NAVAKIJ INSURANCE

Form 56-1

ONE REPORT 2022

VISION

- To operate a sustainable business with reasonable profit objectives while promoting social stability and ethical integrity.
- To be a leading enterprise of non-life insurance business with a network of offices, highly competent personnel, good services and the best technology.
- To provide quality insurance coverage and quality protection for the benefit of policyholders, employees, shareholders and the general public.

MISSION

- To provide good and high-quality services to customers with fairness and integrity.
- To innovate and develop new insurance products for the changing needs of society.
- To focus on quality of service and reasonable cost control to achieve utmost efficiency in the development of management system.
- To support and develop a good working environment and promote unity among employees as well as maintain competitive benefits and compensation suitable for social environment.
- To invest in human resource development and encourage employees to be professional and maintain high ethical standard.
- To develop and implement new technology to effectively improve our service to the customers.

CONTENT

Message from the Chairman 02

Message from the Chief Executive Officer and the President 03

Financial Highlight 04

Operating Results from Underwriting 06

Organization Structure 08

The Audit Committee's Report 10

The Remuneration, Nomination and Sustainable Development Committee's Report 12

The Risk Management Committee's Report 13

The Investment Committee's Report 14

The Executive Board's Report 15

SECTION 1

BUSINESS OPERATIONS AND PERFORMANCE

Structure and Operation 17

Risk Management 41

Driving Business for Sustainability 52

Management Discussion and Analysis 64

The Company's General Information 78

SECTION 2

CORPORATE GOVERNANCE

Corporate Governance Policy 80

Corporate Governance Structure and Information of Board, Subcommittees, Executives, Staffs and Others 102

Corporate Governance Performance Report 125

Internal Control and Related Parties Transaction 137

SECTION 3

REPORT AND FINANCIAL STATEMENTS 140

SECTION 4

CERTIFICATION OF THE ACCURACY OF THE INFOMATION 228

ATTACHMENT 229

Message from the Chairman

Mr. Suchin Wanglee
Chairman of the Board of Directors

In 2022 the overall Thai economy improved primarily due to the recovery of private consumption and foreign tourists, after the adverse effects of COVID-19 coupled with the protracted Russian-Ukraine situation subsided. Government measures to maintain domestic consumption and to increase purchasing power of people help to alleviate higher household expenses from inflation.

The aforementioned factors impacted the insurance industry accordingly. Motor insurance and marine insurance premiums increased from the increase of car sales and the value of exports and imports. On the other hand, fire insurance premiums decreased as the value of housing loans was tightened. Finally, health insurance premiums were decreased due to the suspension of COVID-19 insurance policy.

In addition to economic factors, there are four factors that influence the status quo of the insurance industry. These factors are 1) social aspect: the demands of the insured fluctuates with regard to the channel of buying insurance and insurance products; 2) technology aspect: technology that affects every work process; 3) From environmental aspect: the environment affects the risk of the insured property as well as might result in higher claims; 4) legal and regulatory aspect: the Company has to improve the work process in accordance with the law. Therefore, the Board of Directors formulated strategies and business plan carefully by considering the aforementioned factors and monitoring the performance of the Company regularly to supervise for goals achievement. The Board of Directors appointed and assigned sub-committees to consider and screen various matters to facilitate a more efficient governance of the Board of Directors.

At the same time, the Board of Directors remains committed to foster corporate sustainability. The Board of Directors has supervised the Company to operate its business in accordance with the principles of Corporate Governance with transparency in order to comply with relevant laws and regulations. Be socially responsible and be agile with changes whilst taking into account the best interests of stakeholders. As a result, the Company rated "excellent" continuously in corporate governance assessment of Thai listed companies from Thai Institute of Directors Association. The scores of all categories were higher than the overall average of the industry.

As we reach our 90th anniversary, the Company remains committed to the vision and mission of conducting business with ethics, develop the management for maximum efficiency, provide good and quality protection and service to create social stability. On behalf of the Board of Directors, executives and all employees. I would like to express our utmost sincere gratitude to all stakeholders for the trust and support the Company's business. The Company vows to conduct business in accordance with the principles of Corporate Governance honestly, fairly, transparently and responsibly to build strength and sustainable growth.

Message from the Chief Executive Officer and the President

Mr. Pitiphong Bisalputra
CEO & President

The relaxation of measures to control Coronavirus Diseased 2019 (COVID-19) last year resulted in economic expansion. Domestic consumption returned to normal situation. The growth of car sales, tourism recovery as well as more domestic and international travels positively affected motor and travel insurance.

