finance sector has been pressured by recession, resulting in a tendency of the credit quality and non-performing loan rate of some types of loans, for instance, personal loan and registration pledge loan, to become non-performing loans. The financial institutions have enhanced their diligence to administer and manage this group of loans, while the government sector has paid attention because these loans have contributed to strengthening the liquidity to the small-sized entrepreneurs and people. The Bank of Thailand has issued the measure regarding the loan interest ceiling of the personal loan beforehand, and at the end of 2021, the Office of the Consumer Protection Board (OCPB) has established a policy for controlling the interest rate of the hire-purchase, and automobile registration pledge agreement.

The banking sector has been significantly changed when Siam Commercial Bank announced its “SCBX” organizational restructuring scheme. In this scheme, the administration of bank entity shall be separated from other relevant businesses, and the new businesses shall be acquired through joint venture in the businesses with the high growth opportunity, and the business relating to digital assets (venture capitals). This adapting trend has resulted in the entry of the bank sector into various forms of competitions previously from the strictness of the asset and liability management of the banks for revenue generation both from the bank business and the relevant businesses. It has been necessary for the banks to seek for new opportunities due to the change toward digital society in order to ensure the adequate security and strength of the banks to compete in the digital society.

Stock Exchange

In 2021, Thai economy has been continuously affected from the COVID-19 pandemic, Delta strain from last year, resulting in the Government’s necessity to apply the lockdown policy for inhibiting the pandemic, and the overall domestic economic recovery below what has been assessed by the analyst. In 2021, the National Economics and Social Development Council anticipated that Thai economy will be expanded by 1.2% only, while the inflation rate was also expected to be at the level of 1.2%. This has been the perspective of unsatisfactory economic recovery, and reduction of private sector consumption and public sector investment in the Q3-4 period. However, the export of goods, public sector investment, public sector spending, as well as the Government’s economic stimulus policy, have been the key variables, resulting in the existence of Thai economy in 2021 in positive zone.

For Thailand stock market in 2021, SET INDEX increased by 11.95%, where the outstanding increased groups were STEEL +78.69%, ICT +41.45%, CONSTRUCTION MATERIAL +34.09%, MEDIA +29.37%, and AUTO +24.03%; and the medium-sized and small-sized stocks were increased better than the

large-sized stocks, partly from a variation of the Company's operating results due to the low profit scale of the Company, causing a significant increase in profit recovery more than the large-sized stocks. In addition, we have begun to perceive the commencement of the listed companies in Thailand stock market to enter into the businesses relating to Crypto-currency assets.

Trend of Economy and Stock Exchange in 2022

In 2022, the important aspects of the global economic overview will include the impact of inflation and implementation of the monetary policy of Federal Reserve Bank (Fed). At present, the market anticipated that Fed will interest for 3-4 times in 2022, and for another 4 times in 2023, and also implement the balance sheet amount reduction policy in order to reduce the intensity of inflation. The consequence has been a likelihood of reduction on risk asset price, particularly the stocks in Growth Stock Group with high sensitivity toward interest rate.

However, in 2022, the global investors will be in the TINA (There Is No Alternative) situation or few investments alternatives situation since holding cash would be affected from inflation. If holding long-term debt instruments, would result in loss from the devaluation of debt instruments due to the upward interest condition. Thus, as the debt instruments have been devalued from the upward interest condition, the best investment plan in 2022 has been mainly focused on defensive and asset allocation, and the stocks of Value Stocks Group have been more interesting than Growth Stocks.

According to the estimation on the overview of Thai economy, the growth of Thailand economy will turn to be at the level of 3.5% due to the advantage of the improved tendency of the COVID-19 situation. Several specialists evaluated that the Omicron strain pandemic will cause the COVID-19 just become the endemic disease, and the number of vaccinators will be continuously increased. These will be the key factors causing the commencement of the tourist return for travelling again. The GDP proportion of Thailand from direct tourism has been up to 16% (reference data of the year 2019). There was an anticipation that a positive signal of the tourists will be started to be perceived in Q2 onwards, and the people who have worked in the tourism sector will be assisted to return to earn their income, resulting in more spending in the economic system.

There was an estimation that the sideways of SET INDEX will be between 1,500-1,780 points referring from EPS in 2022 through a forecast at 100 Baht/stock (+17.6%YoY), and referring to average Forward P/E Ratio for 10 retrospective years at 15 times and +1.5 SD at 17.8 times. The stocks of major growth supporting group have been the tourism group, bank group, retail group, and the group that is beneficial from the increasing commodity price, such as crude oil price and meat price, etc. The viewpoint of each industrial group is as follows:

1. Tourism Group – No anxiety about the emergence of Omicron strain like other previous strains due to 1) low level of morbidity rate or mortality rate, 2) more access of the people to vaccine, and 3) commencement of the companies to manufacture medicines and vaccines, as well as development of better medicines. As the result of the above three reasons, people have been less worried about the Covid-19 disease. There was an estimation on the recovery of Thai tourism from Q2 onwards, and the significant recovery from Q4 of the year 2022, and Q1 of the year 2023 because the said periods have been high season periods of tourism in Thai.

2. Bank Group – Due to the estimation that Thai economy will be obviously recovered, the financial activities have been estimated to return to be satisfactorily expanded, and the bank reserve will be set aside to have the continuous reducing proportion. In addition, the upward interest rate will cause a higher margin of the banks between financial cost and interest received, resulting in the banks' tendency of the improved profit. Moreover, it was begun to perceive that the banks have returned to increasingly use the strategy in type of a proactive game, which is to focus on extension of the credit in High Yield Group after the prudent implementation of the policies throughout the past 2 years for supervising and maintaining the quality of debtor portfolio being affected from the Covid-19 pandemic situation. In addition, the banks have expanded toward digital businesses as a key factor causing the banks' opportunity of profit increase.

3. Retail Group – is one of the industrial groups being affected from the Covid-19 pandemic. Recently. The following positive signals of the retail group have been firstly perceived: 1) a positive signal from the Covid-19 pandemic, causing a decrease in the severity of the pandemic prevention measure, and 2) Consumer Confidence Index that has been continuously increased for 4 consecutive months up to the level of 46.2 as highest point in the period of 9 months.

However, the key risk factors for investment in 2022 are as follows :

1. Steady inflation at high level that may be extended to deflation in some countries where economy has not been obviously recovered. This problem may cause an unrest in those countries.

2. The COVID-19 in case of the Covid-19 mutation, and the prolonged disease severity in continuity across the first quarter of the year

3. USA monetary policy that will cause a reduction of system liquidity and result in the risk assets all over the world.
4. Chinese economy with various areas of risks from the real estate crisis, energy shortage, and strict control on the set of regulations of Chinese government authorities.
5. Domestic political conflicts with the increasing trend as it has been the ending period of the government term and the election opportunity that may occur in the period of mid-year to year-end prior to expiration of the government term, while the political demands have been likely augmented as well as these political issues will take part in the people's decision-making on selecting the political party after the Covid-19 is eased up.

Non-Life Insurance Industry in 2021

Even though 2021 has still been in the period of the COVID-19 pandemic situation, but it has been regarded as the period of time for new opportunity and challenge of the insurance business both in terms of premium and indemnity. It is to say that in overview, the insurance business has increasingly generated underwriting revenues either being the Motor Group or others that are Non-motor year round. In 2020, total written premiums increased by 3.9% or around Baht 9,626 million. In 2021, total written premiums remained increased from 2020 by 3.9% or around Baht 9,908 million as an increasing part both from the group of Motor and Non-Motor, even though some parts have been affected from the travel insurance policies. However, because of the insurance companies' development on the products to quickly and timely fulfill the customer needs to ensure the usage for the personal risk prevention, particularly the COVID-19 insurance policy, the trend of high continuous consumer feedback from the last 2020 has caused a positive effect on other types of policies particularly health insurance.

In term of indemnity in normal condition, most of indemnities in insurance business sector have been the indemnities from the policies in Motor Insurance. When the COVID-19 situation that has still been severe on a continuous basis, it has caused the delay of economic activities. Together with the support of the public sector policy on the people's suspension of their travel, and working in the manners of Work from Home (WFH), the indemnity payment in Motor Insurance has been at low level. While the key variable of a considerable change in burden of indemnity payment of the non-life insurance business has been the severe impact of the COVID-19 Delta strain on the non-life insurance business particularly in the group of the insurance companies that have underwritten the COVID-19 insurance policies in type of Lump-sum Payout. The non-life insurance business must pay indemnity around Baht 40,000 million, where it has been in type of Lump-sum Payout up to Baht 34,000 million, resulting in the closedown requirement of some non-life insurance companies due this event.

Trend of Insurance Industry in 2022

One of the important supervisory agencies for the business in the group of non-life insurance is the Office of Insurance Commission (OIC). Since 2006, the OIC has continuously prepared the Strategic Plan for Developing the Insurance Industry. At present, it has been the Strategic Plan No. 4 as a framework and direction of development for the year 2021 – 2025 by aiming at the matters of the secure, sustainable, and competitive insurance system in the digital economy and society with innovation and technology, and aiming at the insurance access and utilization by the public sector, private sector, and people to support risks. The key of the said Strategic Plan consists of four issues that are considered as the supporting and promoting strategies for the insurance industry as follows:

Strategy 1 : To develop and promote the insurance business to adjust the business operation model to be consistent with the new environment by developing and promoting the insurance business to use technology in business operation, altering the sustainable growth-focused business operation model to develop the channels, forms, and products easily accessible by the people, as well as promoting Thailand to be InsurTech Hub that can link the network with Startup Business and Tech Firms.

Strategy 2 : To create the insurance risk management culture for the people and private sector by adjusting the behavior and attitude of the people and private sector to be more aware of the importance of insurance, building good experiences for the people, developing the coverage mechanism, and reinforcing the potential of the insurance intermediaries.

Strategy 3 : To advance the insurance system to play the role in supporting the sustainable economic and social system by encouraging the Company to focus on the use of insurance matter in risk management, implementing the public sector policy, reinforcing the insurance company to have financial security in order to support the ability to assume more insurance risks, and advancing the insurance business to take part in making entire society sustainable in Environment, Social, and Governance (ESG).

Strategy 4 : To develop the insurance infrastructure for promoting the insurance business development, which is the development of the OIC internal structure by developing the insurance foundation to be strong in terms of law or rules for governance to have international standards, and system, database, and technology that can link the internal and external data, and also adjust the agency characteristic to be SMART OIC.

The current Strategic Plan promotes and supports the insurance business to develop both in terms of operation process and products mainly focusing on consumer benefits and needs.

Since 2020, it has been counted as the new challenge of insurance business from the COVID -19 pandemic situation as it has been the accelerating variable causing the Company's requirement to urgently adjust the operation process to be faster from the schedule of the primary plan. In fact, the event has not just been one factor of which the sustainable development and growth opportunity has been taken into account by the Company. There have still been various factors of the Company's opportunity and challenge as follows :

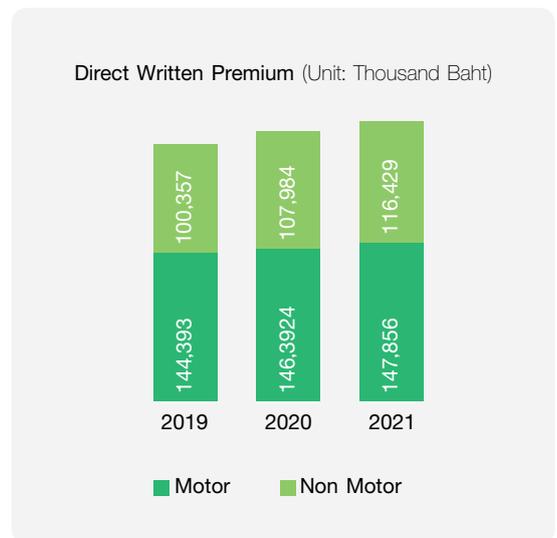
Technological change The rapid change and variety have been the key factors producing more products and services with new innovation and system called Automation.

Change of the consumer's lifestyle including the change in behavior with needs of variety of products and services to fulfill the needs, and convenience to access the source of product and service data in various dimensions. Therefore, it has been the Company's opportunity and challenge to mainly take into account the Customer Journey.

Change of the population structure Thai society in the current era has been counted as the beginning of Aging Society, and the proportion of population in the aged group has been firstly significantly increased. According to the statistical data of Department of Provincial Administration, the finding indicated that in 2023, Thailand will completely enter into Aged Society, and there was an anticipation that in 2037, the proportion of the aged will be high up to 30 percent of total population. Therefore, the Company's design of its products to fulfill the coverage of Thai population in the future has been a challenging factor.

Public sector projects The Government has currently initiated the projects directly relating to the insurance business, which are Crop Insurance Project for Thai Farmers for the participation of the group of non-life insurance companies in underwriting for covering the damage of crops damaged from natural resources that are rice and maize; or the project that indirectly and positively affect the insurance business, namely Eastern Economic Corridor (EEC) Project as the project making an increasing growth rate of insurance business due to expansion of economic sector in accompany with the area of EEC Zone as the industrial zone requiring the coverage of various types of policies whether being All Risks Insurance (IAR), health insurance, accident insurance, or fire insurance. In addition, it has been the opportunity of insurance business to design the new products to be corresponding to the nature of business of each company in the EEC area, for instance, motor insurance policy for Electric Vehicle or policy for the business in the group of Biotechnology, etc.

In 2022, there was an anticipation that the approximate growth rate of premium of the non-life insurance business will be 5% according to the tendency of Thai economic expansion approximately 3-6% due to the re-opening for the vaccinated tourists to travel all over the country in the mid-year period of 2022. The said re-opening has been a positive factor for the recovery of service sector. The private sector investment will be recovered due to the manufacturing for export according to the goods demand of the trade partner countries. The public sector spending in infrastructure has been increased in order to help stimulating the economic growth of the country. More highlight of Thai economy has been changed from manufacturing sector to service, where the entrepreneurs have been driven with technology for increasingly developing new business models.



Direct Premium Written of Non-life Insurance Segment by Class of Business

(Unit : Million Baht)

Class of Business	Year	Direct Premium			
		2018	2019	2020	2021
Motor	Voluntary	118,870	125,528	127,684	128,960
	Compulsory	18,063	18,497	18,708	18,896
	Total	136,933	144,025	146,392	147,856
Fire	Fire	10,165	10,118	10,120	10,475
Miscellaneous	Miscellaneous	80,470	84,443	92,580	99,717
Marine	Marine	5,522	5,469	5,285	6,237
Grand Total		233,090	244,055	254,377	264,285

Source: Insurance Industry Flash Report from The Insurance Premium Rating Bureau

1.2 Nature of Business

1.2.1 Structure of revenue of the Company and its subsidiaries

The Company operates the non-life insurance business, and generates the main revenue from insurance premiums. After the Company receives insurance premiums, it shall reinsure one portion of insurance premiums, and solely assume the other portion. After the portion assumed by the Company is deducted with expenses, the Company shall use this portion to invest pursuant the Non-Life Insurance Act, and the Notification of the Office of Insurance Commission relating to the investment to operate other businesses of the licensed non-life insurance company in order to seek for revenue in another part.

Revenue Structure of the Group Company in Consolidated Financial Statements for the years ended 31 December as follows :

(Unit : Million Baht)

	2021		2020		2019	
	Amount	%	Amount	%	Amount	%
Underwriting income						
The company						
Motor	4,919.6	85.5	4,108.4	87.5	3,231.3	83.1
Fire	122.1	2.1	102.2	2.2	100.8	2.6
Marine	9.8	0.2	9.9	0.2	9.9	0.2
Miscellaneous	489.9	8.5	456.5	9.7	391.6	10.1
Total of subsidiaries	3.3	0.1	3.6	0.1	2.6	0.1
Total underwriting income	5,544.7	96.4	4,680.7	99.7	3,736.3	96.1
Investment income	196.3	3.4	4.9	0.1	136.7	3.5
Other income	13.1	0.2	8.0	0.2	14.5	0.4
Total income	5,754.1	100.0	4,693.6	100.0	3,887.5	100.0

Non-Life Insurance business operation of Company can be divided as following

<p>Motor Insurance</p> <ul style="list-style-type: none"> ● Compulsory Insurance according to the Protection for Motor Vehicle Victims Act B.E. 2535 (1992) ● Voluntary Insurance Class 1 ● Voluntary Insurance Class 2 ● Voluntary Insurance Class 3 ● Voluntary Insurance Class 4 ● Voluntary Insurance Class 5 	<p>Miscellaneous Insurance</p> <ul style="list-style-type: none"> ● Personal Accident Insurance ● Travel Accident Insurance ● Health Income Compensation Insurance ● Critical Illness Insurance ● Contractor All risks Insurance ● Contractor Plant and Machinery Insurance ● Boiler Explosion Insurance ● Public Liability Insurance ● Golfer Indemnity Insurance ● Neon Sign Insurance ● Burglary Insurance ● All Risks Insurance ● Health Insurance ● Global Travel Accidental and Health Insurance
<p>Fire Insurance</p>	
<p>Marine Insurance</p> <ul style="list-style-type: none"> ● Cargo Insurance 	

1.2.2 Business operation of each product line

Product or service characteristics

Motor insurance Compulsory insurance and Voluntary insurance is divided into 5 types such as class 1, class 2, class 3, class 4, and class 5 with different coverage.

Fire insurance is making contract to receive disaster risk that the company agrees to pay compensation to the insured in case of the insured property is damaged from fire or lightning or gas explosion of household consumption and has coverage extension to water damage, explosion, riot, strike, hail, flood, earthquake, windstorm, and aircraft etc.

Marine and transportation insurance is making contract to receive disaster risk that the company agrees to pay compensation to the insured in case of the insured property is damaged from transportation.

Miscellaneous insurance includes several kinds of insurance such as personal accident insurance, travel accident insurance, health insurance, compensation indemnity insurance, critical illness insurance, contractor all risks insurance, burglary insurance, health insurance, global travel insurance etc.

1.2.3 Competitive market

Important policy and nature of product and service market : The competition strategies are the rapid and convenient service, together with creation of the insured's impression, and publicity for more recognition on the Company, use of all modes of the modern communication technologies, and employee training for the constant quality of the employees.

The Company has currently operated the motor insurance business for almost longest time among all of insurance companies, causing the experiences in services to the insured and the related parties, and availability of quite complete database for determining the underwriting, availability of the Company's long-lasting insuring customer base, as well as customer base to some extent of good spread of risk. In accompany with quite large amount of the Company's capital, so the Company can take the high risk.

In addition, the Company has the corporate culture of good understanding on needs of customers and related parties to make them impress on our services.

However, the works of the Company have been acquired from the direct market. The Company has no works acquired from captive business.

Target group customers of the Company : As the insurance work is a work in the big industries, most of them are the insurances with the insurance companies that have the relationship in form of investment. Therefore, according to the Company's structure, its marketing target has been in the group of small-sized or medium-sized customers that are quite highly independent in selecting the insurance companies. Therefore, the distinctive point of services and product development that are suitable for the consumer needs can highly influence the customers' decision-making, by focusing on the customers in the natural person group. Meanwhile, the products are designed to support the needs of the customers in the organizational or institutional group.

Competition condition : Total market of non-life insurance premiums in 2021 was valued at Baht 264,285 million, increasing from 2020 by 3.9%. The COVID-19 pandemic has still been continuously prolonged, affecting a slowdown of purchasing power. At present, more popularity of electronic vehicle and use of more technology in new models of automobiles have caused higher expensive price of the automobiles, resulting in the tendency of insurance premium growth. However, the negative factor in term of price competition of the insurance companies has still affected the motor insurance business. The value of newly granted housing loans has been decreased, but the value of outstanding personal housing loans nationwide has been increased from previous year. The insurance and reinsurance market condition has entered into Hard Market condition. Moreover, due to the incidence of damage due to the frequent big fires, the IAR premium rate has been continuously increased. The health premium particularly of the COVID-19 insurance has been increased due to the people's awareness on the importance of health insurance.

Due to the Company's adoption of technology in selling and designing its products for fulfilling the current customer needs, and anticipation on the importance of the travel and accident insurance, the insured can easily purchase the policy and has more needs. The direct written premium of this class of insurance will be grown in the same direction as the health insurance. The Company also emphasizes on innovation leadership, strategic adjustment to step toward digital era, application of technology for new product development to fulfill both organizational level and small-sized customers by selling through a variety of distribution channels in order to access the group of target customers as much as possible, for instance, agent, broker, bank (Bancassurance), financial institution, Telemarketing, convenience store, and through online channels more and more. In addition, the services have also been developed through Smartphone Application.

1.2.4 Supply of products and services

Product distribution channels : The non-life insurance business earns the main revenue from premium. The insurance policy is the Company's product performed through the intermediaries as follows :

Distribution through the non-life insurance agent Section 4 of the Non-Life Insurance Act defines that "the non-life insurance agent means a person whom a company assigns to induce another person to enter into an insurance contract with the company."

Distribution through the insurance broker Section 4 of the Non-Life Insurance Act defines that "the non-life insurance broker means a person who, with the expectation of a commission, advises or manages for another person to enter into an insurance contract with the company."

Distribution through electronic channel The electronic offer for sale of the insurance policy means the invitation, advice or managing for a prospect to enter into an insurance contract with the company, and presents the detail of insurance product by electronic means, without depending on the offer of insurance product by the company's staff, non-life insurance agent or non-life insurance broker who is the natural person. The prospect shall declare his/her intention to apply for entering into the insurance contract using the electronic means. However, it excludes the offer for sale of the insurance policy via phone pursuant to the Notification of the Office of Insurance Commission on Determination of Rules and Procedures for Issuing and Offering for Sale of the Insurance Policy and Duty Performance of the Non-Life Insurance Agent, Non-Life Insurance Broker, and Bank.

After sales service channels These channels are regarded as the important part for the insurance business like the product distribution. The Company's after sales service channels include the accident notification service via Application System where the accident inspector status can be accurately monitored, resulting in the insured's ability to clearly know the service usage period; the formulation of customer relations system for providing the case receiving services, and coordinating various matters for the insured and the persons who desire to contact the Company; and an opening of the contact channel via social media consisting of Facebook, Line, Instagram, and Twitter, for contacting the Company without delay. The Company establishes the indemnity consideration system that is fair and consistent with the coverage of insurance policy so that the complete coverage is provided to the insured.

1.2.5 Business operation strategies

Product and service development for fulfilling the customers : The Company is the leader of insurance innovation focusing the product and service design and development to fulfill the customer lifestyles, under emphasis on the use of modern technologies and availability of platforms accessible by the customers to the Company's products anywhere and anytime as required by the customers. In addition, the customer opinions and suggestions are taken to improve the products and services to extensively and increasingly fulfill the customer needs.

In addition, the Company has also internally and externally developed the internal operation system to upgrade more customer service capability, together with maximizing the consumer benefits.

Strong and reliable branding : The said branding is performed with marketing communication through brand presenter and online channel, for instance, Line Account, Facebook, Instagram, and Twitter, etc., as well as communication from real experiences of the customers and the employees within the Company.

Development of long-term competitiveness : The Company has the schemes for managing the products and after sales services in order to mainly reinforce and develop the strength for customer services by :

- Adopting the modern technologies in all management procedures according to Ecosystem in all procedures for reinforcing the strength to cover all insurance activities.
- Participating in the schemes with the leading trade alliances in Thailand for creating Ecosystem together with developing products and services for building the most suitable experiences for customers.
- Managing the contingent underwriting risk to be the proactive risk prevention by selecting and cooperating with the alliances in the group of the leading reinsurance companies in Thailand and foreign countries, which are financially expert and strong.
- Developing the ability to analyze data and statistical data for benefits of products and after sales services to increasingly fulfill the customer needs.

Ability to maintain the ratio of each business class : The company has a capital adequacy ratio that is required to maintain under the law higher than the standard specified by the Office of Insurance Commission (OIC) and used an important measure in corporate governance for operate the business consistent and effective.

Service Network – Branch and Group of the Affiliated Companies

Nature of Services	Quantity	
	2021	2020
Branches of claim services	29	29
Foreign Branch Company – Laovivat Insurance Company Limited	1	1

*There are 29 branches, leasing from Airports of Thailand Public Company Limited 2 branches.

1.2.6 Business Assets

Main fixed assets for business operations

Asset Type	Ownership	Value (Baht)	Obligation
1. Head Office Building			
11 stories building with 5,500 sq.m. usage area located at 71 Dindaeng Road, Samsennai Phayathai Bangkok	Owner	157,641,604.73	-
4 stories building with 1,215 sqm. usage area located at 1 Dindaeng Road, Dusit Bangkok	Owner	30,560,357.00	-
2. Branch Office especially for indemnity claim service			
Nakhon Ratchasima branch 1528 Issarapab Road, Thambon Nai Muang, Amphoe Muang, Nakhon Ratchasima	Owner	1,008,441.00	-
Chon Buri branch 136/88-9 Moo 9 Sukhumvit Road, Thambon Bansuan, Amphoe Muang, Chon Buri	Owner	2,884,427.00	-
Sara Buri branch 175/30-33 Moo 8 Phahon Yothin Road, Thambon Hua Sai, Amphoe Nong Kae, Sara Buri	Owner	9,415,803.01	-
Lam Pang-Chiang Mai branch 152/1 Moo 11 Lam Pang-Chiang Mai Road, Thanbon Umong, Amphoe Muang Lam Phun, Lam Phun	Owner	8,548,953.25	-
Pattaya branch Title deed no. 151138 land no. 661 21 Sq.Wah area and commercial building 392/91 Moo 6 Thambon Na Kaer, Amphoe Bang Lamung, Chon Buri	Owner	5,850,000.00	-
Ubon Ratchathani branch Title deed no. 68108 land no. 3 29.2 Sq.Wah, Thambon Jar Ramae, Amphoe Muang Ubon Ratchathani, Ubon Ratchathani	Owner	4,036,644.00	-
Ratchaburi branch Title deed no. 83237 54.2 Sq.Wah area and commercial building no. 73/5 Petchakasem Road, Thambon Na Muang, Amphoe Muang Ratchaburi, Ratchaburi	Owner	5,500,000.00	-
Hua Hin branch Title deed no. 26808 28.4 Sq.Wah area and commercial building no. 57/1 Petchakasem Road (TL.4), Thambon Hua Hin, Amphoe Hua Hin, Prachuap Khiri Khan	Owner	4,500,000.00	-
Udonthani branch Title deed no. 190003 31.3 Sq.Wah area and commercial building no. 200/223 Muang UdonThani triangle Road, Thanbon Sam Phrao, Amphoe Muang, Udonthani	Owner	5,500,000.00	-

Asset Type	Ownership	Value (Baht)	Obligation
Sara Buri 2 branch Title deed no. 15525 20 Sq.Wah area and commercial building no. 67/10 Mittraphab Road, Thambon Pak Pure, Amphoe Muang, Sara Buri and title deed no. 188860-188862 30 Sq.Wah Area	Owner	1,500,000.00	-
Pitsanulok Branch Title Deed no. 178018 24 Sq.Wah area and Commercial Building no. 206/3 Sriharajdechochai Road, Tambon Naimuang, Amphoe Muangpitsanulok, Pitsanulok	Owner	5,900,000.00	-
Maharakam Branch Title Deed no. 89533 51 Sq. Wah area and Commercial Building No. 290-290/1 Muangmaharakam, Maharakam	Owner	7,500,000.00	-
Surin Branch Title Deed no. 175968 23 Sq.Wah area and Commercial Building no.10, Moo 2,Liengmuangsurin Road, Tambon Nokmuang, Amphoe Muangsurin, Surin	Owner	4,400,000.00	-
Tak Branch Title Deed no. 54628 20.6 Sq.Wah area and Commercial Building no.154/10, Phahonyothin Road, Tambon Mai Garm, Amphoe Muang, Tak	Owner	4,000,000.00	-
Phuket Branch Title Deed no.106900 19.4 Sq.Wah area and Commercial Building no.92/31, Thepkasattre Road, Tambon Kokkaew, Amphoe Muang, Phuket	Owner	6,700,000.00	-
Nakomsawan Branch Title Deed no.114113 23.8 Sq.Wah area and Commercial Building no. 132/10, Moo 10, Tambon Nongkrot, Amphoe Muangnakomsawan, Nakomsawan	Owner	4,500,000.00	-
Khongan Branch Title Deed no.280233 20 Sg.Wah area, address no. 92/106 Moo 14, Mitrapap, Tambon Naimuang, Amphoe Muangkhongan, Khongan, Khongan Province	Owner	8,800,000.00	-
Chantraburi Branch Title Deed no.68769 26.2 Sg. Wah area, address no. 90/7 Moo 11 Sukhumvit Road, Tambon Pluppa, Amphoe Muang, Chantraburi Province	Owner	4,390,000.00	-
Chiangrai Branch Title Deed no.132167 44.8 Sq. Wah area, address no.478/9Moo5 Phaholyothin Road, Tambon Rimko, Amphoe Muang Chiangrai, Chiangrai Province	Owner	7,340,000.00	-
Suratthani Branch Title Deed no.107136 18.3 Sq. Wah area, address no.118/38 Moo 1 Surat-Kongbin 7 Road, Tambon Watpradoo, Amphoe Muang-Suratthani, Suratthani Province	Owner	5,500,000.00	-

Asset Type	Ownership	Value (Baht)	Obligation
Nakomsrithammarat Branch Title Deed no.157993 20.8 Sq. Wah area, address no.43/8 Pattanakamkookwang, Tanbon Naimuang, Amphoe Muang, Nakomsrithammarat Province	Owner	6,500,000.00	-
Hadyai Branch Title Deed no.31.3 Sq. Wah area, address no.84/47 Lopburiramesuan, Tambon Klonghae, Amphoe Hatyai, Songkla Province	Owner	6,500,000.00	-
Maesod Branch Title Deed no. 60204 33.9 Sq. Wah area, address no.81/14 Saiaasia Rd., Tumbon Maesod, Amphoe Maesod, Tak Province	Owner	6,000,000.00	-
Kanchanaburi Branch Title Deed no.30825 21.3 Sq. Wah area, address no.65/35 Moo 9, Liengmuang Rd., Tumbon Pakprak, Amphoe Muang Kanchanaburi, Kanchanaburi Province	Owner	4,800,000.00	-
Kampangpetch Branch Title Deed no.70135 29.08 Sq. Wah area, address no. 781/7 Ratchadamneon1, Tambonnaimuang, Amphue Kampangpetch, Kampangpetch Province	Owner	5,500,000.00	-
Rayong Branch Title Deed no. 179777 and no. 17977844.3 Sq. Waharea, address no. 70/16-17, Rayong Bypass Rd. (National highway 3), ChoengNoen, MuangRayong, Rayong	Owner	15,000,000.00	-
Pattani Branch Title Deed no. 65408 22.5 Sq. Waharea, Na Kluea Rd., A No Ru, Muang, Pattani	Owner	9,000,000.00	-
3. A place for spare part keeping and car junk business			
Commercial building no. 224/3-4 Thambon Bang Khlo, Yannawa district, Sathu Pradit, Bangkok	Owner	15,601,734.00	-
Commercial building no. 58/12-13 Prathum Thani-Lat Lum Kaew Road, Thambon Ban Chang, Amphoe Muang Prathum Thani, Prathum Thani	Owner	5,000,000.00	-
Land at Prakanong Title deed no. 7347 371 Sq.Wah area located at Thambon Khong Ton, Prakhanong district, Bangkok	Owner	28,082,653.00	-
Commercial building no. 67/9 Mittraphab Road, Thambon Pak Pure, Amphoe Muang, Sara Buri	Owner	541,077.00	-

Asset Type	Ownership	Value (Baht)	Obligation
4. A place for recreation location of employee			
Metro Jomthien condominium suite no. 420 Moo 12, Jomthien Beach Road, Thambon Nong Preur, Amphoe Bang Lamung, Chon Buri	Owner	5,053,004.00	-
Residence house Samut Prakan no. 605/18-19 Moo 2, Thambon Bang Phu Mai, Samut Prakan	Owner	3,000,000.00	-
Bang Kapi condominium no. 142 Soi Lat Phrao, Thambon Klong Jun, Bang Kapi district, Bangkok	Owner	1,500,000.00	-
Rayong villa 229/7-8 Moo 6 Rock Gargen Beach project, Sukhumvit-Aow Kai, Thambon Krum, Amphoe Klang, Rayong	Owner	7,000,000.00	-
House at Kao Phra Nond Kilometer no. 18 Thanarat-Muaklek, Ban Kudkla road, Thambon Moosi, Amphoe Pak Chong, Nakhon Ratchasima	Owner	8,148,867.50	-
5. Company Emergency Reserve Office			
Commercial building no 108/6-7 Ratchada Pisek road, Soi Therd Thai 33, Bukkalo, Thon Buri, Bangkok 10600	Owner	3,200,000.00	-
6. Building Improvement	Owner	23,823,161.16	-
7. Decoration Accessories	Owner	47,870,581.13	-
8. Office Equipment	Owner	109,747,508.55	-
9. Vehicle	Owner	81,796,772.97	-
10. Work in process	Owner	14,547,359.81	-
Total		704,188,949.11	

The Group Company have Premises and equipment as of 31 December as follow :

(Unit : Thousand Baht)

List	2021	2020	2019
Land	211,950	211,950	211,950
Building	238,277	238,277	232,490
Equipment	247,562	252,833	238,941
Other	14,547	1,760	781
Total	712,336	704,820	684,162
Less Accumulated depreciation	385,785	372,368	356,270
Premises and equipment - net	326,551	332,452	327,892

1.3 Shareholding structure

1.3.1 Investment in the subsidiaries

Investment policy of the Company

The Company establishes the strategy of investment in the business that operates the entity as the insurance service supporting section, where the Company shall enter to hold the shares in those entities in order to acquire the rights and powers to manage and make decision on operating those businesses.

The Company shall appoint the Executives and Working Group by entrusting the representative directors of the Company to supervise the business operations for the operations according to the Company's standards. At present, the Company has had two subsidiaries that operate the business to support the Company as follows:

1. Laovivat Insurance Company Limited is the listed company and operates the non-life insurance business in People's Democratic Republic of Lao. The Company is the shareholder in the proportion of 70 percent of total number of issued and paid-up shares or in the amount of Kip 16,000 million or 67,200,000 Baht.

2. Motor AI Recognition Solution Company Limited is the listed company and operates its business in Thailand in order to support the technological development of the Company with the main objective of enhancement of the service efficiency for the insured. At present, the Company is the shareholder in the proportion of 100 percent of total number of issued and paid-up shares or in the amount of 20,000,000 Baht.

1.3.2 Structure of shareholders

Mafam Company Limited has acquired shares of the Company total 145,655,120 shares, or 48.07% of the Company's total issued shares. which is the acquisition of shares from 2 former major shareholders, namely M.A. International Company Limited and Tang Mun Company Limited, which merged on October 14, 2020 when merged with juristic entities that have control business of the Group (Mr. Jiraphant Asvatanakul and Mrs. Sutepee Asvatanakul) as a result, the group holds the Company's ordinary shares. After this acquisition, 49.99% of the total voting rights of the Company's ordinary shares Changes in the shareholding structure there is no effect on the change of control within the Company. Mafam Company Limited and Mrs. Sutepee Asavatanakul will exercise their voting rights in the Company's shares. in the same direction as advised by Mr. Jiraphant Asvatanakul as the Chief Executive Officer and President of the Company.

Name list of top ten shareholders of Thaivivat Insurance Public Company Limited as of 21 December 2021.

Number	Name shareholder	No. of share	Holding (%)
1	Mafam co., ltd.	145,655,120	48.07
2	Mrs. Jiraporn Buranasombat	18,239,400	6.02
3	Mr. Thepphan Asvatanakul	15,542,150	5.13
4	Miss Janejira Asvatanakul	15,542,150	5.13
5	Jane Phan Property Company Limited	15,082,648	4.98
6	Bank of Singapore Limited	12,096,000	3.99
7	Miss Rojana Theravithayangkura	9,015,500	2.98
8	Mr. Cham Chanvipa	5,570,900	1.84
9	Mr. Suchote Chanvipava	4,961,400	1.637

Number	Name shareholder	No. of share	Holding (%)
10	Mrs. Sutepee Asvatanakul	4,725,384	1.560
	Other shareholder	56,569,348	18.663
	Total paid capital	303,000,000	100.00
	Thai shareholder		95.71
	Foreign shareholder		4.29

1.4 Registered and paid-up capital amount

As of 31 December 2021, the Company's registered and paid-up capital is 303,000,000 shares at share value of 1 Baht per share, and estimated to be 303,000,000 Baht.

1.5 Dividend payment policy

The Company has the policy to pay dividend of not less than 40 percent of profit after corporate income tax by considering the dividend payment under concern on turnover and return of the shareholders in long-term pursuant to the requirement in Section 115 of the Public Limited Companies Act B.E. 2535 (1992) where the dividend payment is unable to be made from other type of money other than profit. In the case where the balance of the Company's deficit remains available, the dividend payment is prohibited.

The dividend shall be allocated based on the number of shares for equal amount per share, unless otherwise specified in the regulations regarding preference shares. The dividend payment shall be approved by the Shareholders' Meeting.

The Company's dividend payment in the past 5 years period

	2021*	2020	2019	2018	2017
Earnings per share (Baht)	1.60	0.26	0.38	0.38	0.11
Dividend per share (Baht)	0.70	0.20	0.20	0.20	0.07
Dividend payout ratio (%)	43.77	77.26	52.20	52.53	61.93

* In the process of proposing to the Company's annual general meeting of shareholders (No. 29/2565) on April 28, 2022

2. Risk Management

2.1 Overview of risk management

The non-life insurance business accepts the transfer of future arising risks of the customers, and helps alleviating damage, causing the better livelihood of the customers. The Company is expert in the non-life insurance for over 70 years, and operates its business with prudence, diligence, and emphasis on the risk management that is conforming to the Notification of the Office of Insurance Commission (OIC) Re: "Rules, Procedures, and Conditions for Supervising the Enterprise Risk Management, Risk and Financial Security Assessment of the Non-Life Insurance Companies B.E. 2562 (2019)".

The Board of Directors has entrusted the Risk Management Committee to completely formulate the framework and policy of the enterprise risk management, and financial security assessment of the Company, aiming at the proactive policy, monitoring, preventing the risks, and reducing the volatility impact to be at the appropriate and acceptable level, under the awareness of the opportunity to obtain a good return, creation of balance between the precaution of risk and business operation because if the excessive precaution of risk is emphasized, the business will not grow. However, if the business is moved ahead, and the good outcome of accomplishment is required, it must dare for risk. The Company may extremely encounter with risk, and must efficiently manage the risks prevention cost, have an alarm system, anticipate the future occurring events that will affect the Company, and find the management method, and measures for supporting and encouraging the Company to ensure the business operations based on the setting strategies to attain the business goals that are related to the process for identifying, assessing, measuring, monitoring, controlling, and mitigating the risks expected by the Company to encounter in the future both in short-term and long-term to gain a higher return together with a reducing volatility.

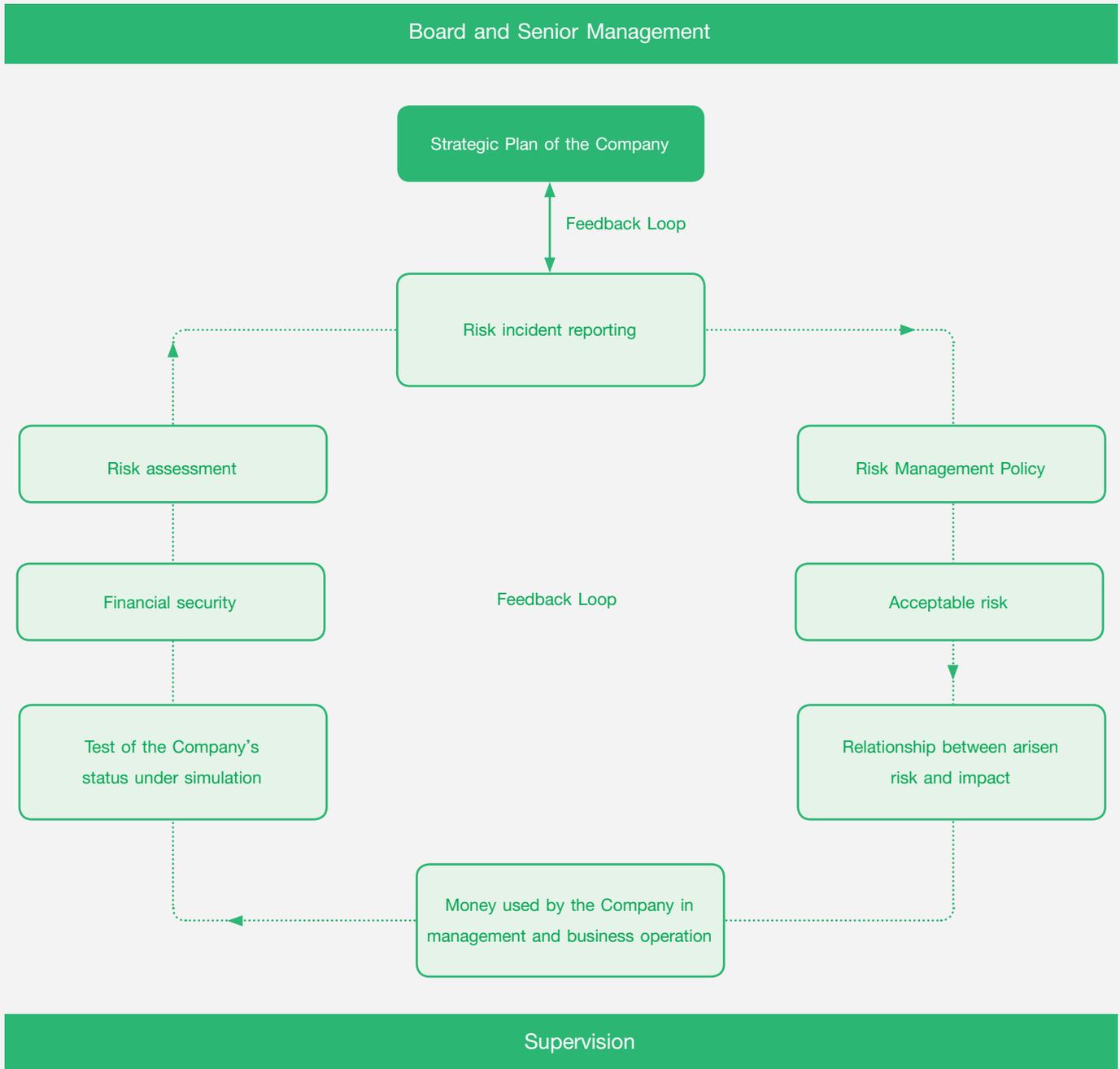
The Company establishes the risk management framework to be used as the operating guideline for the enterprise risk management, and risk and financial security assessment by taking into account the main element of governance; supports and promotes the Company to enable to efficiently and sustainably manage the enterprise risk, and manage the financial security status, covering the key principle relating to the scope of risk management, risk management process, and risk and financial security assessment, and internal risk management culture, in order to ensure the Company's enterprise risk management and risk and financial security assessment on a systematic basis; and supports the achievement of the Company's goals and mission under the risks acceptable by the Company.

2.2 Culture of risk management

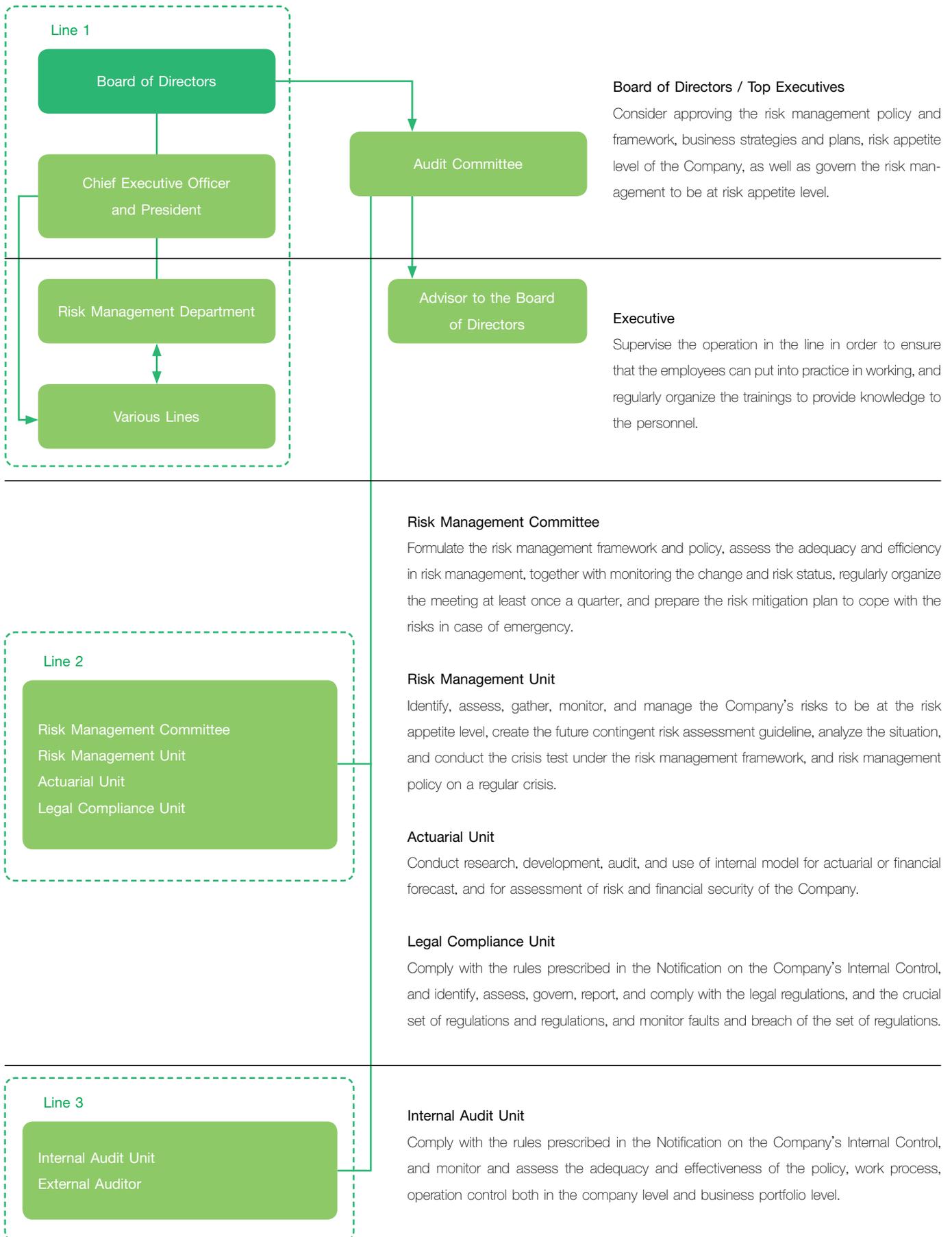
The Board of Directors well realizes that the corporate culture of risk management is an important element of the risk management success. The risk management falls on all organizational employees pursuant to the risk management governance structure by clearly defining roles, duties and responsibilities of the personnel and related work units in managing and controlling the risks in order to ensure that the real risks are recognized. In addition, the dissimilarity of good risk management tools and standards, and the inconsistency of risk appetite level determined by the organizational employees, or inconsistency of the conceptual framework with the Company's risk management guideline, may cause the error on decision-making between risks and returns that will be gained. Thus, the Company has established the guideline for building the corporate culture as follows :

- Establish the future risk management policy and system mutually approved via Workshop.
- Define the risk management to be available as part of the employee training and development program, for instance, training on the risk to new employees.
- Integrate the risk management with the business decision-making, governance, and internal control of the Company.

ERM/ORSA Risk Management Framework



Structure of Risk Management



2.3 Risk factors of business operation

Strategic Risk is the formulation of the overall policies on the business portfolio level, product type, industry, geographic area including the operating plan, where the Company's risks are increased, for instance, more focus on growth of quantity or market share than profit value, increase on sales volume with a competitive and price-cutting insurance premium to take high and low risk insurance, sale of high risk products but low profit in order to maintain the customers and business alliances, including risk factors affecting and causing the Company's failure to achieve the defined business goals.

The Company has formulated the overall policies, and operating plans by taking into account the risk factors that may affect the formulation of the Company's policies, for example, risk from volatile economic condition, and risk from the changing set of regulations. Moreover, the Company has regularly reviewed and analyzed in order to update the management policy as well as the operating plan.

Insurance Risk is exposed to financial loss from underwriting and liability risk as the result of selection and approval on the class of underwriting risk, ratio between retention and risk transfer, including supervision of the Company's claim management process to be circumspect, systematic, and accurate based on the fact of the arisen damage.

Market Risk is the risk of volatility or fluctuation of the return on invested assets, as the result of the volatility of interest rate, equity instrument price, fund flow from foreign countries, etc. The Company establishes the policy and procedure for controlling the risks by aiming at generation of the long-term stable return on investment to be higher than inflation rate.

The Company has managed the risks from the change in securities price by an integrated asset allocation for the risk diversification. The investment is weighted pursuant to the criteria of the OIC focusing on the conservative and safe investment. The Company has set the framework of investment fund allocation in various classes of assets by selecting to diversify the investment in the companies with high security, rather regular generation of revenue and profit, low volatility, high liquidity and dividend payment, contributing to generation of a high level of return.

In addition, the Company has adjusted the investment plan to be consistent and keep abreast of the global capital market situation with more linkage. The inflation and interest have been tended to be in upward period. The Company has taken the opportunity that the market volatility increases the better return than the market, performs more active management, adjusts tactical asset allocation, focusing on the adjustment of investment portfolio through adjustment of the investment weight between assets, and security selection of the invested instruments within the invested assets in order to support the changing trend of the financial economy in the period of not more than 1 year or when there are Event Risk, and Dynamic Asset Allocation for reflecting the 1-3 year viewpoint by adjusting the portfolio to be corresponding to the changing economic cycle, for instance, in the period of the economic recovery and no problem with inflation, the investment overweight in stocks will be performed.

Credit Risk is the risk arisen from the contractual party's breach of obligation specified in the financial instruments, for instance, the reinsurer and loan debtor's breach of burden agreed with the Company, possibly affecting the Company's revenue and turnover. The risk management guideline of the Company is to determine the credit rating of Grade "A-" for selecting the reinsurer and lending money to the employees based on the criteria prescribed by the OIC; and also establish the audit and collection system for debts from the contractual parties on regular basis, and prepare the reinsurance policy and strategy, and yearly review at least once a year, as well as closely monitor the credit status.

Liquidity Risk is the risk arisen from the Company's default of liability and obligation payment when they are due, due to failure to convert assets into cash, or failure to acquire adequate capital or acquire money for payment. The Company's risk management guideline is as follows:

- Maintain liquidity ratio to be higher than the standard criteria defined by the OIC to be more than 100%.
- Consider investing in liquid securities, for instance, public sector debt instruments or private sector debt instruments with low credit risk,

investing in type of investment diversification, and determining the proportion and investment period to be consistent with and suitable for the Company's term of liability and obligation payment, account receivable and account payable management, remaining period management, and change of asset value by taking into account the structure of remaining useful life of asset, and liability to be at level of quantity and period consistent with both internal and external situations.

- Maintain the capital fund acquired from the shareholders' equity to cover the obligation and have an adequate proportion for the business and operation risk; as well as provide the source of liquidity reserve from the financial institutions as backup plan in the event of emergency.

Operational Risk is the risk that will cause damage as the result of lack of good corporate governance, lack of governance of the organization, or lack of good control.

People Risk includes lack of knowledge, expert, experience accumulation, dutiful responsibility, negligence, inadequacy of employee, causing human error, fraud of the employee, and claim of indemnity due to the false reason of the customer and trade partner, for instance, garage, hospital, etc. The Company establishes the new employee recruitment plan to be in time with the business expansion, and monitors risk, where the working training is regularly organized for the employees. In addition, the internal audit unit has been set up to audit the employee operations to be proper and transparent.

Process Risk includes the fault of the non-circumspect internal system, and operating process, structuring of control system between the work units, segregation of duties between the approval considering person and the payor, identification of financial limit based on the approval power. The Company has regularly developed the operation and updated the work manual for the efficient working.

Technology Risk includes inefficiency of computer system, incorrectness, delay or theft of data. The Company has invested in the modern Hardware and Software, and determined the security process, data access limitation, particularly the authorized person or the approved person only.

External Factor Risk is the operational risk due to the cause outside the Company and affects the Company's operation or financial status, for instance, claim of indemnity with false reason, corruption from the third party, legal change, contracting the outsourced service providers, and natural resources.

Reputation Risk is the risk due to damage to the Company as the result of discredit because the customers, trade partners, and/or supervisory agencies have a negative viewpoint on the Company's image. The Company manages the risk by participating in the "Assessment of the General Meeting of Shareholders' Quality" Program organized by Thai Investors Association. In 2020, the Company earned 97% score, and carried out to have the report or tool used in indicating the service quality or customer satisfaction.

Information Technology Risk is the risk that may be arisen from the use of information technology in business operations, and will affect the Company's system or operations. It also includes the risk caused by cyber threat. The Company has the risk management guideline by creating the data safety prevention system, providing the data backup system, and risk supporting measure of the Main Computer Center, in order to support the contingent emergency. The Company has formulated the guidance in case of emergency that may affect the operations by preparing the backup plan for the continuity of business operations. All work units must yearly review and test the said plan, and comply with the Notification of the OIC Re: Rules of IT Governance and Risk Management of the Non-Life Insurance Companies B.E. 2563 (2020).

Catastrophe Risk is the risk of which one big event or continuous event causes the substantial deviation of the actual indemnity payment from the predicted indemnity. The Company has managed risk with reinsurance under Excess of Loss (XOL) Agreement in order to support the said risk, and yearly reviewed.

Emerging Risk is the emerging risk, where it is the loss that has never been appeared or never been experienced before, and is the risk that is difficult for estimation both in terms of likelihood and severity of occurrence due to the uncertainty and change of the environmental factors, such as politics, law, society, technology, and physical environment, including the natural changes.

Due to the incidence of the COVID-19 pandemic situation in last 2020 continuing to 2021, the Company has prepared the Business Continuity Plan for coping with the COVID-19 pandemic, and reviewed the Business Continuity Supporting Plan of the Company to be suitable for the current situation, and what will be occurred in the future.

Business Group Risk is the risk of which the Company may be negatively affected by the event (both being financial and non-financial) from the same group of business. In addition, it also includes the risk caused by financial stability of all business groups or the companies within the business groups that are affected by the events of any business, which are both the event occurred within its business group or the external event that affects the business group. The Company has established the risk management guideline for determining and controlling the compliance with investment risk management policy, and the investment for operating other businesses, and the requirements of the related laws, not to cause damage or obstruct the normal execution of the Company. In addition, the Company has prepared the operational risk management manual, and reviewed the risk management once a year or every time of the significant change of the risk factors that will affect the business operations.

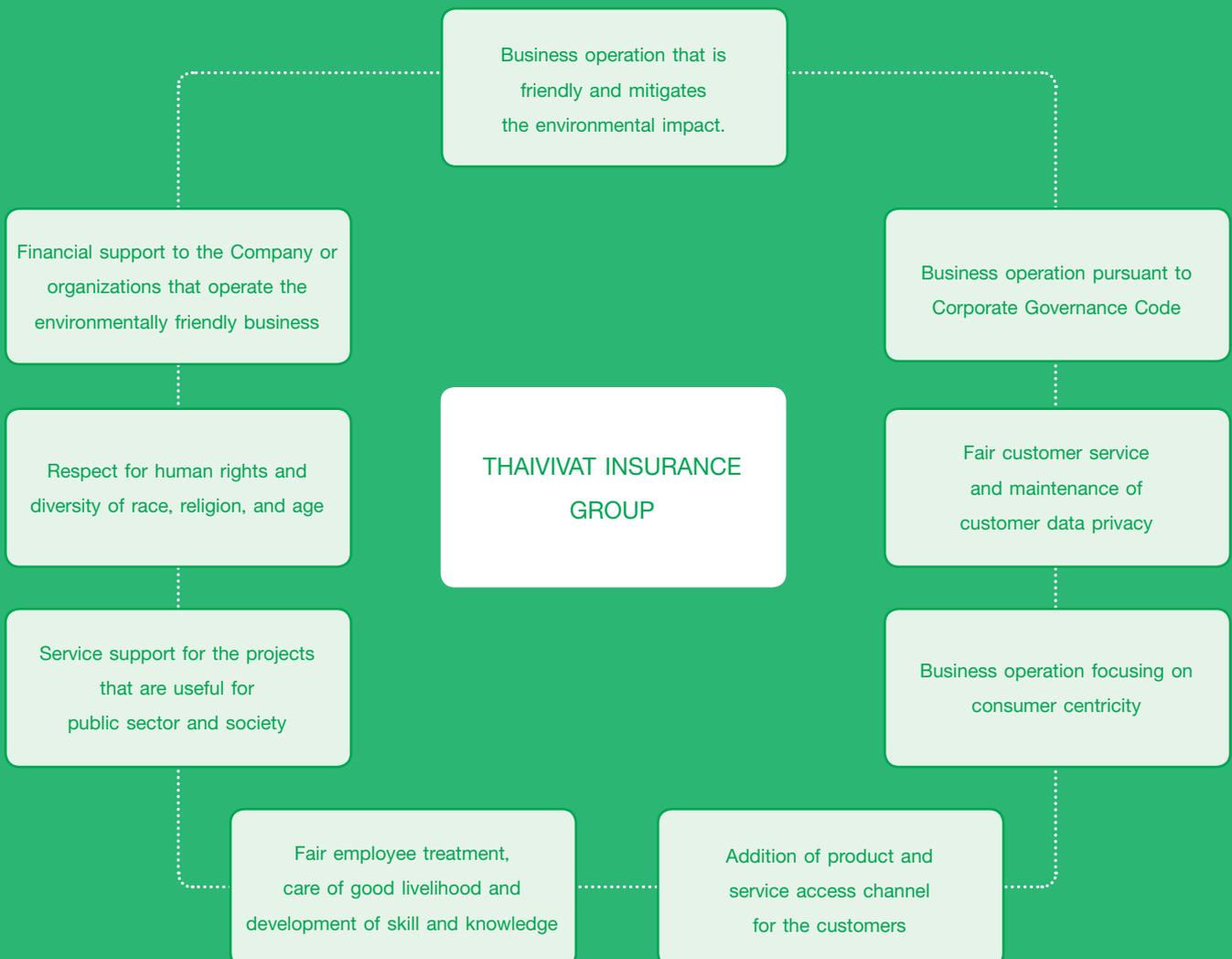
3. Steering Business towards Sustainability

The Company operates its business by aiming at sustainability in all three dimensions that are Environment, Social, Governance (ESG) to be balanced and consistent with the organization’s Sustainable Development Goals (SGDs) of UN Global Compact.

3.1 Policy and goal of the sustainability management

The Company realizes on the sustainable organizational development by setting the business strategy with thinking and operation process as a financial statement that takes part in developing Thai society in term of financial security for Thai people and Thai businesses through the operation of the Company’s insurance transaction, and the disclosure of operating results with the stakeholders not only limited to finance, but also in the social and environmental aspects. The element of all three dimensions that are environment, social, and corporate governance, contributes to creation of reliability for the business by reflecting the business roles and responsibilities toward the stakeholders, and presenting the operating results in business development for the sustainable growth. Therefore, the Company has focused on the development of internal work process as well as design of products and services by using the principle of sustainability in 3 dimensions in developing as part of the business operations in order to balance the sustainable growth throughout value chain of the business.

The Company has defined the framework of long-term sustainability management policy covering all 3 dimensions that are Environment, Social, and Governance (ESG) as follows:



3.2 Management of the stakeholder impact in business chain

The Board of Directors emphasizes to adopt the sustainability dimension to play the role in business operation in each operating procedure, by communicating and creating the participation with the executives and employees as the first group because it is the group of in-house stakeholders. The Company is assured that if the executives and employees are aware and recognize the sustainability in business operations and operations. The statements intended by the Company to communicate shall be delivered to the external stakeholders that are consumers, group of customers, shareholders, society, and supervisory units.

The Company has taken the suggestions or opinions obtained from the employees, customers, or stakeholders in various groups to support its consideration for developing and improving the products and services, as well as the internal operation process in order to generate the value in business chain with each group of stakeholders on a balance basis.

Participation with the Stakeholders

Stakeholder	Expectation	Practice	Contact Channel
Customer	<ul style="list-style-type: none"> - Well-defined products that are able to provide the required protection and are highly understandable - Excellent sale and after-sale service quality - Fair compensation - A highly stable insurance company capable of paying compensation when an incident occur 	<ul style="list-style-type: none"> - The Company recognizes the importance of good service quality for customer satisfaction and reliability in providing - The Company's services by developing services to be able to respond to customer needs in time together with developing high quality products as customer demands to ensure highest customer satisfaction - Facilitate various channels for customers to easily access products - Provide accurate information about products and services. - The company has set up a customer relations unit to serve as a preliminary answer to inquiries of customers regarding products and services as well as the complaint handling unit to coordinate with the relevant departments to resolve problems for customers. -The company also provides a channel for receiving complaints for customers through the company's website. 	<ul style="list-style-type: none"> - Satisfaction Survey - Provide channel (s) for comments/suggestions - Head Office and Branches - Customer Relations Tel. 1231 - Claim Hotline Tel. 1231 Ext.1 - Website: thaivivat.co.th - Facebook: www.facebook.com/thaivivat - LINE Official : Thaivivat Insurance
Trade Partner	<ul style="list-style-type: none"> - Follow the trade agreement - Increase the quantity/value of products and services 	<ul style="list-style-type: none"> - Conduct business with fairness - Equitable and fair treatment among all trade partners - Strict compliance with trading terms and conditions including the established agreement - Select appropriate trade partner that demonstrates ethics, professionalism and good reputation - Establish clear procurement procedure 	<ul style="list-style-type: none"> - Policy and Code of Business Ethics - Site visit and evaluation - Website: thaivivat.co.th

Stakeholder	Expectation	Practice	Contact Channel
Employees	<ul style="list-style-type: none"> - Fair compensation - Follow Code of Ethics in relation to labor - Ensure safety of life and properties - Offer opportunity for knowledge development and professional career path - Balance between work and life 	<ul style="list-style-type: none"> -The company recognizes employees be the most valuable resource to help achieve the company's goals. -The company is equal to its employees and arranges for awards or appointments to move appropriately based on employees' knowledge and capabilities including regular training for employees to acquire knowledge about insurance products in order to advance their career. -The company encourages all employees to show their abilities and listen to all employees' suggestions without discrimination. - The company has established a concrete assessment criteria in performance consideration. -The company has a clear and concrete set of compensation and benefits for its employees with policies comparable to other leading non-life insurance companies. - The determination of short-term compensation is based on the yearly profitability and long-term consideration of performance measurement based on the Balanced Scorecard, including improvement of employee welfare as current economic conditions for employees to have a good quality of life. -The company encourages employees to have knowledge and understanding of money management, selection of investment policies that correspond to the age range and risk level as well as to provide welfare and other benefits such as provident fund, employee loan welfare and annual health check. 	<ul style="list-style-type: none"> - Communicate with personnel regarding staff welfare - Satisfaction Survey - Meetings by function - Complaints Handling Unit, HR Department - Directly raise complaint to the Management - E-mail : hrdept@thaivivat.co.th

Stakeholder	Expectation	Practice	Contact Channel
Shareholder	<ul style="list-style-type: none"> - Business growth - Good corporate governance - Rights and equality of shareholders - Anti-corruption - Access to accurate information 	<ul style="list-style-type: none"> - Long-term and continuous returns - Conduct business based on the principles of good governance and corporate governance - Disclose reports as per defined schedule and the regulation of SET 	<ul style="list-style-type: none"> - Annual Report - Shareholders' Meeting - Contact Investor Relations Tel.1231 ext. 5938 - E-mail: nantawan_aru@thaivivat.co.th - Website: thaivivat.co.th/th/investor_contact.php
Competitor	<ul style="list-style-type: none"> - Compete in business with a sense of morality 	<ul style="list-style-type: none"> - Compete with morality - Must not seek trade secrets of competitors through unacceptable means - Must not damage the reputation of competitors through discredits 	<ul style="list-style-type: none"> - Website : thaivivat.co.th
Creditor	<ul style="list-style-type: none"> - Prompt debt payment - Compliance with the defined terms and conditions 	<ul style="list-style-type: none"> - Strictly follow debt payment deadline and the agreement terms and conditions - Comply with the terms and conditions in relation to guarantee and capital management - In case of failure in following the agreed terms and conditions which resulted in defaults, the Company shall immediately notify the creditor in advance and shall completely disclose all information to jointly seek proper solution - Ensure appropriate capital management structure existed to maintain creditor confidence 	<ul style="list-style-type: none"> - Contact Finance Department Tel. 1231 - Website: thaivivat.co.th
Debtor	<ul style="list-style-type: none"> - Compliance with relevant requirements and conditions - Interest rates are in accordance to the law 	<ul style="list-style-type: none"> - Strict follow the agreement terms and conditions - In case debtor fails to follow the agreed terms and conditions which resulted in default, the Company will negotiate with that debtor in order to seek fair and reasonable solution 	<ul style="list-style-type: none"> - Contact Finance Department Tel.1231 - Website: thaivivat.co.th
Society and Environment	<ul style="list-style-type: none"> - Conduct business with responsibility - Carry out community development - Legal compliance - Cooperate in government projects 	<ul style="list-style-type: none"> - Strive to support, help and participate in activities that are beneficial to society and communities regularly; adhere to the principles of human rights, all employees have the right, liberty and equality in their work performance; comply with the law on intellectual property and has a policy not to support the infringement conduct of intellectual property; anti-corruption by providing a channel for reporting and informing fraud clues when seeing corruption and a measure to protect the whistleblower to ensure safety 	<ul style="list-style-type: none"> - Contact the Company Tel. 1231 - Website: thaivivat.co.th - Contact the Company's Secretary Office

3.3 Management of sustainability in environmental dimension

The Company has applied the concept of sustainability in environmental dimension together with the organizational management due to the awareness of the Board of Directors on negative impact of the environmental changes. What is determined by the Company for the management guideline consists of the execution within the Company and the support on external agencies. In last year, the following has been executed by the Company as part of mitigation of negative environmental impact.

The financial support is provided to the organizations or agencies that environmentally friendly operate the business by investing in financial instruments either being Green Bond or Mutual Fund focusing on investment in both domestic and foreign companies that emphasize on the environment. On June 2021, the Company handed out the fire insurance policy that provides the coverage in the value of 150,000,000 Baht to the Foundation of Sirindhorn International Environmental Park as promotion of the Foundation's operations or activities for the environmental restoration and conservation for continuous development because the Sirindhorn International Environmental Park is an international learning and training center in the field of restoration and conservation of natural resources, and conservation of energy according to the royal thought guideline, creation of innovation that links the science, technology, and intelligence of locality, promotion of the application of sufficiency economy philosophy for developing the sustainable community. There are the study, research and development networks for body of knowledge both within the country and foreign countries in order to ensure that all groups of people consisting of children, youths, local community technocrats, and general public, have knowledge and understanding, and perceive that the restoration and conservation of the natural resources and environment, and conservation of energy according to the royal thought guideline are crucial.

1) Encourage the customers to use the Company's Mobile Application whether being the products of any types of policies. The Company has continuously developed Application in order to regularly facilitate the customer usage, whether being the main Application under the name of "Thaivivat", which is the Application covering all customer and consumer usages in overview. This is deemed as the support on reducing the consumption of the energy and other resources, leading to the reduction of greenhouse gas emission.

2) Encourage the improvement of internal operation process by reducing the quantity of paper usage according to the Company's policy that desires to be an organization having the paperless work process through promotion of the use of modern technology in operation. In 2021, the Company has improved and developed its business to be more in electronic model for promoting the environmental conservation, where it is the reduction in the quantity of paper usage that plays the role and is highly necessary for the work units. In Thailand, the finding indicated the paper usage of approximately 34 kilograms per person per year or 2 million tons per year, and an increasing rate of usage by 15% (reference information from Waste and Hazardous Substances Management Bureau). Therefore, the Company has foreseen the high importance and necessity of paper usage for maximum benefits in order to reduce the occurring paper waste volume, and also reduce the usage of natural materials and energy in manufacturing papers as follows:

- Publicize/campaign the compliance with the guideline for reducing the paper usage via various activities.
- Recycle of used papers (using both sides of paper)
- Paper sorting (paper with blank pages, colored paper, and white paper) for recycling benefit
- Development of the electronic trading system by allowing the customers to choose the online purchase channel. The developed products are car insurance, overseas travel insurance, and health insurance products, which can be purchased via online channel without using paper. Additionally, the insured can also choose to receive insurance policies through various electronic channels instead of paper insurance policies, in order to reduce paper usage and promote the energy and environmental conservation.

3) Develop and improve the insurance policy manufacturing process from the feature of insurance policy book into electronic insurance policy or E-Policy, and also promote and support the customers to receive E-Policy.

4) Manage sorting of waste inside the organization as the result of the current problem relating to the hazardous waste that has been the problem affecting the environmental quality and quality of life of the employers, employees, and general public from Thailand's pollution situation. In the past, a high volume of the hazardous wastes or polluted wastes have been found. The part of them has been collected and destroyed according to the legal requirements. However, no laws have been enacted for controlling the wastes caused by the activities in the offices, government agencies, and stores, resulting in discarding and disposal of hazardous wastes by improper means, and occurrence of the environmental contamination and health impact of the contact persons.

Therefore, the Company has prepared the Project of "Waste Sorting" inside the office for building an awareness to the organizational personnel and sorting and managing wastes by proper means. The wastes are classified into different types for convenience of disposal, without health impact of the organizational personnel. In addition, the Company has limited the ordering time of goods, and campaigned the use of personal containers and belongings to reduce the waste volume within the office.

5) Manage greenhouse gas. As the Company is the financial business, therefore, it has been under planning in measuring the emission of greenhouse gas volume. However, the Board of Directors has emphasized on the reduction of greenhouse gas emission volume for maintaining the environment through the formulation of sustainable development policy referring to the international action guideline that covers the economy, society, and environment under the Corporate Governance Code so that the operations are consistent in all businesses for coping with the changes of global weather atmosphere. The Company has been aware of the increasing severity problem of global warming and change in weather atmosphere, and managed to be an urgent agenda requiring the collaboration of all parties in reduction of greenhouse gas emission by creating the cognizance and commitment on promoting and supporting the activities in order to help mitigating the global warming as follows:

- Encourage the consumption of alternative energy for more reduction of the consumption of natural resources within the organization.
- Organize the activity for building the awareness of the Board of Directors, executives, and employees on energy conservation.
- Promote and campaign the recycle of used articles.
- Build an awareness and reinforce the knowledge on the change in weather atmosphere to the employees and all parties of the stakeholders.

3.4 Management of sustainability in social dimension

The Board of Directors has adopted the concept of sustainability in social dimension together with the organizational management due to the Company's realization on the negative impact of the social change. In last year, the following has been executed by the Company as part of strengthening the society on the whole.

1) Respect the human rights and social disparity both within and outside the Company. It can be currently seen for the diversity of the Company's executives, employees, and trade partners in sex, race, religion, and age. However, the said diversity has not obstructed or caused the conflict of business operation as seen from the joint venture in People's Democratic Republic of Lao, or business contact with the foreign companies where the group of executives is diverse with race and religion, and the said joint venture has been constantly regarded as the good trade alliance.

2) Fairly treat the employees and care for their good livelihood through the equitable employee treatment, formulation of a clear set of regulations for the employees, and requirement of all employees' compliance with those set of regulations. The Company realizes that the employees are the valuable resources that must be cared and their capacity must be developed to be ready for working efficiency. Therefore, the Company has established a policy to emphasize on the continuous development of employees at all levels in order to enhance their knowledge, competence, and skill, and build good attitude by giving a precedence to the development of body of knowledge in term of technical knowledge through in-house trainings and trainings with the external agencies.

In term of reward.

The Board of Directors establishes the policy relating to the care on the fair employee remuneration and welfare as follows:

Short-Term : The Company considers the employee performance once a year by determining the salary adjustment based on the market situation and competition under consideration in accompany with performance, and providing bonus based on the profitability of the Company.

Long-Term : The Company considers long-term reward by focusing on the balance both in terms of monetary and non-monetary rewards, including the balance of employee demand and financial suitability of the organization in long-term.

In part of the benefit and welfare other than an appropriate granting of the right of leave and annual vacation, the Company also emphasizes on care of health and quality of life of its employees and their family. The purpose of benefit provided by the Company to the employees is to make the personnel happy in working, bringing about the efficient operation of the employees.

After probation, the personnel in the Company will be filled as a full-time employee. All of the Company's employees are full-time employees who receive remuneration and have the right to receive welfare from the Company as follows :

Welfare for good quality of life

Provident Fund : The Company establishes a policy that all employees shall save for using after termination of the Company's employee status, by setting up Provident Fund for the employees who have been filled as the employees for 3 (three) full years and more to enter as the Fund's members. The member shall pay the Fund's savings at rate of 5, 10, 15 percent of their monthly salary, and the Company shall pay a contribution to the Fund for the members at the rate of 7.5 percent of their monthly salary. The Company has managed to entrust an asset management company as the fund manager of this Provident Fund.

Loan welfare : The Company's personnel are entitled to apply for the Company's loan after being filled as the employee for not less than three years. The purpose of borrowing must be for residence, for medical care, and for education.

Financial assistance for the employees and their families : The said assistance is for the employees' weddings and their parents' funerals.

Medical treatment: Other than provision of social security to all employees for supporting the right of medical care according to the labour law, the Company has set up a nursing team from Chulalongkorn Hospital to provide first aid and conduct a diagnosis for referral to the hospital in serious case, as welfare for the employees in every working day at the head office building where is the workplace of most employees.

Accident insurance : For employee welfare, the Company provides personal accident insurance to its employees so that they can exercise the right of medical care in the event of accident or in the event of disability or death. This will relieve the family burden of its employees.

Health insurance : To enhance convenience for the employees, the Company has provided health insurance to support its employees' medical care in addition to the medical treatment benefits under the social security program.

Employee care and development

The Company regularly arranges the in-house training development of personnel capability both in terms of insurance knowledge and other skills necessary for operations in underwriting and services. In 2021, when restructuring the Company's work structure, Personnel Development Division has been separately and clearly re-sectioned from Personnel Management Division by aiming at the efficient personnel development.

The Company organized the orientation of new employees for 6 Classes in 2021.

Class 1 on 8 January 2021, where the 18 new employees attended the training.

Class 2 on 2 March 2021, where the 25 new employees attended the training.

Class 3 on 5 May 2021, where the 18 new employees attended the training.

Class 4 on 1 July 2021, where the 18 new employees attended the training.

Class 5 on 6 September 2021, where the 19 new employees attended the training.

Class 6 on 3 November 2021, where the 20 new employees attended the training.

- 'New Hire Onboarding' Program for the new employee's basic cognizance on the insurance business including the new employee's learning and understanding on the organizational rules, and understanding on the organizational structure and value more and more

- 'Thaivivat DNA and Creative Thinking Program for the employee's awareness and recognition on the corporate value, including the employee's ability to reflect the corporate value from his/her doing workload

- 'TVI Product' Program for the employee's cognizance on the Company's products both of digital products and general products, and awareness on the dynamic of innovation that drives the organization through digital products"

- 'Efficient Team and Workload Management' Program for the employee's ability to apply the efficient team and workload management technique and procedure, and enhancement of cognizance on the work priority"

- 'Efficient Meeting Facilitating and Email Writing' Program for the employee's cognizance on the meeting facilitating element and procedure, and efficient meeting presiding and conclusion drawing skill, including ability to appropriately write emails for contacting and coordinating with the persons writing ability"

- 'Problem Solving Skill' Program for the employee's ability to understand the efficient problem solving skill model, and occur the creative problem solving skill"

- Organizing the training of self-assessment in the online individual assessment form for 2021 via Microsoft Teams.

Round 1: on 9 July 2021, where the 43 new employees attended the training.

Round 2: on 25 July 2021, where the 78 new employees attended the training.

Round 3: on 29 July 2021, where the 64 new employees attended the training.

Round 4: on 13 August 2021, where the 45 new employees attended the meeting.

Round 5: on 17 August 2021, where the 47 new employees attended the training.

Round 6: on 31 August 2021, where the 39 new employees attended the training.

Round 7: on 2 September 2021, where the 21 new employees attended the training.

Round 8: on 9 September 2021, where the 23 new employees attended the training.

Round 9: on 30 September 2021, where the 19 new employees attended the training.

Round 10: on 25 October 2021, where the 28 new employees attended the training.

After the said primary training, the Company has also organized the important training of the programs used in enhancing the actual operation skill in 2021 via online channel as follows :

- 'Advanced Presentation' Program for the employee's ability to transmit the narration through the systematic presentation, and efficiently draw the conclusions that are the key aspects from presentation
- 'Basic Excel' Program for the employee's ability to use Basic Excel Program in operation, and ability to apply the Program for supporting his/her workload
- 'Advanced Excel' Program for the employee's cognizance on the Basic Microsoft Office Program, and ability to efficiently apply the Basic Program in working
- '180 mins Personal Branding and Transformation for your Expensive Looking' Program for the employee's cognizance on the impact of personality that increasingly influences the life success and inspires the change of personality in a positive direction, including the awareness on the importance of the creativity of individual identity affecting the work, and the commencement of the identity creation for positive recognition
- 'Excellent Personality for Presentation' Program for the employee's cognizance on the element of good presentation, and ability to efficiently practice the skills and adjust the personality in presentation
- 'Voice Personality Development (Tune your voice)' Program for the employee's understanding on the impact arisen from use of his/her voice in operation and daily life spending, and ability to adjust the technique for efficiently developing the use of his/her voice for good personality
- 'Skill on how to efficiently give a constructive feedback' Program for the employee's awareness on the importance and necessity of the efficient feedback provision, and ability to apply the technique and method for provision of concrete criticism
- 'SMART Goal and Decision Making' Program for the employee's cognizance on setting goal with SMART Model, and awareness on the decision making impact in order to bring about the development of the efficient decision making skill, including the ability to understand the theory of decision for selection in order to reduce the errors in his/her decision making.
- 'The Art of Management' Program for the employee's insight on the science and art relating to the management for the efficient advancement of outcome, and the application of knowledge in personal and his/her work unit development to be successful
- 'How to prepare execution plan to fulfill the goal' Program for the employee's cognizance on the process for efficiently preparing the plan, setting goal, and predicting the achievement time, and ability to systematically plan and select the proper tools for achieving the goal based on the established plan.
- 'Efficient Negotiation Technique' Program for the employee's basic understanding of quality negotiation aiming at producing the outcome that is profitable by both parties, ability to apply with the situations, resulting in good feelings on quality negotiation, including ability to create the pattern of efficient negotiation with other person, and apply and use the negotiation in the current work life
- 'Systematic Thinking and Presentation (Structure your thoughts and basic presentation)' Program for the employee's understanding on the element and structure of thought in order to bring about the systematic ordering of thought, and ability to procedurally and efficiently produce the presentation media
- 'How to look at problems smaller by using EQ' Program for the employee's understanding on the importance of having emotional quotient, and ability to apply the technique for creating emotional quotient with his/her daily life
- 'The Leadership Skill' Program for the employee's ability to efficiently be smart in people, work, and coaching; and cognizance on the element of good leadership, and ability to efficiently apply and practice the leadership skill
- 'Coaching Technique' Program for the employee's cognizance on the model that stimulates the body of thought that is resulted from coaching; and ability to use questions to seek for the real needs, bring about the desired goal, including being the person who is intentionally open-minded, able to separate feeling and need, in order to bring about the creation of good relationship inside the organization and with surrounding persons.

Other than organizing the training for enhancing the skill and knowledge to be used in actual operations, the trainings have been organized to reinforce the mental quality that is strong in working, and remedy the employee's condition of mind among the COVID-19 pandemic situation. In 2021, the following trainings were organized.

- 'Encouragement by Abundant Dharma in Crisis' Program by Phra Wor. Wachiramethe on 20 August 2021 through online channel or Zoom system in order to adapt the employee's condition of mind under the changing condition, and enable to use the knowledge for solving the problems in daily life.
- 'Real Stress or All in Your Head' Program by the psychologist on 23 November 2021 through online channel or Zoom system for reinforcing the strength of the employee's condition under pressure of the current occurred situations. The employees were allowed to enable to assess their stress and bring about the problem-solving of the condition of mind without delay.

Other than the organized in-house trainings, the Company has also delivered its employees to attend the trainings both of knowledge and skill that are related to working, that are organized by the external organizations. The Company will consider delivering the personnel of each department that is involved with the training or seminar topics based on the occasions. The Company has delivered the personnel to attend the trainings-seminars based on the line in average of 8 hours per person.

Employment of the disable persons

The Company is glad to employ the disable persons in various areas for working in the suitable position of which the individual physical capacity does not obstruct the working skills essential for the said works. In addition, the Company has the standard of remuneration payment, and gives the equal opportunity of job growth for them. In 2021, the Company has had the 5 employees who are the disable persons of the hearing and communication impaired.

Labour relations activities

The Company yearly organizes the labour relations activities by emphasizing the development of relationships between the personnel and between the organizational work units, teamwork learning, efficient contact and coordination through the activities that will well influence the synergy. encourage the employees to exercise, and build the organizational commitment of the personnel.

Workplace safety

The Company's Board of Directors is concerned about the employees' welfare, sanitation, and safety, and remarked that the said issues have affected the good quality of life, and have been the factors contributing to the promotion of the efficient operation, and the confidence on implementation of activities. Therefore, the Board of Directors has formulated the policy for the Company's compliance under the following crucial correct and appropriate advance preparation of risk prevention.

- Carry out the prevention, and campaign to provide the knowledge regarding the fire prevention and fire drill on a yearly basis, and also regularly inspect the readiness of fire extinguishing devices and alarm system, for acknowledgement of the personnel on the practical and managing guideline for the actual situation that may occur. In 2021, the Company organized the fire prevention training on 30 November 2021 by inviting the lecturer from Phra Khanong Fire Station, Fire Operation and Rescue Division 2, the Office of Disaster Prevention and Mitigation, to provide the basic knowledge both of theory and practice. The fire drill for 2021 was organized on 30 November 2021 at Thavivat Insurance Building, under supervision of the officers from Phra Khanong Fire Station.



- Policy and practice for duty performance of the operators and the accident inspectors relating to the safety in part of the staffs who need to use car, and motorcycle in the important operations, and are the accident inspector (claim staff), and customer and agent service staff (policy and document deliverer). The Company establishes the rules and regulations on personal safety (strict compliance with traffic rules in driving, proper and tidy dress in the employee uniform with the reflective strip as specified by the Company, wearing of safety helmet-safety belt), and the vehicles used (being the Company's cars that are passed for condition inspection, and installed with camera at the cars, and personal GPS of the employee). In addition, in 2021, the strict penalty has been imposed regarding the traffic discipline.

Annual health checkup

Due to the change of the current global environment, a new disease emergence has been the impact. In addition, the daily life behavior of the individual persons who have preferred to consume foods that are not useful for health. To explore the abnormality, and find the treatment of initial symptom to avoid the continuous invasiveness, these have still been the way to help reducing the disease severity, and to prevent and monitor before occurrence of the health problem, the risk tendency of the health checkup result can be recognized from the annual health checkup, and is a guideline for changing the living behavior.

- Therefore, on 3 to 30 November 2021, the Company provided the annual health checkup for the employees in order to promote the employee health, and to ensure that the employees have good quality of life so that they can work and develop work well and efficiently, resulting in the organizational ability to further develop. The health checkup arranged in this time was carried out Mitr Pracha Hospital (Phet Kasem 2) at 675, Phet Kasem Road, Bang Wa Sub-district, Phasi Charoen District, Bangkok 10160.

Issuance of the intensive measure for COVID-19 prevention

Due to the existing severe and continuously occurred COVID-19 pandemic situation, the life of Thai people and worldwide people has been affected. The Company has been aware of the importance of safety and health of the employees and their families that in the event in this period, we must mutually overcome the obstacle all together, and take responsibility on the community at large in strictly preventing the COVID-19 pandemic pursuant to the Communicable Disease Act B.E. 2558 (2015), and the Notification of the Department of Communicable Disease Control, the Ministry of Public Health, for safety of everyone.

Thus, to ensure the continuous and best customer services, and create the confidence and safety for the customers, employees, family members, including society and country, the Company has established the strict action measure as follows :

1. Some employees shall work from home in order to reduce the travel and mitigate the coronavirus or COVID-19 pandemic risk.
2. Amend the indoor safety measure, where the Company formulates a strict measure for screening, taking the temperature, and inquiring the travelling history of the persons who enter into the building measuring.
3. Command the employees to wear surgical mask/cloth mask all the time, not eating the sharing dishes, frequently wash hands, and keep social distancing between 1-2 meters. Meanwhile, the Company has released the public relations media to provide the knowledge and practical guideline for self-carefulness and prevention from the said disease to the employees all over and continuously.
4. Promote the provision of virus protective equipment to all employees, where the Company has distributed cloth masks, hand sanitizer, and hand wash solution in order to reduce cost burden, and help supply the goods to the employees and employee families at the time of goods shortage, and carry out big cleaning in the whole office building.
5. Issue a countermeasure if the Company is informed that its employee is the person who is suspected to be infected with COVID-19/the COVID-19 infected person, even though at this moment, the Company's employees have not yet been infected with COVID-19.

Setting up the Internal COVID-19 Center

Due to the COVID-19 pandemic situation, for assisting the infected employees and the employees who have exposed to risk to enable to properly behave, therefore, the Company has set up the COVID-19 Center to provide day and night situational support, as per the following detail.

- Create Line OA system: for the efficient and day and night communication and support, including coordination to seek for the assistance in conducting RT-PCR test, and curing and treating.

- Deliver HI Box – Home Isolation Box for curing the infected employees in the initial stage prior to coordination for treatment at the hospitals.

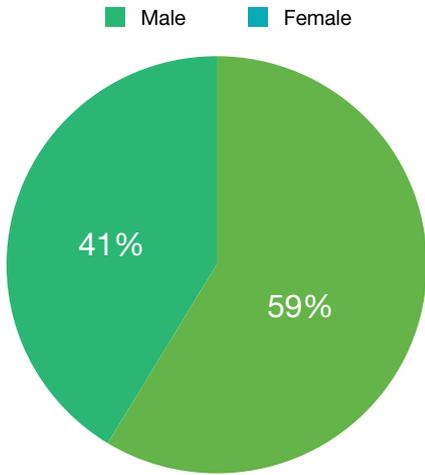
- Issue a control measure for the employee's returning to operate at the head office by assigning an agency to perform a preliminary screening for all employees with ATK test before entering into the head office building in order to ensure the overall confidence of everyone for safety of the whole building.

A team has been arranged as the monitoring and supplying center for the employee vaccination in order to have the immunity in the whole company. At present, over 90% of the Company's employees have been completely vaccinated for 2 doses.

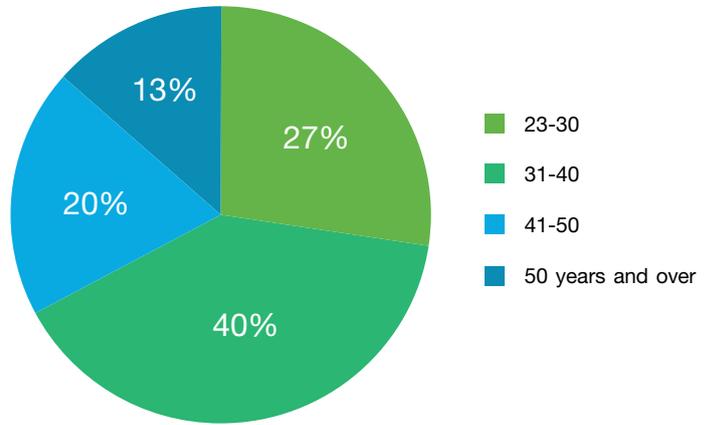


Overview of Thaivivat Insurance Employees for 2021

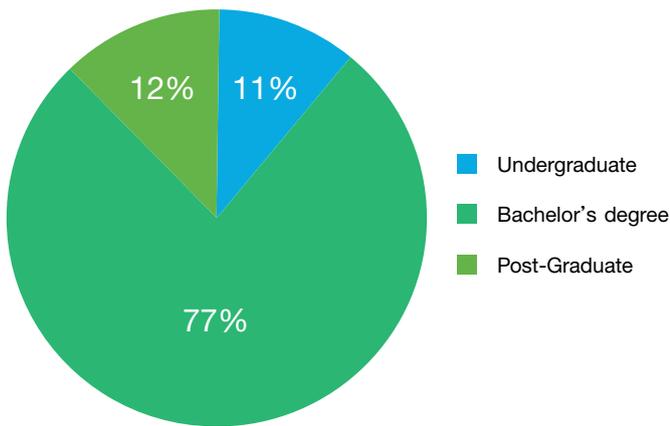
Proportion of personnel classified by male-female



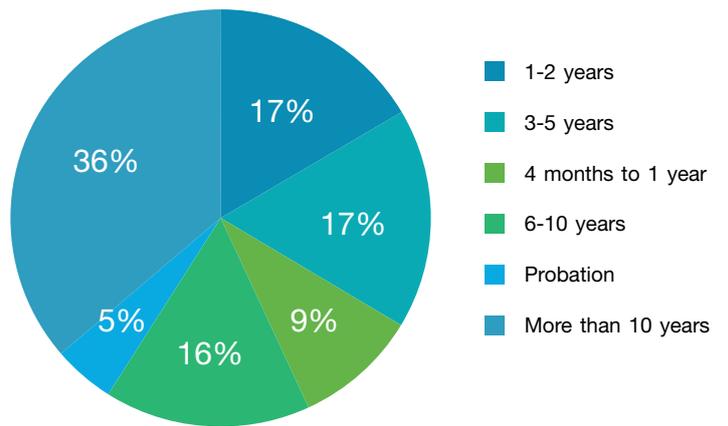
Proportion of personnel classified by age



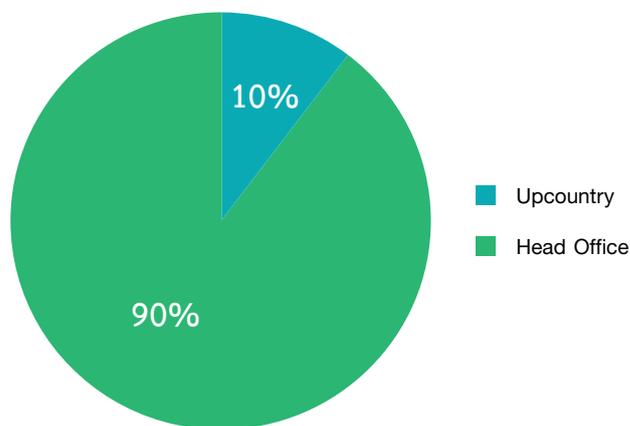
Proportion of personnel classified by educational level



Proportion of workplace



Proportion of Work place



3) Add the product and service access channels for the customers both of group of current customers and new customers, by focusing on addition of online channel via platforms whether being the Company's platforms consisting of Mobile Application, Website or Social Online, as well as access through business alliance in the group of leading financial institutions due to the Company's foresight on the significance of the product and service data access channel, which must be a channel that is convenient and accessible all the time to facilitate the customers and service users.

4) Support the provision of services for the projects that are useful for the government sector and society. Since 2011, the Company has participated in In-Season Rice Insurance for 2021 Harvest Season Program with the government sector, as the guarantee of output, which is damaged from natural disaster whether being drought and flood due to the Company's foresight on the significance of Thai farmer occupation. Therefore, the Company has desired to assist through relief of the Thai farmers' burden, and this will create the security for the farmers in another way.

In last year, the Company has participated more in the insurance programs with the government agencies under the crop insurance program as per the following detail.

Micro-Insurance

The Company has executed to develop the community and society according to the Office of Insurance Commission (OIC)'s policy as stated in the Third Insurance Development Plan (2016-2020), especially in terms of knowledge enhancement and access to insurance through the promotion of retail insurance products so that the people use insurance as a security guarantee for their life and property, and to alleviate the government's burden in remedying the people, as part of the significant collaboration on Thai society development.

The Company has offered a variety of insurance products under concern on the people needs that are changing according to the social and economic situations by foreseeing the significance of the insurance system access by people at all levels. Thus, the Company has established a policy for promoting the retail insurance or "Micro Insurance", with an easy-to-understand coverage, low insurance premiums, and accessibility to people at all levels through a wide range of distribution channels. The Company's key micro-insurance products in 2021 include:

Cancer Micro-Insurance

Thaivivat Insurance has cooperated with Counter Service to sell micro-insurance products through Counter Service, which has more than 6,000 branches in Thailand, to provide an easier access of the people to the essential insurances. The products are classified into "Thaivivat Fearless Cancer Micro-Insurance" that provides coverage for all types of cancer except skin cancer with a 711-Baht annual premium that offers total coverage of 70,000 Baht; and 2. "Thaivivat Fearless Cancer Micro-Insurance Plus" that provides coverage for all types of cancer including Melanoma cancer but excluding skin cancer.

In-Season Rice Insurance for 2021 Harvest Season

The Company is one of the 17 companies that have participated in the government's in-season rice insurance program with the objective of creating the security for farmers in the target areas of 45.7 million rai across the country, contributing to the reduction of cost and risk that will occur with their crops. Farmers shall receive coverage for seven types of natural disasters consisting of floods or heavy rains, drought, rain-shortage or intermittent rain, storm or typhoon, cold weather or frost, hail, fire, and wild elephant. The farmers will receive the basic coverage of 1,260 Baht per rai (Part 1) and an additional coverage of 240 Baht per rai (Part 2). For coverage for pests and disease epidemics, the farmers shall receive a basic coverage of 630 Baht per rai (Part 1) and an additional coverage of 120 baht per rai (Part 2). If the provincial governor announced the insurance area as the zone for assisting the emergency disaster victims, the farmers who purchase the insurance (Part 1+Part 2) shall receive coverage of up to 1,500 Baht per rai and coverage for pests and disease epidemics of 750 baht per rai. The said insurance is available at the Bank for Agriculture and Agricultural Cooperatives for the guarantee access all over.

200 Micro-Insurance

The Company is one of the insurance companies that have participated in the "200 Insurance Policy" project in collaboration with the Office of Insurance Commission (OIC). 200 Insurance is a personal accident insurance for the individuals, which provides a coverage of 100,000 Baht in case of death, loss of hands, feet, and sight, and total permanent disability caused by an accident, 50,000 Baht for homicide, and 10,000 Baht for death caused by an illness. The premium is 200 Baht per annual for the person aged 20 to 60 years with an objective of enhancing the opportunity for people at all levels to enable to purchase accident insurance at an affordable price.

Affordable Home Fire Micro-Insurance

The Company is one of the insurance companies that have participated in the "Affordable Home Fire Insurance Policy for Retail Buyers" in collaboration with the Office of Insurance Commission (OIC). This affordable home fire insurance provides coverage for building damage in the characteristic of residential building, caused by four types of perils consisting of fire hazards, lightning, explosion (the sum assured amount for concrete buildings is 300,000 Baht, for half concrete half wood houses is 150,000 Baht, for wooden houses is 100,000 Baht, for wooden shop houses is 50,000 Baht) and natural disasters (such as storm, flood, earthquake, and hail with total sum assured amount of all perils of no more than 10,000 Baht). If the said damage

causes the insured to not be able to live in their homes and need to find a temporary accommodation, the compensation of no more than 300 Baht per day will be provided but for not

more than 30 days with an insurance premium of only 400 Baht per year. The objective is to enhance the opportunity for people at all levels to enable to purchase fire insurance at an affordable price in order to alleviate the arisen damage at a certain level.

Maize Insurance

The Company is one of the 17 companies that have participated in the Maize Insurance Program with the objective of creating the security for the farmers in the target areas of 3 million rai covering all maize plantation areas, supporting the farmers to grow maize after the rice farming season to reduce the problems of oversupply of rice and price slump, and reducing the cost burden and risks that may occur to the crops. The farmers shall receive coverage for eight types of natural disaster consisting of floods or heavy rains, drought, rain-shortage or intermittent rain, storm or typhoon, cold weather or frost, hail, fire, and wild elephant. The farmers shall receive the basic coverage of 1,500 Baht per rai (Part 1) and an additional coverage of 120 Baht per rai (Part 2). For coverage for pests and disease epidemics, farmers shall receive a coverage of 750 Baht per rai (Part 1) and an additional coverage of 120 Baht per rai (Part 2). If the provincial governor announced the insurance area as the zone for assisting the emergency disaster victims, the farmers who purchase the insurance (Part 1+Part 2) shall receive coverage of up to 1,740 Baht per rai and coverage for pests and disease epidemics of 870 Baht per rai. The said insurance is available at the Bank for Agriculture and Agricultural Cooperatives to provide the farmers with access to the guarantee all over.

Longan Micro-Insurance

The Company is one of the two companies that have participated in the Retail Longan Crop Micro-insurance Against Drought Program using the drought index (measured by satellite) sold through the Bank for Agriculture and Agricultural Cooperatives (BAAC) in order to support the risk against drought for the farmers. The insurance area is available in five northern provinces consisting of Chiang Mai, Chiang Rai, Phayao, Nan, and Lamphun with the first sales in January and February 2020 as the early stage in order to provide the protection against drought for longan farmers during March and April 2020. The farmers who borrowed from the Bank for Agriculture and Agricultural Cooperatives (BAAC), with loan limit of every 10,000 Baht can apply for one unit of insurance with a premium of 399 Baht per 1 coverage unit, where a maximum coverage of 2,100 Baht is provided. The coverage is divided into two parts including 1. 900-Baht compensation in the event of longer drought period than the drought index, and 2. 60-Baht compensation per day in the event of continuous drought from the drought index, not exceeding 2,100 baht in total. However, if the insured area faces a continuous drought (having no rainy day or daily rain of less than one millimeter consecutively) for more than the number of days determined as the drought index, the Company will pay compensation to farmers through their BAAC accounts.

5) The community and social development The Board of Directors is aware of the community and social development through the basic principle of human rights both in business operation process and community and social development participation activities outside the business operation process, for instance, development of human resources that are regarded as the key of business development and business sustainability creation. The Company establishes the policy for equal treatment among all employees and stakeholders, without discrimination of skin color, race, sex, religion, lineage, nationality, poverty, disability, and respect and acceptance on the idea, social, environmental, legal, and cultural differences (see the addition in the topic of "Employee Care"). In 2021, the Company has promoted the community and social development through donation and charity in various occasions as follows :

Educational promotion activities

The Company jointly promotes the equality according to the human rights with the group of people in the society on regular basis, particularly the right to basic education, due to the foresight that the creation of human resources with the potentiality in knowledge, competence, and morality, as the crucial part of security creation and development of the country. In 2021, the Company has carried out the activities for educational assistance as follows :

- THAIVAT INNOVATION AWARDS 2021 Project :

In the occasion of the 70th anniversary in 2021, the Company's goal is to build an awareness of innovation and insurance for Thai people. Therefore, the Company has organized THAIVAT INNOVATION AWARDS 2021 Project for "Contest for the Concept of Creative Innovation with Thaipvat Insurance's 70-Year Insurance", where total scholarship value of 100,000 Baht and opportunity for apprenticing work experience in innovation with Thaipvat Insurance are granted. The conceptual framework of insurance innovation is defined in three areas that are IoT, AI, and Big Data, for transferring the body of knowledge, and developing the innovation creativity skill to the youths and students through the Project, leading to the development of personnel that is the mainspring in thinking, extension, and creativity of the Risk Management Project for Thai People with the continuous sustainable insurance innovation in the future.



The said Project has been supported and collaborated by the leading organizations in innovation and technology in providing knowledge and counsel to the project participants, such as National Electronics and Computer Technology Center (NECTEC), to jointly provide technological knowledge in terms of AI, Internet of Thing, and Big Data, for applying with the insurance.

Amazon Web Services (Thailand) Co., Ltd., the provider of the integrated cloud services having the worldwide service users, has collaborated to provide the knowledge and counsel on the application of cloud computing technology in the insurance innovation. The National Innovation Agency (Public Organization) has collaborated to provide the knowledge on the innovation development process in the economic and social dimensions, the development of Business Model Canvas for creating the opportunity of actual innovation; and also participated as the consultant of the awarded project in order to apply for the Startup Project supporting fund when passing the criteria. The said organized Project has been interested by many undergraduates, students, and pupils, and participated by total of 41 teams.

Donation for contributing the social and community development fund in various areas

- **Society and community** The Company jointly donated for contributing the fund to the organizations and agencies in 2021 as follows :

Caring is Giving” Project In the 70th anniversary occasion, the Company has still continuously emphasized on creativity of benefits in return to the society, and therefore, prepared the special campaign of “Caring is Giving” by focusing on assisting the children and youths, and promoting the public health, particularly in education and quality of life, with donation in total amount of 1,000,000 Baht to support the related agencies or foundations, for instance, Thai Red Cross Society, Ramathibodi Foundation, and Yuvabadhana Foundation, which are the foundation for children and the medical agency.

Get the right of free trial for on-off car insurance One of the important problems due to the global and Thailand impact throughout the past period of 2021 among the continuous COVID-19 pandemic situation, has been high increase in cost burden, while the people have been extensively affected from the COVID-19 pandemic in wide area. Therefore, the Company has foreseen the significance of innovation creativity in order to assist Thai people to overcome this crisis all together, through an opening for the nationwide car users to register to obtain the right of trial for “Top-up On-Off Car Insurance” for free in the first time in Thailand! The said insurance provides the initial 30-hour coverage up to 30 days long. The insurance plan opened for registering a free trial is Top-up On-Off Car Insurance Class 3+ at the sum assured of car for 100,000 Baht, with the expectation to help alleviating the burden for Thai people who have been affected from the COVID-19 pandemic.