However, insurance business still faced some risk factors that might result the negative effects. For example, demand for insurance products declined due to higher insurance premium in line with higher property values. Moreover, the home purchase plans were delayed due to rising inflation and interest rates.

The Company conducted the business according to strategies and business plans approved by the Board of Directors, focusing on compulsory insurances expansion and business partner relationship maintenance. The Management analyzed the context of the new era, including changes in consumer behavior and emerging risks in order to expand distribution channels to cover all target groups. Insurance products were developed in response to the demands of the insured. Risks were managed carefully. In addition, the Company applied modern technology to manage costs as well as enhance work and service efficiency of both policy offering and claim management for the highest satisfaction of customers. As a result, the Company's performance in 2022 achieved the goal with direct insurance premiums amounted to 3,625 million Baht, 8.79% increased from the previous year.

Over the past years, the Company has been taking into account not only good operating performance, but also the principles of good corporate governance in conducting business. The corporate culture reflected social responsibility and the interests of stakeholders throughout the value chain. The organization has been growing steadily, being agile for uncertain situations and also meeting the demands of stakeholders in all dimensions.

The great and continuously encouragement of all shareholders, customers, and business partners has been driving force for the Company's good operating results. On behalf of all management and employees, the Company would like to sincerely thank you and commit to developing and driving the Company to grow steadily and sustainably.

Financial Highlights

Operating Performance and Financial Position as at 31 December

Unit : million Baht

List	Financial statements in which the equity method is applied		
	2022	2021	2020
Financial position			
Total assets	6,280.63	6,278.91	6,077.94
Total liabilities	4,095.60	4,030.62	3,983.38
Total equity	2,185.03	2,248.29	2,094.56
Operating performance			
Gross premium written	3,666.68	3,372.95	3,326.06
Net premium written	2,795.05	2,552.56	2,557.41
Net earned premium	2,624.85	2,522.93	2,437.21
Profit from underwriting before operating expenses	320.70	399.76	417.12
Operating expenses	353.44	353.29	338.19
Other expenses and financial costs	11.28	6.37	9.15
Total investments income and other income	83.68	91.09	17.79
Share of profit (loss) from investment in associates	6.51	1.38	(0.97)
Profit before income tax expenses	46.17	132.57	86.60
Income tax expenses	21.33	23.22	15.27
Profit for the year	24.84	109.35	71.33

Financial Highlights

Operating Performance and Financial Position as at 31 December

List	Financial statements in which the equity method is applied		
	2022	2021	2020
Per share comparison			Unit : Baht
Basic earnings per share*	0.69	3.04	1.98
Dividens per share**	1.28	1.79	1.50
Financial ratio			
Return on investment (%)	2.34	2.59	0.36
Return on Equity (%)	1.12	5.04	3.43
Debt to equity ratio (Times)	1.87	1.79	1.90
Capital adequacy ratio (%)***	395.62	447.03	360.30

* The Company adjusted number of shares used to calculate earnings per shares as if the stock dividend has been issued since the first day of the year of the offer.

** Proposed to 2023 Shareholder's Meeting of in April 2023 for approval.

*** Information of 2022 that is unaudited.

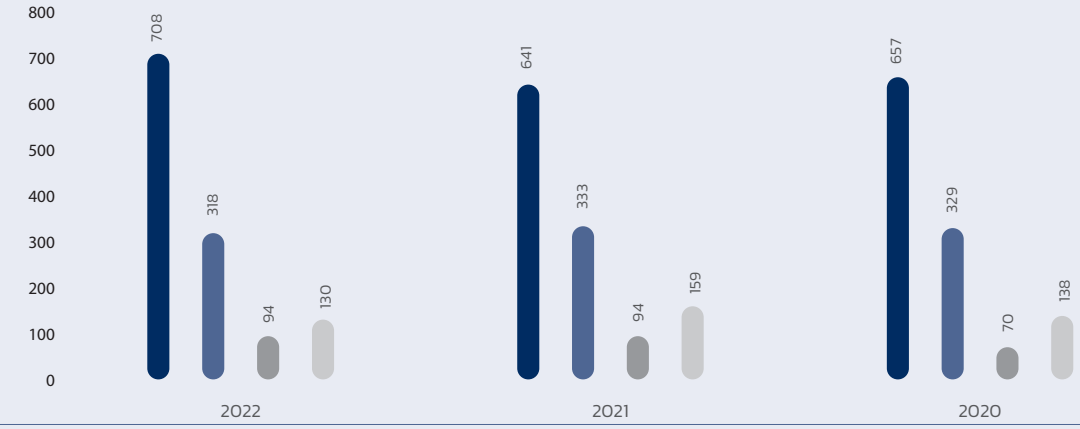
Operating Results from Underwriting

Total Underwriting

(Unit : million Baht)