“Free COVID Vaccine Allergy Insurance to Overcome Crisis for Thai People” Project The Company has supported the “Free COVID Vaccine Allergy Insurance to Overcome Crisis for Thai People” Project by granting 500,000 rights for the COVID vaccine allergy insurance policy for free! The coverage limit in case of coma that is affected from the prevention vaccine is provided for 100,000 Baht to help relieve the anxiety in case of emergency or unexpected event that may be affected due to vaccine allergy for coverage period within 60 days from the commencement date of vaccination.

3.5 Sustainable management in governance dimension

The Company has applied the concept of sustainability in the governance dimension together with the internal management, where the governance dimension is regarded as the enterprise dimension of business operations and operation management, and adhered by the Company as the key of business operations as follows :

1) Operate the business pursuant to the principle of governance, where the Company prepares the policies and practices as the guideline for business operations and operations that shall give precedence to the stakeholders on a balance basis; and yearly review the policies as one tool that helps creating strength and security in operations. The guidance for business operations with fairness and good corporate governance is as follows :

Policies, practices, and operation

In term of management with governance for proper, transparent, and verifiable business operations, the Company has complied with the Corporate Governance Code, whereas the Company has set up Compliance Unit in order to ensure that the operations within the Company are properly taken place pursuant to the rules and regulations according to the laws of the Office of Insurance Commission (OIC), and other related supervisory sections, for instance, Stock Exchange of Thailand (SET), the Office of the Securities and Exchange Commission (SEC), and the Anti-Money Laundering Office (AMLO).

Thaivivat Insurance Pcl. takes into account the equity, fairness, non-advantage taking, and integrity in the insurance business operations by maintaining the mutual benefits with the related parties, who are fairly treated while operating the business through the strict compliance with laws and rules mutually prescribed, having Code of Business Conduct, not demanding, not receiving and paying any benefits that are dishonest in the trade with the trade partners pursuant to the Corporate Governance Code.

On 18 December 2017, Thaivivat Insurance Pcl. was honored as the business with code of conduct and governance from Thai Chamber of Commerce in the event of announcing the honor of the Thai Chamber of Commerce Business Ethics Standard Test Award 2017 (TCC BEST Award) (Smart Thailand in doing good and sustainable path). The Company has been admired and honored as the private business sector that runs the business with the principle of governance, particularly regarding transparency, integrity, and corporate social responsibility

Work units related with the corporate governance

The Company has set up the Compliance Department as the center in gathering and following up the information relating to the relevant rules, and communicate to provide knowledge and counsel on the external rules in terms of being the non-life insurance company and the listed company, that have been interpreted and/or concluded, and compiled for proper execution of the persons and work units within the Company pursuant to the rules and regulations from the above related external agencies.

However, the Company has set up Internal Audit Unit as an independent unit that is subordinate to the Audit Committee and the Board of Directors, to perform the duty in auditing, reviewing the operating activities within the Company, providing counsels, proposing the suggestions and advices for the operating correction and improvement to be appropriate and efficient. The report of good corporate governance has been reported in the attachment 4 "Policies and Guidelines for Corporate Governance and Business Ethics".

Disclosure of information and report

With well realization that the Company's information affects the decision-making of the stakeholders, therefore, the complete and reliable disclosure of key information relating to the Company, and policies and practices to the public, is emphasized. The said information are both financial information and non-financial information according to the requirements of the SET, and according to the Notification of the Office of Insurance Commission (OIC) Re: Rules, Procedures, and Conditions of the Proper, Complete, and Timely Disclosure of Information Relating to Financial Position and Operating Results of the Non-Life Insurance Company B.E. 2551 (2008) so that the stakeholders can equally access the information. Other than the disclosure of information to the organizations and supervisory agencies, the people and stakeholders can also access the Company's information that has already been publicized via the Company's website.

The information publicized by the Company via its website www.thaivivat.co.th.

- Articles of Association of the Company
- Practical Manual and Code of Corporate Governance
- Business Ethics
- Key financial information, including yearly and quarterly financial statements.
- Annual Registration Statement (Form 56-1)
- Annual Report
- Corporate Social Responsibility Report
- Notice and Report of the General Meeting of Shareholders
- Anti-Corruption Policy
- Anti-Corruption Practice
- Notice on Suspension in Receiving Gift and Present
- Anti-Money Laundering Policy

2) Fairly provide the services to the customers, and also maintain the privacy of the customer information, and determine the information storage procedure to be safe without disclosure of personal data of any customers for acknowledgement, except it is the disclosure by law only.

3) Operate the business by focusing on the consumer centricity with design and development of products and services that fulfill the needs of each group of consumers. In 2021, the Company has aimed for creating the product satisfaction and service confidence to the insured, with the responsibility on the insured to obtain the good and quality services at the suitable price according to the set of supervisory regulations of the Office of Insurance Commission (OIC). It is to say that the type and context in the insurance policy shall be consistent with the determination of the premium rate, and have the clear meaning. In addition, the definition used is determined according to the theory in order to avoid the legal interpretation problems when an indemnity is claimed. In addition, the premium rate at the appropriate rate and at the rate approved by the Registrar is used.

Moreover, the various insurance plans have been developed and improved to be appropriate for the changing needs of Thai society, and the services have been continuously developed and improved according to the changing technologies for convenience to provide the services to the insured, and seriously and regularly maintain the customer relationship and sustainability.

Ability to reimburse the indemnity when having an accident

The insurance company stability is highly important for the reliability of insurance products and directly affect the insured and the entire economic system of the country as the financial institution, particularly in term of ability to reimburse the indemnity, therefore, Thaivivat Insurance Public Company Limited realizes on the maintenance of financial status according to the relevant laws, and the requirements of the supervisory agencies, for instance, OIC. In the past 2021, the Company's proportion of capital to minimum capital requirement as of Q3 was up to 286.84%, being deemed as guarantee on its capacity to properly underwrite and reimburse the indemnity to the people.

Claim service

The Company has formulated the policy relating to the claim payment so that the rapid and promptly claim services are provided and the people can be concretely assisted by taking into account the claim payment of not more than 14 (fourteen) days from the agreement date of claim for rapidity, and the insured's needs can be timely fulfilled. The Company strictly complies with the conditions and terms entered with the customers in order to avoid the litigations that will cause damage to the Company.

The Company has adapted the new innovations and information systems with the insurance services, where E-Claim system has been used for fully developing the claim management service in order to enhance the efficiency and facilitate the rapidity to the customers who have an accident, enhance the service potential of the surveyor, enable to immediately print Repair Order at the point of accident round the clock all over the country, and also enable to inform the event of emergency via Application and monitor the employee. In addition, the Company has opened 29 branches to provide the claim services all over the country, and also provide repair notification service for the motor insured in the car service centers, that participate in the projects for the insured's convenience in claiming the indemnity, and giving counsel and assisting the insured.

Development of Thaivivat Active Health Insurance Product

Active Health Insurance is an insurance product that has continuously been improved and developed. After its official launch in 2018, the Company has intended to be the one who motivates Thai people to be sustainably healthy since health is the basis for every aspect of life. When Thai people take good care of their health and have adequate risk prevention, they will be able to steadily fulfill their life goals as intended. Therefore, the Company has been encouraged to improve its products, under the concept of health security that provides protection and care in the event of illnesses, and another concept of Active Health Insurance that mitigates unhealthy risks and allows the insured to live freely with a healthy and happy body and broad coverage from the product.

In 2021, the Company has developed its products to provide maximum benefits for the consumers by developing health insurance plans that can better meet the needs of consumers and more access to the group of consumers by introducing the Simple plan with a monthly insurance premium of 1,199 baht to fulfill the needs of customers who are facing the high cost of insurance services, allowing them to pay at the price that is suitable for them.

However, in term of coverage, the Company has also introduced the coverage for COVID-19 screening due to the COVID-19 pandemic situation to enhance the protection for the service users to be worry-free with the occurred situations. Additionally, the Company has developed and updated Applications and applied the various wearable technologies to accurately measure the physical performance of consumers. Other benefits are also offered to consumers to meet their lifestyles including their food and exercise preferences. Active Bonus Point is given to incentivize the consumers to exercise with a variety of exercise options provided by the Company, such as exercise classes and discounts for healthy food products to promote good health in all dimensions, and appropriate exercise.

Development of "On-Off Motor Insurance" Product

The on-off car insurance product is regarded as one of the products that have been always developed both in terms of its services and products to fulfill the consumer usage to meet their actual needs and usage for the maximum service usage and benefits of the consumers.

In 2021, the Company has taken into account the changes under the emergency situation, and consumer behavior toward New Normal from the COVID-19 pandemic. Therefore, the Company has aimed for advancing to apply the new creative innovations by taking into account the consumer centricity according to the guideline of Thaivivat Innovation Model by focusing on the development of products and services that fulfill the individual persons who are distinguished (Personalized), support the risks in all situations that may actually occur (Reliable), and focus on the simple and convenient usage at fingertips (End-to-End) with Thaivivat Application in order to add the variety of options to the consumers. Therefore, the Company has developed a new feature of on-off car insurance product of "Home Plus On-Off Car Insurance", an insurance product in New Normal era by completely covering "car and home" round the clock in the same insurance plan, under adherence of the slogan of "Think for Every Life" in all areas both of Value for Money that contributes to a maximum premium saving up to 70%, and design of coverage type. The premium payment is based on the actual usage rate to be consistent with the economic condition and lifestyle in the current era, and is classified into four packages consisting of 4-Month, 6-Month, 12-Month, and Top-Up Package, with an initial premium of 1,899 Baht only, for both motor coverage that is optional for Class 1, Class 2+, Class 3+, and home coverage that is in charge of fire

and natural disaster damage round the clock, and also provides the theft risk coverage once startup of car to leave home, to enhance relief and flexibility of living in New Normal era to be more balanced. In addition, in terms of on-off car insurance service, it has also regarded as another key feature from notification of event without explanation of route, including advance reservation service for personal parking lot at Central Department Store, or even car wash service at home that can be easily performed at fingertips through Thaivivat Application.

Development of Thaivivat Application

In 2021, other than the development of product to satisfy the consumers in new era, the Company has also developed the services and the direct communication with the consumers in order to enhance the convenience by adopting InsurTech technology for the maximum consumer benefits through a launch of “Thaivivat” Application under the slogan of One app for all “New experience makes all insurance matters to be easy for you”, where all policies are gathered in the same place both for Motor and Non Motor.

However, the policyholder is able to verify the information, check the policy status, and search for the repair center, notify the event of emergency, and monitor the position of claim officer on real time basis. Moreover, the policy can be renewed, and the hours of on-off car insurance coverage is topped up in the first time of Thailand. The various modes of payment, such as Credit Card/Debit Card, QR PromptPay, Counter Service, and payment via Call Center, can be supported; and the privileges from many leading alliance shops, restaurants, and brands have been gathered as the additional services for the consumers.

Development of the various channels of purchase and premium payment

In term of service, the Company develops the insurance product access channels, and the insurance service quality on a regular basis. The Company also develops the various channels of insurance purchase for the convenient accessibility of the consumers, who are the agents and brokers, counters in the Department Stores, Counter Service in the convenience stores all over the country, website www.thaivivat.co.th, and LINE Official Thaivivat Insurance, with the safety standards of online insurance purchase and payment certified by the Department of Business Development. The insured can select paying premium by various modes, whether Credit Card, bank counter, and mobile payment, as well as insurance renewal via Thaivivat Motor Application for more convenience and ease of the service users to use the services.

Development of “travel insurance” product

In 2021, the Company has developed the domestic travel insurance product mostly for more service convenience and fulfillment of the consumer needs in the current situation. Therefore, the Company has been involved as a part of the safe and worry-free domestic tourism support throughout the traveling trip, and as the contribution of domestic tourism stimulation in the period of which the tourism economic condition has been affected from the COVID-19 situation. Thus, Thaivivat travel insurance has submitted the domestic plan that provides the coverage limit up to 2,000,000 Baht to cover both personal accident and accidental medical treatment expense, cover flight delay, and luggage loss or damage, cover the travel cancellation or reduction of number of travelling days; and allows the insurance without limit of the insured’s age in order to help reduce the risk against the unexpected incident during travel.

In part of on-off travel insurance as an overseas travel insurance plan, the travel insurance innovation has been continuously developed for the service convenience and fulfillment of the current consumer needs with a focus on technological application as part of daily life, and update of the versions in order to ensure the convenient and rapid usage based on the service user’s need and lifestyle.

Other services

In 2021, other than the development of products, the Company has also developed and improved the services for more convenience and rapidity to the service users as follows:

Communication: The telephone system of the organization has been improved and developed, and telephone numbers have been revised so that the service users can access rapidly to the information, and directly to the department required to contact for the maximum convenience of coordination and after-sales customer services.

Customer Relations Center: For facilitating the insured, the skilled staffs are there to give advice, comprehend, and primarily resolve the problems, and help monitoring the problems of the insured to be properly and efficiently overseen and corrected.

In addition, the Customer Relations Center is also a work unit that stores the information of customer satisfaction on services. However, the information of problems detected by the Customer Relations Center will be used as the basis of service improvement and working development of the Company. The Customer Relations Center can be contacted via Tel. 1231 on working days and hours (Monday-Friday at 8.00-18.00 hrs.) via website www.thaivivat.co.th, and Facebook www.facebook.com/thaivivat, including LINE Official Thaivivat Insurance.

Accident Reporting Center: To provide quick services in assisting the insured customers nationwide, especially the motor and health insurance, the Company has set up a center for accident reporting and car accident inspection that operates 24/7 with real-time satellite tracking using GPS (Global

Positioning System) technology to show the location of accident inspectors of the Company. The staffs at the Accident Reporting Center can send the accident to the nearest accident inspector to ensure a quickest service that provide confidence to the insured. Moreover, for the customers who have registered and installed Thaivivat Application on their mobile phones can report the accident with the button of "Report an Emergency" without having to dial a phone number, and send the accident location to the Company without having to explain the route. The Accident Reporting Center can be contacted at Tel. 1231 Press 1 24/7.

Roadside Assistance is a service for the insured in the event of a car breakdown on the way, which may be caused by the malfunction of the engine or other devices of the car, resulting in movement failure of the car. The staffs are there to provide technical advice to assist the customers in resolving the situation, as well as on-site technical services that offer basic assistance services at the point of accident, including towing service to the Repair Center. The service is available 24 hours by contacting the Accident Reporting Center.

4. Management Discussion and Analysis

4.1 Performance

(Unit : Thousand Baht)

	2021	2020	Change	
			Increase (decrease)	(%)
Underwriting income	5,544,718	4,680,677	864,041	18.46
Investment income	196,327	4,943	191,384	3,871.82
Other income	12,416	4,874	7,542	154.74
Total income	5,753,461	4,690,494	1,062,967	22.66
Underwriting expense	4,376,913	3,996,597	380,316	9.52
Operating expense	786,770	597,876	188,894	31.59
Total expenses	5,163,683	4,594,473	569,210	12.39
Net profit	472,004	77,670	394,334	507.70
Earnings per share	1.56	0.26		

In 2021, the Group Company's underwriting income was 5,544.7 million baht, increasing 864.0 million baht or 18.5 percent from the prior year. At the same time, investment income was 196.3 million baht, increased 191.4 million baht as market conditions improved. While the Group Company's underwriting expenses and operating expenses totaled 5,163.6 million baht, increasing 569.2 million baht or 12.4 percent, underwriting expenses and operating expenses increased at a slower rate than income. As a result, the Group Company's net profit was 472.0 million baht increased by 394.3 million baht from the prior year.

Key financial ratio that reflects profitability or profitability ratio of the Group Company's for the year 2021 and 2020 are as follows :

	2021	2020	Change Increase (decrease)
Retention ratio	90.27	89.16	1.12
Loss ratio	55.04	57.74	(2.70)
Underwriting expense ratio	38.09	40.42	(2.33)
Return on investment ratio	3.34	0.10	3.23
Gross profit margin	21.06	14.61	6.45
Gross profit to total income ratio	20.30	14.57	5.72
Net profit margin ratio	8.20	1.65	6.55
Return on equity ratio	30.00	5.84	24.16

Underwriting income

(Unit : Thousand Baht)

	2021	2020	Change	
			Increase (decrease)	(%)
Net premium written	5,717,000	5,336,870	380,130	7.12
Net earned premium	5,417,190	4,540,301	876,889	19.31
Fee and commission income	127,528	140,376	(12,848)	(9.15)
Total underwriting income	5,544,718	4,680,677	864,041	18.46

Underwriting expenses

(Unit : Thousand Baht)

	2021	2020	Change	
			Increase (decrease)	(%)
Claims and loss adjustment expenses	3,051,693	2,702,544	349,150	12.92
Commission and brokerage expenses	1,004,188	942,172	62,016	6.58
Other underwriting expenses	321,032	351,881	(30,850)	(8.77)
Operating expenses	786,770	597,876	188,893	31.59
Total underwriting expenses	5,163,683	4,594,473	569,209	12.39

The Group Company's underwriting income of Baht 5,544.7 million increase of Baht 864.0 million or 18.5 percent compared to the year 2020, mainly increased in motor insurance and miscellaneous insurance mainly due to the Group Company's continuous product development by using new innovations in product design to facilitate and meet the insured needs, as well as the Group Company's continuous sales promotion activities.

Operating expenses and underwriting expenses Baht 5,163.6 million, an increase of Baht 569.2 million, or 12.4 percent, from prior year. In a normal situation, the most of claims are from motor insurance, however when the pandemic COVID-19 in 2021 continues to be serious, economic activities slows down, along with government policies that reduce people's movement to refrain from traveling and Work from Home (WFH), resulting in decreased in motor insurance claims so that the loss ratio was 56.3 percent, down from 59.5 percent the previous year. Furthermore, the Group Company's emphasizes the use of Big Data and innovation to improve operational effectiveness and a more effective risk screening system.

Investment income

(Unit : Thousand Baht)

	2021	2020	Change	
			Increase (decrease)	(%)
Revenue from interest and dividend	88,756	71,459	17,297	24.21
Gain (loss) on financial instruments	103,774	(19,090)	122,864	643.61
Gain (loss) on fair value adjustments of financial instruments	3,797	(47,426)	51,223	108.01
Total investment income	196,327	4,943	191,384	3,871.82

Investment assets

(Unit : Thousand Baht)

	2021	2020	Change	
			Increase (decrease)	(%)
Deposits at financial institutions	907,680	718,913	188,767	26.30
Bond and state enterprise	269,791	529,736	(259,946)	(49.10)
Debenture	1,766,689	1,270,129	496,560	39.10
Common stock	636,833	485,102	151,731	31.30
Unit trust	1,555,680	1,556,943	(1,263)	(0.10)
Investment in subsidiary	87,200	67,200	20,000	29.80
Other	4,072	6,232	(2,160)	(34.70)
Total investment assets	5,227,945	4,634,255	593,690	12.80

However apart from underwriting income, the company had a main investment income with investment ratio as the Office of Insurance Commission (OIC) announcement, with the investment amount as of year ended 2021 shown in the Financial Statements and recorded as market price 5,227.9 million baht, an increase of 593.7 million baht from the prior year.

The Group Company's investment income in 2021 was 196.3 million baht, an increase of 191.4 million baht from the prior year, due to a 17.3 million baht increase in dividend and interest income. In addition, the gain on sale of investments increased by Baht 122.8 million as the stock market improved following the global economic recovery in 2021, allowing the Group Company's to profit from investment assets. Furthermore, profit from fair value adjustments increased by 51.2 million baht.

4.2 Financial position

(Unit : Thousand Baht)

	2021	2020	Change	
			Increase (decrease)	(%)
Underwriting asset	2,125,890	1,693,216	432,673	25.55
Investment asset	5,140,745	4,581,163	559,582	12.25
Other assets	1,578,414	1,570,921	7,493	0.47
Total asset	8,845,049	7,845,300	999,749	12.74
Underwriting liabilities	5,817,346	5,482,945	334,401	6.10
Other liabilities	1,226,850	1,016,596	210,254	20.68
Total liabilities	7,044,197	6,499,541	544,656	8.38
Total equity	1,800,852	1,345,759	455,093	33.82

Key financial ratio that reflects financial position of the group company for the year 2021 and 2020 are as follows :

	2021	2020	Change Increase (decrease)
Liquidity Ratio			
Liquidity ratio	0.51	0.47	0.04
Premium receivable turnover ratio	48.47	41.07	7.39
Efficiency Ratio			
Return on asset ratio	5.66	1.08	4.58
Assets turnover ratio	0.69	0.65	0.04
Financial Ratio			
Debt to equity ratio	3.91	4.83	(0.92)
Policy Liability to Capital Fund	2.79	3.28	(0.49)
Unearned premium reserve to equity ratio	1.73	2.09	(0.36)
Unearned premium to assets ratio	36.07	36.92	(0.85)
Dividend payout ratio	44.94	78.02	(33.09)

For assets at end of 2021, the Group Company's had total assets of Baht 8,845.0 million increased Baht 999.8 million or 12.7 percent from 2020. The mainly significant change of assets from cash and cash equivalents Baht 745.8 million, increased of Baht 413.1 million, premium receivable Baht 947.1 million, increased Baht 192.8 million mainly from general policy by aging not yet due and investment assets Baht 5,140.7 million, increased 573.7 million from financial assets - debt instruments increased Baht 515.1 million.

For liabilities, the Group Company's had total liabilities of Baht 7,044.2 million increased Baht 544.7 million or 8.4 percent from prior year. The mainly significant change of liabilities are insurance contract liabilities Baht 5,461.5 million, increased Baht 438.4 million resulting from claim reserves increased Baht 2,123.2 million, increased Baht 150.7 million and premium reserves Baht 3,338.3 million, increased Baht 287.7 million mainly from the expansion of Motor Insurance.

For equity, the Group Company's had total equity of Baht 1,800.8 million increased Baht 455.1 million or 33.8 percent from prior year. The mainly significant change of equity was retained earnings, increased Baht 435.6 million from operating profit increased Baht 483.8 million and dividend paid during the year Baht 60.6 million. Another part changes in fair value of debt and equity instruments increased Baht 36.2 million as the stock market improved.

4.3 Capital Adequacy Requirement

The company importance to stability, financial position and the credibility of the company Because the main business operation is a non-life insurance that has stakeholders in many dimensions. especially the insured or beneficiaries. Therefore, the company has set the indicator index. for the stability of the company which in addition to key financial ratios is Capital Adequacy Requirement Ratio: CAR Ratio with the Risk Management Committee and related departments is responsible for monitoring and evaluating the capital adequacy requirement by requiring the company to maintain a capital adequacy of not less than 200% which is higher than the minimum rate by the Insurance Commission (OIC) at 140%.

The Company also has a follow-up and test shock scenario testing to prepare for planning and formulating strategies, methods of operation under potential critical conditions.

5. General Information and Other Important Information

5.1 General information

5.1.1 General information, Head office location and telephone: Head office

Company name	: Thaivivat Insurance Public Co., Ltd.
Main business	: Non-Life Insurance business
Head office location	: 71 Thaivivat building Dindaeng Road, Samsen Nai, Phayathai, Bangkok 10400
Company registration	: 0107536001427 (Former PCL. 216)
Telephone	: 0-2248-0900, 0-2248-0910, 0-2644-6400, 0-2644-6500, 0-2695-0800 and 1231
Fax	: 0-2248-4575, 0-2248-4975, 0-2695-0808
Claim Hot Line	: Tel. 0-2695-0700
Customer Care	: Tel. 0-2695-0777
Health Claim	: Tel. 0-2695-0707
Website	: www.thaivivat.co.th
Company has 303,000,000 common shares that all sold out.	

Line Official Account
@thaivivat



5.1.2 General information, Head office location and telephone: Subsidiary

Company name	: Laovivat Insurance Company Limited
Main business	: Non-Life Insurance business
Location	: 011 Ban Tadkhao unit 01, Sisattanak District, Vientiane, Lao PDR
Company registration	: 614147369900
Telephone	: +856 21 22 66 88
Website	: www.laovivat.com
Company has 1,400,000 common shares that is 70% of total shares that all sold out.	

5.1.3 General information, Head office location and Telephone: Subsidiary

Company name	: Motor AI Recognition Solution Company Limited (MARS)
Main business	: Prepare computer programs and technology systems that are beneficial to the insurance business
Location	: 32/6 Surasak Road, Silom, Bangrak, Bangkok 10500
Company registration	: 0105564003755
Telephone	: 0-2695-0800 and 1231
Company has 200,000 common shares that is 100% of total shares that all sold out.	

5.2 Other factors that may affect investment decisions

Legal Disputes

The Company has a dispute in accordance with the ordinary course of the non-life insurance business. As at 31 December 2021, the Company has been sued as insurer for damages totaling approximately Baht 223.0 million (amount claimed). The cases have yet to be finalised. However, the Company has set aside reserves for contingent losses in the financial statements amounting to approximately Baht 96.9 million, with the recoverable portion from reinsurers amounting to Baht 2.1 million. The Company's management believes that such reserve is adequate.

6. Corporate Governance Policy

Thaivivat Insurance Public Company Limited gives precedence to good corporate governance for the efficient, transparent and verifiable management system, contributing to building the credibility and confidence among the shareholders, investors, stakeholders and related parties. The good corporate governance is a tool leading the Company toward the sustainability and progress. Therefore, the Company has updated the Corporate Governance Practical Manual and Code to be consistent with the Corporate Governance Code for the Listed Companies for 2017 of the Securities and Exchange Commission, and the Notification of the Insurance Commission Re: Non-Life Insurance Company Governance B.E. 2562 (2019), where the Corporate Governance Practical Manual and Code has been approved by the Board of Directors No. 4/2020 on 13 November 2020, and adopted as the principle of business operation of the directors, executives, and employees, and used for adhering as the common practice, and disseminated to the executives and employees for acknowledgement within the Company through the publicity on the Company's website.

6.1 Overview of the Practical Manual and Code of Corporate Governance

Category 1 Roles of the Board of Directors in Corporate Governance

The Board of Directors plays the crucial role in good corporate governance, where the Board of Directors of the Company shall be independent in making the decisions for the maximum benefits and the shareholders on the whole. The Board of Directors performs the duty to formulate the Company's vision and mission so that the executives and employees have the same direction of operating target. In 2021, the Board of Directors has considered reviewing and approving the vision, mission, strategies, and goals in short-term and long-term, and business operation direction of the Company, as well as reviewing the significant policies to be appropriate and consistent with the business operation according to the Corporate Governance Code, for instance, the corporate governance policy, the anti-corruption policy, etc. The Board of Directors has monitored and supervised to implement the Company's strategies. At every Quarterly Board of Directors' Meeting, the Board of Directors monitors the operating results of the Executive, and determines that the Company's operating results and turnover, particularly in part of financial goals and plans, shall be reported to be in line with the setting strategies, and performs the duty in supervising the risks and internal control system in overview of the whole Company. The Risk Management Committee performs the duty to consider formulating the risk management policies of the Company, where the Risk Management Department is a supporting work unit, and performs the duty to propose the result of consideration and management of risk and internal control to the Audit Committee for consideration in order to further report to the Board of Directors.

Category 2 Right of Shareholders and Equitable Shareholder Treatment

The Company prioritizes and respects the fundamental rights of shareholders by promoting both major and minor shareholders to equitably exercise the rights according to the rules prescribed by laws, for instance, purchase and sale, or transfer of shares, profit sharing of the business, acquisition of adequate news and information of the business, the right to be informed of data about the Shareholders' Meeting, the right to attend the meeting for exercising the voting right, and interrogate and submit the questions in advance of the meeting, the right to appoint and remove the directors, and determine the remuneration of the Board of Directors, including the right to appoint the auditor and determine audit fee, and the matters affecting the Company, for instance, dividend allocation, capital increase and capital reduction, etc., through the compliance with the rules prescribed by laws.

The Company supports the rights of shareholders by encouraging and promoting every group of shareholders as well as institutional shareholders to attend the Shareholders' Meeting, and determining the disclosure of related information, date, time, place and agenda of the meeting, with the clarification and reasons accompanying each meeting agenda or requested meeting resolution as stated in the notice of General Shareholders' Meeting and Extra General Shareholders' Meeting or any enclosed documents of the meeting agenda.

The Company also gives the shareholders the opportunity to submit the questions in advance prior to the day of the meeting, where the rules for advance submission of questions are clearly determined, and the shareholders are notified through the meeting notice. The Company prepares Proxy Form B so that the shareholders are able to determine the voting direction, and determines to have at least 2 (two) independent director to be a proxy alternative of the shareholders. At the Shareholders' Meeting, the Company shall manage the resolution in each item in case there are several items in the said agenda, for instance, the director appointment agenda. The Company uses ballots in the important agenda, for instance, entry into the connected transactions, and entry into the acquisition or disposal of assets, etc., for transparency and accountability. In the case of the subsequent dispute during the Meeting, the Chairman of the Meeting shall allocate time to be appropriate and promote the shareholders to have the opportunity to express the opinions and raise questions in the Meeting in the matters relating to the Company.

The Company prepares the Minutes of Meeting, and disclosure of the resolution of the Shareholders' Meeting to public on the voting results of each meeting agenda in the General Meeting and Extraordinary Meeting of Shareholders in next working day on the website of the Stock Exchange and the Company.

In 2021, the Company held the General Meeting of Shareholders on 28 April 2021, and 7 directors attended the meeting. The Company assigned Thailand Securities Depository Company Limited, as the registrar of the Company's shares, to deliver the meeting notices to the shareholders 14 (fourteen) days in advance of the meeting. The Chairman of the Meeting equally allowed all shareholders the right to audit the company business operations, ask questions and express their opinions which had been recorded in the meeting minutes.

In part of the equitable shareholder treatment, the Company gives precedence to the shareholders and promotes the equality of shareholders, whether they are major shareholders, minor shareholders, foreign shareholders, and institutional investors, where the Company has established the following practices:

The Company allows the minor shareholders to nominate for the director position, and propose the additional meeting agenda in advance prior to the day of the Shareholders' Meeting within appropriate timeframe.

The Company allows those shareholders who are unable to attend the meeting by presence to exercise the voting right by giving a proxy to other person to attend the meeting and cast a resolution vote on their behalf.

The Board of Directors requires the directors and executives to disclose the information in relation to their stakeholding and that of the related parties so that the Board of Directors can consider the Company's transactions with potential conflict of interest, and make decisions for the overall benefits of the Company. However, the said directors and executives having stakeholding in any transaction entered with the Company should not participate in the decision-making process of such transaction

The Board of Directors has formulated the Insider Trading Policy in order to prevent the use of insider information that may affect the securities trading, to be the preventive measure in case where the directors and executives use the insider information for the wrongful exploitation of personal or other person's interest. The directors, consultants, executives, and employees who perceive the Company's turnover, either directly or indirectly, and the related parties of the Company's purchase and sale of shares in the 30-day period prior to the announcement of financial statements to the public. During last year, the directors and executives have strictly complied with the policies and non-purchase and sale of shares had been observed during the said period. The directors, consultants, executives, and employees from the department manager level and higher who have purchased or sold the Company's shares are required to notify the Legal Subdivision for acknowledgement on the said purchase and sale within the following day from the said purchase and sale for further reporting the purchase and sale to the Office of the SEC, or self-reporting within 3 (three) working days from the acquisition or disposal date of the said shares; and to report the securities holding of the Board of Directors, executives, and auditor to the Board of Directors' Meeting for acknowledgement every time. The executives or the work units that are informed of the insider information are prohibited to disclose the information to the third parties or the persons without the related duty as per the details disclosed in the topic of Supervision of Insider Trading.

Category 3 Roles of Stakeholders

The Board of Directors gives precedence to the rights of both internal and external stakeholders. The Company shall avoid every action that may violate the rights of stakeholders. Therefore, the practice that causes the equality to all parties shall be adhered by determining the roles of the Company with the stakeholders as follows :

Shareholders The Company adheres to business operations according to the corporate governance principles and provides the adequate and efficient internal control and risk management systems, as well as strengthens the business to generate the long-term benefits for shareholders. The Company is committed to achieve good turnover that brings about the return to the shareholders for satisfying the shareholders, and encourage the shareholders to exercise their basic rights that should be granted by law and the Company's regulations, such as the right to attend the General Meeting of Shareholders and vote on various agenda, director election, consideration and approval of profit allocation and acquisition of the accurate, complete and up-to-date news information on the important business operations through the channel of the Stock Exchange of Thailand and the Company's website other than the above rights.

Customers The Company emphasizes on the good service quality for customer satisfaction and reliability on the Company's services by developing the services to be able to rapidly and timely fulfill the customer needs together with developing the quality products to meet the customer needs in order to ensure the highest customer satisfaction and facilitate various channels for customers to easily access products and provide accurate information about products and services.

The Company has set up Customer Relations Unit to render the preliminary customer query response services both in terms of products and services, and Complaint Handling Unit to coordinate with the related work units to solve the problems for customers. In addition, the Company also provides a complaint channel for the customers through the Company's website.

Employees The employees are regarded by the Company as a high valuable resource that takes part to achieve the Company's goals. The Company equally treats its employees and provides the appropriate rewards or appointments and removal based on the employees' knowledge and capabilities, and organizes the regular training for its employees to acquire knowledge about insurance products in order to advance their career. In addition, the Company encourages all employees to fully show their capabilities, and listen to all employees' suggestions without discrimination. The Company has established a concrete assessment criteria in performance consideration.

The Company determines a clear and concrete remuneration and welfare for its employees with the policies for determining the rate of remuneration and welfare of the employees at a level comparable to other leading non-life insurance companies. The determination of short-term remuneration is based on the yearly profitability and long-term consideration of performance measurement based on the Balanced Scorecard, including the supervision in order to ensure the improvement of employee welfare to be corresponding to the current economic conditions for the good quality of life of the employees. The Company encourages its employees to have knowledge and understanding of money management, selection of investment policies that correspond to the age range and risk level. In addition, the Company also provides welfare and other privileges for its employees, such as Provident Fund, employee loan welfare and annual health check.

Trade Partners The Company operates its business with fairness, equitably and equally treats all trade partners, as well as strictly complies with the terms and conditions of trade and agreements among them. The Company highly emphasizes on selecting the appropriate trade partners by realizing on the importance of the availability of trade partners that possess ethics, professionalism, and good reputation.

Competitors The Company is ethically committed to compete the business, by not infringing the secrets or perceiving trade secrets of its competitors by the fraudulent methods, and focus on the practice under the rules of best competition, not to seek for trade secrets of its competitors by the improper means, and not to discredit its competitors with adverse accusation.

Creditors The Company is committed to pay debts on schedule, strictly comply with the agreements entered among them, and equitably and fairly treat all creditors, particularly in the matters of the guarantee conditions, and capital management. In the event of failure to comply with the agreed conditions until causing the default of debt payment, the Company shall immediately give an advance notice to the creditors without concealing any facts in order to mutually consider and seek for the fair and reasonable problem-solving guideline, and manage the capital to have the suitable structure in order to maintain the reliability toward the creditors.

Debtors The Company is committed to strictly comply with the agreements. In the event where any debtor fails to comply with the agreed conditions until resulting in the default of debt payment, the Company shall enter to negotiate in order to seek for the guideline of fair and reasonable solutions.

The Company has been aware of the responsibility on the overall stakeholders as follows.

Society and Environment The Company realizes on the corporate social responsibility and therefore, aims for regularly supporting, assisting, and participating in the activities that are useful for the society and community.

Human Rights Due to the Company's commitment on the principles of human rights, it, therefore, establishes the human rights-related policy that provides the rights, freedom, equity, and equality among every employee in operating, including career growth under the Company's work regulation. The Company shall also share some knowledge and understanding for adoption of the principles of human rights in operating.

Intellectual Properties The Company shall strictly comply with intellectual property laws, and establish a policy for not supporting any operations with the nature of infringement of all types of intellectual properties. Every employee shall be responsible for protecting the confidentiality in relation to the Company's intellectual properties, whether they are insurance products, computer system, up to operation manual, and others created by the employees during their operation as assigned by the Company. Meanwhile, every employee shall not use other person's intellectual property without permission of the achievement's owner.

Anti-Corruption The Company has established the anti-corruption policy and guidance, which have been approved by the Board of Directors and disseminated among the employees, trade partners, and general public to be strictly followed. The Company has been certified as a member of the Thai Private Sector Collective Action Coalition against Corruption. However, the Company has provided a reporting and whistleblowing channel when detecting the corruption act, and also established a measure to protect the whistleblower to ensure his/her safety.

Chapter 4 Structure and Duties of the Board of Directors

The Board of Directors establishes the policy where the directors of the Company consist of the directors with the diversified qualifications whether in terms of the educational background, skill, experience, competence, and characteristics in specific areas, including no limit of age and sex, in order to ensure that the entire Board of Directors possesses the qualifications required for achieving the main organizational objectives and goals.

The Board of Directors has powers and duties in managing the Company to be in line with the objectives, regulations, and resolution of the Shareholders' Meeting. However, the Board of Directors is unable to approve or consider and prescribe in any respects, unless being approved with the majority vote of the directors who attend the Board of Directors' Meeting. The Board of Directors has the roles, duties, and responsibilities to formulate the good corporate governance framework, the significant strategies and policies, supervise the Company to have an effective controlling and regulating mechanism, and continuously monitor and supervise the Company's operations in order to ensure the fair, transparent, and accountable business operations of the Company for the stakeholders under Corporate Governance Code, and appropriately create the long-term value to the Company.

Category 5 Risk Management and Internal Control

The Board of Directors entrusts the Risk Management Committee and the Risk Management Unit to perform the duty in reviewing the Company's risk management efficiency, preparing the risk status report, and the risk management compliance report, and proposing to the Board of Directors for considering the risk management framework and policy that are consistent with the Company's objectives, goals, strategies, and risk appetite as the operating guideline in the risk management process. The Board of Directors supervises in order to ensure that the risk management framework and policy are yearly reviewed.

The Board of Directors entrusts the Audit Committee to perform the duty in reviewing the Company's internal control efficiency to be in line with the Corporate Governance Code, comply with the relevant requirements and laws. The Board of Directors supervises to have a mechanism that facilitates the Audit Committee to access the information necessary for the entrusted duty performance, enable to call the related party to provide the information, discuss with the auditor or seek for the independent opinions from other professional consultants to support the Audit Committee's consideration. In addition, the Board of Directors arranges the Internal Audit Unit that is independent in the duty performance, responsible for developing and reviewing the efficiency of risk management and internal control systems, and report to the Audit Committee, and disclose the review report in the Annual Report.

The Audit Committee shall remark about the adequacy of the risk management and internal control systems, and disclose in the Annual Report.

Category 6 Disclosure of Information and Transparency

The Board of Directors is responsible for the Company's financial statements that are prepared according to the Generally Accepted Accounting Standards in Thailand using the accounting policies that are appropriate and regularly observed, and carefully exercising the discretion and best estimate in preparing, as well as disclosure of the adequate information in notes to notes to financial statements.

The Board of Directors manages the Company to have internal control system in order to ensure that the accounting information is properly and completely recorded, and also appoint the Audit Committee consisting of the independent director to oversee and take responsibility on the financial report, and internal control system, where the Report of the Audit Committee is presented in Annual Report.

The Company clearly formulates the director remuneration policy, where the remuneration is in same level as the industry, and high enough to maintain the required qualified director, and approved by the Shareholders' Meeting. In part of the executive remuneration, it shall be in line with the principle and policy prescribed by the Board of Directors, and consistent with the Company's operating results. The detail of the monetary remuneration of the Board of Directors is specified in topic 7.4 "Remuneration of the directors", but the remuneration of the executive directors in the portion that is received from being other company's directors are not disclosed because it is not the Company's information.

The Board of Directors is aware that the Company's information influences the decision-making of the Company's investors and stakeholders, and therefore, emphasizes and observes the disclosure of the complete and reliable information with the Executive.

6.2 Business Ethics

The Board of Directors promotes the preparation of business ethics for adherence of the directors, executives, and employees of the Company and its subsidiaries as the best practice for business operation, and Code of Conduct. The Company has established the best practice for business operation, which is clear and adequate for preventing the misconduct, being a good model, and maintain the responsibility on all parties of stakeholders, reflecting the organizational commitment that requires its directors, executives, and employees to conduct and operate under the ethics, morality, integrity, equity, and equality framework, comply with laws so that the Company's business operations achieve its objectives. The business ethics have been publicized on the Company's website under the topic of Good Corporate Governance.

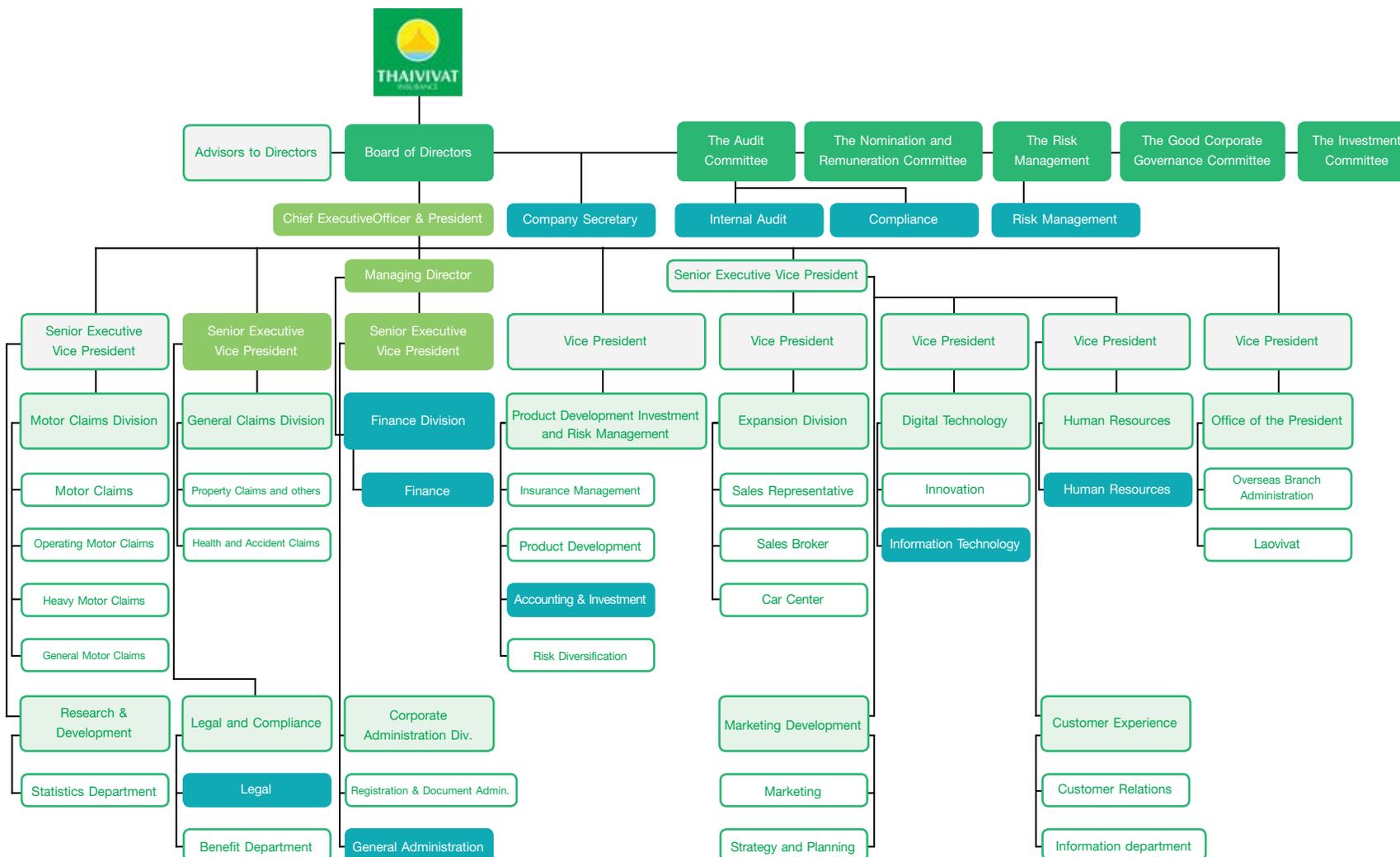
6.3 Compliance with the Corporate Governance Code

In 2021, the Company has complied with the policies and guidance prescribed in the good corporate governance policy of the Company, where the detail has been publicized on the Company's website.

In adaptation of the Corporate Governance Code for Listed Companies 2017, the Board of Directors has determined the update of the Corporate Governance Code of the Company to be conforming to the Corporate Governance Code for Listed Companies 2017; the review of the compliance with the Corporate Governance Code on a regular basis for at least once a year; and the assessment on the compliance with each clause of the Code in order to ensure the practice that is conforming to the said Code as appropriate. In part of the Code that has still been unable to be performed, the Company has recorded the reasons as part of the resolution in the Board of Directors' Meeting No. 4/2021 on 11 November 2021. According to the compliance with the Corporate Governance Code, the part of which the Company has still been unable to completely comply is the availability of independent director with the office term of not more than 3 terms or 9 years because the business is a non-life insurance and different from other businesses in various areas. Therefore, there should be the Committee with the business experiences. In appointing the Independent Board with the office term of more than 9 years, the Board of Directors has already considered reviewing the reason and necessity, and notified the Shareholders' Meeting.

7. Corporate Governance Structure and Important Information Concerning the Board of Directors, Board Committees, Executives, Employees and Others

7.1 Organization Chart of Thaivivat Insurance Public Company Limited



7.2 Information of the Board of Directors

There are eight members in the Board of Directors, consisting of four executive directors and four independent directors. The Chairman of the Board is an independent director pursuant to the definition of the Stock Exchange, and has no relationships with the Executive, and is not the same person as the President in order to segregate the duties in formulating the governance policy and routine management.

The structure of the Company's Board of Directors consists of the independent directors, the executive directors, the Audit Committee, the Investment Committee, the Nomination and Remuneration Committee, the Good Corporate Governance Committee, and the Risk Management Committee, where the members and duties and responsibilities are determined in the detail in topic 7.3 "Information of the Sub-Committees".

7.2.1 Information of Board of Directors

Names of Board of Directors and Executive Board 8 members as follow :

Name	Position	Types of Director
1. Mr. Phisit Setthawong	Chairman / Chairman of the Nomination and Remuneration Committee	Independent Director
2. Ms. Pranee Phasipol	Chairman of Audit Committee, Investment Committee and Good Corporate Governance Committee	Independent Director
3. Ms. Pilai Piamphongsam	Audit Committee and Nomination and Remuneration Committee	Independent Director
4. Ms. Supaporn Burapakusolsri	Independent Director, Audit Committee and Good Corporate Governance Committee	Independent Director
5. Mr. Jiraphant Asvatanakul	CEO & President and Investment Committee	Director
6. Mr. Thawan Wiranont	Advisor to the President Director and Good Corporate Governance Committee	Director
7. Ms. Sutepee Asvatanakul	Managing Director / Top Responsibilities in Accounting and Finance and Nomination and Remuneration Committee	Director
8. Ms. Sunee Theerawittayakul	Director and Company Secretary	Director

The Company's directors or top executives have never been the employees or partners of the external auditing firm of which the Company has used its services in the past 2 years period.

7.2.2 Qualifications of the director

The Board of Directors consists of the directors who possess the various knowledge, expertise, skills that are useful for the Company, can fully dedicate their time and attempt to be the Company's directors. The Company has determined the primary qualifications of the Board of Directors pursuant to the Articles of Association of the Company in Chapter 4 Directors, which has been disclosed in the Company's website under the topic of the Corporate Governance.

Independent Directors The Company has determined the qualifications of "independent director" to be equivalent to the minimum criteria of the Notification of the Capital Market Supervisory Board No. Thor.Jor. 4/2552, being specified in the Practical Manual and Principle of Compliance with Corporate Governance Code, which has been disclosed in the topic of the Corporate Governance.

The member of the Audit Committee shall possess the following qualifications.

- 1) Having all the qualifications of independent directors.
- 2) Not being the director who is entrusted by the Board of Directors to make decision on the business operations of the Company, its parent company, subsidiary, associated company, subsidiary in the same level, or juristic person with the potential conflict.
- 3) Not being the director of the holding company, subsidiary, or subsidiary in the same level, particularly being the listed company.
- 4) At least 1 (one) member of the Audit Committee shall have the adequate knowledge and experience to enable to perform the duty in reviewing the reliability of financial statements.

7.2.3 Authority of the Board of Directors

Board of Directors

has power and duties to manage the Company according to the objectives, Articles of Association, and resolution of the Shareholders' Meeting. However, the Board of Directors is unable to approve or consider determining in any respects, unless being approved by the majority vote of the directors who attended the Board of Directors' Meeting. The duties of the Board of Directors are as follows.

1. Consider formulating the good corporate governance policy for practice of the Executive, and review the performance assessment in order to be considered for the appropriate improvement, and reported in Annual Report.
2. Consider the appropriateness, give advice, and approve the vision, strategy, and goal of the Company's operations, which are proposed by the Executive, and also monitor and assess the operation success.
3. Supervise the Company to have the appropriate risk management, internal control, and audit systems.
4. Supervise to ensure the effective nomination process and succession plan of the directors and top executives of the Company, whereas the Board of Directors appoints the Managing Director to be the Head of the Top Executives to be responsible for the Company's business operations under the governance of the Board of Directors.
5. Supervise to ensure the practice relating to the ethics of the Company's business operations, best practice of the directors and employees, and also communicate to the related parties for acknowledgement.
6. Consider the suitability in appointing and determining the scope of the Sub-Committee's authority.
7. Appropriately consider authorizing to the Managing Director for the ability to rapidly operate the ordinary business.
8. Prepare the report describing the responsibilities of the Board of Directors in preparing the financial report in Annual Report.
9. Consider assessing the performance of the Board of Directors, and the Managing Director, and also govern the effective process in assessing the top executive's performance.
10. Execute anything to be in line with laws, Articles of Association, and resolution of the Shareholders' Meeting of the Company.

Authority of the Chairman of the Board

The main duties of the Chairman of the Board are to manage and to be the leader of the Board of Directors. The duty of the Chairman of the Board is to take responsibility on the Board of Directors, and execute as the direct coordinator between the Board of Directors and the Executive of the Company via the President, and also pass on the resolution of the Board of Directors to the related parties in order to ensure the maximum effectiveness and appropriateness of the execution of the Board of Directors' resolution. With the different obligation between the Chairman of the Board as the policy leader and the President as the leader of routine management, the Company, therefore, has clearly segregated the roles of the Chairman of the Board from the President. It means that the Chairman of the Board is independent from the Executive, has no interests, and has none of any other businesses or relationships that may obstruct the independent exercise of discretion.

Authority of the President

The President has power to approve the ordinary business operations in the matters, for instance, operating expenses, selling and administrative expenses, and investment expenditure within the financial limit defined by the Board of Directors, etc.

7.2.4 Board of Directors' Meeting for 2021

The Board of Directors, and each set of the Sub-Committee held the meetings in the defined number of meetings, by scheduling the meeting date of every Board/Sub-Committee in the following year in advance, and clearly defined the meeting agenda, and had the agenda for regularly considering and monitoring the operating results. The secretary of each Board/Sub-Committee arranged the meeting notices together with the meeting agenda and documents 7 (seven) days prior to the meeting in advance in order to ensure the study of the members of the Board/Sub-Committee on the information prior to the meeting attendance. The minutes of each Board/Sub-Committee's Meeting were recorded in writing, and the minutes of the meetings certified by the Board of Directors.