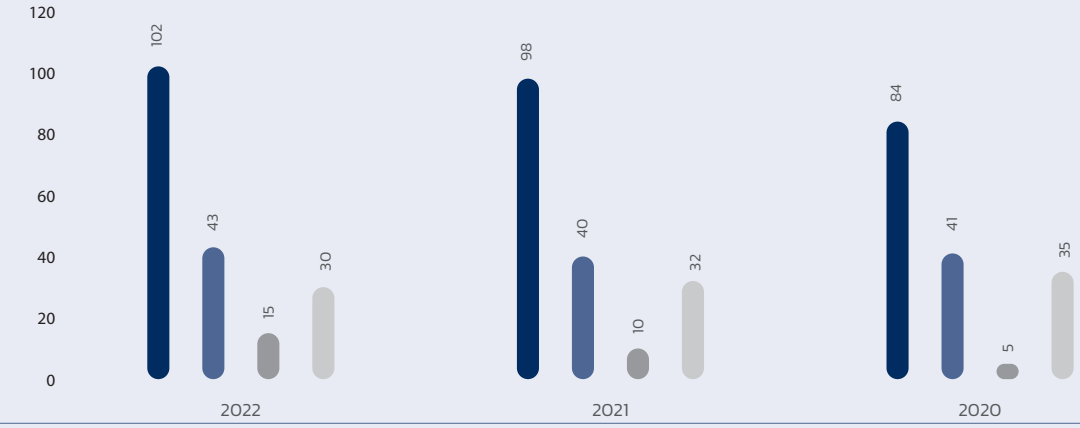
Fire Insurance

(Unit : million Baht)



Marine Insurance

(Unit : million Baht)

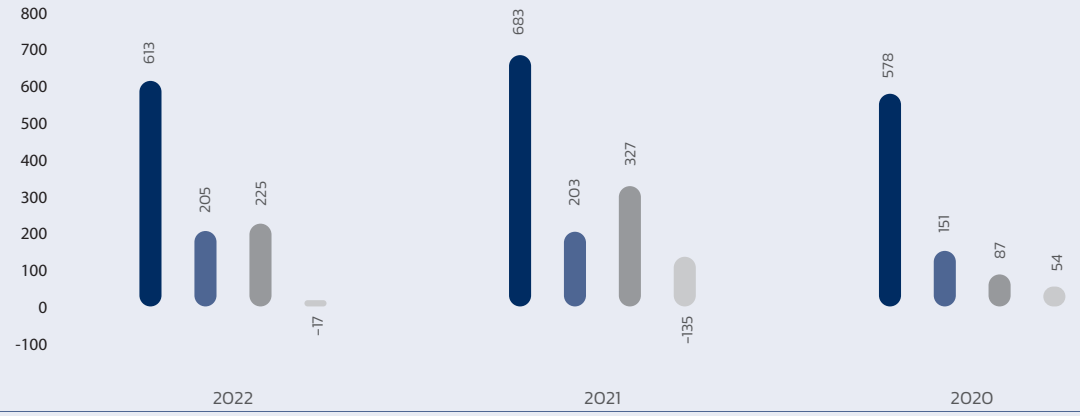


Motor Insurance

(Unit : million Baht)

Miscellaneous Insurance

(Unit : million Baht)