Board of Directors' Meeting in 2021 has 5 meetings as follow :

1. Mr. Chalaw Fuangaromya	Independent Director and Chairman (Retired on April 28, 2021)	Attendance	1/1	times
2. Mr. Phisit Setthawong	Independent Director and Chairman (Appointed on May 12, 2021)	Attendance	4/4	times
3. Mrs. Pilai Piamphongsam	Independent Director	Attendance	-	times *
4. Mrs. Pranee Phasipol	Independent Director, Chairman of Audit Committee	Attendance	5/5	times
5. Mrs. Supaporn Burapakusolsri	Independent Director	Attendance	5/5	times
6. Mr. Jiraphant Asvatanakul	Director and President & CEO	Attendance	5/5	times
7. Mrs. Sutepee Asvatanakul	Director and Managing Director	Attendance	5/5	times
8. Mr. Thawan Viranont	Director	Attendance	5/5	times
9. Mrs. Sunee Theravithayangkura	Director and Company Secretary	Attendance	5/5	times

*Unable to attend the meeting due to health problems

The independent committee meeting without management attendance.

The Company had one meeting which held on December 15, 2021, and number of meeting attendance as follows :

1. Mr. Phisit Setthawong Independent Director and Chairman
2. Mrs. Pranee Phasipol Independent Director and Chairman of the Audit Committee
3. Mrs. Supaporn Burapakusolsri Independent Director

7.3 Information of the Sub-Committees

The Board of Directors appoints the Sub-Committees for prudently considering the key issues in specific matters, screening the information and proposing the consideration guideline prior to further proposing to the Board of Directors for approval, it is determined to disclose the roles and duties of the Sub-Committees, the number of meetings, the number of meeting attendances of each member, and report the performance of the Sub-Committees in Annual Report as per the following detail.

7.3.1 Name list and scope of work of the Sub-Committees

The Audit Committee

The Audit Committee consists of three members and should hold meetings at least once every quarter. Members of the Audit Committee are as follow :

- | | |
|---------------------------------|-----------------------------|
| 1. Mrs. Pranee Phasipol | Chairman of Audit Committee |
| 2. Mrs. Pilai Plamphongsam | Audit Committee |
| 3. Mrs. Supaporn Burapakusolsri | Audit Committee |

Scope of powers, duties and responsibilities of Audit Committee

- The Audit Committee has authority as follows :

1.1 Inviting the company directors, executives or officers to attend meeting, clarify or answer questions on the matter about business and company operation, subsidiaries, joint venture companies and joint venture projects in the responsibility of Audit Committee

1.2 Consultation with experts or company consultants (if any) or hire external expert consultants if necessary by company expenses

1.3 Examine and investigate as necessary in various matters for operation under the responsibility of Audit Committee to accomplish well.

- The Audit Committee has duties and responsibilities as follows :

2.1 Review the company to have the financial reporting and disclosure in financial reports according to the standard and are correct, complete including an adequate financial risk management system to build user confidence in the financial statements

2.2 Review the company to have internal control and internal audit that are appropriate, efficient, effective and also cover other processes related to anti-corruption measure

2.3 Consider the independence of the internal audit unit. as well as to approve the appointment, transfer and dismissal of the head of the internal audit unit.

2.4 To review the Company's risk management system in accordance with the defined risk management framework to ensure system effectiveness which will enable the Company to achieve the determined objective both in terms of performance efficiency and effectiveness.

2.5 Check up the Company's perform in duties according to the law of the securities and the stock exchange . stock exchange requirements, law on assembly insurance business and requirements of the Insurance Commission including the laws related to the company's business

2.6 Consider to promote a person that has independence for doing accounting audit duty of the company and propose the compensation of that person including participate in audit meeting without management party at least once a year.

2.7 Consider transactions that related or may conflict of interest including significant items that are considered to be the assets acquisition and disposition according to the laws and regulations of Stock Exchange of Thailand in order to ensure that such transactions are reasonable and maximum profit to the company.

2.8 To review corporate compliance with Anti-Corruption Policy and report to the Board of Directors.

2.9 To report the audit committee performance to the Board of Directors at least 4 times per year

2.10 To prepare a report on corporate governance of the audit committee and disclose in the company annual report which must be signed by the audit committee chairman and contains at least the following information

- (A) Comment about correction and completion to be a reliable of company financial report.
- (B) Comment about the efficiency of Internal Control System
- (C) Comment about obey the law of Securities and Securities Exchange Market, SET regulations or the law related to the company business.
- (D) Comment about the proper of Accounting Auditor.
- (E) Comment about transaction that may have conflict of interest.
- (F) Counting of audit committee meeting and each audit committee participation.
- (G) Comment or overall observation that audit committee was received from perform according to the Charter.
- (H) Other transaction consider that shareholder and general investor should be acknowledge under the scope of duty and responsibility delegated from the Board of Directors.

3. The Audit Committee is responsible to the Board of Directors as duties and responsibilities assigned by the Board of Directors. The responsibility of all company activities to third parties are still belong to the Board of Directors.

Board of Directors establish Internal Audit unit being a unit inside company by having Director of Audit Department (Miss Yupin Trongpitakul) is the responsible person.

Information of Assistant Internal Audit Manager : Miss Yupin Trongpitakul

Education :

Sukhothaihummatiraj University, Bachelor of General Management	1994
Sukhothaihummatiraj University, Bachelor of Accounting	2004

Work Experience during the past 5 years :

Assistant Manager, Thaivivat Insurance Public Company Limited	2014-Present
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The Audit Committee is responsible for the appointment, transfer and dismissal of the Director of Internal Audit Unit in accordance with the Charter of the Audit Committee

Audit Committee meeting in 2021, there are 5 meetings and number of meeting attendance as follows.

1. Mrs. Pranee Phasipol	Audit Committee Chairman	Attendance	5/5	times
2. Mrs. Pilai Piamphongsam	Audit Committee	Attendance	-	times *
3. Mrs. Supaporn Burapakusolsri	Audit Committee	Attendance	5/5	times

*Unable to attend the meeting due to health problems

Nomination and Remuneration Committee

Nomination and Remuneration Committee consists of 2 Independent Directors and 1 Executive Directors, each of whom shall hold an office term three years. Nomination and Remuneration Committee has a meeting at least once a year. Members of the Nomination and Remuneration Committee are as follow :

1. Mr. Phisit Setthawong	Chairman of Nomination and Remuneration Committee
2. Mrs. Pilai Plumpongsam	Nomination and Remuneration Committee
3. Mrs. Sutepee Asvatanakul	Nomination and Remuneration Committee

Scope of powers, duties and responsibilities of Nomination and Remuneration Committee

The operations of the Nomination and Remuneration Committee are carried out in compliance with good corporate governance principles, the Board of Directors therefore determined the scope of powers, duties and responsibilities of the Nomination and Remuneration Committee as follow :

1. Nomination

1.1 To determine appropriate nomination procedure for director position that is line with the Company's business nature such as nominating current directors to continue in office, allowing the shareholders to make nominations, seeking assistance from external firm, considering persons from IOD Chartered Director or asking each director to nominate suitable person, etc.

1.2 To consider the nomination list and select those who meet the defined qualification criteria.

1.3 To carefully inspect those who have been nominated to ensure they possess the qualifications required by law and regulations of government offices.

1.4 To contact persons possessing the required qualifications to ensure they are willing to become a director of the Company if appointed by the shareholders.

1.5 To propose nomination list to the Board of Directors for consideration and record in the Notice of Shareholders' Meeting to further be appointed by the shareholders.

1.6 Nomination and Remuneration Committee may be assigned to consider the nomination of Top Management, particularly President Position.

2. Remuneration

2.1 To review the suitability of current remuneration criteria.

2.2 To consider remuneration data of other companies within the same industry.

2.3 To determine appropriate criteria to ensure that expected results and fairness can be achieved and to ensure that the persons contributed to the Company's success have been rewarded.

2.4 To consider every type of remuneration payment by taking into account the amount and percentage of remuneration payment of each type to ensure they are appropriate. Key principles to consider when determining payment of each type of remuneration include:

2.4.1 Retainer Fee such as monthly allowance, annual allowance, etc. should consider these three factors including:

- (1) Practices applied by companies within the same industry
- (2) Operating results and business size of the Company
- (3) Responsibilities, knowledge, abilities and experience of Director or President required by the Company

2.4.2 The determined incentive should be in line with the values which the Company has created for the shareholders such as profits of the Company or dividend paid to the shareholders.

2.4.3 Attendance Fee should be appropriately determined in order to attract responsible directors to regularly attend the meetings.

2.5 To ensure that all remuneration payments are in compliance with the criteria set out by government offices or relevant recommendations. In which the company has a policy of remuneration for directors Senior management And the President By considering, studying, analyzing, comparing, compensation to be comparable with other similar sized companies. And other companies in the same industry In order to motivate and maintain the executive committee And the President Quality that is with the company

Nomination and remuneration committee meeting in 2021 has one meeting with attendance as follows :

1. Mr. Phisit Setthawong	Chairman of Nomination and Remuneration Committee	Attendance	1/1	time
2. Mrs. Pilai Piumpongsam	Nomination and Remuneration Committee	Attendance	-	time *
3. Mrs. Sutepee Asvatanakul	Nomination and Remuneration Committee	Attendance	1/1	time

*Unable to attend the meeting due to health problems

Investment Committee

Investment Committee consists of two Independent Directors and one Executive Director, each of whom shall have an office term of three years. Members of Investment Committee are as follow :

1. Mrs. Pranee Phasipol Chairman of Investment Committee
2. Mrs. Supaporn Burapakusolsri Investment Committee
3. Mr. Jiraphant Asvatanakul Investment Committee

Scope of powers, duties and responsibilities of Investment Committee

1. To determine Investment Policy to be proposed to the Board of Directors for approval.
2. To consider and approve the Company's investment plan which should be in line with the defined Investment Policy and overall Risk Management Policy.
3. To oversee the Company's investments to ensure they are in accordance with the defined Investment Policy, overall Risk Management Policy, including relevant practices, regulations and legal requirements.

4. To ensure corporate governance and transparency within the organization, including preventing potential conflict of interest in relation to the Company's investment transactions.

5. To ensure the adequacy of work system, personnel and information relevant to the Company's investments.

6. To manage investment capital in accordance with the Investment Policy approved by the Board of Directors.

7. To report investment outcomes to the Board of Directors on regular basis.

Investment committee meeting in 2021 has two meetings with attendance as follows :

1. Mr. Chalaw Fuangaromya	Chairman of Investment Committee (Retired on April 28, 2021)	Attendance	1/1	times
2. Mrs. Pranee Phasipol	Chairman of Investment Committee (Appointed on May 12, 2021)	Attendance	2/2	times
3. Mrs. Supapom Burapakusolsri	Investment Committee (Appointed on February 25, 2021)	Attendance	1/1	times
4. Mr. Jiraphant Asvatanakul	Investment Committee	Attendance	2/2	times

Good Corporate Governance Committee

The Good Corporate Governance Committee consists of 2 independent directors and 1 executive committee that have 3-year term, with the following names

1. Mrs. Pranee Phasipol	Chairman of Good corporate governance Committee
2. Mrs. Supapom Buraphonkusolsri	Good Corporate Governance Committee
3. Mr Thawan Wiranont	Good Corporate Governance Committee

Scope of powers, duties and responsibilities of Good Corporate Governance Committee

1. Define and review the principles of good corporate governance of company in accordance with international standards and Good corporate governance guidelines for government agencies or other related departments

2. Support and promote the company to have an efficient operation with transparency, reliable and verifiable

3. Communicate to enhance knowledge and understanding of the principles of good corporate governance for the directors, executives and employees of company to raise awareness the principles of good corporate governance importance

4. Supervise and monitor the directors, executives and employees of the company to follow the principles of good corporate governance.

Accurate and effective to build the confidence of shareholders, investors and all groups of stakeholders

Good Corporate Governance Committee provides a meeting not less than 1 meeting per year

In 2021, the meeting of Good Corporate Governance Committee has 2 meetings with attendance as follows :

1. Mrs. Pranee Phasipol	Chairman of Good Corporate Governance Committee	Attendance	2/2	times
2. Mrs. Supapom Burapakusolsri	Good Corporate Governance Committee	Attendance	2/2	times
3. Mr. Thawan Wiranont	Good Corporate Governance Committee	Attendance	2/2	times

Risk Management Committee

Risk Management Committee consists of not less than five members who are directors and executives of the Company and shall hold an officer term of three years. Risk Management Committee must hold meetings at least once every quarter.

Scope of powers, duties and responsibilities of Risk Management Committee

1. To determine Risk Management Policy to be proposed to the Board of Directors for approval. Such policy should cover major risks including strategic risk, insurance risk, liquidity risk, operational risk, market risk, credit risk, compliance risk and any other risks which may impact the business operations of the Company.

2. To evaluate the adequacy of the defined risk management strategy, including the efficiency and effectiveness of the Company's risk management practice.

3. To report on risk management performance to the Audit Committee at least once every quarter, with the exception of significant risks which must be reported to the Board of Directors.

4. To determine Business Continuity Management Policy and prepare Business Continuity Plan.

In 2021, the meeting of Risk Management Committee has 4 meetings with attendance as follows :

1. Mr. Jiraphant Asvatanakul	Chairman of Risk Management Committee	Attendance	4/4	times
2. Mr. Praphid Dhiraprayudti	Vice Chairman of Risk Management Committee	Attendance	4/4	times
3. Mrs. Rutchanee Wongkijpatana	Risk Management Committee	Attendance	4/4	times
4. Mr. Somkrit Surachevakit	Risk Management Committee	Attendance	4/4	times
5. Mr. Kanokchat Tarvonranan	Risk Management Committee	Attendance	2/4	times
6. Ms. Nantawan Arunpiriyakul	Risk Management Committee	Attendance	4/4	times
7. Mr. Thanawut Boonput	Risk Management Committee and Secretary	Attendance	4/4	times

7.4 Remuneration of the directors

Before the Nomination and Remuneration Committee will propose to request for approval of the Shareholders' Meeting, the criteria for determining the remuneration shall be in the level comparable with the level paid in the business, and suitable for the obligation and responsibility. In addition, the performance shall be yearly assessed and the result shall also be jointly used in determining the remuneration

Financial remuneration

The remuneration structure of the Board of Directors

The shareholders' meeting No. 28/2021 has approved the remuneration and meeting allowances of the Board of Directors and the sub-committees as follows :

Directors Remuneration	In 2021
1. Directors Fee (Baht / Board)	4,000,000
Number of Directors	8
2. Audit Committee Fee (Baht / Board)	1,000,000
Number of Directors	3
3. Nomination and Remuneration Committee Fee (Baht / Board)	-
Number of Directors	3
4. Investment Committee Fee (Baht / Board)	-
Number of Directors	3
5. Good Corporate Governance Committee Fee (Baht / Board)	-
Number of Directors	3
Attendance Fee (Baht / Time / Person)	
1. Board of Directors	
- Chairman	30,000
- Director	20,000

Directors Remuneration	In 2021
2. Audit Committee	
- Chairman	20,000
- Director	20,000
3. Nomination and Remuneration Committee	
- Chairman	20,000
- Director	20,000
4. Investment Committee	
- Chairman	20,000
- Director	20,000
5. Good Corporate Governance Committee	
- Chairman	20,000
- Director	20,000

The Company Directors receive compensation in term of attendance fee and bonus in the year 2021 are as following :

(Unit: Baht)

	Name	Position	Meeting Attendance	Compensation		
				Attendance fee	Bonus	Total
1	Mr. Phisit Setthawong	Independent Director, Chairman of the Nomination and Remuneration Committee	5/5	230,000	570,000	800,000
2	Mrs. Pranee Phasipol	Independent Director, Chairman of Audit Committee, Investment Committee and Good Corporate Governance Committee	5/5	300,000	560,000	860,000
3	Mrs. Pilai Plamphongsam	Independent Director, Audit Committee and Nomination and Remuneration Committee	0/5	-	560,000	560,000
4	Mrs. Supaporn Burapakusolsri	Independent Director, Audit Committee, Investment Committee and Good Corporate Governance Committee	5/5	280,000	560,000	840,000
5	Mr. Jiraphant Asvatanakul	President and Investment Committee	5/5	140,000	350,000	490,000
6	Mrs. Sutepee Asvatanakul	Managing Director and Nomination and Remuneration Committee	5/5	120,000	350,000	470,000
7	Mr. Thawan Wiranont	Director and Good Corporate Governance Committee	5/5	140,000	350,000	490,000
8	Mrs. Sunee Theerawittayakul	Director and Company Secretary	5/5	100,000	350,000	450,000
TOTAL				1,310,000	3,650,000	4,960,000

*Attendance fee including sub-committees meetings as the number of times attended

7.5 Information of Management

7.5.1 Name and position of Management

1. Mr. Jiraphant Asvatanakul	CEO & President
2. Mrs. Sutepee Asvatanakul	Director and Top Responsibilities in Accounting and Finance
3. Mr. Praphid Dhiraprayudti	Senior Executive Vice President
4. Mr. Suraphong Theravithayangkura	Senior Executive Vice President
5. Ms. Janejira Asvatanakul	Senior Executive Vice President
6. Mr. Thepphen Asvatanakul	Senior Executive Vice President
7. Mr. Sucheep Lakthong	Accounting Manager and Accounting Supervisor (Accountant)

7.5.2 Policy for remuneration of the executives and the President (CEO)

The Nomination and Remuneration Committee shall consider and propose the suitable remuneration of the executives to the Board of Directors for considering and approving the remuneration according to the Company's policies, where the remuneration of the executives and the remuneration of the President (CEO) are linked with the Company's performance both in short-term and long-term through the indicator specified in Balance Scorecard, the scope of position responsibility, and compared with other leading companies in the same business sector in order to lead the Company's competitiveness and retain the quality personnel with the Company.

7.5.3 Remuneration of the executives and the President (CEO)

1) Monetary remuneration

The Company's executives from the department manager level and higher, including the President (CEO) of the Company in total of 23 persons received remuneration in form of salary and bonus in 2021 in total amount of 60.1 million Baht.

2) Other remunerations

In 2021, the Company's executives from the department manager level and higher including the President (CEO) in total of 23 persons received the contribution of Provident Fund in part of the Company in total amount of 2.5 million Baht. In addition, the Company's executives also received the same benefits and other welfares pursuant to the Company's rules as the employees, for instance, personal accident insurance, health insurance, and all types of loan welfares.

7.6 Employee-related information

Personnel

As of 31 December 2021, the Company's total employees have been 674 persons.

Employee-related expense

In 2021, the Company paid the employee remuneration in form of salary and bonus for 318.5 million Baht

Provident Fund

The Company has set up the Provident Fund pursuant to the Provident Fund Act B.E. 2530 (1987), and used the name of "Registered Provident Fund of Thaivivat Insurance Public Company Limited".

In 2021, the Company paid the contribution of Provident Fund in part of the Company for 13.1 million Baht.

7.7 Other important information

7.7.1 Company Secretary

To promote Company Secretary depends on consideration of Board of Directors in finding proper person responsible for this position. In Board of Directors meeting No. 3/2008 on 13 August 2008, we agreed to promote Mrs. Sunee Theerawithayangkul to be in Company Secretary position and effected since 14 August 2008 onward until now.

Mrs. Sunee Theravithayangkura	Age 70, Company shareholding (%) = 0.006%
Director	Appointed from 18 June 1986 – Present
Company Secretary	Appointed from 14 August 2008 – Present
Family relationship between director and executive – Sister of Mrs. Sutepee Asvatanakul	
Sister-in-law of Mr. Jiraphant Asvatanakul	

Education / Trainings

Bachelor of Law, Thammasat University
 Diploma in Director Accreditation Program (DAP) (IOD)

Work Experience during the Past 5 Years

2013-Present Director and Company Secretary (Thaivivat Insurance Pcl.)

The Board of Directors has determined the roles and responsibilities of Company Secretary as follow :

1. To prepare and keep the following documents :
 - 1.1. Directors' Registration
 - 1.2. Notices and minutes of the Board of Directors' Meeting and the Company's Annual Reports
 - 1.3. Notices and minutes of the Shareholders' Meetings
2. To keep all the records of stake holdings reported by the directors or executives, including sending a copy to the Chairman of the Board and Chairman of the Audit Committee within the period of seven days counting from the date on which such report has been received.
3. To perform any other tasks required by SEC.

7.7.2 Top Responsibilities in Accounting and Finance (CFO)

Mrs. Sutepee Asvatanakul Position Managing Director

Educational qualifications

Bachelor of Arts Thammasat University
 Master of Business Administration, Tarleton State University, USA
 Certificate, Advanced Insurance Science Program, Class 2, Institute of Advanced Insurance Knowledge
 Certificate, Director Certification Program (DCP) (IOD)
 Certificate, Executive Program in Commerce and Trade, TEPCoT, Class 11

Training Course in 2021

Management Accounting for Planning and Decision Making–Dhamniti Seminar and Training Co.,Ltd.
 The New Normal of Capital – Capital Market Academy
 New Chapter of Global, Thai Economic and Capital Market – Capital Market Academy

Working Experience for the Past 5 Years (Information as December 31, 2021)

2000-Present Managing Director, Thaivivat Insurance Public Company Limited

7.7.3 Accounting Supervisor (Accountant)

Mr. Sucheep Lakhong Position Accounting Manager

Appointed from June 1, 2020

Educational qualifications

Bachelor of Accounting, Burapha University

Certified Public Accountant (CPA), No.13164

Training Course in 2021

Financial Reporting Trends 2021

Finance Transformation: Consolidation and Reporting

Reinsurance Technical Accounting & Claims Training

The Concept of Sustainability organization for report making

Be ready when the revenue officer investigate tax

Working Experience for the Past 5 Years (Information as December 31, 2021)

2016 – 2019 Assistant auditor, EY Office Limited

2020 – Present Accounting Manager, Thaivivat Insurance Public Company Limited

7.7.4 Head of Corporate Compliance Operation

Ms. Nantawan Arunpiriyakul Position Senior Benefits Department Manager

Educational qualifications

Bachelor of Law, Thammasat University

Master of Business Administration, Ramkhamhaeng University

Work Experience during the Past 5 Years (Information as December 31, 2021)

2014 - 2018 Benefits Department Manager, Thaivivat Insurance Public Company Limited

2019 – Present Senior Benefits Department Manager, Thaivivat Insurance Public Company Limited

Scope of powers, duties and responsibilities

1. To ensure compliance with the laws

1.1 To be the central point for collecting the laws, rules and regulations of external agencies regulating non-life insurance business such as OIC, SEC and AMLO.

1.2 To be the central point in overseeing and ensuring legal compliance of every internal unit within the organization and informing them of any updated or newly issued laws, rules, regulations, orders and notifications, including preparing a summary of newly issued laws, rules and regulations.

1.3 To prepare Basic Legal Compliance Handbook in a form of database to provide updated information on important laws, rules and regulations for operational benefits and to be used a reference while carrying out the operations of various internal units within the organization.

1.4 To monitor and ensure that all internal operations are in compliance with relevant laws, rules and regulations.

1.5 To give advice, suggestion and opinions in relation to various laws, rules, regulations, policies or notifications pertaining to non-life insurance business.

1.6 To perform specific duties which included being the central point in ensuring compliance with laws in relation to anti-money laundering and combating the financing of terrorism (AML/CFT).

1.7 To support risk management operations concerning legal compliance by providing information and data gathered from monitoring legal compliance of internal units, including giving opinions and suggestions on the Company's internal control in relation to legal compliance in order to conduct analysis and prepare relevant risk management plan.

2. To coordinate with both external and internal agencies

2.1 To make coordination in obtaining permit from external agencies in order to carrying out certain operations of the Company or to consult on legal matters to ensure clear understanding before being implemented by internal units of the organization.

External agencies to which Corporate Compliance Office must contact and coordinate with include:

- (1) Office of Insurance Commission (OIC)
- (2) Anti-Money Laundering Office (AMLO)
- (3) The Securities and Exchange Commission (SEC)
- (4) Other governmental agencies which the Audit Committee deemed appropriate

2.2. To coordinate, on behalf of the Company, with the Office of Insurance Commission (OIC) or other regulators required by law.

2.3. To coordinate, on behalf of the Company, with the Office of Anti-Money Laundering and Combating the Financing of Terrorism (AMLO) or other governmental agencies concerning AML/CFT matters.

2.4. To coordinate with the internal units in preparing reports required by external agencies or by laws.

2.5 To provide legal knowledge and prepare information on non-life insurance laws or any other interesting laws or laws concerning key transactions of the Company in order to provide trainings to organizational staffs.

8. Report on Important Operational Results of Corporate Governance

8.1 The Shareholding of Directors and Top Managements

The Shareholding of Directors and Top Managements in 2021				
Name	Position	January	July	December
Mr. Phisit Setthawong	Independent Director, Chairman and Chairman of the Nomination and Remuneration Committee	-	-	-
Mrs. Pranee Phasipol	Independent Director, Chairman of Audit Committee, Investment Committee and Chairman of the Good Corporate Governance Committee	-	-	-
Mrs. Pilai Piamphongsant	Independent Director, Audit Committee and Nomination and Remuneration Committee	-	-	-
Mrs. Supaporn Burapakusolsri	Independent Director, Audit Committee, Investment Committee and Good Corporate Governance Committee	-	-	-
Mr. Jiraphant Asvatanakul	President & CEO and Investment Committee	1,081,128	1,081,128	1,081,128
	Spouse	4,725,384	4,725,384	4,725,384
	Juristic Entities that have control business	145,655,120	145,655,120	145,655,120
Mr. Thawan Viranont	Director and Good Corporate Governance Committee	18,000	18,000	18,000
Mrs. Sutepee Asvatanakul	Managing Director and Nomination and Remuneration Committee	4,725,384	4,725,384	4,725,384
	Spouse	1,081,128	1,081,128	1,081,128
	Juristic Entities that have control business	145,655,120	145,655,120	145,655,120
Mrs. Sunee Theravithayangkura	Director and Company Secretary	18,000	18,000	18,000
Mr. Suraphong Theravithayangkura	Senior Executive Vice President	476,040	476,040	216,040
Mr. Praphid Dhiraprayudti	Senior Executive Vice President	50,264	50,264	50,264

The Shareholding of Directors and Top Managements in 2021				
Name	Position	January	July	December
Mr. Thepphen Asvatanakul	Executive Vice President	12,600,000	15,542,150	15,542,150
	Juristic Entities that have control business	15,082,648	15,082,648	15,082,648
Ms. Janjira Asvatanakul	Executive Vice President	12,600,000	15,542,150	15,542,150
	Juristic Entities that have control business	15,082,648	15,082,648	15,082,648
Mr. Sucheep Lakthong	Accounting Supervisor (Accountant)	-	-	-

8.2 Performance evaluation report of the Board of Directors and Sub-Committees

In 2021, the Board of Directors evaluated the performance of the Board of Directors

1) Board of Directors by dividing the assessment topics into 6 categories. Each director gave score each topic, added each topic scores of all directors and divided by number of directors to get the result as follows :

	Average score
1. Structure and qualifications of the Board of Directors	3.79
2. Roles, duties and responsibilities of the Board of Directors	3.82
3. Board meeting	3.81
4. Directors' duties	3.82
5. Relationship with management	3.88
6. Self-development of directors and executive development	3.73

Overview of the Board of Directors' self-assessment, it was found that the Board of Directors is in good level of self-assessment with average score of 3.81 from 4.00, equivalent to 95% with the most scoring evaluation is the management relationship and the lowest score is director's self-development and executive development.

2) Board of Directors Individually the assessment topics into 3 categories to get the result as follows :

	Average score
1. Structure and qualifications of the Board of Directors	3.88
2. The Board of Directors meeting	3.91
3. Roles, duties and responsibilities of the Board of Directors	3.88

It was found that the Board of Directors is in good level of self-assessment with average score of 3.89 from 4.00, equivalent to 97% with the most scoring evaluation is The Board of Directors meeting and the lowest score is Roles, duties and responsibilities of the Board of Directors.

As well as assessing the performance of each sub-committee, the assessment topics are divided into 3 categories, namely, Structure and qualifications of the Committee, The Committee meeting, and Roles, duties and responsibilities of the Committee. It uses the same type of assessment as the performance assessment of the Board of Directors. Assessment results for all categories. The evaluation results are as follows :

3) Audit committee the assessment topics into 3 categories to get the result as follows :

	Average score
1. Structure and qualifications of the Committee	3.67
2. The Committee meeting	3.56
3. Roles, duties and responsibilities of the Committee	3.62

The assessment result with average score of 3.73 from 4.00, equivalent to 93% with the most scoring evaluation is Structure and qualifications of the Committee and the lowest score is The Committee meeting.

4) Nomination and Compensation Committee the assessment topics into 3 categories to get the result as follows :

	Average Score
1. Structure and qualifications of the Committee	3.80
2. The Committee meeting	3.89
3. Roles, duties and responsibilities of the Committee	3.72

The assessment result with average score of 3.81 from 4.00, equivalent to 95% with the most scoring evaluation is The Committee meeting and the lowest score is Roles, duties and responsibilities of the Committee.

5) Investment committee the assessment topics into 3 categories to get the result as follows :

	Average Score
1. Structure and qualifications of the Committee	4.00
2. The Committee meeting	3.89
3. Roles, duties and responsibilities of the Committee	3.95

The assessment result with average score of 3.75 from 4.00, equivalent to 94% with the most scoring evaluation is Structure and qualifications of the Committee and the lowest score is The Committee meeting.

6) Good Corporate Governance Committee the assessment topics into 3 categories to get the result as follows :

	Average Score
1. Structure and qualifications of the Committee	4.00
2. The Committee meeting	3.94
3. Roles, duties and responsibilities of the Committee	4.00

The assessment result with average score of 3.79 from 4.00, equivalent to 95% with the most scoring evaluation is Roles, duties and responsibilities of the Committee and the lowest score is the Committee meeting.

7) Performance evaluation of Chief Executive Officer and President the assessment topics into 3 categories to get the details as follows :

In section 1 The Board of Directors evaluated performance of the Chief Executive Officer and President by dividing topics into 10 categories as follows :

	Average Score
1. Leadership	3.90
2. Strategy formulation	4.00
3. Compliance with the strategy	4.00
4. Financial planning and performance	4.00
5. Relationship with the Board of Directors	3.94
6. External relations	3.93
7. Administration and relationship with personnel	3.88
8. Succession	3.88
9. Knowledge of products and services	4.00
10. Personal features	3.98

The results of all categories were 3.95 points from 4.00, equivalent to 99% with the most scoring evaluation is Strategy formulation, Compliance with the strategy, Financial planning and performance and Knowledge of products and services and the lowest score is Leadership, Administration and relationship with personnel and Succession.

In section 2 regarding CEO development, the Board of Directors has an opinion that the CEO key strengths should maintain :

1. Committed to develop the company a leader innovation to build the company's strengths according to changes in economic, social and technology

2. Have good relationship, understand the mission and business of the organization very well

The point should be developed in the next year is Making an organization for sustainability especially the management structure and personnel

8.4 Nomination and appointment of the directors and executives

The Board of Directors entrusts the Nomination and Remuneration Committee to perform the duty to nominate the persons for holding the director position to be appropriate for the corporate characteristics; consider the name list of the nominated and selected persons with qualifications that are conforming to the determined qualification criteria; verify that the said nominated persons possess the qualifications according to laws and requirements of the official agencies, nominate to the Board for considering and containing the names in the Appointment Notice for Shareholders' Meeting so that the shareholders shall further consider appointing; and to be entrusted to consider the nomination of top executives particularly the President.

8.4.1 Right of minor shareholders in appointing the directors

For protecting the right of minor shareholders to be equally treated, the Company gives the shareholders the opportunity to have the right to nominate the persons who have the appropriate knowledge, competence, and qualifications to be considered and elected as the directors in advance. The Company has notified the shareholders for acknowledgement via the information notification channel of the Stock Exchange of Thailand, and via the Company's website, where the rules for nominating the person's name to be considered and elected as the director, together with the Director Nomination Form, shall also be presented on the Company's website.

8.4.2 Executive nomination process

The Board of Directors entrusts the Nomination and Remuneration Committee to effectively perform the duty to establish the nomination process, and consider the succession plan of the President and the top executives of the Company by proposing the Board of Directors to appoint the Chief Executive Officer and the President to take responsibility on the Company's business operation under the supervision of the Board of Directors. For appointing the topmost executive of the work unit based on the organizational structure, it shall be the selection and appointment duty of the Chief Executive Officer and the President accordingly.

8.5 Supervision of the subsidiaries' operation

In supervision of the subsidiary's operation, the Company's subsidiaries are Laovivat Insurance Co., Ltd. as a non-life insurance company founded in the Lao People's Democratic Republic, and Motor AI Recognition Solution Co., Ltd. In supervising the subsidiaries' operation, the Company has appointed the executives to be the directors in the subsidiaries, where the Company's directors shall consider selecting the persons as the directors in the subsidiaries, and propose to request for the approval of the Board of Directors. The persons who are appointed as the directors in the subsidiaries have duty to execute for best benefits of the subsidiaries, and determine that the appointed persons shall be approved by the Board of Directors before resolving in the significant matters.

8.6 Oversight of the insider trading

The Company establishes the measure for preventing the insider trading by formulating the policy for preventing the insider trading that affects the securities trading, with the following requirements.

1. The directors, consultants, executives, and employees are prohibited to use the insider information for the securities trading benefits because the insider trading is the offence and in conflict with the principle regarding the conflict of interest, and the act that is unfair for other shareholders; and are also prohibited to disclose the insider information to the third parties or the persons who have none of the related duties.

2. The directors, consultants, executives, and employees shall strictly comply with the laws and rules relating to the use of insider, as well as the securities and exchange law and other related criteria.

3. The directors, consultants, executives, and employees who perceive the Company's turnover either directly or indirectly, and the related parties of the securities trading of the Company in 30 days period prior to announcement of the financial statements to public.

4. The directors, consultants, executives, and employees from the department manager level and higher who purchase or sell the Company's shares shall notify the Legal Suvdivision for acknowledgement about the said purchase and sale within the following day from the said purchase and sale for reporting the purchase and sale to the Office of the SEC accordingly, or report by themselves within 3 working days from the acquisition or disposal date of the said shares; and report the securities holding of the Board of Directors, executives, and auditor for the acknowledgement of the Board of Directors' Meeting every time. For 2021, the Company strictly complied with the prescribed rules.

8.7 Account Auditor compensation

EY Office Co., Ltd. is the well-known company and accepted in international level that agreed from The Securities and Exchange Commission and take part in giving advisory to the Office of Insurance Commission in starting to use Risk Based Capital (RBC) including the accounting audit experience to other disaster insurance company. Even more, there is no relationship and/or conflict of interest between auditor and the company, executives and major shareholders. In fiscal year of 2021, the Accounting has the compensation of account auditor totally as 2,950,000.- Baht with the following detail:

1. Annual audit fee	1,370,000.- Baht
2. Three quarters accounting review	1,020,000.- Baht
3. RBC transaction audit second quarter	180,000.- Baht
4. Annual RBC report review fee	380,000.- Baht
No other service charges	

8.8 Anti-Corruption

Thaivivat Insurance PCL was aware of problem of corruption which affected the Company's ability for competition and sustainable development to the extent it increased the cost of business operation, resulting in lowered operating efficiency, thus failing to create maximum benefits for consumer. The company attached importance to anti-corruption of all forms, not only in the light of violating the law, but it was contravening the good moral virtues and ethics; it was therefore unacceptable behavior.

By recognizing the importance of preventing corruption and supporting anti-corruption operation in wider scale, the Company therefore developed Anti-Corruption Policy and Code of Conduct for Anti-Corruption and has continuously carried out transparency and operational performance review and audit on yearly basis, including ensuring that the Company's operational performance in all aspects are in compliance with the determined operational standard. The Company's Anti-Corruption Policy shall be reviewed on two-year basis as deemed appropriate or whenever significant changes are required.

Thaivivat Insurance Public Co., Ltd. had passed an assessment process that had a policy and complete anti-corruption guidelines according to criteria of the Private Sector Collective Action Coalition Against Corruption and certified as a coalition member on 14th October, 2016 and certified for renewal as a project member on 5th August, 2019. This was the national project supported by government and Office of the National Counter Corruption Commission. The company has joined with the government, civil society and the media to create transparent business standard, free from corruption and being a part of country upgrade.

On 18 October 2019, the company received a certificate from Thailand's Private Sector Collective Action Coalition against Corruption (CAC) at the CAC National Conference Day 2019. The project's main objective is to encourage businesses to create concrete anti-corruption policies and adopt mechanisms to prevent bribery in order to build and expand a strong network of clean businesses.

The Company also regularly communicates its Anti-Corruption Policy and Code of Conduct for Anti-Corruption among its personnel via various channels, provides in-house personnel capacity development training programs and even communicates with its trade partners and external agencies through notices which require their cooperation in avoiding acceptance of gifts of every kind. The Company also determined Whistle Blowing Policy which provides several channels for whistle blowing or complaints as follow :

	Sunee Theravithayangkura, Director and Company Secretary
E-letter	Sunee_non@thaivivat.co.th
Telephone	02-6950800 Ext. 5939
	Nantawan Arunpiyakul, Compliance Section
E-letter	Nantawan_aru@thaivivat.co.th

Letter Thaivivat Insurance PCL
71 Din Daeng Road, Samsen Nai Sub-district, Phya Thai District, Bangkok 10400

Telephone 02-6950800 Ext. 5938

In respect to whistle blower protection scheme, the details are provided in the Company's Anti-Corruption Policy which is accessible through the Company's website

9. Internal Control and Related Party Transactions

9.1 Internal Control

The Company establishes the efficient internal control and risk management system. The Board of Directors and the executives have duties and responsibilities to establish and maintain the internal control and risk management system. The executive director shall assess the adequacy of the internal control system, and entrust the Audit Committee to perform the duty and take responsibility on reviewing the adequacy of the internal control system according to the adequacy assessment form of the internal control system of the Office of the Securities and Exchange Commission, which covers the following areas

Control Environment

1. The organization indicates its commitment on the value of integrity and ethics.
2. The Board of Directors is independent from the Management and performs the duty to oversight and develop the internal control execution.
3. The Management organizes the appropriate structure, reporting line, determination of commanding power, and responsibility in order to ensure that the organization achieves the objectives under the oversight of the Board of Directors.
4. The organization indicates its commitment on motivation, development, and maintenance of the personnel who have knowledge and competence.
5. The organization determines that the personnel shall have duty and responsibility in internal control in order to achieve the organizational objectives.

Risk Assessment

6. The organization clearly and adequately determines the objectives so that the risks relating to the organizational objective achievement can be identified and assessed.
7. The organization extensively identifies and analyzes all types of risks that may have impact on the objective achievement across the organization.
8. The organization considers the likelihood of corruption in assessing the risk of the organizational objective achievement.
9. The organization can identify and assess the risk that may have impact on the internal control system.

Control Activities

10. The organization establishes a control measure that contributes to mitigate the risk of not achieving the organizational objectives to be at an acceptable level.
11. The organization selects and develops the general control activities with the technological system in order to help support the objective achievement.
12. The organization arranges the control activities via the policies that define the expectations and practical procedures so that the established policies are brought about toward practice.

Information & Communication

13. The organization has the related and quality data for supporting the internal control to ensure the operation as determined.
14. The organization communicates the organizational data, including the objectives and responsibilities on internal control to ensure the operation as set.
15. The organization communicates with the external agencies about the issues that may affect the internal control.

Monitoring Activities

16. The organization monitors and assesses the internal control in order to ensure that the internal control has still been completely and appropriately operated.

17. The organization timely assesses and communicates the internal control's faults to the responsible persons including top executives and the Board of Directors as appropriate.

The Board of Directors has considered the Company's assessment system of the internal control and risk management, and deemed that the Company has the appropriate and adequate internal control and risk management system for the efficient operation.

The Audit Committee's opinions

The Audit Committee assessed the adequacy of the Company's internal control system pursuant to the Assessment Form of the Office of the Securities and Exchange Commission, and deemed that the Company has the appropriate and adequate internal control and risk management system for the efficient execution.

In 2021, the Audit Committee performed its duties as entrusted by the Board of Directors, and the Internal Audit Unit operated according to the scope of duties and responsibilities as determined in the Company's Work Manual of Internal Audit.

9.2 Related Party Transactions

The Company has clearly established the measures and procedures for entering the related party transactions, and strictly complied with the notification of the Office of the Securities and Exchange Commission, the announcement of the Capital Market Supervisory Board and regulations of the Stock Exchange of Thailand in the matters relating to the transactions that may cause conflict of interest. In the case where the consideration may be taken on the related party transaction with a person who may have a conflict, the directors and executives who may have interests in the considered matters shall not attend the meeting or abstain in order to make the decisions of the Board and executives to be independent and fair, for the true benefits of the shareholders. The occurred transaction size and amount of money for the newly occurred related party transactions shall be taken into account by proposing the Audit Committee to consider and then submit to the Board of Directors for further approval consideration. In addition, the Audit Committee is responsible for reviewing all related party transactions in every quarter to oversee and prevent the occurrence of conflict of interest. Moreover, the Company has also disclosed the related party transactions in notes to financial statements audited by the auditor.

In 2020-2021, Thaivivat Insurance Public Company Limited entered into the related party transactions with the persons who may have conflict of interest with the Company. The said transactions have been the business transactions that are ordinary or support the ordinary business of the Company, and have the general trade conditions for creating the maximum benefits to the Company.

According to the related party transactions with the persons who may have conflict, the Company has prepared the summary report of the said transactions, and proposed to the Audit Committee to review the necessity and reasonableness of the transactions. The Audit Committee has remarked its opinion in this matter in the Report of the Audit Committee as part of Annual Report 2021 that the said transactions have been reasonably and fairly executed, and mainly taken into account the maximum benefits of shareholders and the Company.

9.2.1 Persons who might have conflicts of interests and related party transactions

Persons who might have conflicts of interests in the Company and conducted transactions with the Company for the period ending on 31 December 2021 are as follows :

Persons who might have conflicts of interests	Nature of Relationship as at 31 December 2021
MAFAM Co., Ltd.	<ul style="list-style-type: none"> - Running brokerage business and investing or being a partner in other business except for being a non-life insurance broker. - A major shareholder of the Company, directly holding 48.07% of the registered and paid-up capital. - Asvatanakul Family is the shareholders of this company, holding 97.50% of registered and paid-up capital.
J&A Jewelry Co., Ltd.	<ul style="list-style-type: none"> - Running the business of producing and trading jewelry - There are a common shareholder with the Company, namely Mafam Company Limited, holding 73.33% of registered and paid-up capital. - There are a common director with the Company, Mr. Jiraphant Asvatanakul
Road Accident Victims Protection Co., Ltd.	<ul style="list-style-type: none"> - Running a non-life insurance business and accepting preliminary losses and payment of indemnity or others according to the Public Protection of Traffic Injury Act. - There are a common director with the Company, Mr. Jiraphant Asvatanakul - The Company is a shareholder, holding 3.52% of the registered and paid-up capital.
Thai Reinsurance Plc.	<ul style="list-style-type: none"> - Running a reinsurance business to help diversify the risk to the insurance business It covers both property insurance, accident insurance engineering insurance, marine and cargo insurance, etc. - There are a common director with the Company, Mr. Jiraphant Asvatanakul
T.I.I. Co., Ltd.	<ul style="list-style-type: none"> - Insurance training business - There are a common director with the Company, Mr. Jiraphant Asvatanakul
Vichitbhan Palmoil Plc.	<ul style="list-style-type: none"> - Manufacture of crude palm oil and dried palm kernels - There are a common directors with the Company, Mr. Jiraphant Asvatanakul
Laovivat Insurance Co., Ltd.	<ul style="list-style-type: none"> - Running insurance business in the Lao People's Democratic Republic - The Company holds 70% of shares in Laovivat Insurance Co., Ltd.
Encourage Co., Ltd.	<ul style="list-style-type: none"> - Running non-life insurance brokerage business - The close relatives of the Company's director is a shareholder

Persons who might have conflicts of interests	Nature of Relationship as at 31 December 2021
Force Co., Ltd.	<ul style="list-style-type: none"> - Running non-life insurance brokerage business. - The close relatives of the Company's director is a shareholder
Mr. Jiraphant Asvatanakul	<ul style="list-style-type: none"> - A shareholder of the Company, directly holding 0.36% of registered and paid-up capital - Director and CEO and President of the Company - The spouse of Mrs. Sutepee Asvatanakul, and the father of Miss Janejira Asvatanakul and Mr. Thepphan Asvatanakul - A shareholder of MAFAM Co., Ltd., - Director of the following companies: <ul style="list-style-type: none"> - Thai Reinsurance Plc. - Vichitbhan Palmoil Plc. - Road Accident Victims Protection Co., Ltd. - T.I.I. Co., Ltd. - MAFAM Co., Ltd. - J&A Jewelry Co., Ltd.
Ms. Sutepee Asvatanakul	<ul style="list-style-type: none"> - Shareholder of the Company, directly holding 1.56% of registered and paid-up capital - Director, Managing Director and the top responsibility in accounting and finance of the Company - The spouse of Mr. Jiraphant Asvatanakul, and the mother of Miss Janejira Asvatanakul and Mr. Thepphan Asvatanakul
Miss Janejira Asvatanakul	<ul style="list-style-type: none"> - A shareholder of the Company, directly holding 5.13% of registered and paid-up capital - Senior Executives Vice President of the Company - The daughter of Mr. Jiraphant Asvatanakul and Ms. Sutepee Asvatanakul - A major shareholder of Jane Phan Property Co., Ltd., a shareholder of the Company
Mr. Thepphan Asvatanakul	<ul style="list-style-type: none"> - A shareholder of the Company, directly holding 5.13% of registered and paid-up capital - Senior Executives Vice President of the Company - The son of Mr. Jiraphant Asvatanakul and Ms. Sutepee Asvatanakul - A major shareholder of Jane Phan Property Co., Ltd., a shareholder of the Company
Directors and/or executives of the Company	<ul style="list-style-type: none"> - Directors and/or executives of the Company, excluding Mr. Jiraphant Asvatanakul, Ms. Sutepee Asvatanakul, Miss Janejira Asvatanakul and Mr. Thepphan Asvatanakul are as follows : <ul style="list-style-type: none"> - Mr. Phisit Setthawong, Independent Director, Chairman etc. - Mrs. Pranee Phasipol, Independent Director, Chairman etc. - Mrs. Pilai Piamphongsam, Independent Director, Audit Committee etc. - Mrs. Supaporn Burapakusolsri, Independent Director, Audit Committee etc. - Mr. Thawan Wiranont, Advisor of CEO etc. - Mrs. Sunee Theerawittayakul, Director and Company Secretary - Mr. Suraphong Theravithayangkura, Senior Executive Vice President - Mr. Praphid Dhiraprayudti, Senior Executive Vice President - Mr. Sucheep Lakthong, Accounting Manager and Accounting Supervisor (Accountant)
The close relatives directors and executives of the Company	<ul style="list-style-type: none"> - The close relatives directors and executives of the Company

9.2.2 Details of Related Party Transactions and Necessity and Reasonableness of Transactions

The related party transactions between the Company and persons who might have conflicts of interests in the Company for the period ending on 31 December 2021 and 2020 are summarized as follows

1. Insurance for major shareholders, Directors, Executives of the Company, the close relatives directors and executives of the Company and related company

Description	Value (THB million)		Necessity and Reasonableness of Transactions	Opinion of the Audit Committee
	As at 31 December 2021	As at 31 December 2020		
Insurance for Mr. Jiraphant Asvatanakul			The Company provided insurance for Mr. Jiraphant Asvatanakul. The premiums written were mainly from Miscellaneous Insurance and Motor Insurance. In entering into these transactions, the prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the Company paid claims expenses to Mr. Jiraphant Asvatanakul. The claims were in accordance with the policy coverage terms based on actual losses. The conditions were in the ordinary course of business.	The transactions were entered in the ordinary course of business of the Company. The prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the claims were in accordance with the policy coverage terms based on actual losses and were entered in the ordinary course of business of the Company. The transactions, therefore, were entered in the ordinary course of business and were reasonable.
Premiums written Claim expenses	0.03 -	0.001 -		
Insurance for Miss Janejira Asvatanakul			The Company provided insurance for Miss Janejira Asvatanakul. The premiums written were mainly from Miscellaneous Insurance and Motor Insurance. In entering into these transactions, the prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the Company paid claims expenses to Miss Janejira Asvatanakul. The claims were in accordance with the policy coverage terms based on actual losses. The conditions were in the ordinary course of business.	The transactions were entered in the ordinary course of business of the Company. The prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the claims were in accordance with the policy coverage terms based on actual losses and were entered in the ordinary course of business of the Company. The transactions, therefore, were entered in the ordinary course of business and were reasonable.
Premiums written Claim expenses	0.04 -	0.04 -		

Description	Value (THB million)		Necessity and Reasonableness of Transactions	Opinion of the Audit Committee
	As at 31 December 2021	As at 31 December 2020		
Insurance for Mr. Thepphan Asvatanakul			The Company provided insurance for Mr. Thepphan Asvatanakul. The premiums written were mainly from Miscellaneous Insurance and Motor Insurance. In entering into these transactions, the prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the Company paid claims expenses to Mr. Thepphan Asvatanakul. The claims were in accordance with the policy coverage terms based on actual losses. The conditions were in the ordinary course of business.	The transactions were entered in the ordinary course of business of the Company. The prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the claims were in accordance with the policy coverage terms based on actual losses and were entered in the ordinary course of business of the Company. The transactions, therefore, were entered in the ordinary course of business and were reasonable.
Premiums written Claim expenses	0.04 -	0.04 -		
Insurance for directors, executives and the close relatives directors and executives of the Company (Excluded Mr. Jiraphant Asvatanakul, Mrs. Sutepee Asvatanakul, Miss Janejira Asvatanakul, Mr. Thepphan Asvatanakul)			The Company provided insurance for directors and executives of the Company. The premiums written were mainly from Miscellaneous Insurance and Motor Insurance. In entering into these transactions, the prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the Company paid claims expenses to directors and executives of the Company. The claims were in accordance with the policy coverage terms based on actual losses. The conditions were in the ordinary course of business.	The transactions were entered in the ordinary course of business of the Company. The prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the claims were in accordance with the policy coverage terms based on actual losses and were entered in the ordinary course of business of the Company. The transactions, therefore, were entered in the ordinary course of business and were reasonable.
Premiums written Claim expenses	1.46 0.14	1.43 0.25		

Description	Value (THB million)		Necessity and Reasonableness of Transactions	Opinion of the Audit Committee
	As at 31 December 2021	As at 31 December 2020		
Insurance for MAFAM Co., Ltd.,			The Company provided insurance for MAFAM Co., Ltd. The premiums written were mainly from Miscellaneous Insurance and Motor Insurance. In entering into these transactions, the prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the Company paid claims expenses to MAFAM Co., Ltd. The claims were in accordance with the policy coverage terms based on actual losses. The conditions were in the ordinary course of business.	The transactions were entered in the ordinary course of business of the Company. The prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the claims were in accordance with the policy coverage terms based on actual losses and were entered in the ordinary course of business of the Company. The transactions, therefore, were entered in the ordinary course of business and were reasonable.
Premiums written	0.08	0.004		
Claim expenses	0.06	0.07		
Insurance for J&A Jewelry Co., Ltd.			The Company provided insurance for J&A Jewelry Co., Ltd. The premiums written were mainly from Miscellaneous Insurance and Motor Insurance. In entering into these transactions, the prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the Company paid claims expenses to J&A Jewelry Co., Ltd. The claims were in accordance with the policy coverage terms based on actual losses. The conditions were in the ordinary course of business.	The transactions were entered in the ordinary course of business of the Company. The prices were calculated in accordance with the insurance rate tariffs specified by the OIC and the claims were in accordance with the policy coverage terms based on actual losses and were entered in the ordinary course of business of the Company. The transactions, therefore, were entered in the ordinary course of business and were reasonable.
Premiums written	0.08	0.08		
Claim expenses	-	-		

2. Reinsurance

Description	Value (Million Baht)		Necessity and Reasonableness of Transactions	Opinion of the Audit Committee
	As at 31 December 2021	As at 31 December 2020		
Thai Reinsurance Plc.				
- Ceded reinsurance				
Premium ceded	137.93	140.13	Thai Reinsurance Plc. assumed reinsurance from the Company. The premiums were in accordance with the rates specified in the policies that the Company issued to the insured parties and at the same rates that the Company offered to every reinsurer (subject to the same risks and conditions).	The transactions were entered in the ordinary course of business of the Company. The conditions were in the ordinary course of business. The commission and brokerage were based on the rates of commission and brokerage expenses from direct insurance and expenses and risks were taken into consideration. The transactions, therefore, were entered in the ordinary course of business and were reasonable.
Commission income	15.82	11.65		
Claims refunded	55.01	106.76		
- Assumed reinsurance				
Reinsurance premium written	-	-	The Company assumed reinsurance from Thai Reinsurance Plc. The premiums were in accordance with the rates specified in the policies that Thai Reinsurance Plc. issued to the insured parties and at the same rates that Thai Reinsurance Plc. offered to every reinsurer (subject to the same risks and conditions).	
Commission expenses	-	-		
Claim expenses (reversal)	(0.04)	0.22		
Laovivat Insurance Co., Ltd.				
- Assumed reinsurance				
Reinsurance premium written	1.86	1.86	The Company assumed reinsurance from Laovivat Insurance Co., Ltd. The premiums were in accordance with the rates specified in the policies that Laovivat Insurance Co., Ltd. issued to the insured parties and at the same rates that Laovivat Insurance Co., Ltd. offered to every reinsurer (subject to the same risks and conditions).	The transactions were entered in the ordinary course of business of the Company. The conditions were in the ordinary course of business. The commission and brokerage were based on the rates of commission and brokerage expenses from direct insurance and expenses and risks were taken into consideration. The transactions, therefore, were entered in the ordinary course of business and were reasonable.
Commission expenses	0.37	0.37		
Claim expenses	0.35	0.43		

3. Contribution expenses

Description	Value (THB million)		Necessity and Reasonableness of Transactions	Opinion of the Audit Committee
	As at 31 December 2021	As at 31 December 2020		
Road Accident Victims Protection Co., Ltd. Contribution expenses	17.09	16.27	The Company paid Contribution expenses to Road Accident Victims Protection Co., Ltd. at 12.25% of premium written received from insurers under the Public Protection of Traffic Injury Act B.E. 2535	The transactions were entered in the ordinary course of business of the Company. The conditions were in the ordinary course of business.

4. Investment

Description	Value (THB million)		Necessity and Reasonableness of Transactions	Opinion of the Audit Committee
	As at 31 December 2021	As at 31 December 2020		
Thai Reinsurance Plc. Investments in security Dividend income	4.18 0.15	2.28 -	TVI invests in equity securities, it recognizes investment gains. And dividends recognize at the same rate that every shareholders received.	The transactions were entered in the ordinary course of business of TVI. The transactions were entered in the ordinary course of business and were reasonable.
Road Accident Victims Protection Co., Ltd. Investments in security	142.66	86.29		
Vichitbhan Palmoil Plc. Investments in security	0.18	0.05		
T.I.I. Co., Ltd. Investments Dividend income	0.87 0.03	0.80 0.02		

5. Insurance brokerage

Description	Value (THB million)		Necessity and Reasonableness of Transactions	Opinion of the Audit Committee
	As at 31 December 2021	As at 31 December 2020		
Encourage Co., Ltd. Commission expenses	74.28	76.78	Encourage Co., Ltd. was a non-life insurance broker for TVI by acting as an intermediary in acquiring insurance work, and receive commission from TVI at the rates specified by the OIC and at the same rates that TVI offered to every insurance broker.	The transactions were entered in the ordinary course of business of TVI. The conditions were in the ordinary course of business. The commission and brokerage expenses were calculated in accordance with the rates specified by the OIC and at the same rates that TVI offered to every insurance broker.
Force Co., Ltd. Commission expenses	57.51	64.33	Force Co., Ltd. was non-life insurance broker for TVI by acting as an intermediary in acquiring insurance work, and receive commission from TVI at the rates specified by the OIC and at the same rates that TVI offered to every insurance broker.	

9.3 Measures and Procedures for Approving the Entry of Related Party Transactions

The Company has formulated the standards for entering the related party transactions of the Company with the related parties pursuant to the rules of the Securities and Exchange Act B.E. 2535 (1992) (including the Amendment), and the related rules of the Capital Market Supervisory Board, and/or the Securities and Exchange Commission, and the Stock Exchange of Thailand. The Audit Committee shall remark its opinions on the reasonableness in entering the transactions and the suitability of the said transaction price by considering the conditions according to the nature of the ordinary business operation in the industry, and/or comparison with the market price and/or availability of the price or conditions for entering into the said transactions in the same level with the third party, and/or ability to indicate the reasonable or fair determination of prices or conditions.

If the Audit Committee is not expert in considering the contingent related party transactions, the Company shall arrange the independent expert to remark the opinions on the said connected transactions to be used to support the considerations of the Audit Committee, the Board of Directors, and/or the shareholders of the Company as the case may be in order to ensure that the entry into the said transactions does not remove or pay the Company's interests, but it is the entry into the transaction where the Company takes into account the maximum benefits of the Company and all shareholders. However, in approving the entry into the said related party transactions, the person who may have conflict of interest or gain and loss in entering into the transactions is not entitled to vote in approving the entry into the said connected transactions.

In addition, the Company, as the Company is a listed company in the Stock Exchange of Thailand, shall strictly comply with the set of regulations, procedures, and rules of the Securities and Exchange Act B.E. 2535 (1992) (including Amendment), including the related rules of the Capital Market Supervisory Board, and/or the Securities and Exchange Commission, and the Stock Exchange of Thailand, in the matters relating to the entry in to the related party transactions, the connected transactions, and acquisition or disposal of the properties under the related criteria of the listed company.

Related Party Transactions Policy

The Board of Directors' Meeting of the Company No. 5/2018 on 9 November 2561 approved the policy for preventing the conflict of interest in order to ensure the proper and transparent execution of the transactions between the Company and the connected person, by prescribing that the Company's directors and executives shall inform the Board of Directors or the person entrusted by the Board of Directors about the connected relationships or the transactions in the business that may cause conflict of interest. The directors, executives, or persons are determined to enter into the transactions with the Company only when the said transactions are resolved and approved by the Board of Directors' Meeting of the Company or the Shareholders' Meeting of the Company as the case may be, unless being the transactions that are the trade agreements in the same nature as the person of ordinary prudence should perform with the general contractual party in the same situation by the trade bargaining power without the influence of his/her status as the director, executive or related party as the case may be, and being the trade agreement approved by the Board of Directors or according to the principle approved by the Board of Directors, or the transaction size that is not needed to be approved by the Board of Directors' Meeting or the Shareholders' Meeting of the Company as the case may be.

In addition, the Company has also determined that the Audit Committee of the Company has duty to supervise and take responsibility to audit the insurance brokerage companies and the consulting firms that the said companies/firms are regarded as the connected parties of the Company in order to ensure that the entry into the Company's transactions with the said parties are not the removal or transfer of the Company's interests. Moreover, the Company has determined to review the entry into the connected party transactions by the Audit Department, where the Audit Committee shall be reported and the measures for auditing and supervising to actually take a random review on the entry into transactions audit shall be established in order to ensure that the connected transactions are correct and consistent with the established policies and manual of the Company on the entry into the connected transactions. The entry into transactions or the entry into contracts with the connected parties shall be approved according to the securities and exchange law, and the related rules, and the adequate circumspect internal control system shall be available to ensure the compliance with the agreed conditions throughout the period of which the contracts are binding with the Company.

Entry into the transactions that are the trade agreements with the general trade conditions

The Board of Directors of the Company has approved as a principle so that the Management can approve the entry into the related party transactions or the connected transactions that are the trade agreements with the general trade conditions between the Company and the director, the executive, or the connected party of the Company without the requirement of approval from the Board of Directors' Meeting. If the said transactions consist of the trade agreements in the same nature as the person of ordinary prudence should perform with the general contractual party in the same situation by the trade bargaining power without the influence of his/her status as the director, the executive or the connected party of the Company, and not causing the transfer of interest; and/or enable to remark the opinion that the reasonable or fair price or conditions are determined in entering into such transactions.

However, the Company's Management shall prepare the detailed summary of the said transactions together with the supporting information, and propose the Audit Department for reviewing that the said transactions are in line with the framework established by the Company, and proposed to the Audit Committee for considering and acknowledging on quarterly basis in order to ensure that the said transactions are reasonable and maximally beneficial for the Company.

Entry into the transactions that are the trade agreements that are not the general trade conditions

According to the entry into the transactions that are the trade agreements, and not the general trade conditions under the approval power of the Management, the related work units have duties and responsibilities to consider entering into the transactions according to the procedures for requesting the approval pursuant to the Company's rules. After the approval consideration of the Management, the related work units shall propose to the Audit Committee for reviewing the reasonableness of the transactions. In addition, in case of being the entry into the connected transactions under the approval power of the Board of Directors, or the shareholders of the Company as the case may be, the related work units shall propose the detail of necessity and reasonableness of the transactions for requesting the consent of the Audit Committee before proposing to the Board of Directors of the Company in order to enter into the transactions or propose to the Board of Directors for requesting the consent in presenting to the Shareholders' Meeting for further considering the approval on entering the transactions as the case may be. However, the securities and exchange law as well as the regulations, notifications, and orders of the Capital Market Supervisory Board and the Stock Exchange, and the requirements relating to the disclosure of information of the entry into the related party transactions or connected transactions shall be complied.

In the case where the Audit Committee is not expert in considering the related party transactions or connected transactions that may occur, the Company shall appoint the independent expert or auditor of the Company to remark the opinions on the said transactions so that the Audit Committee,

the Board of Directors, or the shareholders as the case may be, shall use the said opinions as information to support the decision-making, whereas the person who may have conflict of interest or gain and loss in entering the transactions is not entitled to vote in considering and approving the entry of such transactions in order to ensure that the entry into such transactions are necessary and reasonable by mainly taking into account the maximum benefits of the Company. However, the Company shall disclose the related party transactions and the connected transactions of the Company in Annual Registration Statement and notes to financial statements audited by the Company's auditor.

Tendency of the future entry into related party transactions

The Company has expected to still enter into the related party transactions with the parties that may have conflict of interest in the future, where the said transactions are the ordinary business transactions and support the ordinary businesses, for instance, underwriting, investment in securities provided that the price, condition, or agreement are comparable with other trade partners.

In the future, if the Company enters into the connected transactions other than the said transactions, the Company shall comply with the rules of the Securities and Exchange Act and the Notification of the Capital Market Supervisory Board No. ThorJor. 21/2555 Re: Rules of Entry into the Connected Transactions in accompany with the Notification of the SET Board of Governors Re: Disclosure of Information and Action of the Listed Companies in the Connected Transactions, and the related set of regulations of the Office of the Securities and Exchange Commission and the Stock Exchange; as well as also comply with the requirements relating to the disclosure of related party transactions in notes to financial statements audited by the Company's auditor, and Annual Registration Statement.

Summary Statements of Financial Position, Statements of Profit or Loss and Other Comprehensive Income and Statements of Cash Flows

Statements of Financial Position

(Unit : Thousand Baht)

	Consolidated financial statements for the year ended 31 December		
	2021	2020	2019
Assets			
Cash and cash equivalents	745,845	332,677	225,295
Premium receivables	947,144	754,287	610,375
Accrued investment income	17,125	14,108	12,104
Reinsurance assets	386,030	427,847	527,109
Receivables from reinsurance contracts	46,871	178,405	149,908
Financial assets - debt instruments	4,380,655	3,865,601	-
Financial assets - equity instruments	756,018	695,222	-
Investments in securities	-	-	3,778,639
Loans and interest receivables	4,072	6,232	7,698
Property, buildings and equipment	326,551	332,452	327,892
Goodwill	15,840	16,800	16,320
Intangible assets - computer software	29,703	15,967	10,024
Deferred tax assets	210,409	179,925	116,754
Other assets	978,786	1,025,777	748,598
Total assets	8,845,049	7,845,300	6,530,719
Liabilities and equity			
Insurance contract liabilities	5,461,598	5,023,162	3,828,683
Amount due to reinsurers	355,748	459,783	470,391
Derivative liabilities	764	-	-
Income tax payable	115,185	32,539	12,727
Employee benefit obligations	101,766	116,778	122,473
Other liabilities	1,009,135	867,279	782,872
Equity	1,800,853	1,345,759	1,313,573
Total liabilities and equity	8,845,049	7,845,300	6,530,719

Statements of Financial Position

(Unit : Thousand Baht)

	Separate financial statements for the year ended 31 December		
	2021	2020	2019
Assets			
Cash and cash equivalents	737,771	329,949	224,225
Premium receivables	946,772	754,058	610,197
Accrued investment income	12,903	12,141	5,410
Reinsurance assets	386,030	427,847	527,109
Receivables from reinsurance contracts	48,319	179,805	151,801
Financial assets - debt instruments	4,338,516	3,819,937	-
Financial assets - equity instruments	756,018	695,222	-
Investments in securities	-	-	3,737,658
Loans and interest receivables	4,072	6,232	7,698
Investment in subsidiaries	87,200	67,200	67,200
Property, buildings and equipment	325,308	331,043	325,866
Intangible assets - computer software	22,398	15,967	10,014
Deferred tax assets	210,409	179,925	116,754
Other assets	976,960	1,023,416	749,439
Total assets	8,852,676	7,842,742	6,533,371
Liabilities and equity			
Insurance contract liabilities	5,457,074	5,019,917	3,825,740
Amount due to reinsurers	355,748	459,783	470,391
Derivative liabilities	764	-	-
Income tax payable	115,185	32,539	12,727
Employee benefit obligations	101,766	116,778	122,473
Other liabilities	999,372	862,783	781,992
Equity	1,822,767	1,350,942	1,320,048
Total liabilities and equity	8,852,676	7,842,742	6,533,371

Statements of Profit or Loss and Other Comprehensive Income

(Unit : Thousand Baht)

	Consolidated financial statements for the year ended 31 December		
	2021	2020	2019
Income			
Gross premium written	6,332,882	5,985,826	4,809,544
Less: Premium ceded to reinsurers	(615,882)	(648,956)	(984,810)
Net premium written	5,717,000	5,336,870	3,824,734
Less: Unearned premium reserves increase from prior year	(299,810)	(796,569)	(358,140)
Net earned premium	5,417,190	4,540,301	3,466,594
Fee and commission income	127,528	140,376	269,683
Net investment income	88,756	71,459	82,227
Gain (loss) on financial instruments	103,773	(19,090)	37,083
Gain (loss) on fair value adjustments of financial instruments	3,797	(47,426)	17,416
Other income	13,106	8,024	14,536
Total income	5,754,150	4,693,644	3,887,539
Expenses			
Claims and loss adjustment expenses	3,248,861	3,191,826	2,824,319
Less: Claim recovered from reinsurers	(197,167)	(489,282)	(750,887)
Commission and brokerage expenses	1,004,188	942,172	771,669
Other underwriting expenses	321,032	351,881	364,103
Operating expenses	786,675	597,767	542,194
Financial cost	95	109	-
Expected credit loss	689	3,150	-
Total expenses	5,164,373	4,597,623	3,751,398
Profit before income tax	589,777	96,021	136,141
Income tax expenses	(117,773)	(18,351)	(23,983)
Profit for the year	472,004	77,670	112,158

(Unit : Thousand Baht)

	Consolidated financial statements for the year ended 31 December		
	2021	2020	2019
Other comprehensive income:			
Exchange differences on translation of financial statements in foreign currency (loss)	(4,103)	2,098	(7,440)
Gain on changes in value of available-for-sale investments	-	-	29,974
Gain (loss) on change in value of debt instruments measured at fair value through other comprehensive income	(6,055)	10,265	-
Gain (loss) on change in value of equity instruments designed at fair value through other comprehensive income	49,574	(167,619)	-
Actuarial gain (loss)	16,221	3,297	(8,968)
Income tax effect	(11,948)	30,811	(4,201)
Other comprehensive income for the year- net of income tax (loss)	43,689	(121,148)	9,365
Total comprehensive income for the year (loss)	515,694	(43,478)	121,523
Earnings per share			
	1.56	0.26	0.37
Dividend per share (Baht)			
	0.70	0.20	0.30
Share capital (Thousand shares)			
	303,000	303,000	303,000

Statements of Profit or Loss and Other Comprehensive Income

(Unit : Thousand Baht)

	Separate financial statements for the year ended 31 December		
	2021	2020	2019
Income			
Gross premium written	6,329,648	5,982,238	4,806,272
Less: Premium ceded to reinsurers	(615,882)	(648,956)	(984,810)
Net premium written	5,713,766	5,333,282	3,821,462
Less: Unearned premium reserves increase from prior year	(299,833)	(796,615)	(357,459)
Net earned premium	5,413,933	4,536,667	3,464,003
Fee and commission income	127,528	140,376	269,683
Net investment income	86,039	68,628	79,606
Gain (loss) on financial instruments	103,773	(19,090)	37,083
Gain (loss) on fair value adjustments of financial instruments	3,797	(47,426)	17,416
Other income	13,371	8,280	14,551
Total income	5,748,441	4,687,435	3,882,342

(Unit : Thousand Baht)

	Separate financial statements for the year ended 31 December		
	2021	2020	2019
Expenses			
Claims and loss adjustment expenses	3,246,117	3,189,299	2,821,265
Less: Claim recovered from reinsurers	(197,167)	(489,282)	(750,887)
Commission and brokerage expenses	1,003,840	941,726	771,199
Other underwriting expenses	320,750	351,539	363,868
Operating expenses	771,837	594,250	536,825
Expected credit loss	660	3,113	-
Total expenses	5,146,037	4,590,645	3,742,270
Profit before income tax	602,405	96,790	140,072
Income tax expenses	(117,773)	(18,351)	(23,983)
Profit for the year	484,632	78,439	116,089
Other comprehensive income:			
Gain on changes in value of available-for-sale investments	-	-	29,974
Gain (loss) on change in value of debt instruments measured at fair value through other comprehensive income	(6,055)	10,265	-
Gain (loss) on change in value of equity instruments designed at fair value through other comprehensive income	49,574	(167,619)	-
Actuarial gain (loss)	16,221	3,297	(8,968)
Income tax effect	(11,948)	30,811	(4,201)
Other comprehensive income for the year - net of income tax (loss)	47,793	(123,246)	16,805
Total comprehensive income for the year (loss)	532,424	(44,807)	132,894
Earnings per share			
Earnings per share	1.60	0.26	0.38
Dividend per share (Baht)	0.70	0.20	0.20
Share capital (Thousand shares)	303,000	303,000	303,000

Statements of Cash Flows

(Unit : Thousand Baht)

	Consolidated financial statements for the year ended 31 December		
	2021	2020	2019
Cash flows from (used in) operating activities			
Direct premium written	6,142,292	5,608,660	4,750,561
Cash paid for reinsurance	(245,562)	(37,460)	(40,944)
Interest income	44,491	40,145	30,985
Dividend income	41,755	29,551	50,795
Other investment income	919	1,424	2,238
Other income	5,364	6,517	11,980
Claim incurred on direct insurance	(2,991,513)	(2,640,985)	(2,541,349)
Loss adjustment expenses on direct insurance	(55,390)	(53,578)	(52,330)
Commission and brokerage on direct insurance	(960,046)	(938,882)	(765,821)
Other underwriting expenses	(315,621)	(348,738)	(361,998)
Operating expenses	(663,738)	(577,613)	(458,548)
Income tax	(77,912)	(64,205)	(55,930)
Investment in securities	-	-	(618,506)
Loans	-	-	(530)
Deposits at financial institutions	-	-	142,946
Cash received from investment assets	3,714,363	6,114,023	-
Cash paid for investment assets	(4,129,667)	(6,930,694)	-
Net cash from operating activities	509,734	208,165	93,549
Cash flows from (used in) investing activities			
Cash paid for purchases of equipment	(20,339)	(32,351)	(35,426)
Cash paid for purchase of intangible assets.	(15,754)	(7,895)	(1,968)
Cash received from disposals of equipment	765	890	231
Net cash used in investing activities	(35,328)	(39,356)	(37,163)
Cash flows used in financial activities			
Repayment of lease liabilities	(589)	(542)	-
Dividend paid	(60,600)	(60,600)	(60,600)
Net cash used in financial activities	(61,189)	(61,142)	(60,600)

(Unit : Thousand Baht)

	Consolidated financial statements for the year ended 31 December		
	2021	2020	2019
Translation adjustments	(156)	31	(258)
Unrealised exchange rate change	802	(90)	-
Allowance for expected credit loss	(696)	(226)	-
Net increase (decrease) in cash and cash equivalents	413,167	107,382	(4,473)
Cash and cash equivalents at beginning of year	332,677	225,295	229,767
Cash and cash equivalents at end of year	745,845	332,677	225,295

Statements of Cash Flows

(Unit : Thousand Baht)

	Separate financial statements for the year ended 31 December		
	2021	2020	2019
Cash flows from (used in) operating activities			
Direct premium written	6,137,355	5,603,274	4,744,556
Cash paid for reinsurance	(244,224)	(35,951)	(40,250)
Interest income	44,144	32,393	30,822
Dividend income	41,755	29,551	50,795
Other investment income	919	1,424	2,238
Other income	5,383	6,519	11,989
Claim incurred on direct insurance	(2,989,731)	(2,638,449)	(2,538,691)
Loss adjustment expenses on direct insurance	(55,349)	(53,544)	(52,293)
Commission and brokerage on direct insurance	(959,481)	(938,038)	(764,884)
Other underwriting expenses	(315,339)	(348,395)	(361,764)
Operating expenses	(655,230)	(575,463)	(456,177)
Income tax	(77,912)	(64,205)	(55,930)
Investment in securities	-	-	(618,506)
Loans	-	-	(530)
Deposits at financial institutions	-	-	142,946
Cash received from investment assets	3,713,447	6,114,023	-
Cash paid for investment assets	(4,129,667)	(6,927,194)	-
Net cash from operating activities	516,067	205,945	94,321

(Unit : Thousand Baht)

	Separate financial statements for the year ended 31 December		
	2021	2020	2019
Cash flows from (used in) investing activities			
Cash paid for investment in subsidiaries	(20,000)	-	-
Cash paid for purchases of equipment	(19,730)	(32,349)	(35,057)
Cash paid for purchase of intangible assets.	(8,813)	(7,895)	(1,968)
Cash received from disposals of equipment	765	890	209
Net cash used in investing activities	(47,778)	(39,354)	(36,816)
Cash flows used in financial activities			
Dividend paid	(60,600)	(60,600)	(60,600)
Net cash used in financial activities	(60,600)	(60,600)	(60,600)
Unrealised exchange rate change	802	(90)	-
Allowance for expected credit loss	(670)	(177)	-
Net increase (decrease) in cash and cash equivalents	407,822	105,724	(3,095)
Cash and cash equivalents at beginning of year	329,949	224,225	227,320
Cash and cash equivalents at end of year	737,771	329,949	224,225

Key Financial Ratios

	Consolidated financial statements for the year ended 31 December		
	2021	2020	2019
Liquidity ratio			
Liquidity ratio	0.51	0.47	0.49
Premium receivable turnover ratio	48.47	41.07	42.43
Profitability ratio			
Retention ratio	90.27	89.16	79.52
Loss ratio	55.04	57.74	55.49
Underwriting expense ratio	38.09	40.42	44.91
Return on investment ratio	3.34	0.10	3.41
Gross profit margin ratio	21.06	14.61	14.11
Gross profit to total income ratio	20.30	14.57	13.56
Net profit margin ratio	8.20	1.65	2.89
Return on equity ratio	30.00	5.84	8.74
Efficiency ratio			
Return on asset ratio	5.66	1.08	1.84
Assets turnover ratio	0.69	0.65	0.64
Financial ratio			
Debt to equity ratio	3.91	4.83	3.97
Policy liability to capital fund	2.79	3.28	2.40
Unearned premium reserve to equity ratio	1.73	2.09	1.53
Unearned premium to assets ratio	36.07	36.92	32.40
Dividend payout ratio	44.94	78.02	54.03
Net earnings per share	1.56	0.26	0.37
Dividend per share	0.70	0.20	0.20
Book value per share	5.94	4.44	4.34

Key Financial Ratios

	Separate financial statements for the year ended 31 December		
	2021	2020	2019
Liquidity ratio			
Liquidity ratio	0.51	0.47	0.49
Premium receivable turnover ratio	48.49	41.10	42.47
Profitability ratio			
Retention ratio	90.27	89.15	79.51
Loss ratio	55.02	57.73	55.45
Underwriting expense ratio	37.83	40.36	44.78
Return on investment ratio	3.27	0.04	3.32
Gross profit margin ratio	21.08	14.62	14.15
Gross profit to total income ratio	20.32	14.59	13.61
Net profit margin ratio	8.43	1.67	2.99
Return on equity ratio	30.54	5.87	9.04
Efficiency Ratio			
Return on asset ratio	5.81	1.09	1.91
Assets turnover ratio	0.69	0.65	0.64
Financial Ratio			
Debt to equity ratio	3.86	4.81	3.95
Policy liability to capital fund	2.76	3.27	2.38
Unearned premium reserve to equity ratio	1.70	2.08	1.52
Unearned premium to assets ratio	36.01	36.91	32.35
Dividend payout ratio	43.77	77.26	52.20
Net earnings per share	1.60	0.26	0.38
Dividend per share	0.70	0.20	0.20
Book value per share	6.02	4.46	4.36



Attachment

- 100 Attachment 1** Details on Board of Directors, Executives, Controlling Persons and Corporate Secretary
- 105 Attachment 2** Details on Directorship of Directors and Executives
- 116 Attachment 3** Business Assets and Details on Asset Valuation
- 117 Attachment 4** Policies and Guidelines for Corporate Governance and Business Ethics
- 118 Attachment 5** Report of Board Committees
- 124 Attachment 6** Report of the Board of Directors' Responsibilities for Financial Reports
- 125 Attachment 7** Independent Auditor's Report
- 130 Attachment 8** Financial Statements and Notes to the Financial Statements



Attachment 1

Details on Board of Directors, Executives, Controlling Persons and Corporate Secretary

The Board of Directors

Mr. Phisit Setthawong

Independent Director

Chairman

Chairman of the Nomination and Remuneration Committee

Education/ Training

- B.A. Commerce and Accountancy (Honors), Chulalongkorn University
- M.A. and Ph.D. Economics, Michigan State University, U.S.A.
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Work Experience

- Deputy Permanent Secretary, Ministry of Commerce
- Director-General, Department of Internal Trade
- Advisor, Innovation Center Co., Ltd.
- Advisor of Director, the Agricultural Futures Exchange of Thailand
- Audit Committee, Thaivivat Insurance PCL.

Other Current Position

-

Mrs. Pranee Phasipol

Independent Director

Chairman of Audit Committee

Chairman of Investment Committee

Chairman of Good Corporate Governance Committee

Education/ Training

- B.A. Major: Accounting (Honors), Thammasat University
- M.A. Accounting, Thammasat University
- Diploma, National Defence College, The Joint State - Private Sector Course, Class 2003-2004
- Diploma in Public Law, Batch 9, Thammasat University and The Office of the Council of State
- Top Executive Program in Commerce and Trade, Batch 2, Commerce Academy, UTCC
- Certificate of Civil Service Executive Development Program, Course 1, Batch 30, Office of the Civil Service Commission

- Certificate of Change Management, Ripa International, UK
- Certificate of Distance Learning Course for Insurance Supervisors (Module 2), World Bank
- Certified Public Accountant
- Director Certification Program 10/2001, Thai Institute of Directors (IOD)
- Advance Audit Committee Programs

Work Experience

- Deputy Director - the Department of Insurance, Ministry of Commerce
- Deputy Director- the Department of Business Development, Ministry of Commerce
- Advisory of Commercial, Ministry of Commerce
- Director of Inspector, Ministry of Commerce
- Qualified Person in Finance and Account, Office of the Civil Service Commission
- Advisor of Thai General Insurance Association
- Independent Director, Audit Committee, Remuneration Committee and Governance and Nomination Committee, Dusit Thani PCL.
- Independent Director, Chairman of Audit committee, Nomination and Remuneration Committee and Independent Director, SCI Electric PCL.
- Member of Foreign Business Commission, Ministry of Commerce
- Audit committee, The Support Arts and Crafts International Center of Thailand
- Member of Life Insurance Fund Commission, Life Insurance Fund
- Chairman of Ethics /Committee and Member of CPA Examination Committee, Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- Advisory Board, Federation of Accounting Professions under the Royal Patronage of His Majesty the King

Other Current Position

- Independent Director, Audit Committee, Dusit Thani PCL.
- Independent Director, Chairman of Audit Committee and Chairman of Nomination and Remuneration Committee, SCI Electric PCL.
- Qualified Person in Finance and Account, Office of the Civil Service Commission
- Subcommittee, Federation of Accounting Professions under the Royal Patronage of His Majesty the King

Mrs. Pilai Piamphongsarn**Independent Director****The Audit Committee****The Nomination and Remuneration Committee****Education/ Training**

- B.A. Commerce and Accountancy, Chulalongkorn University
- Certified Public Accountant (CPA) Thailand
- Certified Internal Auditor (CIA) with honor from The Institute of Internal Auditor, Florida USA.
- Director Certification Program (DCP), Thai Institute of Directors (IOD)

Work Experience

- Assistant Governor of Finance and Accounting, Electricity Generating Authority of Thailand
- Director in charge of associated companies under The Electricity Generating PCL.
- Independent Director and the Chairman of Audit Committee, Metro Star Property PCL.
- Advisor, Metro Machinery Co., Ltd.
- Independent Director and the Chairman of Audit Committee, Crown Seal PCL.

Other Current Positions

- Chairman, Audit and Management Consultant Co., Ltd.

Mrs. Supaporn Burapakusolsri**Independent Director****The Audit Committee****The Investment Committee****The Corporate Governance Committee****Education / Training**

- BA. Accounting (Honors), Thammasat University
- MA. Accounting, Thammasat University
- Certified Public Accountant (CPA), Thailand Registration No. 2800
- Chief Financial Officer Certification Program Class 4, Federation of Accounting Professions
- Royal Thai Air Force Air War College (RTAF.AWC.) Class 35, Royal Thai Air Force
- Public Economy Management for Senior Executive, Class 7, King Prajadhipok's Institute
- Thailand Insurance Leadership Program Class 2 - Advance Insurance Institute of OIC organized by Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP) DAP87/2011

- Role of the Compensation Committee Program (RCC) 13/2011
- Director Certification Program (DCP) DCP172/2013
- Advance Audit Committee (AACP23/2016)

Work Experience

- Director Suvamabhumi Airport Hotel Company Limited
- Senior Executive Vice President, Planning and Finance Chief Financial Officer (CFO) Airport of Thailand Public Company Limited
- Independent Director, Chairman of the Audit Committee, Chewathai Company Limited

Other Current Position

- Independent Director, Chairman of the Audit Committee, Chairman of Risk Management Committee, Member of Nomination and Remuneration Committee, Member of the Corporate Governance Committee, Chewathai Public Company Limited

Mr. Jiraphant Asvatanakul**Director****President & CEO****The Investment Committee****Education/ Training**

- B.A. Economics, Thammasat University
- Master in Professional Accounting, University of Texas at Austin, U.S.A.
- Diploma, National Defence College, The National Defence Course Class 56
- Thailand Insurance Leadership Program Class 1 - OIC Advance Insurance Institute
- Top Executive Program in Commerce and Trade, Batch 8, Commerce Academy, UTCC
- Top Executives Program Class 22, Capital Market Academy
- Strategy and Innovation for Business in Asia (SIBA) Class 2, College of Management Mahidol University
- Diploma, National Defence College, The Joint State - Private Sector Course Class 2
- Super Advanced Leadership Program, Super Vocational Certificate, Class 1
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Work Experience

- Member of Voluntary Motor Insurance Tariff Committee, Department of Insurance, Ministry of Commerce
- Director, Aberdeen Asset Management Public Co., Ltd.
- Chief of Thailand Delegate in East Asian Insurance Congress
- Chairman of Asean Insurance Council
- Secretary, Thai General Insurance Association
- President, Thai General Insurance Association
- Director Thai General Insurance Association
- Director, Policy Protection Fund
- Director Thaire Life Assurance PCL.
- Independent Director, the audit committee, the nomination and Remuneration Committee, Vichitbhan Palmoil PCL.
- Director, Member of the nomination and Remuneration Committee, Thai Reinsurance PCL.
- Vice Chairman, Chairman of The Investment Committee, Road Accident Victims Protection Co., Ltd.
- Director T.I.I. Co., Ltd. (Thailand - Insurance Institute)
- Director Thai Insurer Datanet Co., Ltd.
- President The Federation of Thai Insurance Organizations
- Board Treasurer, Thai Chamber of Commerce
- Secretary General, Thai Chamber of Commerce

Other Current Position

- Director, Nomination and Remuneration Committee, Thai Reinsurance Public Co., Ltd.
- Independent Director, Audit Committee and Nomination and Remuneration Committee, Vichitbhan Palm oil PCL.
- Vice Chairman, Chairman of The Investment Committee, Road Accident Victims Protection Co., Ltd., Insurance
- Director and Advisor of Accounting and Investment Committee, Thai General Insurance Association
- Chairman, Thailand Insurance Institute
- Vice Chairman, The Thai Chamber of Commerce
- Advisory - Board of Trade of Thailand
- Director, Policy Protection Fund
- Chairman of Thai - Iran Business Council
- Director and Treasurer, Thai - Chinese Business Council

Mr. Thawan Viranont

Director

The Corporate Governance Committee

Education/ Training

- B.A. Law, Thammasart University
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Work Experience

- Director Legal Department, Thaivivat Insurance PCL.
- Executive Vice President, Thaivivat Insurance PCL.
- Senior Executive Vice President, Thaivivat Insurance PCL.
- Advisor of CEO, Thaivivat Insurance PCL.
- The Nomination and Remuneration Committee, Thaivivat Insurance PCL.

Other Current Position

-

Mrs. Sutepee Asvatanakul

The top responsibility in accounting and finance

Chief Financial Officer

Managing Director

The Nomination and Remuneration Committee

Education/ Training

- Bachelor of Arts, Thammasat University
- M.B.A. Tarleton State University, USA
- Thailand Insurance Leadership Program (Class 2) OIC Advanced Insurance Institute
- Senior Executive in Business Development, Industry and Investment Class 6, Institute of Business and Industrial Development
- Top Executive Program in Commerce and Trade (TEPCoT) Class 11, Commerce Academy
- Advance Master of Management Program, AMM Class 5 National Institute of Development Administration
- Executive Programs Capital Market Academy Class 31, Capital Market Academy.
- Director Certification Program (DCP), Thai Institute of Directors

Work Experience

- Manager of Financial Department, Thaivivat Insurance PCL.
- Director Financial Department, Thaivivat Insurance PCL.
- Director and Executive Vice President, Thaivivat Insurance PCL.
- Senior Executive Vice President, Thaivivat Insurance PCL.

Other Current Position

-

Mrs. Sunee Theerawittayakul

Director

The Company Secretary

Education/ Training

- B.A. Law, Thammasart University
- Director Accreditation Program (DAP),
Thai Institute of Directors (IOD)

Work Experience

- Manager of General Administration Department,
Thaivivat Insurance PCL.
- Manager of Sathupradit Branch, Thaivivat Insurance PCL.
- Recovery & Corporate Administration Director,
Thaivivat Insurance PCL.

Other Current Position

-

The Executive

Mr. Jiraphant Asvatanakul

CEO & President

Date Attended

July 1984

Education

- B.A. Economics, Thammasat University, Thailand
- M.P.A. University of Texas at Austin, USA

Mrs. Sutepee Asvatanakul

The top responsibility in accounting and finance

Date Attended

July 1986

Education

- Bachelor of Arts, Thammasat University
- M.B.A. Tarleton State University, USA

Mr. Praphid Dhiraprayudti

Senior Executive Vice President

Date Attended

June 1981

Education

- B.A. Economics, Ramkhamhang University

Mr. Suraphong Theravithayangkura

Senior Executive Vice President

Date Attended

August 1986

Education

- B.B.A. Business Administration, Hanover College, USA
- M.B.A. Southwest Texas State University, USA

Ms. Janejira Asvatanakul

Senior Executive Vice President

Date Attended

December 2013

Education

- B.S. Nutritional Science, Pepperdine University, USA
- M.S. Nutrition and Dietetics, Case Western Reserve University, USA

Mr. Thepphan Asvatanakul

Senior Executive Vice President

Date Attended

June 2016

Education

- B.S. Industrial Engineering, Economics, Northwestern University, USA
- M.B.A. Wharton, University of Pennsylvania, USA

Attachment 2

Details on Directorship of Directors and Executives

Mr. Phisit Setthawong Age 77 years

Independent Director	Date appointed October 28, 2005
Chairman	Date appointed May 12, 2021
Chairman of Nomination and Remuneration Committee	Date appointed August 11, 2016 - Present

Education / Training

- B.A. Commerce and Accountancy (with honors), Chulalongkorn University
- M.A. Economics, Michigan State University, U.S.A.
- Ph.D. Economics, Michigan State University, U.S.A.
- Director Accreditation Program (DAP) Thai Institute of Directors (IOD)

Training Course in 2021 - None

Company Shareholding (%)

- None

Family Relationship to Management

- None

Working Experience for the Past 5 Years (Information as December 31, 2021)

2012 - 2014	Audit Committee , Thaivivat Insurance PCL., Insurance
2015 - 2021	Chairman of Audit committee, Thaivivat Insurance PCL., Insurance

Other positions in Company or any organization in the past year

- None

Mrs. Pranee Phasipol Age 72 Years

Independent Director	Date appointed April 8, 2015
Chairman of Audit Committee	Date appointed May 12, 2021 - Present
Chairman of Investment Committee	Date appointed February 25, 2021 - Present
Chairman of Corporate Governance Committee	Date appointed February 27, 2020 - Present

Education / Training

- B.A. Major: Accounting (Second Class Honors), Thammasat University
- M.A. Accounting, Thammasat University
- Diploma, National Defence College, The Joint State - Private Sector Course, Class 2003-2004
- Diploma in Public Law, Batch 9, Thammasat University and The Office of the Council of State
- Top Executive Program in Commerce and Trade, Batch 2, Commerce Academy, UTCC
- Certificate of Civil Service Executive Development Program Class 3, Advanced Insurance Institute
- Certificate of Civil Service executive development program Course 1, Class 30, Office of the Civil Service Commission
- Certificate of Change Management, Ripa International, UK
- Certificate of Distance Learning Course for Insurance Supervisors (Module 2), World Bank
- Certified Public Accountant
- Director Certification Program 10/2001, DCPU 3/2015, ACP 20/2010 , Thai Institute of Directors (IOD)
- Advance Audit Committee Programs

Training Course in 2021

- Public Discussion On “Amended Money Laundering Law: Professional Accountants Can’t Know”
- The Code of Ethics for Professional Accountants
- Discussion on the Business Combinations under Common Control IIa: Exposure Draft : Lack of Exchangeability IAS 21. FAP
- Discussion on the drafting of Financial Reporting Standards No. 1 on the First Application Of Financial Reporting Standards. FAP

Company Shareholding (%)

- None

Family Relationship to Management

- None

Working Experience for the Past 5 Years (Information as December 31, 2021)

2015 - May 2021	Audit Committee, Thaivivat Insurance Committee, Insurance Business
2016 - Feb 2021	Investment Committee, Thaivivat Insurance Committee, Insurance Business
2012 - 2018	Independent Director, Audit Committee, Remuneration Committee, Nomination and Governance Committee, Dusit Thani PCL., Tourism & Leisure
2014 - Present	Independent Director , Chairman of Audit Committee and Nomination and Remuneration Committee, SCI Electric PCL., Energy
2015 - 2017	Qualified Person - Securities and Exchange Commission
2015 - 2017	Audit committee, The Support Arts and Crafts International Center of Thailand
2015 - 2017	The Committee of Life Insurance Fund, Life Insurance Fund
2015 - 2017	Member of Foreign Business Commission, Ministry of Commerce
2014 - 2017	Advisory Board, Federation of Accounting Professions Under the Royal Patronage of His Majesty the King
2001 - 2021	Qualified Person in Finance and Account, Office of the Civil Service Commission
2014 - 2020	Board Advisory, Federation of Accounting Professions Under the Royal Patronage of His Majesty the King

Other positions in Company or any organization in the past year.**Listed Company**

- Independent Director, Audit Committee, Dusit Thani PCL. , Tourism & Leisure
- Independent Director, Chairman of The audit committee and Nomination and Remuneration Committee, SCI Electric PCL., Energy

Limited Company

- None

Special Activity

- Qualified Person in Finance and Account, Office of the Civil Service Commission
- Sub-Committee, Federation of Accounting Professions under the Royal Patronage of His Majesty the King

Mrs. Pilai Piampongsam Age 85 years

Independent Director	Date appointed June 2, 1999
Audit Committee	Date appointed February 23, 2009 - Present
Nomination and Remuneration Committee	Date appointed August 11, 2016 - Present

Education / Training

- B.A. Commerce and Accountancy, Chulalongkorn University.
- Certified Public Accountant (CPA) Thailand (CPA. No.2336)
- Certified Internal Auditor (CIA) with honors from The Institute of Internal Auditor
- Director Certification Program (DCP), Thai institute of Directors (IOD)

Training Course in 2021 - None**Company Shareholding (%)**

- None

Family Relationship to Management

- None

Working Experience for the Past 5 Years (Information as December 31, 2021)

2004 - 2013	Audit committee, Metrostar Property PCL, Real Estate
1999 - June 2020	Audit committee, Crown Seal PCL., Packaging
1999 - Present	Chairman, Audit and Management Consultant Co., Ltd, Accounting Office

Other positions in Company or any organization in the past year.**Listed Company**

- None

Limited Company

- Chairman, Audit and Management Consultant Co., Ltd, Accounting Office (Main Job)

Mrs. Supaporn Burapakusolsri Age 69 years

Independent Director	Date appointed November 14, 2016 - Present
Audit Committee	Date appointed June 2, 2020 - Present
Corporate Governance Committee	Date appointed February 27, 2020 - Present
Investment Committee	Date appointed February 25, 2021 - Present

Education / Training

- BA. Accounting (Honors), Thammasat University
- MA. Accounting, Thammasat University
- Certified Public Accountant (CPA), Thailand Registration No. 2800
- Chief Financial Officer Certification Program Class 4, Federation of Accounting Professions
- Royal Thai Air Force Air War College (RTAF.AWC.) Class 35, Royal Thai Air Force
- Public Economy Management for Senior Executive, Class 7, King Prajadhipok's Institute
- Thailand Insurance Leadership Program Class 2 - OIC Advance Insurance Institute

Courses organized by the Thai Institute of Directors Association (IOD)

- Director Accreditation Program (DAP) DAP87/2011, IOD
- Role of the Compensation Committee Program (RCC) 13/2011, IOD
- Director Certification Program (DCP) DCP172/2013, IOD
- Advance Audit Committee (AACP23/2016), IOD

Training Course in 2021**Courses organized by the Department of Business Development (DBD), Ministry of Commerce**

- Continuous knowledge development in the accounting profession
- Accounting Information 2
- Code of Conduct and Financial Reporting Standards NPAEs
- Financial Statement Analysis
- Statement of Cash Flow
- Cost accounting theory worth knowing

Courses organized by the EY Office (EY) Co., Ltd.

- Sustainability, ESG and a company's reporting
- Tax Consolidation for outbound Investment
- Preparation for post COVID-19 once in a hundred-year crisis, opportunity and prospect offered post COVID-19
- Financial Reporting Standards training

Courses organized by the Thai Institute of Directors Association (IOD)

- Governing in tomorrow's world
- AGM - Paying dividends and issue debentures What must the board consider?
- Road to certify with Thai CAC, Recommendations on how to prepare and Do & Don't in preparing documents for certification. Special talk "Roles of Audit Committee in filing certification with CAC"
- Director's briefing 14/2021: Dispute Resolution Options in the COVID-19 Situation

Seminar courses organized by other agencies

- Audit Committee and Auditor an important mechanism for improving the quality of financial reports: Organized by the Thai Institute of Directors Association (IOD) and the Securities and Exchange Commission (SEC).
- Thailand Insurance Symposium 2021 in no 7: Organized by the Office of Insurance Commission.

Company Shareholding (%)

- None

Family Relationship to Management

- None

Working Experience for the Past 5 Years (Information as December 31, 2021)

2015 - 2021	Independent Director, Chairman of Audit Committee, Member of Nomination and Remuneration Committee, Corporate Governance Committee, Chairman of Risk Management Committee, Chewathai Public Company Limited, Real Estate
2015 - 2015	Independent Director, Chairman of Audit Committee , Chewathai Company Limited, Real Estate
2008 - 2013	Senior Executive Vice President, Planning and Finance Chief Financial Officer (CFO) Airport of Thailand Public Company Limited, Transportation & Logistics
2008 - 2012	Director Suvarnabhumi Airport Hotel Company Limited, Hotel

Other positions in Company or any organization in the past year.**Listed Company**

- Independent Director, Chairman of Audit Committee, Member of Nomination and Remuneration Committee, Member of Corporate Governance Committee, Chewathai Public Company Limited, Real Estate

Limited Company

- None

Special Activity

- None

Mr. Jiraphant Asvatanakul Age 62 years

Director	Date appointed May 12, 1986 - Present
Investment Committee	Date appointed May 12, 2016 - Present

Education / Training

- B.A. Economics, Thammasart University
- Master in Professional Accounting, University of Texas at Austin, U.S.A.
- Diploma, National Defence College, The National Defence Course Class 56
- Thailand Insurance Leadership Program Class 1 - OIC Advance Insurance Institute
- Top Executive Program in Commerce and Trade, Class 8, Commerce Academy, UTCC
- Top Executives Program Class 22, Capital Market Academy
- Strategy and Innovation for Business in Asia (SIBA) Class 2, College of Management Mahidol University
- Diploma, National Defence College, The Joint State - Private Sector Course Class 26
- Super Advanced Leadership Program (Super Vocational Certificate), Class 1, OIC
- Top Executive Program in Commerce and Trade (TEPCoT), Class 8, Commerce Academy
- The Health Ambassador Training Program, Class 1
- Strategy and Innovation for Business in Asia Class 2
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Training Course in 2021 - None

Company Shareholding (%)

151,461,632 shares 49.99% (person 0.36% /spouse 1.56%/ A juristic person under the controlling power 48.07%)

Family Relationship to Management

Spouse	Mrs. Sutepee Asvatanakul	Managing Director
Brother in Law	Mrs. Sunee Theravithayangkura	Director and Company Secretary

Working Experience for the Past 5 Years (Information as December 31, 2021)

1986 - Present	President and CEO, Investment Committee, Thaivivat Insurance PCL., Non-life insurance
1993 - Present	Director, Thai Reinsurance PCL., Reinsurance
2012 - Present	Nomination and Remuneration Committee, Thai Reinsurance PCL., Non-life reinsurance
2016 - Present	Independent Director, Audit Committee and Nomination and Remuneration Committee, Vichitbhan Palm oil PCL., Agribusiness
2001- Present	Vice Chairman ,Chairman of Investment Committee, Road Accident Victims Protection Co., Ltd., Non-life insurance
2009 - Present	Director, T.I.I. Co., Ltd. (Thailand Insurance Institute)
2014 - 2016	Director, Thaire Life Assurance PCL., Life reinsurance
2015 - 2017	Director and Treasurer, Thai Chamber of Commerce
2017 - Apr. 2019	President, Thai General Insurance Association
2019 - Present	Director and Advisor of Accounting and Investment Committee, Thai General Insurance Association, Non-life insurance
2013 - 2019	Director, Thai Insurance Business Council
2016 - Present	Chairman of Thai - Iran Business Council
2015 - Present	Director and Treasurer, Thai - Chinese Business Council
2017 - 2019	Director and Secretary General, Thai Chamber of Commerce
2019 - Present	Vice Chairman, The Thai Chamber of Commerce
2019 - Present	Advisory - Board of Trade of Thailand
2017 - Present	Director, General Insurance Fund

Other positions in Company or any organization in the past year.**Listed Company**

- Director, Nomination and Remuneration Committee, Thai Reinsurance PCL., Insurance
- Independent Director, Audit committee, Nomination and Remuneration Committee, Vichitbhan Palmoil PCL., Agribusiness

Limited Company

- Vice Chairman, Chairman of Investment Committee, Road Accident Victims Protection Co., Ltd. , Insurance
- Director T.I.I. Co., Ltd. (Thailand - Insurance Institute) , Education
- Director, Mafam Company Limited, Investment business or becoming a partner in other business
- Director J&A Jewelry Company Limited, Jewelry business

Special Activity

- Director and Advisory Director of Account, Finance and Investment Committee, Thai General Insurance Association
- Director, The Federation of Thai Insurance Organizations
- Vice Chairman, The Thai Chamber of Commerce
- Advisory, Board of Trade of Thailand
- Director, General Insurance Fund
- Chairman, Thai - Iran Business Council
- Director and Treasurer, Thai - Chinese Business Council

Mr. Thawan Viranont Age 72 years

- | | |
|--------------------------------|--------------------------------------------|
| Director | Date appointed April 29, 1993 - Present |
| Corporate Governance Committee | Date appointed February 27, 2020 - Present |

Education / Training

- B.A. Law, Thammasart University
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Training Course in 2021 - None**Company Shareholding (%)**

18,000 shares 0.006% (person 0.006% / Underage child 0%)

Family Relationship to Management

- None

Working Experience for the Past 5 Years (Information as December 31, 2021)

- | | |
|-----------------------------|----------------------------------------------------------------|
| 1999 - 2014 | Executive Vice President Thaivivat Insurance PCL. |
| 2014 - Present | Advisor of CEO Thaivivat Insurance PCL. |
| August 2016 - February 2019 | Nomination and Remuneration Committee Thaivivat Insurance PCL. |

Other positions in Company or any organization in the past year. - None

Mrs. Sutepee Asvatanakul **Age 61 years**

Director, The top responsibility in accounting and finance (CFO) Date appointed June 18, 1986 - present
 Nomination and Remuneration Committee Date appointed August 11, 2016 - present

Education / Training

- B.A. Liberal Arts, Thammasart University
- Master of Business Administration, Tarleton State University (U.S.A)
- Thailand Insurance Leadership Program Class 2 - OIC Advance Insurance Institute
- Senior Executive in Business Development, Industry and Investment Class 6, Institute of Business and Industrial Development
- Top Executive Program in Commerce and Trade (TEPCoT) Class 11, Commerce Academy
- Advance Master of Management Program, AMM Class 5 National Institute of Development Administration
- Executive Programs Capital Market Academy Class 31, Capital Market Academy - Director
- Certification Program (DCP), Thai Institute of Directors (IOD)

Training Course in 2021

- The Accounting Management for Planning and Decision Making – Dharmniti Training and Seminar Company Limited
- The New Normal of Capital – Capital Market Academy
- New Chapter of Global, Thai Economic and Capital Market – Capital Market Academy

Company Shareholding (%)

151,461,632 shares 49.99% (person 1.56% /spouse 0.36%/A juristic person under the controlling power 48.07%)

Family Relationship to Management

Spouse	Mr. Jiraphant Asvatanakul	President and CEO
Sister	Mrs. Sunee Theravithayangkura	Director and Company Secretary

Working Experience for the Past 5 Years (Information as December 31, 2021)

2004 - Present The top responsibility in accounting and finance(CFO), Thaivivat Insurance PCL.