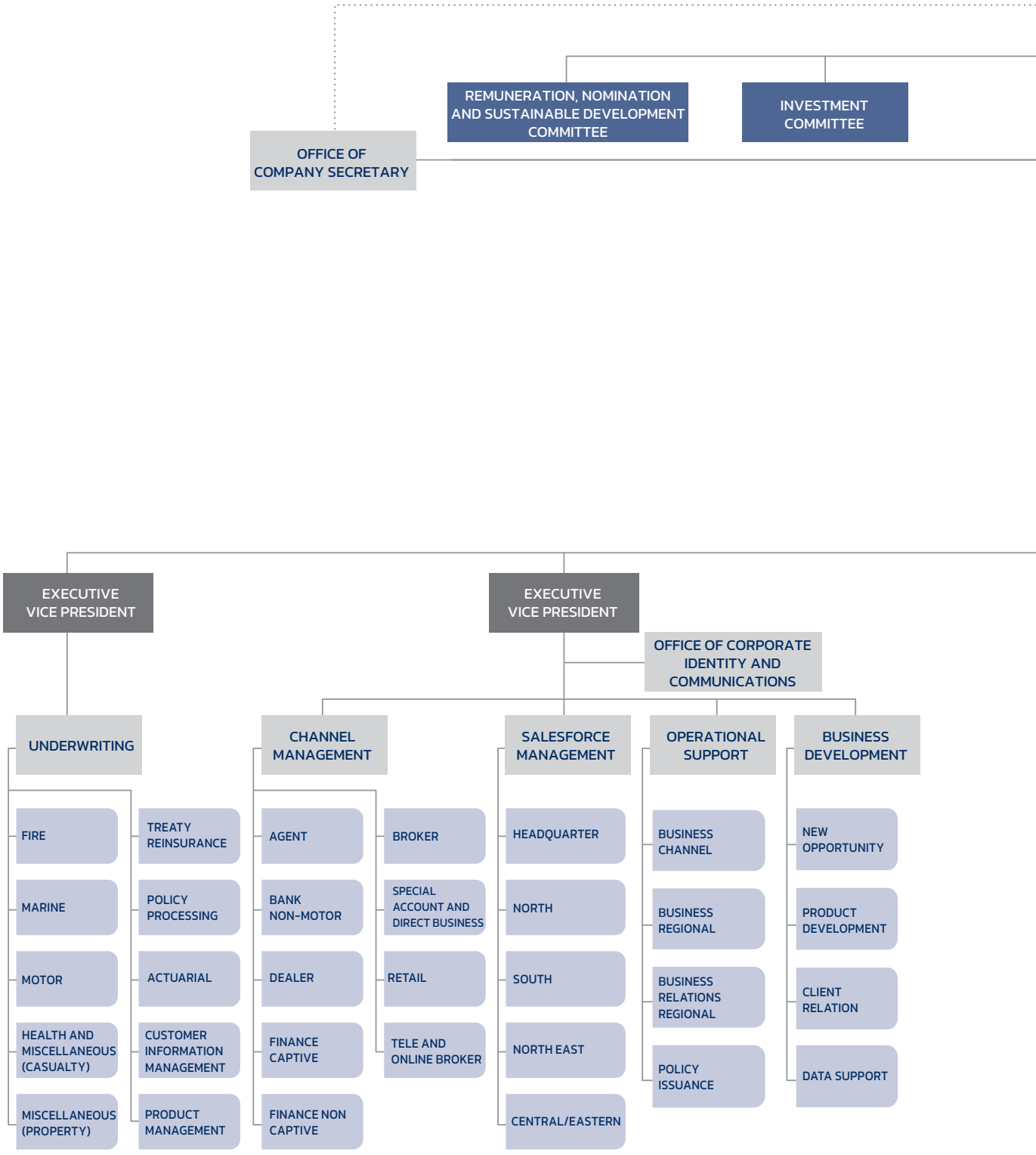
Premium written

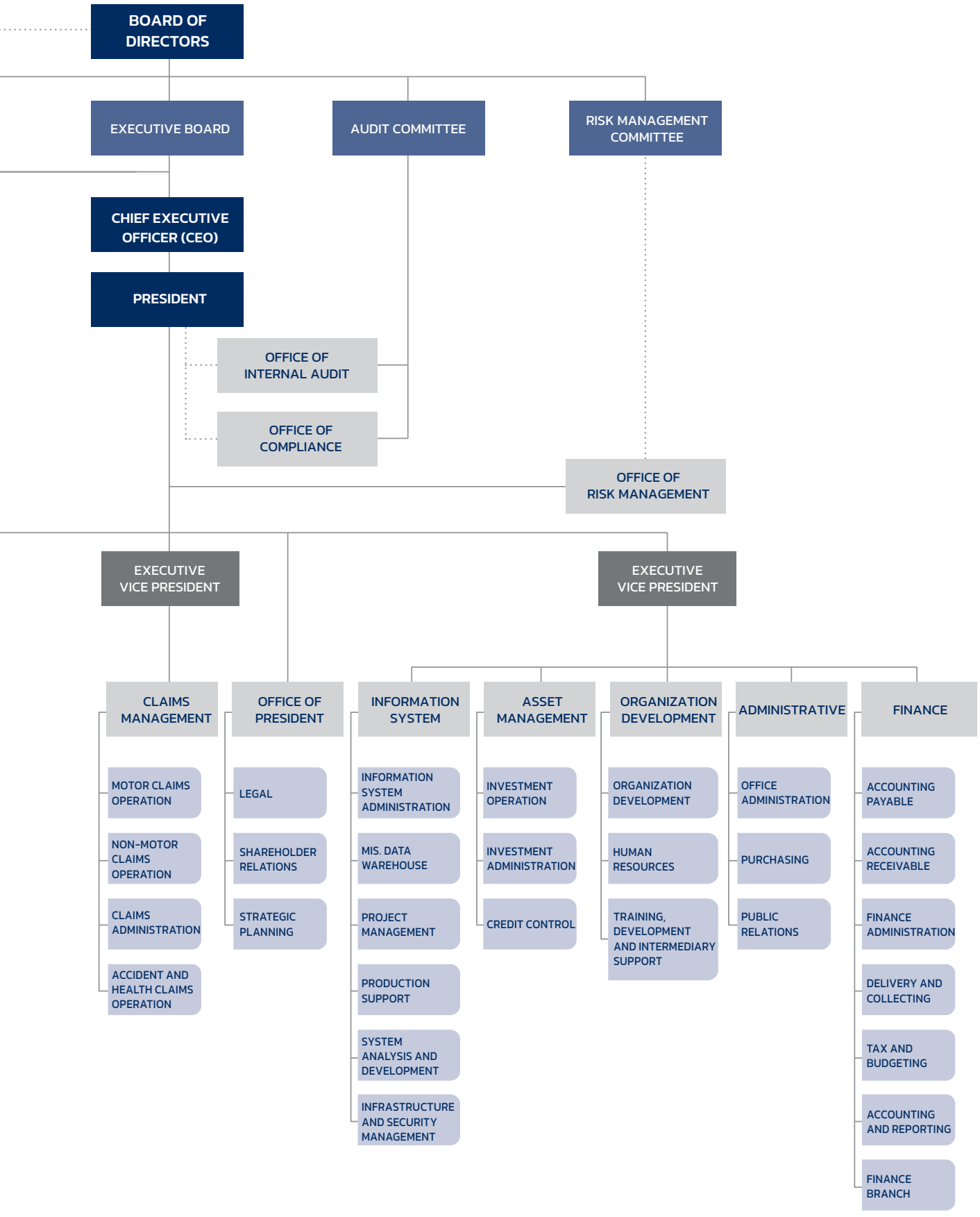
Net earned premium

Claim and loss adjustment expenses

Profit from underwriting before operating expenses

Organization Structure




BOARD OF DIRECTORS
EXECUTIVE BOARD
AUDIT COMMITTEE
RISK MANAGEMENT COMMITTEE
CHIEF EXECUTIVE OFFICER (CEO)
PRESIDENT
OFFICE OF INTERNAL AUDIT
OFFICE OF COMPLIANCE
OFFICE OF RISK MANAGEMENT
EXECUTIVE VICE PRESIDENT
EXECUTIVE VICE PRESIDENT
CLAIMS MANAGEMENT
MOTOR CLAIMS OPERATION
NON-MOTOR CLAIMS OPERATION
CLAIMS ADMINISTRATION
ACCIDENT AND HEALTH CLAIMS OPERATION
OFFICE OF PRESIDENT
LEGAL
SHAREHOLDER RELATIONS
STRATEGIC PLANNING
INFORMATION SYSTEM
INFORMATION SYSTEM ADMINISTRATION
MIS. DATA WAREHOUSE
PROJECT MANAGEMENT
PRODUCTION SUPPORT
SYSTEM ANALYSIS AND DEVELOPMENT
INFRASTRUCTURE AND SECURITY MANAGEMENT
ASSET MANAGEMENT
INVESTMENT OPERATION
INVESTMENT ADMINISTRATION
CREDIT CONTROL
ORGANIZATION DEVELOPMENT
ORGANIZATION DEVELOPMENT
HUMAN RESOURCES
TRAINING, DEVELOPMENT AND INTERMEDIARY SUPPORT
ADMINISTRATIVE
OFFICE ADMINISTRATION
PURCHASING
PUBLIC RELATIONS
FINANCE
ACCOUNTING PAYABLE
ACCOUNTING RECEIVABLE
FINANCE ADMINISTRATION
DELIVERY AND COLLECTING
TAX AND BUDGETING
ACCOUNTING AND REPORTING
FINANCE BRANCH