Other positions in Company or any organization in the past year. - None

Mrs. Sunee Theravithayangkura Age 70 years

Director	Date appointed June 18, 1986 – Present
Company Secretary	Date appointed August 20, 2008 - Present

Education / Training

- B.A. Law, Thammasart University
- Director Accreditation Program (DAP), Thai Institute of Directors (IOD)

Training Course in 2021 - None

Company Shareholding (%)

18,000 shares 0.006% (person 0.006% / Underage child 0%)

Family Relationship to Management

Sister	Mrs. Sutepee Asvatanakul	Managing Director
Sister in Law	Mr. Jiraphant Asvatanakul	President and CEO

Working Experience for the Past 5 Years (Information as December 31, 2021)

2014- Present Director and Company Secretary, Thaivivat Insurance PCL.

Other positions in Company or any organization in the past year. - None

The Corporate Secretary has the following Responsibilities :

1. Preparing and keeping documents below.
 - a) Registration of The Committee.
 - b) Notice and Minutes of Board Meeting and Annual Report of the Company
 - c) Notice and Minutes of Shareholders Meeting
2. Keeping the report of the interests of directors, executives, under Section 89/14 the report to chairman and Chairman of the Audit Committee within seven days from the date of receiving the report.
3. Other actions According to the notification of the Capital Market Commission.

Mr. Suraphong Theravithayangkura Age 59 years

Senior Executive Vice President

Date appointed August 2016 - Present

Education / Training

- B.B.A. Business Administration, Hanover College, USA
- M.B.A. Southwest Texas State University, USA

Training Course in 2021 - None**Company Shareholding (%)**

216,040 shares 0.07% (person 0.07% / Underage child 0%)

ความสัมพันธ์ทางครอบครัวระหว่างกรรมการและผู้บริหาร

Brother	Mrs. Sutepee Asvatanakul	Managing Director
Brother	Mrs. Sunee Theravithayangkura	Director and Company Secretary
Brother in Law	Mr. Jiraphant Asvatanakul	President and CEO

Working Experience for the Past 5 Years (Information as December 31, 2021)

Executive Vice President - Thaivivat Insurance PCL.

Other positions in Company or any organization in the past year. - None**Mr. Praphid Dhiraprayudti Age 62 years**

Senior Executive Vice President

Date appointed August 2016 - Present

Education / Training

- B.A. Economics, Ramkhamhang University

Training Course in 2021 - None**Company Shareholding (%)**

50,264 shares 0.016% (person 0.016% / Underage child 0%)

Family Relationship to Management - None**Working Experience for the Past 5 Years (Information as December 31, 2021)**

Executive Vice President - Thaivivat Insurance PCL.

Other positions in Company or any organization in the past year. - None

Miss Janejira Asvatanakul Age 36 Years

Senior Executive Vice President

Date appointed December 2013 - Present

Education / Training

- B.S. Nutritional Science, Pepperdine University, USA
- M.S. Nutrition and Dietetics, Case Western Reserve University, USA

Training Course in 2021 - None**Company Shareholding (%)**

30,659,848 Shares 10.12% (person 5.14% /A juristic person under the controlling power 4.98%)

Other positions in Company or any organization in the past year.

Daughter	Mr. Jiraphant Asvatanakul	President and CEO
Daughter	Mrs. Sutepee Asvatanakul	Managing Director
Sister	Mr. Thepphan Asvatanakul	Senior Executive Vice President

Working Experience for the Past 5 Years (Information as December 31, 2021)

Executive Vice President - Thaivivat Insurance Company Limited

Other positions in Company or any organization in the past year.

Director, JanePhan Property Co.,Ltd, Investment business or becoming a partner in other business

Mr. Thepphan Asvatanakul Age 33 Years

Senior Executive Vice President

Date appointed December 2016 - Present

Education / Training

- B.S. Industrial Engineering, Economics, Northwestern University, USA
- M.B.A. Wharton, University of Pennsylvania, USA

Training Course in 2021 - None**Company Shareholding (%)**

30,659,848 Shares 10.12% (person 5.14% /A juristic person under the controlling power 4.98%)

Other positions in Company or any organization in the past year.

Son	Mr. Jiraphant Asvatanakul	President and CEO
Son	Mrs. Sutepee Asvatanakul	Managing Director
Brother	Mr. Thepphan Asvatanakul	Senior Executive Vice President

Working Experience for the Past 5 Years (Information as December 31, 2021)

Executive Vice President – Thaivivat Insurance PCL.

Product Manager – Standard Chatered Bank (Thai) (2010 – 2013)

Advisor – The Boston Consulting Group (Thailand) Co, Ltd. (2015 – 2016)

Other positions in Company or any organization in the past year. - None

Mr. Sucheeep Lakhthong Age 27 years

Accounting Manager, Accounting Supervisor (Accountant)

Date appointed June 1, 2020 - Present

Education / Training

- Bachelor of Accounting Burapha University
- Certified Public Accountant (CPA), No.13164

Training Course in 2021

- Financial Reporting Trends 2021
- Finance Transformation: Consolidation and Reporting
- Reinsurance Technical Accounting & Claims Training
- The Concept of Sustainability organization for report making
- Be ready when the revenue officer investigate tax.

Company Shareholding (%) - None

Family Relationship to Management - None

Working Experience for the Past 5 Years (Information as December 31, 2021)

2016 – 2019 Assistant auditor, EY Office Limited

2020 – Present Accounting Manager, Thaivivat Insurance PCL.

Other positions in Company or any organization in the past year. - None

The Accountant has the following Responsibilities :

1. Prepare the financial position and performance in compliance with applicable rules
2. Report the financial position and financial performance in accordance with the regulator's schedule
3. Maintain the financial position and financial performance in accordance with relevant regulators' regulations

Attachment 3

Business Assets and Details on Asset Valuation

1. Business Assets

The Company has explained the main fixed assets, the Company and its subsidiaries in the business are disclosed in the section 1.2.6 Business Assets.

2. Details on Asset Valuation

- None

Attachment 4

Policies and Guidelines for Corporate Governance and Business Ethics

Corporate Governance Policies and Guidelines

The Company discloses a full report of corporate governance policies and guidelines on the Company's website, www.thaivivat.co.th. It can be viewed in the About Us section, Corporate Governance subsection on Operation Guideline and Corporate Governance or scan QR Code.



Business Ethics

The Company discloses a full report of Business Ethics on the Company's website, www.thaivivat.co.th. It can be viewed in the About Us section, Corporate Governance subsection on Code of Ethics or scan QR Code.



Attachment 5

Report of Board Committees

Audit Committee Report 2021

To shareholders

The Audit Committee of Thaivivat Insurance Public Company Limited consists of 3 independent directors who are experts and have experience in economics, business administration, accounting, auditing as regulated by the Securities and Exchange Commission, Thailand. Mrs. Pranee Phasipol is the chairman of the Audit Committee, Mrs. Pilai Piumpongsarn and Mrs. Supaporn Burapakusolsri are the Audit Committees with 3 years term.

In 2021, the Audit Committee performed duties independently as the Board of Directors assignment with 5 meetings that all committees attended all meeting to carry out their scopes, duties, responsibilities and supervision. The company provided the Audit Committee meetings with auditor, management representative and internal auditor to consider and discuss the issues including giving advice on matters that are beneficial to the company management in accordance with the principles of good corporate governance. The Audit Committee reported the meeting results every time that are summarized as follows :

1. Reviewing the company's financial report quarterly and fiscal year 2021 by auditor and management inquiry about the accuracy, completeness, and reliability of financial report, financial statement preparation in accordance with the Financial Reporting Standards, adequacy of information disclosure and internal control. The Audit Committee agreed that the company financial report was correct in accordance with the Financial Reporting Standards and the auditors propose unqualified report. In addition, the Audit Committee held one meeting with the auditor specifically without the management and internal auditor. The auditor reported it had freedom to perform and got good cooperation from all departments. The internal control system was appropriate, adequate without corruption problem.

2. Reviewing the company efficiency and effective assessment of internal control system according to the internal control principles of COSO by the Internal Audit Department and related executive certification including the anti-corruption of risk assessment and agreed that the company had an appropriate, sufficient internal control system and good corporate governance management. In addition, the company has been participated "CAC" (Collective Action Coalition) members of the Thai Private Sector for the Anti-Corruption.

3. Reviewing risk management according to the company risk management framework. The Audit Committee agreed that the company had complied with the risk management plan and followed up adequately together with regularly reviews risk management as the current situation.

4. Reviewing the company has operated legally in accordance with the securities and exchange law, the Stock Exchange of Thailand's regulations, Non-life Insurance Act, related laws and the Office of

Insurance Commission registrar announcement including the company regulations operation and agreed that the company has continuously good practice according to laws, rules and regulations.

5. Reviewing and giving opinion to the related parties transactions or conflict of interest transactions including material transactions deemed as acquisition or disposal of assets as the Stock Exchange of Thailand. The Audit Committee agreed that the business transactions are normal, reasonable and most beneficial to company.

6. Reviewing practice and policies changes related to good corporate governance principles annually such as the anti-money laundering rule, anti-money laundering policies and risk management including Audit Committee Charter review to be suitable for the current situation.

7. Consideration the internal audit independence, appointment approval, transfer, lay off, performance evaluation as well as the operational guidelines consideration and annual internal audit plan by focusing on checking the operation effectiveness, internal control systems assessment and risk management of the company business operations.

8. Consideration and appointment to the auditor in 2022, the Audit Committee agreed that the auditor from EY Office Company Limited are independent and have good qualification to perform their job well and efficiently. Therefore, to propose the Board of Directors for approval the annual general meeting appointing EY Office Company Limited to be the auditor with the audit fees 2.95 Million Baht in 2022.

From the duties performance of Audit Committee, considering audit reports of internal audit and various management departments, the Audit Committee agreed that the company had complied with the principles of good corporate governance, adequate efficiency and effectiveness in internal control system and ensure that the company financial reports were prepared accurately according to the Financial Reporting Standards, compliance with the law and regulations of relevant departments without finding any significant defects.



(Mrs. Pranee Phasipol)
Chairman of the Audit Committee

The Nomination and Remuneration Committee Report

To shareholders

The Nomination and Remuneration Committee perform duties as assigned by the Board of Directors under the duties and responsibilities as specified in the Nomination and Numeration Committee Charter to select and propose a person to be a director and senior executive of the company including proposing remuneration and other benefits policies for the Board of Directors and various sub-committees. The Nomination and Remuneration Committee consists of 3 members, 2 of which are independent directors and 1 executive directors.

In 2021, the Nomination and Remuneration Committee held 1 meeting to consider important issues and meeting report together with comments and recommendations to the Board of Directors for consideration as follows:

1. To consider the selection the company directors in place of the directors whose term expired which considered from the person with suitable qualifications, complete the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand and no prohibited characteristics according to the law. By considering qualifications, experience, and knowledge that will benefit the company for presentation to the meeting of the Board of Directors and Shareholder meeting for further consideration and approval.

2. To consider the remuneration of directors and various sub-committees in detail, directors are assigned additional duties and responsibilities in the sub-committee will receive additional remuneration as workload and responsibility appropriately.

The Nomination and Remuneration Committee perform duties as assigned with prudence, transparency, fairness and independence in accordance with good corporate governance principles by considering the best interests of company and all stakeholders.



Mr. Phisit Sethawong
Chairman of the Nomination and Remuneration Committee

Investment Committee Report

To shareholders

The Investment Committee has performed duties as assigned by the Board of Directors under the duties and responsibilities stipulated in the consideration and approval of matters relating to the Company investment. The Investment Committee consists of 3 members, 2 of which are independent directors and 1 executive director.

In 2021, the Investment Committee held 2 meetings to consider important matters and the meeting report together with comments and recommendations to the Board of Directors for consideration as follows:

1. To consider the investment policy framework for approval from the Board of Directors
2. To consider and approve the company's investment plans according to the investment policy framework and the overall risk management policy.
3. To supervise the company investment in accordance with the investment policy framework, risk management policy including investment procedure regulations and legal requirements.
4. To supervise on corporate governance, transparency and conflict of interest prevention related to the company's investment transactions.
5. To supervise the work system, personnel, and information used for the company investment to be sufficient in operation.
6. To manage investments according to the investment policy framework approved by the Board of Directors.

The Investment Committee has performed duties as assigned with prudence, transparency, fairness and independence with regard to the best interests of company and all stakeholders.



Mrs. Pranee Phasipol
Investment Committee Chairman

The Good Corporate Governance Committee Report

To shareholders

The Good Corporate Governance Committee consists of 3 directors, two of which are independent directors and one executive director. The Good Corporate Governance Committee has performed its duties as assigned by the Board of Directors under the duties and responsibilities stipulated in promotion, support and follow up the directors, executives and employees at all levels to practise policy related to good corporate governance of the company.

In 2021, the Good Corporate Governance Committee held two meetings to consider important matters and report the meeting results together with comments and suggestions to the Board of Directors for consideration as follows:

1. To improve and prepare the Company's Director's Manual in accordance with the regulations of the Stock Exchange of Thailand Securities and Exchange Commission Office of Insurance Commission (OIC), related agencies as well as guidelines for good corporate governance according to international standards for submission to the Board of Directors for approval.

2. To review the practice as good corporate governance in order to comply with the company's good corporate governance policy and international standard practice guidelines as well as laws, rules, regulations and company business. To prepare an annual good corporate governance assessment report for the Board of Directors as well as to propose opinions and suggestions for improvement as appropriate

3. To supervise and recommend to directors, management and employees in performing duties and responsibilities as the good corporate governance policy in order to have practical and continuous results.

4. To support and encourage stakeholders to join in compliance with the company's good corporate governance policy.

5. To review the anti-corruption policies and practices to ensure compliance with international standards, as well as laws, rules, regulations, regulations and the Company's business; and Communicate guidelines to executives and employees to ensure compliance with policies and the anti-corruption practices that the company has set.

6. To give advice to the directors and executives in performing duties and responsibilities as the anti-corruption policy and practice in order to have practical and continuous results.

7. To Ensure that directors receive continuous training and knowledge development have an understanding of the law and the Rules related to business operations and encourage directors to attend training courses or attend participate in seminar activities organized by the Thai Institute of Directors Association, The Stock Exchange of Thailand, Thai Listed Companies Association, The Securities and Exchange Commission etc.

The Good Corporate Governance Committee has performed their duties as assigned with prudence and independence regarding to the best interests of company and all stakeholders.



Mrs. Pranee Phasipol

Chairman of the Good Corporate Governance Committee

Risk Management Committee Report 2021

The Board of Directors of Thaivivat Insurance Public Company Limited recognizes the importance of corporate risk management. Therefore, the Risk Management Committee was appointed. It consists of 7 directors to responsible for the risk assessment which the risk management result will be reported to the Board of Directors for acknowledgement in order to ensure that it is in line with determined objectives.

In 2021, the Risk Management Committee performed duties by the Board of Directors assignment with 4 meetings that all committees attended all meeting to carry out their scopes, duties, responsibilities and supervision. The Risk Management Committee join the meeting in order to consider and discuss whereby 11 types of risk, the issues including giving advice on matters that are beneficial to the company management in accordance with the principles of good corporate governance. The Risk Management Committee reported the meeting results every time that are summarized as follows:

1. Risk management framework for 2021

The Risk Management Working Group arranged the meeting and training on Risk Assessment to defined risk factors that will have an impact on the business operations of the company, which include both internal and external risks for year 2021, with the defined framework of risks, together with establishing 4 categories of risks – namely; very high level, high level, medium level, and low level. This is to build knowledge base for all level of managers to be able to define risk factor of each section for setting up the year plan of Risk Management.

2. Risk assessment

Defined procedures and processes to assess various risk factors which could impact the company's business operation follow by 11 types of risk such as strategic risk, insurance risk, market risk, credit risk, liquidity risk, operational risk, reputation risk, information technology risk, catastrophe risk, emerging risk and group risk, also reviewed and considered the respective risk management plan to acceptable levels.

3. Risk management monitoring and overseeing

The Risk Management Committee closely monitored and management of various risks, through holding the meeting, as well as giving various recommendations to ensure that such risk management will be fully effective and efficient. The risk management result will be reported to the Board of Directors afterward.

The Risk Management Committee has discharged its assigned duties and responsibilities in an adequate manner; whereby it is opinion of the Risk Management Committee that the company has effectively and adequately managed all the various perceived risks, The Company has provided the comprehensive risk management per the notification of the Office of Insurance Commission (OIC) on the Criteria, Procedures, and Conditions for Supervising Enterprise Risk Management and Own Risk and Solvency Assessment of Non-Life insurance Companies B.E. 2562 (2019) and in accordance with the good corporate governance practices and guidelines.



Mr. Jiraphant Asvatanakul
Chairman of the Risk Management Committee

Attachment 6

Report of the Board of Directors' Responsibilities for Financial Reports

Report of the Board of Directors' Responsibilities for Financial Reports

Thaivivat Insurance Public Company Limited's Board of Directors has given importance to the duties and responsibilities in accordance with the good corporate governance policy, supervise the financial statements and financial information in annual reports to have accurate, complete and sufficient information. The financial statements comply with General Accepted Accounting Standards in Thailand and the relevant criteria stipulated by the Office of Insurance Commission that select the appropriate accounting policies, practice regularly and use discretion carefully including disclose an important information sufficiently in the notes to the financial statements and has been audited and certified by an auditor.

The Board of Directors has established a risk management system, internal control system, internal audit and appropriate supervision efficiently to ensure that the company has accurate, complete and timely accounting records as well as risk prevention from operations. In this regard, the Board has appointed an Audit Committee consisting of independent, non-executive directors to supervise this matter.

The Board of Directors has an opinion that the overall internal control system of company is satisfactory and provide reasonable confidence in the reliability of the company financial statements as of 31 December 2021, which the auditor audited as generally accepted auditing standards and expressed his opinion that the financial statements accurately show the financial status and business operations in accordance with generally accepted accounting principles.



Mr. Phisit Sethawong
Chairman

Attachment 7

Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of Thaivivat Insurance Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Thaivivat Insurance Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Thaivivat Insurance Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thaivivat Insurance Public Company Limited and its subsidiaries and of Thaivivat Insurance Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Insurance premiums recognition

In 2021, the Group had revenue from insurance premiums amounting to Baht 6,333 million, which were derived from retail insured and had a large number of policies. The insurance premiums are collected from variety customers and insurance premiums amount rely on the processing of information technology system. I therefore focused on examining that gross premium written was correctly recognised as actually incurred.

I have gained an understanding, assessed and tested the internal controls of information technology system and its internal controls with respect to underwriting, insurance premiums calculation and revenue recognition of insurance premiums by making enquiry of responsible executives to gain an understanding and selecting representative samples to test the operation of the designed controls in financial statements. In addition, I selected representative samples of insurance policies and related supporting documents to assess whether revenue recognition was consistent with conditions specified in the insurance policies and whether it was in compliance with the Group's policy. I reviewed the insurance policies and endorsement transactions occurring during the accounting period, before and after period-end, which were recognised as revenues of the Group. Moreover, I performed analytical procedures to compare insurance premiums recognised throughout the period and examined on sampling basis for accounting entries related to insurance premiums made through journal vouchers.

Insurance contract liabilities - claim reserves and outstanding claims

Insurance contract liabilities - claim reserves and outstanding claims account is highly significant to the financial statements. As at 31 December 2021, the Company and its subsidiary had claim reserves and outstanding claims amounted to Baht 2,123 million (representing 30 percent of total liabilities). Claim reserves and outstanding claims included both claims incurred and reported and claims incurred but not reported, which were calculated by the Company's management using actuarial techniques. The key assumptions applied were based on historical data and required the management to exercise substantial judgement in estimating such reserves so I addressed the adequacy of claim reserves and outstanding claims as a key audit matter. In addition, such claim reserves and outstanding claims are directly relevant to the claim reserves and outstanding claims refundable from reinsurers which were also calculated by the Company's management using actuarial techniques. As at 31 December 2021, the Company and its subsidiary had claim reserves and outstanding claims refundable from reinsurers amounting to Baht 155 million.

I gained an understanding, assessed and tested the internal controls relevant to claims, loss adjustments, estimation of claim reserves and outstanding claims and reinsurance, by making enquiry of responsible executives regarding the criteria and assumptions used in the estimates made by the actuary. I selected, on a sampling basis, and tested claim transactions against documents of major claims file, and performed analytical procedures on the frequency of claims and average loss per claim. In addition, I reviewed the actuarial report to assess whether it was consistent with the reserve recognised in the accounts, assessed the assumptions and methods used in the calculation, tested the data used by the actuary, and compared the assumptions to those used in the prior year. Moreover, I reviewed the estimates of claim reserves and outstanding claims refundable from reinsurers.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

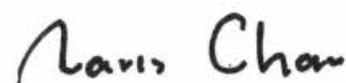
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting 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 Group'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 Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Narissara Chaisuwan
Certified Public Accountant (Thailand) No. 4812
EY Office Limited
Bangkok: 24 February 2022

Attachment 8

Financial Statements and Notes to the Financial Statements

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Assets					
Cash and cash equivalents	7	745,844,663	332,677,458	737,770,587	329,948,597
Premium receivables	8	947,144,113	754,286,829	946,772,264	754,057,612
Accrued investment income		17,124,975	14,108,255	12,903,066	12,141,460
Reinsurance assets	9	386,029,716	427,847,412	386,029,716	427,847,412
Receivables from reinsurance contracts	10	46,871,177	178,405,004	48,318,967	179,804,575
Financial assets - debt instruments	11	4,380,655,300	3,865,601,145	4,338,515,916	3,819,936,601
Financial assets - equity instruments	12	756,017,811	695,222,022	756,017,811	695,222,022
Loans and interest receivables	14	4,071,757	6,231,917	4,071,757	6,231,917
Investment in subsidiaries	15	-	-	87,200,000	67,200,000
Property, buildings and equipment	16	326,551,230	332,452,239	325,308,603	331,043,296
Goodwill		15,840,000	16,800,000	-	-
Intangible assets - computer software	17	29,703,059	15,966,544	22,398,244	15,966,544
Deferred tax assets	18.1	210,408,991	179,924,636	210,408,991	179,924,636
Other assets	19	978,786,601	1,025,775,974	976,960,059	1,023,417,464
Total assets		8,845,049,393	7,845,299,435	8,852,675,981	7,842,742,136

The accompanying notes are an integral part of the financial statements.

Statements of financial position (Continued)

As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Liabilities and equity					
Liabilities					
Insurance contract liabilities	20	5,461,598,022	5,023,161,995	5,457,074,493	5,019,917,126
Amount due to reinsurers	21	355,748,382	459,782,660	355,748,382	459,782,660
Derivative liabilities		764,195	-	764,195	-
Income tax payable		115,185,052	32,539,311	115,185,052	32,539,311
Employee benefit obligations	22	101,765,624	116,778,057	101,765,624	116,778,057
Other liabilities	23	1,009,135,572	867,278,655	999,371,605	862,782,793
Total liabilities		7,044,196,847	6,499,540,678	7,029,909,351	6,491,799,947
Equity					
Share capital					
Registered					
303,000,000 ordinary shares of Baht 1 each		303,000,000	303,000,000	303,000,000	303,000,000
Issued and paid-up					
303,000,000 ordinary shares of Baht 1 each		303,000,000	303,000,000	303,000,000	303,000,000
Premium on share capital		163,800,007	163,800,007	163,800,007	163,800,007
Retained earnings					
Appropriated - statutory reserve	24	30,300,000	30,300,000	30,300,000	30,300,000
Unappropriated		1,113,476,840	690,278,577	1,133,960,004	698,357,966
Other components of equity					
Surplus on changes in value of investments	13	191,706,619	155,484,216	191,706,619	155,484,216
Exchange differences on translation of financial statements in foreign currency		(13,829,382)	(10,669,013)	-	-
Equity attributable to shareholders of the Company		1,788,454,084	1,332,193,787	1,822,766,630	1,350,942,189
Non-controlling interests of the subsidiaries	15.2	12,398,462	13,564,970	-	-
Total equity		1,800,852,546	1,345,758,757	1,822,766,630	1,350,942,189
Total liabilities and equity		8,845,049,393	7,845,299,435	8,852,675,981	7,842,742,136

The accompanying notes are an integral part of the financial statements.

Statements of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Income					
Gross premium written		6,332,882,249	5,985,825,664	6,329,647,718	5,982,238,201
Less: Premium ceded to reinsurers		(615,882,070)	(648,956,232)	(615,882,070)	(648,956,232)
Net premium written		5,717,000,179	5,336,869,372	5,713,765,648	5,333,281,969
Less: Unearned premium reserves increase					
from prior year		(299,810,442)	(796,568,660)	(299,832,869)	(796,614,904)
Net earned premium		5,417,189,737	4,540,300,712	5,413,932,779	4,536,667,065
Fee and commission income		127,528,424	140,375,724	127,528,424	140,375,724
Net investment income	25	88,755,975	71,459,090	86,038,814	68,628,108
Gain (loss) on financial instruments	26	103,773,397	(19,089,551)	103,773,397	(19,089,551)
Gain (loss) on fair value adjustments of financial instruments	27	3,797,172	(47,426,363)	3,797,172	(47,426,363)
Other income		13,105,006	8,024,211	13,370,714	8,280,378
Total income		5,754,149,711	4,693,643,823	5,748,441,300	4,687,435,301
Expenses					
Claims and loss adjustment expenses		3,248,860,868	3,191,825,864	3,246,117,309	3,189,298,685
Less: Claim recovered from reinsurers		(197,167,371)	(489,282,193)	(197,167,371)	(489,282,193)
Commission and brokerage expenses		1,004,188,196	942,171,843	1,003,839,516	941,725,965
Other underwriting expenses		321,031,697	351,881,336	320,749,662	351,538,801
Operating expenses	28	786,674,517	597,767,468	771,836,918	594,250,242
Financial cost		95,320	109,456	-	-
Expected credit loss	30	688,983	3,149,598	660,497	3,113,252
Total expenses	29	5,164,372,210	4,597,623,372	5,146,036,531	4,590,644,752
Profit before income tax		589,777,501	96,020,451	602,404,769	96,790,549
Income tax expenses	18.2	(117,773,084)	(18,350,934)	(117,773,084)	(18,350,934)
Profit for the year		472,004,417	77,669,517	484,631,685	78,439,615

The accompanying notes are an integral part of the financial statements.

Statements of comprehensive income (continued)

For the year ended 31 December 2021

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Other comprehensive income:				
Other comprehensive income to be reclassified				
to profit or loss in subsequent periods				
Exchange differences on translation of				
financial statements in foreign currency (loss)	(4,103,384)	2,097,974	-	-
Gain (loss) on change in value of debt instruments				
measured at fair value through other comprehensive income	(6,054,527)	10,264,521	(6,054,527)	10,264,521
Add (less): Income tax effect	1,210,906	(2,052,904)	1,210,906	(2,052,904)
Other comprehensive income to be reclassified to profit or loss				
in subsequent periods - net of income tax (loss)	(8,947,005)	10,309,591	(4,843,621)	8,211,617
Other comprehensive income not to be reclassified				
to profit or loss in subsequent periods				
Gain (loss) on change in value of equity instruments				
designed at fair value through other comprehensive income	49,573,950	(167,618,707)	49,573,950	(167,618,707)
Actuarial gains	16,221,496	3,297,492	16,221,496	3,297,492
Add (less): Income tax effect	(13,159,089)	32,864,243	(13,159,089)	32,864,243
Other comprehensive income not to be reclassified to profit or loss				
in subsequent periods - net of income tax (loss)	52,636,357	(131,456,972)	52,636,357	(131,456,972)
Other comprehensive income for the year				
- net of income tax (loss)	43,689,352	(121,147,381)	47,792,736	(123,245,355)
Total comprehensive income for the year (loss)				
	515,693,769	(43,477,864)	532,424,421	(44,805,740)
Profit for the year attributable to:				
Equity holders of the Company	472,227,910	77,900,547	484,631,685	78,439,615
Non-controlling interests of the subsidiaries (loss)	15,2 (223,493)	(231,030)		
	472,004,417	77,669,517		
Total comprehensive income for the year attributable to:				
Equity holders of the Company (loss)	516,860,277	(43,732,227)	532,424,421	(44,805,740)
Non-controlling interests of the subsidiaries (loss)	(1,166,508)	254,363		
	515,693,769	(43,477,864)		
Earnings per share				
32				
Basic earnings per share				
Profit attributable to equity holders of the Company	1.56	0.26	1.60	0.26

The accompanying notes are an integral part of the financial statements.

Statements of cash flows

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from (used in) operating activities				
Direct premium written	6,142,291,818	5,608,660,040	6,137,354,740	5,603,273,806
Cash paid for reinsurance	(245,562,258)	(37,460,113)	(244,224,291)	(35,951,160)
Interest income	44,490,975	40,145,068	44,144,090	32,392,601
Dividend income	41,754,697	29,550,891	41,754,697	29,550,891
Other investment income	918,590	1,423,690	918,590	1,423,690
Other income	5,364,257	6,516,941	5,382,532	6,518,984
Claim incurred on direct insurance	(2,991,512,851)	(2,640,984,536)	(2,989,731,357)	(2,638,448,740)
Loss adjustment expenses on direct insurance	(55,389,538)	(53,577,955)	(55,349,029)	(53,543,575)
Commission and brokerage on direct insurance	(960,046,129)	(908,882,013)	(959,481,299)	(908,038,427)
Other underwriting expenses	(315,621,139)	(348,737,531)	(315,339,103)	(348,394,996)
Operating expenses	(663,737,825)	(577,613,283)	(655,230,020)	(575,462,508)
Income tax	(77,911,685)	(64,205,499)	(77,911,598)	(64,205,499)
Cash received from investment assets	3,714,362,875	6,114,023,028	3,713,446,663	6,114,023,028
Cash paid for investment assets	(4,129,667,300)	(6,930,693,878)	(4,129,667,300)	(6,927,193,878)
Net cash from operating activities	509,734,487	208,164,850	516,067,315	205,944,217
Cash flows from (used in) investing activities				
Cash paid for investment in subsidiaries	-	-	(20,000,000)	-
Cash paid for purchases of property and equipment	(20,339,267)	(32,351,212)	(19,730,067)	(32,348,985)
Cash paid for purchase of intangible assets.	(15,753,767)	(7,894,623)	(8,812,578)	(7,894,623)
Cash received from disposals of equipment	765,135	889,762	765,135	889,762
Net cash used in investing activities	(35,327,899)	(39,356,073)	(47,777,510)	(39,353,846)
Cash flows used in financial activities				
Repayment of lease liabilities	(589,466)	(541,740)	-	-
Dividend paid	(60,599,980)	(60,599,980)	(60,599,980)	(60,599,980)
Net cash used in financial activities	(61,189,446)	(61,141,720)	(60,599,980)	(60,599,980)
Translation adjustments	(155,935)	31,481	-	-
Unrealised exchange rate change	801,749	(90,058)	801,749	(90,058)
Net increase in cash and cash equivalents	413,862,956	107,608,480	408,491,574	105,900,333
Allowance for expected credit loss	(695,751)	(226,270)	(669,584)	(176,624)
Cash and cash equivalents at beginning of year	332,677,458	225,295,248	329,948,597	224,224,888
Cash and cash equivalents at end of year	745,844,663	332,677,458	737,770,587	329,948,597

The accompanying notes are an integral part of the financial statements.

Statements of changes in equity

For the year ended 31 December 2021

(Unit: Baht)

Consolidated financial statements											
Equity attributable to equity holders of the Company											
				Other components of equity							
				Surplus (deficit) on changes in fair value of investments			Exchange		Equity		
				Debt instruments	Equity instruments	Exchange		Equity			
				measured at fair	designed at fair	differences		Total equity		attributable to	
				value through other	value through other	on translation of		attributable to		non-controlling	
Retained earnings				comprehensive	comprehensive	financial statements		shareholders of		interests of	
Issued and paid-up	Premium on	Appropriated -				Total	in foreign currency	the Company	the subsidiaries	Total equity	
share capital	share capital	statutory reserve	Unappropriated	income	income						
Balance as at 1 January 2020	303,000,000	163,800,007	30,300,000	667,270,238	9,191,207	275,246,136	284,437,343	(12,281,594)	1,436,525,994	13,310,607	1,449,836,601
Profit (loss) for the year	-	-	-	77,900,547	-	-	-	-	77,900,547	(231,030)	77,669,517
Other comprehensive income for the year (loss)	-	-	-	2,637,994	8,211,617	(134,094,966)	(125,883,349)	1,612,581	(121,632,774)	485,388	(121,147,381)
Total comprehensive income for the year (loss)	-	-	-	80,538,541	8,211,617	(134,094,966)	(125,883,349)	1,612,581	(43,732,227)	254,358	(43,477,864)
Transfer to retained earning (Note 12.3)	-	-	-	3,069,778	-	(3,069,778)	(3,069,778)	-	-	-	-
Dividend paid during the year (Note 33)	-	-	-	(60,599,980)	-	-	-	-	(60,599,980)	-	(60,599,980)
Balance as at 31 December 2020	303,000,000	163,800,007	30,300,000	690,278,577	17,402,824	138,081,392	155,484,216	(10,669,013)	1,332,193,787	13,564,970	1,345,758,757
Balance as at 1 January 2021	303,000,000	163,800,007	30,300,000	690,278,577	17,402,824	138,081,392	155,484,216	(10,669,013)	1,332,193,787	13,564,970	1,345,758,757
Profit (loss) for the year	-	-	-	472,227,910	-	-	-	-	472,227,910	(223,493)	472,004,417
Other comprehensive income for the year (loss)	-	-	-	12,977,197	(4,843,621)	39,659,180	34,815,539	(3,160,369)	44,632,367	(943,015)	43,689,352
Total comprehensive income for the year (loss)	-	-	-	485,205,107	(4,843,621)	39,659,180	34,815,539	(3,160,369)	516,860,277	(1,166,508)	515,693,769
Transfer to retained earning (Note 12.3)	-	-	-	(1,406,864)	-	1,406,864	1,406,864	-	-	-	-
Dividend paid during the year (Note 33)	-	-	-	(60,599,980)	-	-	-	-	(60,599,980)	-	(60,599,980)
Balance as at 31 December 2021	303,000,000	163,800,007	30,300,000	1,113,476,840	12,559,203	179,147,416	191,706,619	(13,829,382)	1,788,454,084	12,398,462	1,800,852,546

The accompanying notes are an integral part of the financial statements.

Statements of changes in equity (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Separate financial statements							
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity - surplus (deficit) on changes in value of investments		Total	Total equity
			Appropriated -		Debt instruments	Equity instruments		
			statutory reserve	Unappropriated	measured at fair value through other comprehensive income	designed at fair value through other comprehensive income		
Balance as at 1 January 2020	303,000,000	163,800,007	30,300,000	674,810,559	9,191,207	275,246,136	284,437,343	1,456,347,909
Profit for the year	-	-	-	78,439,615	-	-	-	78,439,615
Other comprehensive income for the year (loss)	-	-	-	2,637,994	8,211,617	(134,094,966)	(125,883,349)	(123,245,355)
Total comprehensive income for the year (loss)	-	-	-	81,077,609	8,211,617	(134,094,966)	(125,883,349)	(44,805,740)
Transfer to retained earning (Note 12.3)	-	-	-	3,069,778	-	(3,069,778)	(3,069,778)	-
Dividend paid during the year (Note 33)	-	-	-	(60,599,980)	-	-	-	(60,599,980)
Balance as at 31 December 2020	303,000,000	163,800,007	30,300,000	698,357,966	17,402,824	138,081,392	155,484,216	1,350,942,189
Balance as at 1 January 2021	303,000,000	163,800,007	30,300,000	698,357,966	17,402,824	138,081,392	155,484,216	1,350,942,189
Profit for the year	-	-	-	484,631,685	-	-	-	484,631,685
Other comprehensive income for the year (loss)	-	-	-	12,977,197	(4,843,621)	39,659,160	34,815,539	47,792,736
Total comprehensive income for the year (loss)	-	-	-	497,608,882	(4,843,621)	39,659,160	34,815,539	532,424,421
Transfer to retained earning (Note 12.3)	-	-	-	(1,406,864)	-	1,406,864	1,406,864	-
Dividend paid during the year (Note 33)	-	-	-	(60,599,980)	-	-	-	(60,599,980)
Balance as at 31 December 2021	303,000,000	163,800,007	30,300,000	1,133,960,004	12,559,203	179,147,416	191,706,619	1,822,766,630

The accompanying notes are an integral part of the financial statements.

Attachment 8

Financial Statements and Notes to the Financial Statements

Notes to financial statements

For the year ended 31 December 2021

1. General information

1.1 Company information

Thaivivat Insurance Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company’s major shareholder is MAFAM Co., Ltd., which was incorporated in Thailand whereby as at 31 December 2021, such major shareholder held 48.07% of the issued and paid-up share capital of the Company. The Company is principally engaged in non-life insurance. The registered office of the Company is at 71 Thaivivat Insurance Building, Dindaeng Road, Samsen Nai, Phayathai, Bangkok.

1.2 Coronavirus disease 2019 Pandemic

The COVID-19 outbreak is continuing to evolve and affect to various business sectors whether directly or indirectly, resulting in an economic slowdown and significant volatility of money and capital market. This situation may cause uncertainty and may impact the Group’s financial position and operating results in the future. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities and has used estimates and judgement in respect of various issues as the situation has evolved.

2. Basis for preparation of the financial statements

2.1 Basis for preparation of the financial statements

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547, and in accordance with Thai accounting practices related to insurance and the guidelines prescribed by the Office of Insurance Commission (“OIC”), and in accordance with the format of financial statements specified in the Notification of the OIC regarding criteria, procedures, conditions and terms for preparation and submission of financial statements and operating performance reports of non-life insurance companies (No.2) B.E. 2562 dated 4 April 2019.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

2.2 Basis for consolidation financial statements

(a) The consolidated financial statements include the financial statements of Thaivivat Insurance Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021	2020
			Percent	Percent
Laovivat Insurance Co., Ltd.	Non-life insurance	Lao PDR	70.0	70.0
Motor AI Recognition Solution Co., Ltd.	Non-life insurance technology service	Thailand	100.0	-

As discussed in Note 15 to the financial statements, during the first quarter of 2021, the Company established and invested in Motor AI Recognition Solution Company Limited ("MARS"), with 100% shareholding of the registered share capital. As a result, MARS is considered as the Company's subsidiary. The subsidiary has been fully consolidated since 8 January 2021, which is the date on which the Company has control over that subsidiary.

- (b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- (c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- (d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- (e) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in equity.
- (f) Material balances and transactions between the Group has been eliminated from the consolidated financial statements.
- (g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 Basis for preparation of separate financial statements

The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue recognition

(a) Premium income

Premium income consists of direct premium and reinsurance premium less premium of canceled policies and premiums refunded to policyholders.

Direct premium income is recognised on the date the insurance policy comes into effect. For long-term insurance policies with coverage periods of longer than 1 year, related premium are recorded as unearned items, and recognised as income over the coverage period each year.

Reinsurance premium income is recognised as income when the reinsurer places the reinsurance application or the statement of accounts with the Company.

(b) Commission and brokerage fees income

Commission and brokerage fees from ceded premium are recognised when the insurance risk is transferred to another insurer.

Commission and brokerage fees from ceded premium with coverage periods longer than 1 year are recorded as unearned items and amortised to income in annual amounts over the coverage period.

(c) Net investment income

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial assets, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial assets (net of the expected credit loss allowance).

Dividends

Dividends are recognised as revenue when the right to receive the dividends is established.

(d) Gain (loss) on financial instruments

Gain (loss) on disposal or write off of debt instruments measured at amortised cost, debt instruments measured at fair value through other comprehensive income and equity instruments measured at fair value through profit or loss. The Company recognises in profit or loss on the transaction date.

(e) Fair value gain (loss) on financial instruments

Fair value gain (loss) from the change in fair value of equity instruments and debt instruments measured at fair value through profit or loss and derivatives.

4.2 Expenses recognition

(a) Ceded premium

Ceded premium is recognised as expenses when the insurance risk is transferred to another reinsurance company under relevant direct policies.

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

(b) Claim and loss adjustment expenses

Claim and loss adjustment expense consist of claim and loss adjustment expenses of direct insurance and reinsurance of both reported claim and not reported claim, and include the amounts of claim, related expenses, and loss adjustments of current and prior period incurred during the year, less residual value and other recoveries (if any), and claim recovery from reinsurers.

Claims recovery from reinsurer is recognised when claim and loss adjustment expenses are recorded as the condition in the relevant reinsurance contract.

Claim and loss adjustment expenses of direct insurance is recognised upon the receipt of the claim advice from the insured, based on the claim notified by the insured and estimates made by the management. The maximum value of claim estimated is not however, to exceed the sum-insured under the relevant policy.

Claim and loss adjustment expenses of reinsurance are recognised when the reinsurer places the loss advice with the Company.

(c) Commission and brokerage expenses

Commission and brokerage are expended when incurred.

Commission and brokerage paid for policies with coverage periods of longer than 1 year are recorded as prepaid items and recognised as expenses over the coverage period each year.

(d) Other underwriting expenses

Other underwriting expenses are other insurance expenses for both direct and indirect expenses, including contributions, which are recognised as expenses on accrual basis.

(e) Operating expenses

Operating expenses are operating expenses, not related to underwriting and claim, which are recognised as expenses on accrual basis.

(f) Finance cost

Interest expenses from financial liabilities measured at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.3 Product classification

The Group classified the insurance contracts and outward reinsurance contracts based on the nature of the insurance contract. Insurance contracts are those contracts where the insurer has accepted significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder. To determine whether a significant insurance risk has been accepted, the insurer compares the benefits payable after an insured event occur with the benefits payable if the insured event did not occur. If the criteria are not met, the Group classifies the insurance contract as an investment contract. Investment contracts have the legal form of insurance contracts and transfer financial risk to the insurer, but not significant insurance risk. Financial risks are specified as interest rate risk, exchange rate risk, or price risk.

The Group classifies contracts based on assessment of the insurance risk at an inception of contract, on a contract-by-contract basis. Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, unless all rights and obligations are extinguished or expire. If any contract is previously classified as an investment contract at an inception date, it can, however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

The Company classifies all insurance contracts as short-term insurance contracts, which means insurance contracts that have coverage periods of up to 1 year and no automatic renewal clause, as well as critical illness, personal accident, health that have coverage periods of more than 1 year but the Company can terminate, increase or decrease insurance premiums or change any benefits of the insurance contracts throughout the coverage period.

4.4 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.5 Premium receivables and allowance for doubtful accounts

Premium receivable from direct insurance is stated at its net realisable value. The Group set up an allowance for doubtful account based on estimated loss that may incur in collection of the premium receivable, on the basis of collection experience, analysis of debtor aging and a review of current status of the premium receivable as at the end of reporting period.

Increase (decrease) in allowance for doubtful accounts is recorded as expenses during the year.

4.6 Reinsurance assets

Reinsurance assets consist of insurance reserve refundable from reinsurers which is estimated based on the related reinsurance contract of loss reserves and outstanding claim in accordance with the law regarding insurance reserve calculation, and unearned premium reserves.

The Group set up an allowance for doubtful accounts of reinsurance assets when had indicator for impairment, based on losses that may be incurred due to uncollectible, taking into account collection experience, aged of balance, and the status of receivables from reinsurers as at the end of the reporting periods.

Increase (decrease) in allowance for doubtful accounts is recorded as expenses during the year.

4.7 Reinsurance receivables and amount due to reinsurers

(a) Reinsurance receivables are stated at the outstanding balance of amount due from reinsurers and amount deposit on reinsurance.

Amount due from reinsurers consist of inward premium receivable, accrued fee and commission income, claim and various other items receivable from reinsurers, less allowance for doubtful accounts. The Group set up an allowance for doubtful accounts for estimated loss that may be incurred due to inability to make collection, taking into account collection experience and the status of receivables from reinsurers as at the end of the reporting period.

(b) Due to reinsurers consist of outstanding balance of amount due to reinsurers and amount withheld on reinsurance.

Amount due to reinsurers consist of reinsurance premiums, and other items payable to reinsurers, excluding loss reserve from reinsurance.

The Group presents net of reinsurance to the same entity (reinsurance receivables or amounts due to reinsurers) when the following criteria for offsetting are met.

- (1) The Group has a legal right to offset amounts presented in the statements of financial position, and
- (2) The Group intend to receive or pay the net amount recognised in the statements of financial position, or to realise the asset at the same time as it pays the liability.

4.8 Financial instruments

Investment in debt and equity instruments

The Company has classified financial assets as financial assets - debt instruments and equity instruments as follows:

Financial assets - debt instruments

The Group has classified investments in debt instruments as financial assets to be subsequently measured at amortised cost or fair value, based on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, on the basis of the facts on the date of acquisition, with classifications as follows:

(a) Financial assets measured at fair value through profit or loss (FVTPL)

If the Company hold financial assets in debt instruments following business model, which the objective is not achieved collecting contractual cash flows or the contractual terms of the financial assets represent contractual cash flows that are not solely payments of principal and interest on the principal amount outstanding. These financial assets are classified as financial assets measured at fair value through profit or loss. These financial assets are initially recognised at fair value.

After initial recognition, unrealised gain or loss on change in fair value are recognised in profit or loss.

(b) Financial assets measured at fair value through other comprehensive income (FVOCI)

Investments in debt instruments are classified as financial assets measured at fair value through other comprehensive income if they meet both of the following conditions: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value.

After initial recognition, gain or loss on changes in fair value are presented as a separate item in other comprehensive income. The expected credit loss and interest income, which is calculated using the effective interest rate method, are recognised in profit or loss.

At the end of reporting period, investments in debt instruments measured at fair value through other comprehensive income are presented at fair value and net of allowance for expected credit loss (if any) in the statement of financial position.

(c) Financial assets measured at amortised cost

Investments in debt instruments are classified as financial assets measured at amortised cost if they meet both of the following conditions: the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value as at transaction date.

At the end of reporting period, investments in debt instruments measured at amortised cost are started at amortised cost and net of allowance for expected credit loss (if any) in the statement of financial position.

Financial assets - equity instruments

All equity instruments are recognised at fair value in the statement of financial position, classified as follows:

(a) Financial assets measured at fair value through profit or loss

Investment in equity instruments that are held for trading are classified as financial assets measured at fair value through profit or loss, and the classification is irrevocable. Such classification is determined on an instrument-by-instrument basis.

After initial recognition, gain or loss arising from changes in fair value are recognised in profit or loss.

At the end of reporting period, investments in equity instruments measured at fair value through profit or loss are presented at fair value in the statement of financial position.

(b) Financial assets measured at fair value through other comprehensive income

Investments in equity instruments that are not held for trading but held for strategic purposes or investments in securities with high market volatility are classified as financial assets measured at fair value through other comprehensive income, and the classification is irrevocable. Such classification is determined on an instrument-by-instrument basis. The Company also classifies investments in real estate investment trusts and infrastructure trusts, infrastructure funds and property funds as investments in equity instrument designated at fair value through other comprehensive income.

After initial recognition, gain or loss arising from changes in the fair value of investments in equity instruments are separately presented in other comprehensive income.

At the end of the reporting period, investments in equity instruments designated at fair value through other comprehensive income are presented at fair value in the statement of financial position.

Investments in equity instruments are designated to be measured at fair value through other comprehensive income without requiring impairment assessment.

Fair value

The fair value of marketable securities is calculated based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand. The fair value of non-marketable securities is calculated using discounted future cash flow techniques or approximated to their netbook value. The fair value of government bonds, state enterprise securities and private debt securities is calculated using the formula determined by the Thai Bond Market Association while the fair value of non-listed unit trusts is determined based on their net asset value.

Investment income and disposal of investments

Gain or loss arising from disposal of investments are recognised in profit or loss on the transaction date, in statement of comprehensive income, except for gain or loss from disposal of investments in equity instruments designated to be measured at fair value through other comprehensive income, which are recognised in retained earnings. The weighted average method is used for computation of the cost of investments.

Dividends on these investments are recognised in profit or loss in the statement of comprehensive income, unless the dividends clearly represent a recovery of part of the cost of the investment.

Changes in classification of investments in debt instruments

When there are changes in the Group's business model for management of financial assets, the Group has to reclassify investments in debt instruments and adjust the value of these investments to their fair value on the reclassification date. Differences between the book value and fair value of investments in debt instruments on the reclassification date are recorded in profit or loss or other comprehensive income, depending on the classification of the investments.

Loans and interest receivables

Loans and interest receivables are stated at amortise cost and net of allowance for expected credit loss (if any).

Allowance for expected credit loss of financial assets

The Group recognises expected credit loss on its financial assets that are debt instruments, such as cash and cash equivalent, financial assets that debt instruments measured at amortised cost, financial assets that are debt instruments measured at fair value through comprehensive income and loans and interest receivables by applying the general approach in accordance with TFRS9. The Group recognises an allowance for expected credit loss at the amount equivalent to the lifetime expected credit loss when there has been a significant increase in credit risk since the initial recognition date but that are not credit-impaired or that are impaired. However, if there has not been a significant increase in credit risk since initial recognition date, the Group recognised allowance for expected credit loss at the amount equivalent to the expected credit loss in the next 12 months.

At every reporting date, the Group assesses whether there has been a significant increase in the credit risk of financial assets since initial recognition by considering internal and external credit ratings of the counterparties and overdue status.

Expected credit loss (ECLs) are calculated using probability of default (PD), loss given default (LGD) and exposure at default (EAD). The Group assessed PD and LGD by considering the historical loss experience adjusted with current observable data and reasonable and supportable forward-looking information. The Group determines EAD using gross carrying value at the reporting date.