The Audit Committee's Report

Mr. Kiet Srichomkwan
Chairman of the Audit Committee

The Audit Committee (the "Committee") comprises 3 independent directors, namely Mr. Kiet Srichomkwan as the Chairman of the Committee, Gen. Montree Sungkasap and Mrs. Wanida Chansikarin as the Committee members. They are highly competent and experienced in organization management, finance and accounting.

In the year 2022, there were significant changes of the members in the Committee as follows:

1. Mr. Kiet Srichomkwan, an independent director, was appointed to be the Chairman of the Committee in place of Professor Hiran Radeesri who retired by rotation.

2. Gen. Montree Sungkasap, an independent director, was appointed to be a member of the Committee in place of Professor Hiran Radeesri who retired by rotation.

During the year 2022, the Committee held 10 meetings. Details of the meeting attendance are as follows:

1. Professor Hiran Radeesri	Chairman	Meeting Attendance	4 times of 4 times
2. Mr. Kiet Srichomkwan	Chairman	Meeting Attendance	10 times of 10 times
3. Gen. Montree Sungkasap	Member	Meeting Attendance	5 times of 5 times
4. Mrs. Wanida Chansikarin	Member	Meeting Attendance	10 times of 10 times

The Committee performed its duties as assigned by the Board of Directors and supervised the Company's operation in accordance with the charter and Corporate Governance principles. The performance report for the year 2022 is as follows:

1. The Committee reviewed the financial statements for the year 2022 and the quarterly financial statements. The Committee joined meetings with the Company's executive officers e.g. Vice President of Finance Department, Vice President of Office of Internal Audit as well as the Company's external auditor, to discuss whether the preparation of financial statements complied with relevant law and financial reporting standard. The meeting was held to ensure that the audited financial statements were accurate according to financial reporting standard and disclosed information were adequate, complete and reliable. Feedbacks and suggestions from the external auditor were considered and applied to achieve optimum benefit to the Company. In addition, the Committee held a meeting with the Company's external auditor specifically to ensure that the financial statements were prepared without any intervention and that the Company's external auditor was independent. Executive Vice President who holds the position of Chief Financial Officer confirmed that the Company's accounting system was effective and were confident that collection and recording transactions were complete according to current financial reporting standard. Reviewing the statements and explanation received from the persons in charge and the external auditor, the Committee formed an opinion that the financial statements were completely and accurately prepared according to the Thai Financial Reporting Standards and also in line with the stipulations of Office of Insurance Commission (OIC).

2. The Committee reviewed and assessed the internal control system together with the external auditor and reports of Office of Internal Audit on regular basis. There was not any significant deficiency and the internal control system was reasonably adequate and appropriate. The Committee reviewed and assessed the annual internal audit plan which followed the risk assessment result, approved budget of Office of Internal Audit and laurels of the Vice President of Office of Internal Audit. According to the internal control system evaluation conducted by the Board, the Committee had an opinion that the internal control system was adequate and appropriate.

3. The Committee reviewed the related party transaction or the transactions that may lead to conflict of interest taking into consideration relevant laws, rules and regulations. During 2022, the Company had connected transactions which were ordinary business support transactions. The compliance checklist has been implemented to ensure the compliance with the rules and regulations of related laws with correctly and appropriate.

4. The Committee reviewed the efficiency and effectiveness of Good Governance and the compliance with rules, regulations and related laws. It was found that directors, executives, and employees conducted their duties in compliance with the policies as well as all relevant laws and regulations. The Company has been a member of Thailand's Private Sector Collective Action Coalition against Corruption and the Anti-Corruption Policy has been implemented properly to its business.

5. The Risk Management Committee was appointed and assigned to be responsible for risk management. The Audit Committee together with the Company's executives assessed the risk management plan to ensure that it was implemented effectively. The Risk Management Committee provided recommendations to the Board of Directors for operation improvement in order to enhance the plan's effectiveness and to comply with OIC's regulations and guidelines.

6. The Committee reviewed the Audit Committee charter on a yearly basis to be in line with new laws and regulations as well as current situation. The Committee also evaluated their performance, of which the assessment result was ranked in a good level and regularly improved.

7. The Committee evaluated the external auditors' performance during the past year, of which result was satisfactory. It also considered their independence and qualifications and was of opinion that they were conformed to criteria regulated by Securities and Exchange Commission. Therefore, the Committee recommended that the Board of Directors appoint Ms. Narissara Chaisuwan, C.P.A. Registration No. 4812 or Ms. Rachada Yongsawadvanich C.P.A. Registration No. 4951 or Ms. Wanwilai Phetsang, C.P.A. Registration No. 5315 or Ms. Saranya Pludsri, C.P.A. Registration No. 6768, all from EY Office Limited, to be the Company's external auditor for the year 2023. The auditors' remuneration, totaling of 2,565,000 Baht, was also proposed for the Annual General Meeting of Shareholders' approval.

The Committee was of the opinion that the Company observed Good Corporate Governance principles in conducting business, with adequate and appropriate internal control system, effective risk management, accurate and credible accounting system and financial reports. The operation complied with relevant laws and regulations and the Company monitored and assessed business situation on regular basis.

The Remuneration, Nomination and Sustainable Development Committee's Report

Gen. Montree Sungkasap
Chairman of the Remuneration, Nomination and Sustainable Development Committee

The Remuneration, Nomination and Sustainable Development Committee ("the Committee") is originally named the Remuneration, Nomination and Corporate Governance Committee. The Committee was appointed by the Board of Directors to support and enhance its performance in remuneration and nomination of directors and the senior executive, as well as corporate governance. The Board of Directors Meeting No. 5/2022 held on 10 November 2022 resolved to also assign the Committee to supervise the development of the Company towards sustainability.

The Committee consists of 3 members. Details of the meeting attendance of the year 2022 are as follows:

1.	Gen. Montree Sungkasap	Chairman	Meeting Attendance	1 time of 1 time
2.	Mr. Nipol T.Jeerawong	Member	Meeting Attendance	3 times of 3 times
3.	Mrs. Phornpun Phornprapha	Member	Meeting Attendance	1 time of 2 times

In 2022, there were significant changes of the members in the Committee as follows:

1. Mrs. Phornpun Phornprapha, an independent director, was appointed to be a member of the Committee in place of Mr. Phornpong Phornprapha who vacated his office.
2. Gen. Montree Sungkasap, an independent director, was appointed to be the Chairman of the Committee in place of Mr. Kiet Srichomkwan who resigned from the Committee.

The performances that were assigned from the Board of Directors in the year 2022 could be summarized as follows:

1. Remuneration

The Committee considered structure, criteria and rate of the remuneration of the Board of Directors and sub-committees that suited their duties and responsibilities. The remuneration was scrutinized by comparing to that of other companies in the same business, taking the competition, economy, operating results and dividend payment into consideration. The remuneration structure remained the same as the previous year. Directors received bonus and meeting allowance per meeting attendance while members of the sub-committees received only meeting allowances.

The remuneration of the senior executive was based on performances and compared to the predetermined goals which were in line with the Company's strategy and objectives.

2. Nomination

The Committee proposed qualified persons to be appointed as members of the Board of Directors and members of sub-committees. It scrutinized their qualifications as well as composition of the Board of Directors to comply with the laws and regulations. The diversity of skills, expertise, experience and gender were also reviewed. In the past year, the Committee nominated two new persons to be appointed as independent directors in place of those who vacated his office and retired by rotation. During 9 September 2021 to 31 December 2021, the Company provided shareholders an opportunity to nominate persons to be appointed as the Company's director, but no nominated person was proposed. The Committee then proposed one new person and three retired directors to be appointed as the Company's directors due to their qualifications in all aspects and strong duty performance during their previous term of office.

In addition, the Committee proposed that the Board of Directors re-appoint the members of the Remuneration, Nomination and Sustainable Development Committee and the Risk Management Committee in replacement of those who vacated his office and retired by rotation. The extension of the employment contract of the Chief Executive Officer and the President including guidelines of the senior executive succession plans were also proposed.

3. Sustainable Development

The Committee reviewed and proposed a draft of Code of Conduct, Corporate Governance Policy, Sustainable Development Policy, Anti-Corruption Policy and Measures and Whistleblowing Policy. All policies were stipulated taking the principles of Good Corporate Governance and suggestions from the regulators into consideration to be suitable for business operations and in line with current relevant laws, criteria and practices. The Committee also supervised and advised the management on the implementation of such policies to ensure that all staffs would perform duties in accordance with the principles of ethics and Good Corporate Governance principles, taking into account environmental, social and governance awareness.