For other financial assets or contract assets that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit loss. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Increase (decrease) in allowance for expected credit loss is recognised as expenses during the year in profit or loss in statement of comprehensive income.

Classification and measurement of financial liabilities

At initial recognition the Group's financial liabilities are recognised at fair value and net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the financial liabilities are derecognised as well as through the EIR amortisation process.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.9 Derivatives

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The fair value of derivatives is based on their market price at the end of financial reporting period.

4.10 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method and net of allowance for impairment (if any). Loss on impairment is recognised as expense in the statement of comprehensive income.

4.11 Property, buildings and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for impairment of assets (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	-	20 years
Furniture and equipment	-	2 - 5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and work in process.

An item of property, buildings and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (the difference between the net compensation from disposal of an assets and the carrying amounts) is included in profit or loss when the asset is derecognised.

4.12 Intangible assets and amortisation

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment loss (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss. No amortisation is provided on computer software under development.

The intangible assets with finite useful lives which are computer software are 2 and 10 years.

4.13 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired.

Goodwill is carried at cost less any accumulated impairment loss (if any). Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the subsidiary cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment loss relating to goodwill cannot be reversed in future periods.

4.14 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment review in respect of the property, buildings and equipment, right-of-use assets and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss as part of the statement of comprehensive income.

In the assessment of asset impairment if there is any indication that previously recognised impairment loss may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

The increased in carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that

would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.15 Insurance contract liabilities

Insurance contract liabilities consist of claim reserve and outstanding claims and premium reserves.

(a) Claim reserves and outstanding claims

Outstanding claims are recorded at the amount to be actually paid. Loss reserves are provided upon receipt of claim advices from the insured based on the claims notified by the insured and estimates made by the management. The maximum value of claims estimate is however, not to exceed the sum-insured under the relevant policy.

Claim reserves are calculated by using an actuarial method based on a best estimate of claims which are expected to be paid in respect of losses that occurred before or as at the end of the reporting date, covering both reported and not reported loss, and including loss adjustment expense, after deducting salvage values and other recoverable value. The different between the calculated claim reserves and the claim already recognised are recorded as incurred but not yet reported claims (IBNR).

(b) Premium reserves

Premium reserves consist of unearned premium reserve and unexpired risk reserve.

(1) Unearned premium reserve

Unearned premium reserve is calculated based on direct premium before deducting premium ceded as follows:

Transportation (cargo), travelling accident with coverage periods of not over six-months	-	100% of premium as from the date policy is effective, throughout the period of insurance coverage
Others	-	Daily average basis by the period of coverage under policy

(2) Unexpired risk reserve

Unexpired risk reserve is the reserve for the claims that may be incurred in respect of in-force policies. Unexpired risk reserve is set aside using an actuarial method, at the best estimate of the claims that are expected be incurred during the remaining period of coverage, based on historical claims data.

As at the end of reporting period, the Group compares the amounts of unexpired risk reserve with unearned premium reserve, and if unexpired risk reserve is higher than unearned premium reserve, the difference is recognised and the unexpired risk reserve is therefore presented in the financial statements.

The increase or decrease in premium reserve from prior year is to be recognised in profit or loss.

4.16 Employee benefits

(a) Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

(b) Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by an independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gain and loss arising from post-employment benefits are recognised immediately in other comprehensive income.

4.17 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.18 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment loss, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	2 - 7 years
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Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate.

The Group discounted the present value of the lease payments by the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.19 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gain and loss on exchange are included in the statement of income.

4.20 Income tax

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

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and its carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences can be utilised.

At each reporting period, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to equity if the tax relates to items that are recorded directly to equity.

4.21 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

4.22 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities. In case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with Thai Financial Reporting Standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

5.1 Recognition and derecognition of assets and liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

5.2 Allowances for expected credit loss of financial assets

The management is required to use judgement in estimating allowance for expected credit loss of financial assets. The Group's calculation of allowance for expected credit loss depends on the criteria used for assessment of a significant increase in credit risk, the development of a model, the debtors status analysis, and the probability of debt collection. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

5.3 Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, both of its fair value less costs of disposal and its value in use. The recoverable amount is based on available data or observable market prices or a discounted cash flow model. The cash flows are derived from the expected future cash-inflows. Changes in assumption relevant to the factors using to calculation may affect to the assessment of impairment.

5.4 Allowance for doubtful accounts

In determining an allowance for doubtful accounts on premium receivables, and amounts due from reinsurers the management needs to make judgement and estimates based upon, among other things, past collection history, aging of outstanding debts and the prevailing economic condition.

5.5 Property, buildings and equipment/Depreciation

In determining depreciation of buildings and equipment, the management is required to make estimates of the useful lives and residual value of the buildings and equipment, and to review estimate useful lives and residual value when there are any changes.

In addition, the management is required to review property, buildings and equipment for impairment on a periodical basis and record impairment loss when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.6 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that taxable profit will be available against which the temporary differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

5.7 Loss reserves and outstanding claims

At the end of each reporting period, the Group has to estimate loss reserves and outstanding claims taking into account two factors. These are claims incurred and reported, and the claims incurred but not yet reported (IBNR). The ultimate loss of outstanding claims is established using a range of standard actuarial claims projection techniques. The main assumptions underlying these techniques relate to historical experience, including the development of claims estimates, paid and incurred loss, average costs per claim and claim numbers, etc. Nevertheless, the estimation requires the management's judgements reflecting the best estimate available at that time, such estimates are forecasts of future outcomes, and actual results could differ.

5.8 Unexpired risk reserve

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

5.9 Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

5.10 Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess the results of the litigation and believes that loss incurred will not exceed the recorded amounts as at the end of reporting period.

5.11 Fair value of financial instruments

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value and disclosures of fair value hierarchy.

6. Classification of financial assets and financial liabilities

As at 31 December 2021 and 2020, carrying amount of financial assets and financial liabilities are classified as follow:

(Unit: Baht)

	Consolidated financial statements				
	2021				
	Financial instruments measured at FVTPL	Debt instruments measured at FVOCI	Equity instruments designated at FVOCI	Financial instruments measured at amortised cost	Total
Financial assets					
Cash and cash equivalents	-	-	-	745,844,663	745,844,663
Accrued investment income	-	-	-	17,124,975	17,124,975
Financial assets - debt instruments	1,466,259,935	1,806,066,299	-	1,108,329,066	4,380,655,300
Financial assets - equity instruments	412,646,589	-	343,371,222	-	756,017,811
Loan and interest receivables	-	-	-	4,071,757	4,071,757
Claim receivables from litigants	-	-	-	562,444,379	562,444,379
Cash equivalents which subject to restrictions	-	-	-	9,039,892	9,039,892
Financial liabilities					
Derivative liabilities	764,195	-	-	-	764,195
Other liabilities - Lease liabilities	-	-	-	3,205,385	3,205,385

(Unit: Baht)

	Consolidated financial statements				
	2020				
	Financial instruments measured at FVTPL	Debt instruments measured at FVOCI	Equity instruments designated at FVOCI	Financial instruments measured at amortised cost	Total
Financial assets					
Cash and cash equivalents	-	-	-	332,677,458	332,677,458
Accrued investment income	-	-	-	14,108,255	14,108,255
Financial assets - debt instruments	1,467,639,493	1,210,687,624	-	1,187,274,028	3,865,601,145
Financial assets - equity instruments	382,383,982	-	312,838,040	-	695,222,022
Loan and interest receivables	-	-	-	6,231,917	6,231,917
Claim receivables from litigants	-	-	-	484,905,778	484,905,778
Cash equivalents which subject to restrictions	-	-	-	9,352,233	9,352,233
Financial liabilities					
Other liabilities - Lease liabilities	-	-	-	3,661,317	3,661,317

(Unit: Baht)

	Separate financial statements				
	2021				
	Financial instruments measured at FVTPL	Debt instruments measured at FVOCI	Equity instruments designated at FVOCI	Financial instruments measured at amortised cost	Total
Financial assets					
Cash and cash equivalents	-	-	-	737,770,587	737,770,587
Accrued investment income	-	-	-	12,903,066	12,903,066
Financial assets - debt instruments	1,466,259,935	1,806,066,299	-	1,066,189,682	4,338,515,916
Financial assets - equity instruments	412,646,589	-	343,371,222	-	756,017,811
Loan and interest receivables	-	-	-	4,071,757	4,071,757
Claim receivables from litigants	-	-	-	562,357,661	562,357,661
Cash equivalents which subject to restrictions	-	-	-	9,039,892	9,039,892
Financial liabilities					
Derivative liabilities	764,195	-	-	-	764,195

(Unit: Baht)

	Separate financial statements				
	2020				
	Financial instruments measured at FVTPL	Debt instruments measured at FVOCI	Equity instruments designated at FVOCI	Financial instruments measured at amortised cost	Total
Financial assets					
Cash and cash equivalents	-	-	-	329,948,597	329,948,597
Accrued investment income	-	-	-	12,141,460	12,141,460
Financial assets - debt instruments	1,467,639,493	1,210,687,624	-	1,141,609,484	3,819,936,601
Financial assets - equity instruments	382,383,982	-	312,838,040	-	695,222,022
Loan and interest receivables	-	-	-	6,231,917	6,231,917
Claim receivables from litigants	-	-	-	484,796,581	484,796,581
Cash equivalents which subject to restrictions	-	-	-	9,352,233	9,352,233

7. Cash and cash equivalents

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Cash on hand	6,254,511	3,394,815	6,220,893	3,289,904
Deposits at banks with no fixed maturity date	736,900,031	326,923,102	728,786,597	324,249,506
Deposits at banks and certificate of deposit with fixed maturity date	3,609,305	2,585,811	3,609,305	2,585,811
Total cash and cash equivalents	746,763,847	332,903,728	738,616,795	330,125,221
Less: Allowance for expected credit loss	(919,184)	(226,270)	(846,208)	(176,624)
Cash and cash equivalents	745,844,663	332,677,458	737,770,587	329,948,597

As at 31 December 2021, saving deposits and fixed deposits carried interest between 0.00% and 1.00% per annum (Separate financial statements: 0.00% and 0.65% per annum) (2020: between 0.00% and 1.00% per annum for the consolidated financial statements and between 0.00% and 0.75% per annum for the separate financial statements).

8. Premium receivables

The balances as at 31 December 2021 and 2020 of premium receivables from direct insurance are classified by aging from the maturity date under the stipulated law of the premium collection as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Not yet due	759,288,503	588,226,677	759,181,034	588,223,740
Not over 30 days	102,184,129	105,028,040	102,009,298	104,804,249
Over 30 days to 60 days	47,215,310	30,196,850	47,170,764	30,194,361
Over 60 days to 90 days	15,038,619	15,867,224	15,018,354	15,867,224
Over 90 days	24,576,838	15,775,473	24,552,100	15,775,473
Total premium receivables	948,303,399	755,094,264	947,931,550	754,865,047
Less: Allowance for doubtful accounts	(1,159,286)	(807,435)	(1,159,286)	(807,435)
Total premium receivables, net	947,144,113	754,286,829	946,772,264	754,057,612

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 takes legal actions with such agents and brokers on a case by case basis.

9. Reinsurance assets

(Unit: Baht)

	Consolidated and separate statements		financial
	2021	2020	statements
Insurance reserves refundable from reinsurers			
Claim reserves and outstanding claims	154,685,007	184,033,343	
Unearned premium reserves	231,344,709	243,814,069	
Reinsurance assets	<u>386,029,716</u>	<u>427,847,412</u>	

10. Receivables from reinsurance contracts

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Amounts deposited on reinsurance	-	-	63,831	12,337
Amounts due from reinsurers	64,452,039	178,405,004	65,835,998	179,792,238
Total	64,452,039	178,405,004	65,899,829	179,804,575
Less: Allowance for doubtful accounts	(17,580,862)	-	(17,580,862)	-
Receivables from reinsurance contracts - net	<u>46,871,177</u>	<u>178,405,004</u>	<u>48,318,967</u>	<u>179,804,575</u>

As at 31 December 2021 and 2020, the balances of amounts due from reinsurers are classified by aging as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Not yet due	20,532,191	28,669,193	20,532,191	29,307,400
Not over 1 year	43,702,335	149,518,298	45,086,294	150,267,325
Over 1 year to 2 years	217,513	217,513	217,513	217,513
Total	64,452,039	178,405,004	65,835,998	179,792,238
Less: Allowance for doubtful accounts	(17,580,862)	-	(17,580,862)	-
Total amounts due from reinsurers - net	<u>46,871,177</u>	<u>178,405,004</u>	<u>48,255,136</u>	<u>179,792,238</u>

11. Financial assets - debt instruments

11.1 Classified by type of financial assets

(Unit: Baht)

	Consolidated financial statements			
	2021		2020	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Debt instruments measured at FVTPL				
Government and state enterprise securities	29,965,916	29,764,552	20,333,131	20,540,780
Private debt securities	-	-	100,000,000	100,275,512
Unit trusts	1,490,226,711	1,436,495,383	1,393,031,327	1,346,823,201
Total	1,520,192,627	1,466,259,935	1,513,364,458	1,467,639,493
Less: Unrealised loss	(53,932,692)		(45,724,965)	
Total	1,466,259,935		1,467,639,493	
Debt instruments measured at FVOCI				
Government and state enterprise securities	80,004,673	80,311,963	80,009,421	81,769,216
Private debt securities	1,712,301,946	1,725,754,336	1,110,176,819	1,128,918,408
Total	1,792,306,619	1,806,066,299	1,190,186,240	1,210,687,624
Add: Unrealised gain	15,699,003		21,753,530	
Less: Allowance for expected credit loss	(1,939,323)		(1,252,146)	
Total	1,806,066,299		1,210,687,624	
Debt instruments measured at amortised cost				
Government and state enterprise securities	178,509,920		441,923,117	
Private debt securities	841,000		841,000	
Foreign debt instruments	25,000,000		30,000,000	
Deposits at financial institutions which amounts maturing in over 3 months	907,700,179		718,934,741	
Total	1,112,051,099		1,191,698,858	
Less: Allowance for expected credit loss	(3,722,033)		(4,424,830)	
Total	1,108,329,066		1,187,274,028	
Total financial assets - debt instruments - net	4,380,655,300		3,865,601,145	

(Unit: Baht)

	Separate financial statements			
	2021		2020	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Debt instruments measured at FVTPL				
Government and state enterprise securities	29,965,916	29,764,552	20,333,131	20,540,780
Private debt securities	-	-	100,000,000	100,275,512
Unit trusts	1,490,226,711	1,436,495,383	1,393,031,327	1,346,823,201
Total	1,520,192,627	1,466,259,935	1,513,364,458	1,467,639,493
Less: Unrealised loss	(53,932,692)		(45,724,965)	
Total	1,466,259,935		1,467,639,493	
Debt instruments measured at FVOCI				
Government and state enterprise securities	80,004,673	80,311,963	80,009,421	81,769,216
Private debt securities	1,712,301,946	1,725,754,336	1,110,176,819	1,128,918,408
Total	1,792,306,619	1,806,066,299	1,190,186,240	1,210,687,624
Add: Unrealised gain	15,699,003		21,753,530	
Less: Allowance for expected credit loss	(1,939,323)		(1,252,146)	
Total	1,806,066,299		1,210,687,624	
Debt instruments measured at amortised cost				
Government and state enterprise securities	178,509,920		441,923,117	
Private debt securities	841,000		841,000	
Foreign debt instruments	25,000,000		30,000,000	
Deposits at financial institutions which amounts maturing in over 3 months	865,540,390		673,248,074	
Total	1,069,891,310		1,146,012,191	
Less: Allowance for expected credit loss	(3,701,628)		(4,402,707)	
Total	1,066,189,682		1,141,609,484	
Total financial assets - debt instruments - net	4,338,515,916		3,819,936,601	

As at 31 December 2021 and 2020, certain investments of the Group has been placed and reserved as insurance reserves with the Registrar, and placed as other collateral in respect of certain performance as required in the normal course of business as described in Note 36 to the financial statements.

11.2 Classified by stage of credit risk

(Unit: Baht)

	Consolidated and separate financial statements			
	2021		2020	
	Fair value	Allowance for	Fair value	Allowance for
		expected credit loss		expected credit loss
Debt instruments measured at FVOCI				
Stage 1 - Debt securities without a significant increase in credit risk	1,806,066,299	1,845,383	1,210,687,624	1,158,206
Stage 3 - Debt securities with credit impaired	-	93,940	-	93,940
Total	1,806,066,299	1,939,323	1,210,687,624	1,252,146

(Unit: Baht)

	Consolidated financial statements					
	2021			2020		
	Carrying value - gross	Allowance for	Carrying value	Carrying value - gross	Allowance for	Carrying value
		expected credit loss			expected credit loss	
Debt instruments measured at amortised cost						
Stage 1 - Debt securities without a significant increase in credit risk	1,086,210,099	501,711	1,085,708,388	1,160,857,858	446,180	1,160,411,678
Stage 2 - Debt securities with a significant increase in credit risk	25,000,000	2,379,322	22,620,678	30,000,000	3,137,650	26,862,350
Stage 3 - Debt securities with credit impaired	841,000	841,000	-	841,000	841,000	-
Total	1,112,051,099	3,722,033	1,108,329,066	1,191,698,858	4,424,830	1,187,274,028

(Unit: Baht)

	Separate financial statements					
	2021			2020		
	Carrying value - gross	Allowance for expected credit loss	Carrying value	Carrying value - gross	Allowance for expected credit loss	Carrying value
Debt instruments measured at amortised cost						
Stage 1 - Debt securities						
without a significant						
increase in credit risk	1,044,050,310	481,306	1,043,569,004	1,115,171,191	424,057	1,114,747,134
Stage 2 - Debt securities						
with a significant						
increase in credit risk	25,000,000	2,379,322	22,620,678	30,000,000	3,137,650	26,862,350
Stage 3 - Debt securities						
with credit impaired	841,000	841,000	-	841,000	841,000	-
Total	1,069,891,310	3,701,628	1,066,189,682	1,146,012,191	4,402,707	1,141,609,484

12. Financial assets - equity instruments**12.1 Classified by type of financial assets**

(Unit: Baht)

	Consolidated and separate financial statements			
	2021		2020	
	Cost	Fair value	Cost	Fair value
Equity instruments measured at FVTPL				
Domestic listed equity instruments	342,806,892	353,037,286	299,669,977	284,164,427
Foreign listed equity instruments	65,382,652	59,609,303	21,250,675	23,544,346
Domestic unit trusts	-	-	69,775,380	74,675,209
Total	408,189,544	412,646,589	390,696,032	382,383,982
Add (less): Unrealised gain (loss)	4,457,045		(8,312,050)	
Total	412,646,589		382,383,982	
Equity instruments designated at FVOCI				
Domestic listed equity instruments	31,296,397	80,200,293	41,962,397	86,781,507
Non-listed equity instruments	3,720,650	143,523,049	3,720,650	90,611,795
Domestic unit trusts	84,419,905	119,647,880	94,553,253	135,444,738
Total	119,436,952	343,371,222	140,236,300	312,838,040
Add: Unrealised gain	223,934,270		172,601,740	
Total	343,371,222		312,838,040	
Total financial assets - equity instruments - net	756,017,811		695,222,022	

12.2 Equity instruments designated at FVOCI

(Unit: Baht)

	Consolidated and separate financial statements			
	2021		2020	
	Fair value	Dividend received	Fair value	Dividend received
Equity instruments designated at FVOCI				
Domestic listed equity instruments	80,200,293	2,205,086	86,781,507	3,055,110
Non-listed equity instruments	143,523,049	30,375	90,611,795	20,250
Domestic unit trusts	119,647,880	9,824,841	135,444,738	5,682,534
Total	<u>343,371,222</u>	<u>12,060,302</u>	<u>312,838,040</u>	<u>8,757,894</u>

12.3 Investments derecognition

During the years ended 31 December 2021 and 2020, the Company disposed off its investments in equity instruments designated at fair value through other comprehensive income from the accounts. The Company therefore transferred the previous recognised changes in the fair value of these investments in other comprehensive income, to be recognised in retained earnings as follows:

(Unit: Baht)

	Consolidated and separate financial statements			
	For the year ended 31 December 2021			
	Fair value at the derecognition date	Dividend received	Retained earnings (loss) from disposal	Reason for derecognition
Domestic listed equity instruments	16,661,580	7,801,920	(1,758,580)	Disposal
Total	<u>16,661,580</u>	<u>7,801,920</u>	<u>(1,758,580)</u>	
Add: Related tax			<u>351,716</u>	
			<u>(1,406,864)</u>	

(Unit: Baht)

	Consolidated and separate financial statements			
	For the year ended 31 December 2020			
	Fair value at the derecognition date	Dividend received	Retained earnings (loss) from disposal	Reason for derecognition
Domestic listed equity instruments	6,650,340	-	3,837,223	Disposal
Total	<u>6,650,340</u>	<u>-</u>	<u>3,837,223</u>	
Add: Related tax			<u>(767,445)</u>	
			<u>3,069,778</u>	

13. Other components of equity - surplus on changes in value of investments

(Unit: Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2021	2020
Debt instruments measured at FVOCI		
Balance - beginning of the year	17,402,824	11,489,009
Changes during the year		
Gain (loss) on revaluation during the year	(6,054,527)	10,264,521
Related income tax	1,210,906	(2,052,904)
Net comprehensive income for the year (loss)	(4,843,621)	8,211,617
Balance - end of the year	12,559,203	17,402,824
Equity instruments designated at FVOCI		
Balance - beginning of the year	138,081,392	275,246,136
Changes during the year		
Gain (loss) on revaluation during the year	49,573,950	(167,618,707)
Loss (gain) on sales recognised in retained earnings during the year	1,758,580	(3,837,223)
Total	51,332,530	(171,455,930)
Related income tax	(10,266,506)	34,291,186
Net comprehensive income for the year (loss)	41,066,024	(137,164,744)
Balance - end of the year	179,147,416	138,081,392
Total	191,706,619	155,484,216

14. Loans and interest receivables

As at 31 December 2021 and 2020, loans and interest receivables classified by stage of credit risk as follows:

(Unit: Baht)

Staging	Consolidated and separate financial statements		
	2021		
	Mortgage loans	Other loans	Total
Stage 1 - Loans without a significant increase in credit risk	3,572,140	499,617	4,071,757
Stage 3 - Loans with credit impaired	753,812	-	753,812
Total	4,325,952	499,617	4,825,569
Less: Allowance for expected credit loss	(753,812)	-	(753,812)
Loans and interest receivables - net	3,572,140	499,617	4,071,757

(Unit: Baht)

Staging	Consolidated and separate financial statements		
	2020		
	Mortgage loans	Other loans	Total
Stage 1 - Loans without a significant increase in credit risk	5,177,377	1,054,540	6,231,917
Stage 3 - Loans with credit impaired	753,812	-	753,812
Total	5,931,189	1,054,540	6,985,729
Less: Allowance for expected credit loss	(753,812)	-	(753,812)
Loans and interest receivables - net	5,177,377	1,054,540	6,231,917

The assets used as collateral for mortgage loans are mainly land and construction thereon. The mortgage value of these assets according to mortgage agreements have been used in assessing the loan loss allowance.

The Company has set the criteria for loans granted to employees, which include term of repayment and applicable interest rate. The Company charges interest on such loan at the rate of 5.5% per annum, 8.5% per annum on the first consecutive loan and an additional 2.0% per annum on further consecutive loans. The Company has determined the credit limit of each project as follows:

Project	Collateral	Credit line
General loan	Personal guarantees	- Not exceeding 4 times monthly salary, with a limit of Baht 50,000
Housing loan	Land and/or construction thereon	- Not exceeding 40 times monthly salary, with a limit of Baht 2 million, and not exceeding 70% of the appraisal value of the land
		- Not exceeding 40 times monthly salary, with a limit of Baht 2 million, and not exceeding 85% of the appraisal value of the land and construction thereon
Housing maintenance loan	Personal guarantees and/or securities	- Not exceeding 40 times monthly salary, with a limit of Baht 2 million, and not exceeding 85% of the appraisal value of the housing

15. Investments in subsidiaries

15.1 Detail of investments in subsidiaries as presented in separate financial statements is as follow:

Company's name	Paid up capital		Shareholding percentage		Cost	
	2021	2020	2021	2020	2021	2020
	Baht	Baht	%	%	Baht	Baht
Laovivat Insurance Co., Ltd. (engaged in non-life insurance business)	67,200,000	67,200,000	70.0	70.0	67,200,000	67,200,000
Motor AI Recognition Solution Co., Ltd. (engaged in non-life insurance technology service)	20,000,000	-	100.0	-	20,000,000	-
					<u>87,200,000</u>	<u>67,200,000</u>

On 17 December 2020, a meeting of the Board of Directors of the Company passed a resolution approving the Company's incorporation of investments in a new company with the objective to operate technology business that is beneficial to the insurance business. On 8 January 2021, the Company established and invested in Motor AI Recognition Solution Company Limited ("MARS") and acquired 0.2 million ordinary shares of MARS, or a total of Baht 20 million, representing 100 % of the registered share capital. The Company reported the investments to OIC in February 2021.

15.2 Details of investments in subsidiary that have material non-controlling interests

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Loss allocated to non-controlling interests during the years	
	2021	2020	2021	2020	2021	2020
	(%)	(%)				
Laovivat Insurance Co., Ltd.	30.0	30.0	12,398,462	13,564,970	(223,493)	(231,030)

(Unit: Baht)

15.3 Summarised financial information about subsidiaries that based on amounts before inter-company elimination

(a) Summarised information about financial position

(Unit: Baht)

	Laovivat Insurance Co., Ltd.		Motor AI Recognition Solution Co., Ltd.	
	2021	2020	2021	2020
Assets	53,850,233	56,977,977	14,016,702	-
Liabilities	12,522,026	11,761,411	5,898,992	-
Net assets value	41,328,207	45,216,566	8,117,710	-

(b) Summarised information about comprehensive income

(Unit: Baht)

	For the years ended 31 December			
	Laovivat Insurance Co., Ltd.		Motor AI Recognition Solution Co., Ltd.	
	2021	2020	2021	2020
Revenue	6,001,170	6,838,236	77,748	-
Loss for the period	(744,976)	(770,098)	(11,882,290)	-
Other comprehensive income	-	-	-	-
Total comprehensive income (loss)	(744,976)	(770,098)	(11,882,290)	-

(c) Summarised information about cash flows

(Unit: Baht)

	For the years ended 31 December			
	Laovivat Insurance Co., Ltd.		Motor AI Recognition Solution Co., Ltd.	
	2021	2020	2021	2020
Cash flow from (used in) operating activities	220,808	2,202,469	(6,553,636)	-
Cash flow used in investing activities	-	(2,227)	(7,550,389)	-
Cash flow from (used in) financing activities	(589,466)	(541,740)	20,000,000	-
Net increase (decrease) in cash and cash equivalents	(368,658)	1,658,502	5,895,975	-

16. Property, buildings and equipment

(Unit: Baht)

	Consolidated financial statements						Total
	Land	Buildings	Furniture and fixtures	Office equipment	Motor vehicles	Work in process	
Cost							
As at 1 January 2020	211,950,180	232,489,557	49,801,344	97,261,130	91,879,143	781,035	684,162,389
Additions	-	-	1,855,160	10,828,989	8,901,692	10,003,005	31,588,846
Transfer in/(out)	-	5,786,991	233,826	2,795,322	214,766	(9,030,905)	-
Disposals	-	-	-	(3,341,062)	(7,815,351)	-	(11,156,413)
Exchange differences on translation of financial statements in foreign currency	-	-	129,146	59,352	29,318	7,639	225,455
As at 31 December 2020	211,950,180	238,276,548	52,019,476	107,603,731	93,209,568	1,760,774	704,820,277
Additions	-	-	153,040	6,372,173	-	14,014,922	20,540,135
Transfer in/(out)	-	-	452,000	776,335	-	(1,228,335)	-
Disposals	-	-	-	(2,186,412)	(10,386,659)	-	(12,573,071)
Exchange differences on translation of financial statements in foreign currency	-	-	(271,654)	(120,747)	(58,636)	-	(451,037)
As at 31 December 2021	211,950,180	238,276,548	52,352,862	112,445,080	82,764,273	14,547,361	712,336,304
Accumulated depreciation							
As at 1 January 2020	-	162,967,845	38,507,783	79,481,134	75,313,216	-	356,269,978
Depreciation for the year	-	4,878,646	4,250,172	10,620,052	7,339,081	-	27,087,951
Accumulated depreciation on disposals	-	-	-	(3,340,470)	(7,815,278)	-	(11,155,748)
Adjustments	-	-	(67,716)	67,716	-	-	-
Exchange differences on translation of financial statements in foreign currency	-	-	127,377	25,779	12,701	-	165,857
As at 31 December 2020	-	167,846,491	42,817,616	86,854,211	74,849,720	-	372,368,038
Depreciation for the year	-	5,134,082	4,426,510	11,037,914	5,756,786	-	26,355,292
Accumulated depreciation on disposals	-	-	-	(2,181,091)	(10,386,640)	-	(12,567,731)
Exchange differences on translation of financial statements in foreign currency	-	-	(257,403)	(75,960)	(37,162)	-	(370,525)
As at 31 December 2021	-	172,980,573	46,986,723	95,635,074	70,182,704	-	385,785,074
Net book value							
As at 31 December 2020	211,950,180	70,430,057	9,201,860	20,749,520	18,359,848	1,760,774	332,452,239
As at 31 December 2021	211,950,180	65,295,975	5,366,139	16,810,006	12,581,569	14,547,361	326,551,230
Depreciation for the year							
2020							27,087,951
2021							26,355,292

17. Intangible assets - computer software

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
	Computer software		Total	Computer software		Total
	Computer software	under development		Computer software	under development	
Cost						
As at 1 January 2020	53,084,304	2,207,355	55,291,659	52,743,765	2,207,355	54,951,120
Additions	132,400	7,762,223	7,894,623	132,400	7,762,223	7,894,623
Transfer in/(out)	4,317,200	(4,317,200)	-	4,317,200	(4,317,200)	-
Exchange differences on translation of financial statements in foreign currency	10,016	-	10,016	-	-	-
As at 31 December 2020	57,543,920	5,652,378	63,196,298	57,193,365	5,652,378	62,845,743
Additions	719,400	15,397,992	16,117,392	719,400	8,093,178	8,812,578
Transfer in/(out)	8,907,875	(8,907,875)	-	8,907,875	(8,907,875)	-
Exchange differences on translation of financial statements in foreign currency	(20,032)	-	(20,032)	-	-	-
As at 31 December 2021	67,151,163	12,142,495	79,293,658	66,820,640	4,837,681	71,658,321
Accumulated amortisation						
As at 1 January 2020	45,267,650	-	45,267,650	44,937,008	-	44,937,008
Amortisation for the year	1,952,379	-	1,952,379	1,942,191	-	1,942,191
Exchange differences on translation of financial statements in foreign currency	9,725	-	9,725	-	-	-
As at 31 December 2020	47,229,754	-	47,229,754	46,879,199	-	46,879,199
Amortisation for the year	2,380,877	-	2,380,877	2,380,878	-	2,380,878
Exchange differences on translation of financial statements in foreign currency	(20,032)	-	(20,032)	-	-	-
As at 31 December 2021	49,590,599	-	49,590,599	49,260,077	-	49,260,077
Net book value						
As at 31 December 2020	10,314,166	5,652,378	15,966,544	10,314,166	5,652,378	15,966,544
As at 31 December 2021	17,560,564	12,142,495	29,703,059	17,560,563	4,837,681	22,398,244
Amortisation for the year						
2020			1,952,379			1,942,191
2021			2,380,877			2,380,878

As at 31 December 2021, certain computer software items of the Group has been fully amortisation but are still in use. The gross carrying amount before deducting accumulated amortisation of those assets amounted to approximately Baht 40.6 million (Separate financial statements: Baht 40.3 million) (2020: Baht 37.8 million in consolidated financial statements and Baht 37.5 million in separate financial statements).

18. Deferred tax assets/Income tax expenses

18.1 Deferred tax assets

As at 31 December 2021 and 2020, the components of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated and separate financial statements		(Unit: Baht) Changes in deferred tax assets or liabilities	
			For the years ended 31 December	
	2021	2020	2021	2020
Deferred tax assets				
Allowance for expected credit loss	23,085,539	19,657,944	3,427,595	19,657,944
Allowance for doubtful accounts	4,877,990	1,291,448	3,586,542	(10,259,142)
Allowance for impairment of investments	1,562,618	1,562,618	-	-
Unearned premium reserves	163,818,242	134,290,367	29,527,875	38,377,392
Provision for claim incurred but not yet reported and outstanding claim	35,597,922	27,701,400	7,896,522	9,122,406
Loss on changes in value of investments				
Trading securities	-	-	-	(1,807,665)
Investments measured at FVTPL	9,895,129	10,807,403	(912,274)	10,807,403
Loss on change in value of derivatives	152,839	-	152,839	-
Unrealised loss on foreign exchange	-	128,899	(128,899)	128,899
Post employee benefit obligations	20,353,127	23,355,611	(3,002,484)	(1,138,994)
Total	259,343,406	218,795,690		
Deferred tax liabilities				
Gain on changes in value of investments				
Available-for-sale securities	-	-	-	(37,152,992)
Investments measured at FVOCI	47,926,654	38,871,054	9,055,600	38,871,054
Unrealised gain on foreign exchange	1,007,761	-	1,007,761	-
Total	48,934,415	38,871,054		
Deferred tax assets, net	210,408,991	179,924,636		
Total changes			30,484,355	63,170,181
Recognition of changes:				
- Profit or loss			42,784,254	65,666,444
- Other comprehensive income			(11,948,183)	30,881,339
- Retained earnings from disposal of investments measured at FVOCI (Note 12.3)			(351,716)	767,445
- Cumulative effect of the changes in accounting policies			-	(34,075,047)
Total changes			30,484,355	63,170,181

As at 31 December 2021, the subsidiaries have temporary differences and unused tax losses totaling Baht 16.7 million (2020: Baht 5.7 million), on which deferred tax assets have not been recognised as the subsidiaries believe that there is an uncertainty to allow utilisation of temporary differences and unused tax losses.

The unused tax losses amounting to Baht 16.7 million will expire by 2026.

18.2 Income tax expenses

The income tax expenses for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2021	2020
Current income tax:		
Corporate income tax charge in accordance with Revenue Code	160,410,620	85,129,575
Adjustments in respect of income tax of previous year	(204,998)	(344,752)
Deferred tax:		
Relating to origination and reversal of temporary differences	(42,784,254)	(65,666,444)
Relating to disposals of equity instruments designated at fair value through other comprehensive income during the year	351,716	(767,445)
Income tax expenses reported in profit or loss	117,773,084	18,350,934

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2021	2020
Deferred tax relating to:		
Loss (gain) on changes in value of debt instruments measured at fair value through other comprehensive income	1,210,906	(2,052,904)
Loss (gain) on changes in value of equity instruments designated at fair value through other comprehensive income	(9,914,790)	33,253,741
Actuarial gains	(3,244,299)	(659,498)
Total	(11,948,183)	30,811,339

Reconciliation between income tax expenses and the product of accounting profit and the applicable tax rate for the years ended 31 December 2021 and 2020 are as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Accounting profit before income tax expenses	589,777,501	96,020,451	602,404,769	96,790,549
Applicable corporate income tax rate	20%, 24%	20%, 24%	20%	20%
Income tax at the applicable tax rate	117,925,702	19,173,286	120,480,954	19,358,110
Adjustments in respect of income tax of previous year	(204,998)	(344,752)	(204,998)	(344,752)
Tax effects of:				
Temporary differences and tax loss which are not recognised as deferred tax assets	2,492,986	12,678	-	-
Tax-exempted revenues	(5,583,984)	(4,082,252)	(5,583,984)	(4,082,252)
Additional expenses deductions allowed	(788,764)	(1,336,841)	(788,764)	(1,336,841)
Non-deductible expenses	3,932,142	4,928,815	3,869,876	4,756,669
Income tax expenses reported in profit or loss	117,773,084	18,350,934	117,773,084	18,350,934

19. Other assets

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Claim receivables from litigants, net	562,444,379	484,905,778	562,357,661	484,796,581
Prepaid payment of ceded premium	109,046,403	102,130,559	109,046,403	102,130,559
Deposits on rice field insurance scheme	201,168,922	332,541,326	201,168,922	332,541,326
Prepaid commission expenses	50,605,880	50,770,908	50,605,880	50,770,908
Receivable from sale of investments	365,006	3,280,196	365,006	3,280,196
Right-of-use assets	2,665,136	3,340,598	-	-
Cash equivalents which subject to restrictions, net	9,039,892	9,352,233	9,039,892	9,352,233
Others	43,450,983	39,454,376	44,376,295	40,545,661
Total other assets	978,786,601	1,025,775,974	976,960,059	1,023,417,464

As at 31 December 2021 and 2020, the Group has pledged deposit at financial institutions mature within 3 months as security against bank overdraft facilities, and as bail bond in cases where insured drivers have been charged with criminal offence as described in Notes 36 to the financial statements.

20. Insurance contract liabilities

(Unit: Baht)

	Consolidated financial Statements		
	2021		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,938,212,009	50,772,689	1,887,439,320
- Provision for claim incurred but not reported	185,029,524	103,912,318	81,117,206
Premium reserves			
- Unearned premium reserves	3,338,356,489	231,344,709	3,107,011,780
Total	5,461,598,022	386,029,716	5,075,568,306

(Unit: Baht)

	Consolidated financial Statements		
	2020		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,776,241,573	59,945,954	1,716,295,619
- Provision for claim incurred but not reported	196,329,408	124,087,389	72,242,019
Premium reserves			
- Unearned premium reserves	3,050,591,014	243,814,069	2,806,776,945
Total	5,023,161,995	427,847,412	4,595,314,583

(Unit: Baht)

	Separate financial Statements		
	2021		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,937,116,282	50,772,689	1,886,343,593
- Provision for claim incurred but not reported	184,016,032	103,912,318	80,103,714
Premium reserves			
- Unearned premium reserves	3,335,942,179	231,344,709	3,104,597,470
Total	5,457,074,493	386,029,716	5,071,044,777

(Unit: Baht)

	Separate financial Statements		
	2020		
	Insurance contract liabilities	Liabilities on reinsurance	Net
Claim reserves and outstanding claims			
- Provision for reported claims	1,775,681,184	59,945,954	1,715,735,230
- Provision for claim incurred but not reported	195,657,272	124,087,389	71,569,883
Premium reserves			
- Unearned premium reserves	3,048,578,670	243,814,069	2,804,764,601
Total	5,019,917,126	427,847,412	4,592,069,714

During the years 2021 and 2020, the management of the Group entered into reinsurance agreements in order to mitigate insurance risk. Although positions are managed on a net basis by management, insurance contract liabilities disclosures have been made on both a gross and net basis in order to provide a comprehensive set of disclosures.

20.1 Claim reserves and outstanding claims

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Balance - beginning of the year	1,972,570,981	1,492,514,950	1,971,338,456	1,491,843,728
Claim incurred and loss adjustment expenses for the year	3,649,268,495	3,441,626,051	3,648,096,648	3,440,377,716
Changes in claim reserves and outstanding claims of prior year	(172,569,700)	(89,161,567)	(172,569,700)	(89,279,958)
Changes in claim reserves and assumptions	(11,194,847)	102,298,862	(11,641,240)	101,843,865
Claim and loss adjustment expenses paid during the year	(3,314,732,752)	(2,974,743,186)	(3,314,091,850)	(2,973,446,895)
Exchange differences on translation of financial statements in foreign currency	(100,644)	35,871	-	-
Balance - end of the year	<u>2,123,241,533</u>	<u>1,972,570,981</u>	<u>2,121,132,314</u>	<u>1,971,338,456</u>

As at 31 December 2021, the Group has claim reserves and outstanding claims under reinsurance contracts of Baht 2.7 million (Separate financial statements: Baht 2.8 million) (2020: Baht 0.5 million in consolidated financial statements and Baht 0.7 million in separate financial statements).

20.2 Unearned premium reserves

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Balance - beginning of the year	3,050,591,014	2,336,168,313	3,048,578,670	2,333,895,909
Premium written for the year	6,332,882,249	5,985,825,664	6,329,647,718	5,982,238,201
Premium earned for the current year	(6,044,960,246)	(5,271,488,122)	(6,042,284,209)	(5,267,555,440)
Exchange differences on translation of financial statements in foreign currency	(156,528)	85,159	-	-
Balance - end of the year	<u>3,338,356,489</u>	<u>3,050,591,014</u>	<u>3,335,942,179</u>	<u>3,048,578,670</u>

20.3 Claims development table

(a) Gross claims table

(Unit: Million Baht)

Consolidated financial Statements											
Reporting year / Accident year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
Claim provision:											
- as at accident year	1,309	1,662	1,773	1,684	1,820	1,969	2,258	2,862	3,288	3,339	
- Next one year	1,172	1,484	1,653	1,644	1,775	1,784	2,223	2,585	2,974		
- Next two years	1,150	1,556	1,599	1,630	1,759	1,677	2,079	2,526			
- Next three years	1,154	1,531	1,589	1,631	1,761	1,676	2,077				
- Next four years	1,173	1,529	1,585	1,627	1,763	1,674					
- Next five years	1,174	1,525	1,584	1,626	1,762						
- Next six years	1,170	1,508	1,584	1,626							
- Next seven years	1,154	1,508	1,584								
- Next eight years	1,154	1,508									
- Next nine years	1,154										
Ultimate claim reserves	1,154	1,508	1,584	1,626	1,762	1,674	2,077	2,526	2,974	3,339	20,224
Cumulative payment to date	1,154	1,508	1,584	1,626	1,762	1,671	2,072	2,509	2,796	2,017	18,699
Net	-	-	-	-	-	3	5	17	178	1,322	1,525
Adjusted claim incurred but not reported											540
Unallocated loss adjustment expenses											58
Total claim reserves and outstanding claims before reinsurance											<u>2,123</u>

(Unit: Million Baht)

Separate financial Statements											
Reporting year / Accident year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
Claim provision:											
- as at accident year	1,309	1,662	1,773	1,684	1,820	1,969	2,255	2,859	3,285	3,336	
- Next one year	1,172	1,484	1,653	1,644	1,775	1,784	2,221	2,582	2,971		
- Next two years	1,150	1,556	1,599	1,630	1,759	1,677	2,077	2,523			
- Next three years	1,154	1,531	1,589	1,631	1,761	1,676	2,075				
- Next four years	1,173	1,529	1,585	1,627	1,763	1,674					
- Next five years	1,174	1,525	1,584	1,626	1,762						
- Next six years	1,170	1,508	1,584	1,626							
- Next seven years	1,154	1,508	1,584								
- Next eight years	1,154	1,508									
- Next nine years	1,154										
Ultimate claim reserves	1,154	1,508	1,584	1,626	1,762	1,674	2,075	2,523	2,971	3,336	20,213
Cumulative payment to date	1,154	1,508	1,584	1,626	1,762	1,671	2,070	2,506	2,793	2,016	18,690
Net	-	-	-	-	-	3	5	17	178	1,320	1,523
Adjusted claim incurred but not reported											540
Unallocated loss adjustment expenses											58
Total claim reserves and outstanding claims before reinsurance											<u>2,121</u>

(b) Net claims table

(Unit: Million Baht)

Consolidated financial Statements											
Reporting year / Accident year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
Claim provision:											
- as at accident year	1,080	1,317	1,403	1,346	1,494	1,511	1,739	2,089	2,681	3,022	
- Next one year	993	1,173	1,321	1,314	1,465	1,416	1,699	1,914	2,517		
- Next two years	967	1,239	1,287	1,316	1,456	1,325	1,567	1,866			
- Next three years	972	1,213	1,279	1,317	1,459	1,325	1,565				
- Next four years	991	1,212	1,276	1,313	1,459	1,324					
- Next five years	992	1,208	1,275	1,312	1,458						
- Next six years	989	1,192	1,275	1,313							
- Next seven years	973	1,191	1,275								
- Next eight years	973	1,191									
- Next nine years	973										
Ultimate claim reserves	973	1,191	1,275	1,313	1,458	1,324	1,565	1,866	2,517	3,022	16,504
Cumulative payment to date	973	1,191	1,275	1,313	1,458	1,321	1,560	1,851	2,347	1,819	15,108
Net	-	-	-	-	-	3	5	15	170	1,203	1,396
Adjusted claim incurred but not reported											515
Unallocated loss adjustment expenses											58
Total claim reserves and outstanding claims after reinsurance											1,969

(Unit: Million Baht)

Separate financial Statements											
Reporting year / Accident year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
Claim provision:											
- as at accident year	1,080	1,317	1,403	1,346	1,494	1,511	1,737	2,087	2,679	3,020	
- Next one year	993	1,173	1,321	1,314	1,465	1,416	1,697	1,912	2,516		
- Next two years	967	1,239	1,287	1,316	1,456	1,325	1,565	1,864			
- Next three years	972	1,213	1,279	1,317	1,459	1,325	1,563				
- Next four years	991	1,212	1,276	1,313	1,459	1,324					
- Next five years	992	1,208	1,275	1,312	1,458						
- Next six years	989	1,192	1,275	1,313							
- Next seven years	973	1,191	1,275								
- Next eight years	973	1,191									
- Next nine years	973										
Ultimate claim reserves	973	1,191	1,275	1,313	1,458	1,324	1,563	1,864	2,516	3,020	16,497
Cumulative payment to date	973	1,191	1,275	1,313	1,458	1,321	1,559	1,849	2,347	1,818	15,104
Net	-	-	-	-	-	3	4	15	169	1,202	1,393
Adjusted claim incurred but not reported											515
Unallocated loss adjustment expenses											58
Total claim reserves and outstanding claims after reinsurance											1,966

20.4 Methodology and assumptions

The methodology and assumptions adopted by the Group for the gross and net valuations of insurance liabilities as at 31 December 2021 are presented as follows:

(1) Estimation method for best estimate of claims liabilities

Direct and Inward Facultative Business

There are three main actuarial methods applied in determining the best estimate of claims liabilities as follows.

- (i) Chain Ladder method (CL) based on both claims paid and claims incurred
- (ii) Bornhuetter-Ferguson method (BF) based on both claims paid and claims incurred
- (iii) Expected Loss Ratio method (ELR) based on both claims paid and claims incurred

The Company mostly relies on the Chain Ladder method on claims incurred to derive the best estimate of claims liabilities. The BF and ELR methods are also used where appropriate. The subsidiary mostly relies on the ELR method.

Inward Treaty Business

The Group employed a simple approach in estimating the IBNR reserves for inward treaty. This approach assumes that the IBNR requirements for the inward treaty business would be similar in proportion (as a percentage of outstanding case reserves) to the direct and inward facultative business.

(2) Assumptions of relevant expenses

There are 4 types of expenses relevant to determining insurance contract liabilities, as follows:

2.1 Allocated Loss Adjustment Expenses - ALAE

Since the ALAE are not included in claims paid triangles, a separate ALAE valuation is made, using the proportion of loss adjustment expenses to claims paid to determine an ALAE rate in triangles and ultimate claims projection.

2.2 Unallocated Loss Adjustment Expenses - ULAE

In determining the allowance for future ULAE (which is equivalent to Claims Handling Expenses), the Group derived assumptions from an estimate made using the Kittel method, with ULAE ratio computed separately for motor and non-motor classes.

The Group noted that for the purposes of this valuation, the gross outstanding liabilities exclude outstanding liabilities arising from the severe floods. For premium liabilities, the ULAE ratio was applied to the gross URR to obtain the Claims Handling Expenses for premium liabilities.

2.3 Maintenance Expenses

A percentage of historical maintenance expenses to historical gross earned premiums each year was applied onto the gross UPR to obtain the maintenance expense reserves for the premium liabilities at the end of the year.

2.4 Reinsurance Cost

Allowance for future costs of reinsurance is estimated based on the ratio of excess of loss reinsurance XOL premiums divided by net written premiums then applied to the net UPR.

21. Amount due to reinsurers

(Unit: Baht)

	Consolidated and separate financial statements	
	2021	2020
Amounts withheld on reinsurances	266,752,816	373,062,408
Outward premium payable	88,995,566	86,720,252
Total amounts due to reinsurers	355,748,382	459,782,660

22. Employee benefit obligations

Provision for long-term employee benefits, which represents compensation payable to employee after they retire, for the years ended 31 December 2021 and 2020 was as follows:

(Unit: Baht)

	Consolidated and separate financial statements	
	2021	2020
Provision for employee benefits at beginning of year	116,778,057	122,473,024
Recognised in profit or loss		
Current service cost	9,431,951	8,870,171
Interest cost	1,868,449	2,092,355
Recognised in other comprehensive income		
Actuarial loss (gain)		
Financial assumptions changes	(14,603,163)	1,336,110
Experience adjustments	(1,618,333)	(4,633,602)
Benefits paid during the year	(10,091,337)	(13,360,001)
Provision for employee benefits at end of year	101,765,624	116,778,057

The Group expects to pay Baht 16.1 million of long-term employee benefits during the next year (2020: Baht 15.8 million).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 16 years (2020: 16 years).

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated and separate financial statements	
	2021	2020
	% per annum	% per annum
Discount rate	2.8	1.6
Salary increase rate	5.0	5.0
Staff turnover rate (depending on age)	0.0 - 12.0	0.0 - 12.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below.

(Unit: Million Baht)

	Consolidated and separate financial statements			
	2021		2020	
	Rate increase 0.5% per annum	Rate decrease 0.5% per annum	Rate increase 0.5% per annum	Rate decrease 0.5% per annum
Discount rate	Liabilities decrease 5.8	Liabilities increase 5.3	Liabilities decrease 6.7	Liabilities increase 6.4
Salary increase rate	Liabilities increase 5.3	Liabilities decrease 5.9	Liabilities increase 6.4	Liabilities decrease 6.7
Staff turnover rate	Liabilities decrease 1.8	Liabilities increase 0.9	Liabilities decrease 2.0	Liabilities increase 1.3

23. Other liabilities

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Premium received in advance	349,990,369	325,857,716	349,990,369	325,857,716
Accrued commissions	156,077,325	115,363,825	155,788,411	115,221,111
Accrued operating expenses	192,764,987	109,680,273	186,632,269	108,991,684
Payables on purchase of investments	3,615,365	2,950,051	3,615,365	2,950,051
Commission received in advance	56,078,383	50,191,499	56,078,384	50,191,499
Other payable	96,111,920	109,603,894	96,137,250	109,685,260
Lease liabilities	3,205,385	3,661,317	-	-
Others	151,291,838	149,970,080	151,129,557	149,885,472
Total other liabilities	1,009,135,572	867,278,655	999,371,605	862,782,793

24. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

25. Net investment income

During the years ended 31 December 2021 and 2020, the Group had net investment income as below.

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interest income from financial assets	47,005,266	41,923,980	44,288,105	39,092,998
Dividend from financial assets	41,750,709	29,535,110	41,750,709	29,535,110
Total	<u>88,755,975</u>	<u>71,459,090</u>	<u>86,038,814</u>	<u>68,628,108</u>

26. Gain (loss) on financial instruments

	(Unit: Baht)	
	Consolidated and separate	
	financial statements	
	For the years ended 31 December	
	2021	2020
Gain (loss) from disposals of investments measured at FVTPL		
Debt instruments	32,996,725	14,827,274
Equity instruments	70,776,672	(33,916,825)
Total	<u>103,773,397</u>	<u>(19,089,551)</u>

27. Gain (loss) on fair value valuation financial instruments

	(Unit: Baht)	
	Consolidated and separate	
	financial statements	
	For the years ended 31 December	
	2021	2020
Gain (loss) from fair value valuation of investments measured at FVTPL		
Debt and equity instruments	4,561,367	(47,426,363)
Derivatives	(764,195)	-
Total	<u>3,797,172</u>	<u>(47,426,363)</u>

28. Operating expenses

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Personal expenses	131,585,540	106,637,781	129,161,708	106,233,156
Property and equipment expenses	93,046,402	91,558,029	90,693,333	89,908,500
Taxes and duties	3,203,014	2,712,994	3,173,533	2,647,555
Bad debts and doubtful accounts (reversal)	17,932,714	(2,057,998)	17,932,714	(2,057,998)
Support services expenses	431,321,119	312,507,318	431,319,435	312,504,874
Advertising and promotion expenses	52,352,678	41,681,138	52,243,484	41,500,798
Other operating expenses	57,233,050	44,728,206	47,312,711	43,513,357
Total	<u>786,674,517</u>	<u>597,767,468</u>	<u>771,836,918</u>	<u>594,250,242</u>

29. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Net claims and loss adjustment expenses	2,892,762,023	2,558,145,032	2,890,764,832	2,556,465,258
Commissions and brokerage expenses	1,004,188,196	942,171,843	1,003,839,516	941,725,965
Personnel expenses	425,425,298	367,274,605	421,973,063	365,680,039
Other underwriting expenses	179,318,413	227,888,152	179,318,413	227,888,152
Support services expenses	431,321,120	312,507,318	431,319,435	312,504,874
Premises and equipment expenses	93,046,401	91,558,029	90,693,333	89,908,500
Advertise and promotion expenses	52,352,678	41,681,138	52,243,484	41,500,798
Other operating expenses	57,233,102	44,728,207	47,312,711	43,513,357
Financial cost	95,320	109,456	-	-
Expected credit loss	688,983	3,149,598	660,497	3,113,252
Others	27,940,676	8,409,994	27,911,247	8,344,557
Total	<u>5,164,372,210</u>	<u>4,597,623,372</u>	<u>5,146,036,531</u>	<u>4,590,644,752</u>

30. Expected credit loss

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the years ended 31 December				
	2021	2020	2021	2020
Expected credit loss from:				
Cash and cash equivalents	695,774	68,325	669,584	19,110
Accrued investment income	7,674	48,392	4,921	46,088
Debt instruments measured at FVOCI	687,177	(34,035)	687,177	(34,035)
Debt instruments measured at amortised cost	(701,536)	3,062,135	(701,079)	3,077,308
Cash equivalents which subject to restrictions	(106)	4,781	(106)	4,781
Total	688,983	3,149,598	660,497	3,113,252

31. Provident fund

The Company and its employees jointly established a provident fund under the Provident Fund Act B.E. 2530. The fund is contributed to by the employees on a monthly basis at rate of 5%, 10% and 15% of the employees' basic salaries, and by the Company on a monthly basis at rate of 7.5% of the employees' basic salaries. The fund is managed by a fund manager which has been approved by the Ministry of Finance. The contributions for the year 2021 amounting to approximately Baht 13.1 million (2020: Baht 12.5 million) were recognised as expenses.

32. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

33. Dividend paid

Dividend declared during the year 2021 and 2020 consists of the following:

	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
Final dividends for 2020	Annual General Meeting of the shareholders on 28 April 2021	60.60	0.20
Final dividends for 2019	Annual General Meeting of the shareholders on 24 April 2020	60.60	0.20

34. Related party transactions

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The relationships between the Company and its related parties are summarised below.

Name of related parties	Nature of relationship
MAFAM Co., Ltd.	Major shareholder
Laovivat Insurance Co., Ltd	Subsidiary company
Motor AI Recognition Solution Co., Ltd.	Subsidiary company
Thai Reinsurance Plc.	Related by way of shareholding and common directors
Road Accident Victims Protection Co., Ltd.	Related by way of shareholding and common directors
T.II Co., Ltd..	Related by way of shareholding
Vichitbhan Palmoil Plc.	Related by way of common directors
J&A Jewelry Co., Ltd.	Related by way of common directors
Encourage Co., Ltd.	A related person of the Company's director is a shareholder
Force Co., Ltd.	A related person of the Company's director is a shareholder

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	Consolidated financial		Separate financial statements		Pricing policies
	statements		statements		
	For the years ended 31 December				
	2021	2020	2021	2020	
<u>Transactions with major shareholder</u>					
MAFAM Co., Ltd.					
Premium written	76	35	76	35	Underwriting rates depending on type of insurance
Claim expenses	60	74	60	74	As actually incurred
Dividend paid	29,131	29,131	29,131	29,131	As declared

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing policies
	For the years ended 31 December				
	2021	2020	2021	2020	
<u>Transactions with subsidiary</u>					
Laovivat Insurance Co., Ltd.					
(eliminated from the consolidated financial statements)					
Reinsurance premium written	-	-	1,858	1,842	Reinsurance rates depending on type of insurance and reinsurance contracts
Commission expenses	-	-	371	374	As stated in the agreement
Claim expenses	-	-	348	432	As actually incurred, in proportions per agreement
Other income	-	-	-	15	As stated in the agreement
<u>Transactions with related parties</u>					
Thai Reinsurance Plc.					
Premium ceded	137,931	140,132	137,931	140,132	Reinsurance rates depending on type of insurance and reinsurance contracts
Commission income	15,821	11,654	15,821	11,654	As stated in the agreement
Claims refunded	55,009	106,762	55,009	106,762	As actually incurred, in proportions per agreement
Reinsurance premium written	-	1	-	1	Reinsurance rates depending on type of insurance and reinsurance contracts
Dividend income	147	-	147	-	As declared
Claim expenses (reversal)	(41)	224	(41)	224	As actually incurred, in proportions per agreement
Road Accident Victims Protection Co., Ltd.					
Contribution expenses	17,086	16,270	17,086	16,270	12.25% of premium written received from insurers under the Public Protection of Traffic Injury Act B.E. 2535
Other income	4,034	5,562	4,034	5,562	As stated in the agreement
T.I.I. Co., Ltd.					
Dividend income	30	20	30	20	As declared
J&A Jewelry Co., Ltd.					
Premium written	82	81	82	81	Underwriting rates depending on type of insurance
Encourage Co., Ltd.					
Commission expenses	74,281	76,777	74,281	76,777	As stated in the agreement
Force Co., Ltd.					
Commission expenses	57,512	64,329	57,512	64,329	As stated in the agreement

As at 31 December 2021 and 2020, the Company had the following significant balances of assets and liabilities with its related parties:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<u>Transactions with major shareholder</u>				
MAFAM Co., Ltd.				
Outstanding claims	59,588	62,875	59,588	62,875
<u>Transactions with subsidiary</u>				
Laovivat Insurance Co., Ltd.				
Receivables from reinsurance contracts	-	-	1,447,790	1,399,571
Insurance contract liabilities	-	-	1,794,352	1,255,642
Other assets	-	-	1,402,472	1,317,822
Other liabilities	-	-	47,646	47,646
<u>Transactions with related parties</u>				
Thai Reinsurance Plc.				
Receivables from reinsurance contracts	18,382,564	42,047,864	18,382,564	42,047,864
Investments in equity instruments measured				
at FVTPL	4,183,255	4,660,293	4,183,255	4,660,293
Amounts due to reinsurers	74,304,432	109,266,999	74,304,432	109,266,999
Road Accident Victims Protection Co., Ltd.				
Investments in equity instruments designated				
at FVOCI	142,657,464	89,811,333	142,657,464	89,811,333
Other assets	4,033,520	5,511,240	4,033,520	5,511,240
Other liabilities	9,236,870	4,244,110	9,236,870	4,244,110
T.I.I. Co., Ltd.				
Investments in equity instruments designated				
at FVOCI	865,585	800,462	865,585	800,462
Vichitbhan Palmoil Plc.				
Investments in equity instruments measured				
at FVTPL	177,000	51,000	177,000	51,000
Encourage Co., Ltd.				
Premium receivables	72,139,626	69,795,737	72,139,626	69,795,737
Accrued commission	12,111,724	12,078,860	12,111,724	12,078,860
Other liabilities	1,616,910	1,371,489	1,616,910	1,371,489
Force Co., Ltd.				
Premium receivable	62,710,305	61,063,109	62,710,305	61,063,109
Accrued commission	10,425,249	10,147,848	10,425,249	10,147,848
Other liabilities	2,035,661	2,613,304	2,035,661	2,613,304

Directors and management's remuneration

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses to their directors and management as below.

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Short-term employee benefits	100,056,522	92,558,869	99,556,522	92,558,869
Post-employee benefits	6,256,621	6,813,715	6,256,621	6,813,715
Total	106,313,143	99,372,584	105,813,143	99,372,584

35. Segment information

The Company is principally engaged in the provision of all types of non-life insurance products and for the purpose of operation management, the Company has divided into business units that correspond to the types of insurance product offered i.e. Fire, Marine and transportation, Motor and Miscellaneous. The operating segment information presented below is consistent with the internal reports that the Company's Chief Operating Decision Maker (who is granted authority by the Board of Directors) regularly receives and reviews for use in making decisions about the allocation of resources to the segment and assess its performance. The Chairman of the Executive Board has been identified as Chief Operating Decision Maker, with decisions passing through the Board of Directors.

Segment performance is measured based on operating profit or loss on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Segment revenue and profit information of the Group for the years ended 31 December 2021 and 2020 are as follows:

(Unit: Baht)

Consolidate financial statements								
For the year end 31 December 2021								
Total of the Company								
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiaries	Elimination	Total
Underwriting income								
Premium written	177,779,553	10,591,633	5,236,938,73	904,337,802	6,329,647,71	5,092,808	(1,858,277)	6,332,882,24
	(111,325,067		0	(478,811,971	8			9
Less: Premium ceded)	(672,819)	(25,072,213))	(615,882,070	(1,858,277)	1,858,277	(615,882,070
			5,211,866,51		5,713,765,64			5,717,000,17
Net premium written	66,454,486	9,918,814	7	425,525,831	8	3,234,531	-	9
Add (Less): Unearned premium reserves								
(increase) decrease from prior year	(1,779,050)	(89,009)	(298,047,104	82,294	(299,832,869	22,427	-	(299,810,442
))))
			4,913,819,41		5,413,932,77			5,417,189,73
Earned premium	64,675,436	9,829,805	3	425,608,125	9	3,256,958	-	7
Fee and commission income	57,444,844	5,475	5,775,807	64,302,298	127,528,424	370,506	(370,506)	127,528,424
Total underwriting income			4,919,595,22		5,541,461,20			5,544,718,16
	122,120,280	9,835,280	0	489,910,423	3	3,627,464	(370,506)	1
Underwriting expenses								
Claims and loss adjustment expenses	17,287,118	35,791	2,829,324,10	202,302,929	3,048,949,93	2,743,559	-	3,051,693,49
		0	0	8	8			7
Commission and brokerage expenses	39,267,866	1,357,186	877,674,900	85,539,564	1,003,839,51	719,186	(370,506)	1,004,188,19
				6	6			6
Other underwriting expenses	5,364,878	476,786	264,249,047	50,658,951	320,749,662	282,035	-	321,031,697
Total underwriting expenses before operating expenses			3,971,248,04		4,373,539,11			4,376,913,39
	61,919,862	1,869,763	7	338,501,444	6	3,744,780	(370,506)	0
Profit (loss) from underwriting before operating expenses					1,167,922,08			1,167,804,77
	60,200,418	7,965,517	948,347,173	151,408,979	7	(117,316)	-	1
					(771,836,918	(14,837,599)	-	(786,674,517
Operating expenses))
Profit (loss) from underwriting					396,085,169	(14,954,915)	-	381,130,254
Investment income					86,038,814	2,717,161	-	88,755,975
Gain on financial instruments					103,773,397	-	-	103,773,397
Gain on fair value adjustments of financial instruments					3,797,172	-	-	3,797,172
Other income (expenses)					13,370,714	(265,708)	-	13,105,006
Financial Cost					-	(95,320)	-	(95,320)
Expected credit loss					(660,497)	(28,486)	-	(688,983)
Profit (loss) before income tax expenses					602,404,769	(12,627,268)	-	589,777,501
					(117,773,084			(117,773,084
Income tax expenses)	-	-)
Profit (loss) for the year					484,631,685	(12,627,268)	-	472,004,417

(Unit: Baht)

Consolidate financial statements								
For the year end 31 December 2020								
Total of the Company								
	Fire	Marine and transportation	Motor	Miscellaneous	Total	Total of subsidiaries	Elimination	Total
Underwriting income								
Premium written	152,723,009	10,067,489	4,842,038,644	977,409,059	5,982,238,201	5,429,005	(1,841,542)	5,985,825,664
Less: Premium ceded	(89,338,869)	(681,194)	(17,655,338)	(541,280,891)	(648,956,292)	(1,841,542)	1,841,542	(648,956,292)
Net premium written	63,384,140	9,386,295	4,824,383,306	436,128,168	5,333,281,909	3,587,463	-	5,336,869,372
Add (Less): Unearned premium reserves (increase) decrease from prior year	(8,013,923)	519,053	(739,718,036)	(49,401,998)	(796,614,904)	46,244	-	(796,568,660)
Earned premium	55,370,217	9,905,348	4,084,665,270	386,726,170	4,536,667,005	3,633,707	-	4,540,300,712
Fee and commission income	46,812,993	8,073	23,739,854	69,814,804	140,375,724	373,547	(373,547)	140,375,724
Total underwriting income	102,183,210	9,913,421	4,108,405,124	456,540,974	4,677,042,729	4,007,254	(373,547)	4,680,676,436
Underwriting expenses								
Claims and loss adjustment expenses	10,157,393	1,134,229	2,489,686,727	199,038,143	2,700,016,492	2,527,179	-	2,702,543,671
Commission and brokerage expenses	33,328,713	1,297,092	816,287,904	90,812,256	941,725,965	819,425	(373,547)	942,171,843
Other underwriting expenses	4,234,741	417,662	237,287,115	109,599,283	351,538,801	342,535	-	351,881,336
Total underwriting expenses before operating expenses	47,720,847	2,848,983	3,543,261,746	399,449,682	3,993,281,258	3,689,139	(373,547)	3,996,596,850
Profit from underwriting before operating expenses								
	54,462,363	7,064,438	565,143,378	57,091,292	683,761,471	318,115	-	684,079,586
Operating expenses					(594,250,242)	(3,532,284)	15,058	(597,767,468)
Profit (loss) from underwriting					89,511,229	(3,214,169)	15,058	86,312,118
Investment income					68,628,108	2,830,982	-	71,459,090
Loss on financial instruments					(19,089,551)	-	-	(19,089,551)
Loss on fair value adjustments of financial instruments					(47,426,363)	-	-	(47,426,363)
Other income (expenses)					8,280,378	(241,109)	(15,058)	8,024,211
Financial Cost					-	(109,456)	-	(109,456)
Expected credit loss					(3,113,252)	(36,346)	-	(3,149,598)
Profit (loss) before income tax expenses					96,790,549	(770,098)	-	96,020,451
Income tax expenses					(18,350,934)	-	-	(18,350,934)
Profit (loss) for the year					78,439,615	(770,098)	-	77,669,517

Segment assets and liabilities as at 31 December 2021 and 2020 are as follows:

(Unit: Baht)

	Consolidated financial statements								
	Total of the Company					Total	Total of subsidiaries	Elimination	Total
	Fire	Marine and transportation	Motor	Miscellaneous	Unallocated				
Assets									
As at 31 December 2021	212,341,430	1,106,569	1,378,230,463	466,558,090	6,794,439,429	8,852,675,981	67,866,935	(75,493,523)	8,845,049,393
As at 31 December 2020	159,318,896	1,183,668	1,117,796,350	544,462,840	6,019,980,382	7,842,742,136	56,977,977	(54,420,678)	7,845,299,435
Liabilities									
As at 31 December 2021	341,626,235	2,677,334	5,013,466,818	952,756,887	719,382,077	7,029,909,351	18,421,019	(4,133,523)	7,044,196,847
As at 31 December 2020	261,641,998	2,988,125	4,503,181,703	1,184,324,283	539,663,838	6,491,799,947	11,761,411	(4,020,680)	6,499,540,678

Geographic information

Underwriting income is based on locations of the customers.

(Unit: Baht)

	2021	2020
Underwriting income		
Thailand	5,541,461,203	4,677,042,729
Lao	3,256,958	3,633,707
Total	5,544,718,161	4,680,676,436
Assets		
Thailand	8,791,199,160	7,788,321,458
Lao	53,850,233	56,977,977
Total	8,845,049,393	7,845,299,435

Major customer

For the years ended 31 December 2021 and 2020, the Company has premiums written of Baht 2,457.6 million and Baht 2,372.1 million, respectively, from three major brokers. Furthermore, the Company has premiums written from its two related brokerage companies amounting Baht 725.6 million and Baht 772.0 million, respectively.

36. Assets subject to restrictions

36.1 Assets pledged and assets reserved with the Registrar

As at 31 December 2021 and 2020, the Group had placed certain assets as securities and insurance reserves with the Registrar in accordance with the Non-life Insurance Act.

(Unit: Million Baht)

	Consolidated financial statements			
	2021		2020	
	Amortised cost	Fair value	Amortised cost	Fair value
Asset pledged				
Fixed deposit	17.6	17.6	18.7	18.7
Government bonds	15.3	15.1	15.0	15.5
Total	32.9	32.7	33.7	34.2
Assets reserved				
Government bonds	122.2	125.3	385.9	392.4
Certificate of deposit	503.0	503.0	200.0	200.0
State enterprise debt securities	80.0	80.3	80.0	81.8
Private debt securities	100.0	102.1	60.0	63.2
Total	805.2	810.7	725.9	737.4
Total	838.1	843.4	759.6	771.6

(Unit: Million Baht)

	Separate financial statements			
	2021		2020	
	Amortised cost	Fair value	Amortised cost	Fair value
Asset pledged				
Government bonds	15.3	15.1	15.0	15.5
Total	15.3	15.1	15.0	15.5
Assets reserved				
Government bonds	122.2	125.3	385.9	392.4
Certificate of deposit	503.0	503.0	200.0	200.0
State enterprise debt securities	80.0	80.3	80.0	81.8
Private debt securities	100.0	102.1	60.0	63.2
Total	805.2	810.7	725.9	737.4
Total	820.5	825.8	740.9	752.9

36.2 Assets pledged as other collateral

As at 31 December 2021 and 2020, the Group had pledged the following assets as collateral.

	(Unit: Baht)	
	Consolidated and separate financial statements	
	2021	21020
Government debt securities which pledged for		
Guarantee electricity use	1,011,090	1,016,591
Deposit at bank which pledged for		
Letter of bank guarantee	1,930,862	1,929,715
Bail bond in cases where insured drivers have been charged with criminal offense	338,662	1,118,189
Bank overdraft	10,290,704	10,288,943
Others	5,413,522	5,386,857
Total	<u>18,984,840</u>	<u>19,740,295</u>

37. Contribution to the General Insurance Fund

	(Unit: Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2021	2020
Accumulated contribution at the beginning of the year	94,405,240	79,467,881
Contribution during the year	15,784,034	14,937,359
Accumulated contribution at the end of the year	<u>110,189,274</u>	<u>94,405,240</u>

38. Commitments and contingent liabilities**38.1 Capital commitments**

As at 31 December 2021, the Group has capital commitments of Baht 15.8 million, relating to the construction of buildings and equipment and implementation of computer software (2020: Baht 16.7 million).

38.2 Operating lease and service commitments

As at 31 December 2021, the Company and its subsidiaries have entered into several lease agreements in respect of office equipment which leases term within 1 year and other service agreements. The future minimum payments required under these lease agreements amounting to Baht 2.4 million (Separate financial statements: Baht 1.6 million).

38.3 Bank guarantees

As at 31 December 2021, there were outstanding bank guarantees of Baht 1.9 million issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business (2020: Baht 1.9 million).

38.4 Litigation

As at 31 December 2021, the Company has been sued as insurer for damages totaling approximately Baht 223.0 million (amount claimed). The cases have yet to be finalised. However, the Company has set aside reserves for contingent losses in the financial statements amounting to approximately Baht 96.9 million, with the recoverable portion from reinsurers amounting to Baht 2.1 million. The Company's management believes that such reserve is adequate (2020: Baht 162.0 million, Baht 57.6 million and Baht 1.8 million, respectively).

39. Non-life insurance company's risks and risk management policy

39.1 Insurance risk

Insurance risk refers to the risk resulting from fluctuations in the frequency, the severity and the timing of damage deviations from assumptions that are used to determine premium rates, calculation of reserves and underwriting.

The Group risk management policy is to selectively accept loss risk business with good insurance loss records, and not to retain limit per risk in excess of the OIC regulation.

In cases where its risk capacity is limited, the Group has arranged the transfer of risk to reinsurance companies which have stable financial positions, and capacity and expertise in both treaty reinsurance and facultative reinsurance, in order to reassure customers.

In addition, the Group has the following policies.

- The guidelines for sums insured, coverage and terms of insurance that are appropriate to the level of risk.
- The provision of reinsurance support as needed, in case of the Company cannot accept the full sum insured due to the requirements of the OIC, allowed to retain risk not excess of 10 percent of the Company's capital fund.
- Selects highly rated reinsurers with a credit rating of at least A-, according to the creditor ratings of S&P and A.M. Best.
- Assigned responsible persons for each stage, from reviewing the accuracy of the underwriting to authorization, and to approve underwriting based on the sum insured.

As at 31 December 2021 and 2020, concentration of insurance contract liabilities segregated by insurance type are shown below.

(Unit: Million Baht)

	2021			2020		
	Gross premium reserves	Outward premium reserves	Net	Gross premium reserves	Outward premium reserves	Net
The Company						
Fire	98.5	62.7	35.8	80.0	45.9	34.1
Marine and transportation	1.9	-	1.9	1.8	-	1.8
Motor	2,866.0	7.7	2,858.3	2,564.6	4.4	2,560.2
Personal accident	26.5	9.1	17.4	28.2	10.3	17.9
Miscellaneous	343.1	151.9	191.2	374.0	183.2	190.8
Total of the Company	3,336.0	231.4	3,104.6	3,048.6	243.8	2,804.8
Total of subsidiary	2.4	-	2.4	2.0	-	2.0
Total	3,338.4	231.4	3,107.0	3,050.6	243.8	2,806.8

(Unit: Million Baht)

	2021			2020		
	Gross loss reserves	Outward loss reserves	Net	Gross loss reserves	Outward loss reserves	Net
The Company						
Fire	16.2	9.8	6.4	3.6	2.0	1.6
Marine and transportation	0.7	0.1	0.6	1.1	0.1	1.0
Motor	1,887.5	8.4	1,879.1	1,735.7	27.9	1,707.8
Personal accident	5.9	2.4	3.5	4.8	1.9	2.9
Miscellaneous	210.8	133.9	76.9	226.1	152.1	74.0
Total of the Company	2,121.1	154.6	1,966.5	1,971.3	184.0	1,787.3
Total of subsidiary	2.1	-	2.1	1.3	-	1.3
Total	2,123.2	154.6	1,968.6	1,972.6	184.0	1,788.6

Sensitivity analysis is performed to analyse the risk that insurance liabilities will increase or decrease as a result of changes in the assumptions used in the calculation of claim liabilities, which will impact the claims liabilities both before and after reinsurance. The risk may occur because the frequency or severity of losses, or loss adjustment expenses are not in line with expectations.

As at 31 December 2021 and 2020, the impact on the best estimate of insurance liabilities of the changes in key variables assumptions is shown in the following table.

(Unit: Million Baht)

Consolidated and separate financial statements					
2021					
	Increase (decrease) in provision for gross claim liabilities	Increase (decrease) in provision for net claim liabilities	Increase (decrease) in profit before tax	Increase (decrease) in equity	
Assumption change					
Ultimate loss ratio in latest year	+5%	183	165	(165)	(132)
	-5%	(183)	(164)	(164)	132
ALAE ratio	+10%	2	2	(2)	(2)
	-10%	(2)	(2)	2	2
ULAE ratio	+10%	6	6	(6)	(5)
	-10%	(6)	(6)	6	5

(Unit: Million Baht)

Consolidated financial statements					
2020					
	Increase (decrease) in provision for gross claim liabilities	Increase (decrease) in provision for net claim liabilities	Increase (decrease) in profit before tax	Increase (decrease) in equity	
Assumption change					
Ultimate loss ratio in latest accident year	+5%	181	146	(146)	(117)
	-5%	(181)	(146)	146	117
ALAE ratio	+10%	2	2	(2)	(2)
	-10%	(2)	(2)	2	2
ULAE ratio	+10%	6	6	(6)	(5)
	-10%	(6)	(6)	6	5

39.2 Risk management policy

39.2.1 Credit risk

Credit risk is the risk of default by counter party that inability to comply with the terms of a financial instruments such as premium receivables, amount due from reinsurer (reinsurers), loans and interest receivables and debt financial instruments. If a customer is unable to fulfill an agreement, it affects the Group's revenue and operations. The Group manages the risk by maintains the proportion of outstanding premiums at an appropriate level, in accordance with the guidelines of the OIC and establishing a process to closely follow up on outstanding premiums from policyholders, agents and brokers, uses credit rating at least "A-" as the basis for selecting reinsurers and makes loans to staff in accordance with the Office of Insurance Commissions rules. The Group also has an audit system and constantly monitors counterparties in order to mitigate credit risk.

Moreover, for financial assets - debt instrument, the Group has evaluated expected credit loss which is not necessary for a credit impair event to have occurred, by applying general approach. The Group had classified financial assets into 3 stages with difference credit loss assessment method as below

Staging	Credit loss assessment
Stage 1 - Debt securities without a significant increase in credit risk	12 Month expected credit loss
Stage 2 - Debt securities with a significant increase in credit risk	Lifetime expected credit loss
Stage 3 - Debt securities with credit impaired	Lifetime expected credit loss

The Group assesses financial assets whether there has been a significant increase in credit risk or credit-impaired from both quantitative and qualitative factors. Such factor include credit rating which was changed from initial investment, default status and financial ratio analysis in determining if there are changes in related factors that significantly impact the financial asset's issuer's cashflows.

The table below shows the credit quality of financial assets exposed to credit risk. The amounts presented for financial assets are carrying amount as at 31 December 2021 and 2020.

(Unit: Thousand Baht)

	Separate financial statements				
	2021				
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with has significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Financial assets applied simplified approach to calculate expected credit loss (Lifetime ECL - simplified approach)	Total
Cash and cash equivalents					
Investment grade	738,617	-	-	-	738,617
Less: Allowance for expected credit loss	(846)	-	-	-	(846)
Net book value	<u>737,771</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>737,771</u>
Accrued investment income					
Investment grade	12,769	-	-	-	12,769
Non-investment grade	-	185	-	-	185
Total	12,769	185	-	-	12,954
Less: Allowance for expected credit loss	(31)	(20)	-	-	(51)
Net book value	<u>12,738</u>	<u>165</u>	<u>-</u>	<u>-</u>	<u>12,903</u>
Debt instruments measured at FVOCI					
Investment grade	1,806,066	-	-	-	1,806,066
Default grade	-	-	-	-	-
Total	<u>1,806,066</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,806,066</u>
Allowance for expected credit loss	<u>1,845</u>	<u>-</u>	<u>94</u>	<u>-</u>	<u>1,939</u>
Debt instruments measured at amortised cost					
Investment grade	1,044,050	-	-	-	1,044,050
Non-investment grade	-	25,000	-	-	25,000
Default grade	-	-	841	-	841
Total	1,044,050	25,000	841	-	1,069,891
Less: Allowance for expected credit loss	(482)	(2,379)	(841)	-	(3,702)
Net book value	<u>1,043,568</u>	<u>22,621</u>	<u>-</u>	<u>-</u>	<u>1,066,189</u>

(Unit: Thousand Baht)

	Separate financial statements				Total
	2021				
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with has significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Financial assets applied simplified approach to calculate expected credit loss (Lifetime ECL - simplified approach)	
Loans and interest receivables					
Not yet due	4,072	-	-	-	4,072
Overdue	-	-	754	-	754
Total	4,072	-	754	-	4,826
Less: Allowance for expected credit loss	-	-	(754)	-	(754)
Net book value	4,072	-	-	-	4,072
Claim receivables from litigants					
Overdue	-	-	-	672,178	672,178
Less: Allowance for expected credit loss ⁽¹⁾	-	-	-	(109,820)	(109,820)
Net book value	-	-	-	562,358	562,358
Cash equivalents which subject to restrictions					
Investment grade	9,045	-	-	-	9,045
Less: Allowance for expected credit loss	(5)	-	-	-	(5)
Net book value	9,040	-	-	-	9,040

⁽¹⁾ Presented in net amount of claims and loss adjustment expenses.

(Unit: Thousand Baht)

	Separate financial statements				Total
	2020				
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with has significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Financial assets applied simplified approach to calculate expected credit loss (Lifetime ECL - simplified approach)	
Cash and cash equivalents					
Investment grade	330,125	-	-	-	330,125
Less: Allowance for expected credit loss	(177)	-	-	-	(177)
Net book value	<u>329,948</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>329,948</u>
Accrued investment income					
Investment grade	11,978	-	-	-	11,978
Non-investment grade	-	210	-	-	210
Total	11,978	210	-	-	12,188
Less: Allowance for expected credit loss	(23)	(23)	-	-	(46)
Net book value	<u>11,955</u>	<u>187</u>	<u>-</u>	<u>-</u>	<u>12,142</u>
Debt instruments measured at FVOCI					
Investment grade	1,210,594	-	-	-	1,210,594
Default grade	-	-	94	-	94
Total	1,210,594	-	94	-	1,210,688
Allowance for expected credit loss	1,158	-	94	-	1,252
Debt instruments measured at amortised cost					
Investment grade	1,115,171	-	-	-	1,115,171
Non-investment grade	-	30,000	-	-	30,000
Default grade	-	-	841	-	841
Total	1,115,171	30,000	841	-	1,146,012
Less: Allowance for expected credit loss	(424)	(3,138)	(841)	-	(4,403)
Net book value	<u>1,114,747</u>	<u>26,862</u>	<u>-</u>	<u>-</u>	<u>1,141,609</u>

(Unit: Thousand Baht)

	Separate financial statements				Total
	2020				
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with has significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Financial assets applied simplified approach to calculate expected credit loss (Lifetime ECL - simplified approach)	
Loans and interest receivables					
Not yet due	6,232	-	-	-	6,232
Overdue	-	-	754	-	754
Total	6,232	-	754	-	6,986
Less: Allowance for expected credit loss	-	-	(754)	-	(754)
Net book value	6,232	-	-	-	6,232
Claim receivables from litigants					
Overdue	-	-	-	578,139	578,139
Less: Allowance for expected credit loss ⁽¹⁾	-	-	-	(93,342)	(93,342)
Net book value	-	-	-	484,797	484,797
Cash equivalents which subject to restrictions					
Investment grade	9,357	-	-	-	9,357
Less: Allowance for expected credit loss	(5)	-	-	-	(5)
Net book value	9,352	-	-	-	9,352

⁽¹⁾ Presented in net amount of claims and loss adjustment expenses.

The table below shows the movement in the allowance for expected credit loss for the years ended 31 December 2021 and 2020.

(Unit: Thousand Baht)

	Separate financial statements				Total
	2021				
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with has significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Financial assets applied simplified approach to calculate expected credit loss (Lifetime ECL - simplified approach)	
Cash and cash equivalents					
Beginning balance	177	-	-	-	177
Change due to remeasurement of allowance	669	-	-	-	669
Ending balance	846	-	-	-	846
Accrued investment income					
Beginning balance	23	23	-	-	46
Newly purchased or acquired financial assets	4	-	-	-	4
Change due to remeasurement of allowance	10	-	-	-	10
Amounts written off/mature	(6)	(3)	-	-	(9)
Ending balance	31	20	-	-	51
Debt instruments measured at FVOCI					
Beginning balance	1,158	-	94	-	1,252
Newly purchased or acquired financial assets	709	-	-	-	709
Change due to remeasurement of allowance	294	-	-	-	294
Amounts written off/mature	(316)	-	-	-	(316)
Ending balance	1,845	-	94	-	1,939

(Unit: Thousand Baht)

	Separate financial statements				Total
	2021				
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with has significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Financial assets applied simplified approach to calculate expected credit loss (Lifetime ECL - simplified approach)	
Debt instruments measured at amortised cost					
Beginning balance	424	3,138	841	-	4,403
Newly purchased or acquired financial assets	289	-	-	-	289
Change due to remeasurement of allowance	(2)	(498)	-	-	(500)
Amounts written off/mature	(229)	(261)	-	-	(490)
Ending balance	<u>482</u>	<u>2,379</u>	<u>841</u>	<u>-</u>	<u>3,702</u>
Loans and interest receivables					
Beginning balance	-	-	754	-	754
Change due to remeasurement of allowance	-	-	-	-	-
Ending balance	<u>-</u>	<u>-</u>	<u>754</u>	<u>-</u>	<u>754</u>
Claim receivables from litigants					
Beginning balance	-	-	-	93,342	93,342
Newly purchased or acquired financial assets	-	-	-	77,703	77,703
Change due to remeasurement of allowance	-	-	-	17,177	17,177
Amounts written off	-	-	-	(78,402)	(78,402)
Ending balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,820</u>	<u>109,820</u>
Cash equivalents which subject to restrictions					
Beginning balance	5	-	-	-	5
Change due to remeasurement of allowance	-	-	-	-	-
Ending balance	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>

(Unit: Thousand Baht)

	Separate financial statements				Total
	2020				
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with has significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Financial assets applied simplified approach to calculate expected credit loss (Lifetime ECL - simplified approach)	
Cash and cash equivalents					
Beginning balance	158	-	-	-	158
Change due to remeasurement of allowance	19	-	-	-	19
Ending balance	177	-	-	-	177
Accrued investment income					
Beginning balance	-	-	-	-	-
Change due to remeasurement of allowance	31	35	-	-	66
Change for transfer among stages	(8)	8	-	-	-
Amounts written off/mature	-	(20)	-	-	(20)
Ending balance	23	23	-	-	46
Debt instruments measured at FVOCI					
Beginning balance	1,192	-	94	-	1,286
Newly purchased or acquired financial assets	843	-	-	-	843
Change due to remeasurement of allowance	(370)	-	-	-	(370)
Amounts written off/mature	(507)	-	-	-	(507)
Ending balance	1,158	-	94	-	1,252

(Unit: Thousand Baht)

	Separate financial statements				Total
	2020				
	Financial assets with no significant increase in credit risk (12-mth ECL)	Financial assets with has significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit- impaired (Lifetime ECL - credit impaired)	Financial assets applied simplified approach to calculate expected credit loss (Lifetime ECL - simplified approach)	
Debt instruments measured at amortised cost					
Beginning balance	484	-	841	-	1,325
Change due to remeasurement of allowance	310	3,292	-	-	3,602
Change for transfer among stages	(370)	370	-	-	-
Amounts written off/mature	-	(524)	-	-	(524)
Ending balance	424	3,138	841	-	4,403
Loans and interest receivables					
Beginning balance	-	-	754	-	754
Change due to remeasurement of allowance	-	-	-	-	-
Ending balance	-	-	754	-	754
Claim receivables from litigants					
Beginning balance	-	-	-	49,238	49,238
Newly purchased or acquired financial assets	-	-	-	73,645	73,645
Change due to remeasurement of allowance	-	-	-	21,158	21,158
Amounts written off	-	-	-	(50,699)	(50,699)
Ending balance	-	-	-	93,342	93,342
Cash equivalents which subject to restrictions					
Beginning balance	-	-	-	-	-
Change due to remeasurement of allowance	5	-	-	-	5
Ending balance	5	-	-	-	5

Credit quality of financial assets of subsidiaries are mostly classified to be financial assets with no significant increase in credit risk (12-month ECL) such as debt instruments measured at amortised cost.

As at 31 December 2021 and 2020, the maximum exposure to credit risk of financial assets (excluding insurance assets) is the gross carrying amounts after allowance for expected credit loss, before both the effect of mitigation through use of master netting and collateral arrangements. The details are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2021	2020
Cash and cash equivalents	745,845	332,677
Accrued investment income	17,125	14,108
Debt instruments measured at FVOCI	1,806,066	1,210,688
Debt instruments measured at amortised cost	1,108,329	1,187,274
Loans and interest receivables	4,072	6,232
Claim receivables from litigants	562,444	484,906
Cash equivalents which subject to restrictions	9,040	9,352
	4,252,921	3,245,237

(Unit: Thousand Baht)

	Separate financial statements	
	2021	2020
Cash and cash equivalents	737,771	329,948
Accrued investment income	12,903	12,142
Debt instruments measured at FVOCI	1,806,066	1,210,688
Debt instruments measured at amortised cost	1,066,189	1,141,609
Loans and interest receivables	4,072	6,232
Claim receivables from litigants	562,358	484,797
Cash equivalents which subject to restrictions	9,040	9,352
	4,198,399	3,194,768

39.2.2 Market risk

Market risk is the risk that changes in interest rates, foreign exchange rates and securities prices may have an effect on the Group's financial position. As the Group has no foreign currency assets and liabilities, market risk therefore consists of only interest rate risk and equity position risk.

a. Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rate.

The Group manages interest rate risk through an emphasis on stable long term investments offering long-term returns exceeding inflation, and analysis of the type of investment to match cash flows.

As at 31 December 2021 and 2020, significant assets and liabilities classified by type of interest rate are summarised in the table below, with those assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Separate financial statements						
	2021						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate (% per annum)
	Remaining periods to repricing dates or maturity dates						
Within 1 year	1 - 5 years	Over 5 years					
<u>Financial assets</u>							
Cash and cash equivalents	3.6	-	-	728.0	6.2	737.8	0.00 - 0.65
Accrued investment income	-	-	-	-	12.9	12.9	-
Financial assets - debt instruments	1,960.7	772.5	168.8	-	1,436.5	4,338.5	0.00 - 5.35
Financial assets - equity instruments	-	-	-	-	756.0	756.0	-
Loans and interest receivables	0.1	1.7	2.3	-	-	4.1	5.50 - 14.50
Claim receivables from litigants - net	-	-	-	-	562.4	562.4	-
<u>Insurance contract assets</u>							
Premium receivables	-	-	-	-	946.8	946.8	-
Reinsurance assets - claim reserves	-	-	-	-	154.7	154.7	-
Receivables from reinsurance contracts	-	-	-	-	48.3	48.3	-
<u>Insurance contract liabilities</u>							
Insurance contract liabilities - claim reserves and outstanding claims	-	-	-	-	2,121.1	2,121.1	-
Amounts due to reinsurers	-	-	-	-	355.7	355.7	-
<u>Financial liabilities</u>							
Derivative liabilities	-	-	-	-	0.8	0.8	-

(Unit: Million Baht)

Separate financial statements							
2020							
Fixed interest rates							
Remaining periods to repricing dates or maturity dates							
			Floating	Non-			
Within	Over		interest	interest	Total	Interest rate	
1 year	1 - 5 years	5 years	rate	bearing		(% per annum)	
Financial assets							
Cash and cash equivalents	2.6	-	-	324.0	3.3	329.9	0.00 - 0.75
Accrued investment income	-	-	-	-	12.1	12.1	-
Financial assets - debt instruments	1,213.1	969.9	189.8	-	1,447.1	3,819.9	0.75 - 5.46
Financial assets - equity instruments	-	-	-	-	695.2	695.2	-
Loans and interest receivables	0.2	1.9	4.1	-	-	6.2	5.50 - 14.50
Claim receivables from litigants - net	-	-	-	-	484.8	484.8	-
Insurance contract assets							
Premium receivables	-	-	-	-	754.1	754.1	-
Reinsurance assets - claim reserves	-	-	-	-	184.0	184.0	-
Receivables from reinsurance contracts	-	-	-	-	179.8	179.8	-
Insurance contract liabilities							
Insurance contract liabilities - claim reserves and outstanding claims	-	-	-	-	1,971.3	1,971.3	-
Amounts due to reinsurers	-	-	-	-	459.8	459.8	-

Sensitivity analysis on interest rates shows the impact of reasonable possible changes in interest rates to the Company's profit or equity, on with all other variables held constant.

The following table demonstrates the sensitivity of a reasonable possible change in market interest rates which will effect to the fair value of debt instruments as at 31 December 2021 and 2020.

	Separate financial statements					
	2021			2020		
	Increase /(decrease)	Effect on profit or loss	Effect on comprehensive income	Increase /(decrease)	Effect on profit or loss	Effect on comprehensive income
	(%)	(Million Baht)	(Million Baht)	(%)	(Million Baht)	(Million Baht)
Debt instruments	0.25 (0.25)	(0.4) 0.4	(6.2) 6.1	0.25 (0.25)	(0.4) 0.4	(7.3) 7.4

Financial assets and liabilities and insurance contract assets and liabilities of subsidiaries are classified to be non-interest bearing, except for debt instrument measured at amortised cost which have fixed interest rate and its periods to maturity are within 1 year amounting Baht 5.6 million (2020: Baht 6.9 million) and within 1 - 5 year amounting to Baht 36.6 million (2020: Baht 38.8 million).

b. Equity position risk

Equity position risk is the risk that change in the market prices of equity securities will result in fluctuations in revenues and in the value of financial assets.

As at 31 December 2021 and 2020, the Company has risk from its investments in securities of which the price will change with reference to market conditions.

The Company manages equity risk arising from fluctuations in market prices through a diversification of asset allocations in order to disperse risk, with investments weighted in accordance with the guidelines of the OIC, with an emphasis on conservative, safe investments. The Company has a framework that divides investments based on asset class and the Company elects to invest in securities of blue chip companies with stable revenues and earnings, not high fluctuate, high liquidity and that pay high dividends, which helps to generate higher returns.

39.2.3 Liquidity risk

Liquidity risk is the risk that the Group will be unable to liquidate its financial assets and/or procure sufficient funds to discharge its obligations in a timely manner, resulting in the occurrence of a financial loss.

The Group manages its liquidity risk through monitoring of whether the level of the Fund Solvency Ratio comply with the requirements by the regulator on a monthly basis, and monitoring of the daily liquidity position by the Responsible Division. Moreover, the Company executes prudent financial decisions in the following areas:

- Financial evaluation for agent and broker selection process
- Cash Before Cover when selling motor insurance
- Establishment of a monitoring system for late premium payments by agents and brokers

Counting from the financial position date, the periods to maturity of financial assets and liabilities held as at 31 December 2021 and 2020 are as follows:

(Unit: Million Baht)

	Separate financial statements				
	2021				
	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
<u>Financial assets</u>					
Cash and cash equivalents	3.6	-	-	734.2	737.8
Accrued investment income	12.9	-	-	-	12.9
Financial assets - debt instruments	1,960.7	772.5	168.8	1,436.5	4,338.5
Financial assets - equity instruments	-	-	-	756.0	756.0
Loans and interest receivables	0.1	1.7	2.3	-	4.1
Claim receivables from litigants	562.4	-	-	-	562.4
<u>Insurance contract assets</u>					
Premium receivables	946.8	-	-	-	946.8
Reinsurance assets - claim reserves	140.0	14.7	-	-	154.7
Receivables from reinsurance contracts	48.3	-	-	-	48.3
<u>Insurance contract liabilities</u>					
Insurance contract liabilities - claim reserves and outstanding claims	1,383.1	738.0	-	-	2,121.1
Amounts due to reinsurers	355.7	-	-	-	355.7
<u>Financial liabilities</u>					
Derivative liabilities	0.8	-	-	-	0.8

(Unit: Million Baht)

	Separate financial statements				
	2020				
	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
<u>Financial assets</u>					
Cash and cash equivalents	2.6	-	-	327.3	329.9
Accrued investment income	12.1	-	-	-	12.1
Financial assets - debt instruments	1,213.1	969.9	189.8	1,447.1	3,819.9
Financial assets - equity instruments	-	-	-	695.2	695.2
Loans and interest receivables	0.2	1.9	4.1	-	6.2
Claim receivables from litigants	484.8	-	-	-	484.8
<u>Insurance contract assets</u>					
Premium receivables	754.1	-	-	-	754.1
Reinsurance assets - claim reserves	149.0	35.0	-	-	184.0
Receivables from reinsurance contracts	179.8	-	-	-	179.8
<u>Insurance contract liabilities</u>					
Insurance contract liabilities - claim reserves and outstanding claims	1,302.2	669.1	-	-	1,971.3
Amounts due to reinsurers	459.8	-	-	-	459.8

Financial assets and liabilities and insurance contract assets and liabilities of subsidiaries are matured within 1 year, except for debt instrument measured at amortised cost which its periods to maturity are within 1 - 5 year amounting Baht 36.6 million (2020: Baht 38.8 million) and within 1 year amounting to Baht 5.6 million (2020: Baht 6.9 million).

39.3 Fair value measurement for financial instruments

As at 31 December 2021 and 2020, the Group had the following financial assets and liabilities that were measured at fair value, and had financial assets and liabilities that were measured at cost but has to disclose fair value, using different levels of inputs as follows:

(Unit: Million Baht)

	Separate financial statements				
	2021				
	Book value	Fair value			Total
Level 1		Level 2	Level 3		
<u>Financial assets measured at fair value</u>					
Investments measured at FVTPL					
Financial assets - debt instruments	1,466.3	4.9	1,461.4	-	1,466.3
Financial assets - equity instruments	412.6	412.6	-	-	412.6
Investments measured at FVOCI					
Financial assets - debt instruments	1,806.1	-	1,806.1	-	1,806.1
Financial assets - equity instruments	343.4	199.9	-	143.5	343.4
<u>Financial liabilities measured at fair value</u>					
Derivative liabilities	0.8	0.8	-	-	0.8
<u>Financial assets which fair value are disclosed</u>					
Cash and cash equivalents	737.8	738.6	-	-	738.6
Accrued investment income	12.9	-	12.9	-	12.9
Investment measured at amortised cost	1,066.2	865.5	205.3	-	1,070.8
Loans and interest receivables	4.1	-	-	4.1	4.1
Claim receivables from litigants	562.4	-	-	562.4	562.4

(Unit: Million Baht)

	Separate financial statements				
	2020				
	Book value	Fair value			Total
Level 1		Level 2	Level 3		
<u>Financial assets measured at fair value</u>					
Investments measured at FVTPL					
Financial assets - debt instruments	1,467.6	-	1,467.6	-	1,467.6
Financial assets - equity instruments	382.4	382.4	-	-	382.4
Investments measured at FVOCI					
Financial assets - debt instruments	1,210.7	-	1,210.7	-	1,210.7
Financial assets - equity instruments	312.8	222.2	-	90.6	312.8
<u>Financial assets which fair value are disclosed</u>					
Cash and cash equivalents	329.9	330.1	-	-	330.1
Accrued investment income	12.1	-	12.1	-	12.1
Investment measured at amortised cost	1,141.6	673.2	478.8	-	1,152.0
Loans and interest receivables	6.2	-	-	6.2	6.2
Claim receivables from litigants	484.8	-	-	484.8	484.8

The subsidiaries have no financial asset measured at fair value but also have financial assets measured at amortised cost which fair value approximate to its book value from maturing in short-term.

The fair value hierarchy of financial assets as at 31 December 2021 and 2020 presents according to Note 4.22 to the financial statements.

The methods used for fair value measurement depends upon the characteristics of the financial instruments. The Group establishes the fair value of its financial instruments by adopting the following methods:

- (a) Financial assets maturing in the short-term, which consist of cash and cash equivalents, deposit at financial institutions, accrued investment income and claim receivables from litigants, their fair value is estimated based on the book value presented in the statement of financial position.
- (b) For debts securities, their fair value is generally derived from quoted market prices or determined by using the yield curve as announced by the Thai Bond Market Association.
- (c) For equity securities, their fair value is generally derived from quoted market prices. For investments in non-marketable equity securities, fair value is determined using discounted cash flows technique or approximated to their carrying values.
- (d) The fair value of fixed rate loans is determined by discounting the expected future cash flows by using the current market interest rate.
- (e) The fair value of derivatives is generally derived from quoted market prices.

During the current year, there were no transfers within the fair value hierarchy.

Reconciliation of recurring fair value measurements of financial assets, categorised within Level 3 of the fair value hierarchy, are as follows:

	(Unit: Million Baht)
	Consolidated and separate financial statements
	Equity instrument
Balance as of 1 January 2020	174.7
Net loss recognised into other comprehensive income	(84.1)
Balance as of 31 December 2020	90.6
Net gain recognised into other comprehensive income	52.9
Balance as of 31 December 2021	143.5

Key assumption used in the valuation of investments categorised within Level 3 which is significant change in fair value measurement is summarised below.

(Unit: Million Baht)

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Investment in non-listed equity investments	Discounted future cash flows	Discount rate	10.5%	1% decrease in the discount rate would result in an increase in fair value by Baht 2.4 million.

40. Capital management

The primary objectives of the Company's capital management are to maintain its ability to continue its business as a going concern, to provide a return to its shareholders and other related parties, maintain a balanced financial structure, and to maintain risk-based capital in accordance with Declaration of the OIC.

41. Events after the reporting period

- 41.1 On 24 February 2022, a meeting of the Board of Directors of the Company passed a resolution to propose to the Annual General Meeting of Shareholders for approval dividends in respect of the operating results for the year 2021 at Baht 0.7 per share, or a total of Baht 212 million. Payment is scheduled to be made on 25 May 2022.

41.2. The Company's restructuring plan

The Board of Directors' Meeting No. 2/2022 held on 24 February 2022 passed a resolution to propose the Shareholding and Management Restructuring Plan of the Company including the assessment on potential impacts on its shareholders for further consideration and approval. The Company will arrange for the establishment of a holding company as a public limited company named, "Thaivivat Holdings Public Company Limited" (the "Holdings Company"). The Holdings Company is to make a tender offer for all securities of the Company to swap with the same securities of the Holdings Company at a ratio of one ordinary share of the Company per one ordinary share of the Holding Company. After the completion of the tender offer, the Holdings Company's ordinary shares will be registered as listed securities on the SET in place of the Company's ordinary shares which will be delisted from the SET on the same day.

42. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2022.

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บริษัท ประกันภัยไทยวิวัฒน์ จำกัด (มหาชน) สำนักงานใหญ่

71 ถนนดินแดง แขวงสามเสนใน เขตพญาไท กรุงเทพฯ 10400

THAIVIVAT INSURANCE PCL.

71 Din Daeng Road, Samsen Nai, Phaya Thai, Bangkok 10400

Tel.1231 Fax.02-6950808 www.thaivivat.co.th