The Risk Management Committee's Report

Mr. Nipol T.Jeerawong
Chairman of the Risk Management Committee

The Risk Management Committee ("the Committee") consists of 5 directors and executives, namely Mr. Nipol T.Jeerawong, Chairman of the Risk Management Committee, Mr. Pitiphong Bisalputra, Ms. Anukul Thitikulrat, Mrs. Nalina Bodharamik and Mr. Anak Wanglee, members of the Committee. They are qualified and experienced in corporate management, risk management, investment, finance and accounting.

In 2022, the Risk Management Committee held 5 meetings. Details of the meeting attendance are as follows:

1.	Mr. Nipol T.Jeerawong	Chairman	Meeting Attendance	5 times
2.	Mr. Pitiphong Bisalputra	Member	Meeting Attendance	5 times
3.	Ms. Anukul Thitikulrat	Member	Meeting Attendance	5 times
4.	Mrs. Nalina Bodharamik	Member	Meeting Attendance	5 times
5.	Mr. Anak Wanglee	Member	Meeting Attendance	5 times

The Risk Management Committee performed duties assigned by the Board of Directors and supervised the risk management in accordance with the Committee's charter and the notification of the Office of Insurance Commission. The Risk Management Committee' performance report for the year 2022 is summarized as follows:

1. The Committee supervised the risk management to be systematic and continuous; efficient and effective for maximum benefit as well as in accordance with the framework and policies of the Enterprise Risk Management (ERM), the Own Risk and Solvency Assessment (ORSA), including business strategies and plans. Such supervision was to insure a stable financial status, capital funds, adequate and appropriate risk management and the ability to achieve the objectives or goals of the Company both in short term and long term.

2. The Committee determined the risk management framework and policy, the risk appetite and the risk tolerance. The framework and policy, which covered at least significant risks as prescribed by the Office of Insurance Commission (OIC) were presented to the Board of Directors for approval.

3. The Committee supervised the overall activities of the Company related to risks. This included the development and implementation of risk management framework and policy across the organization to ensure that the Company conducted business correctly and effectively according to the risk management policy provided by the Board of Directors.

4. The Committee reviewed the risk management report to assess and monitor key risks and to ensure that the Company's risk management was adequate and appropriate.

5. The Committee presented and monitored risk status including changes in the overall risks of the Company. Moreover, the progress of risk management was followed-up and suggestions were provided in order to improve the risk management in compliance with the risk management framework and policy. The risk management reports were presented to the Board of Directors on a quarterly basis.

6. The Committee prepared a risk mitigation plan to handle emergency cases.

7. The Committee provided advice to the management and risk owners. Various information related to the development of risk management systems was also revised.

8. The Committee performed other duties as assigned by the Board of Directors.

The Investment Committee's Report

Mr. Pitiphong Bisalputra
Chairman of the Investment Committee

The Investment Committee ("the Committee") consists of 3 members who are qualified and experienced in investment, namely Mr. Pitiphong Bisalputra, the Chairman of the Investment Committee, Mr. Nipol T.Jeerawong and Mr. Anak Wanglee, the members of the Investment Committee.

In 2022, the Investment Committee held 4 meetings. Details of the meeting attendance are as follows:

1. Mr. Pitiphong Bisalputra	Chairman	Meeting Attendance	4 times
2. Mr. Nipol T.Jeerawong	Member	Meeting Attendance	4 times
3. Mr. Anak Wangle	Member	Meeting Attendance	4 times

The Investment Committee is responsible for managing the Company's investments according to the investment policy, making a reasonable return at risk appetite. In the previous year, the Committee considered significant aspects of investment. Investment risks and returns were focused in order to achieve the expected return at risk appetite. Last year, investment situation in the money market changed due to the rapid increase in interest rates. Therefore, the Committee reviewed and adjusted the investment policy framework to increase more return. The changed matters were as follows: 1) the credit rating of invested bond was set to be not lower than investment grade instead of A-, 2) time to maturity of bond was adjusted to be less than 10 years. 3) perpetual bond was permitted to be invested and 4) deposits and foreign bonds with stable cash inflows shall be invested.

The Company had a hedge against foreign exchange risk of not less than 75% of cash flow in compliance with the regulation of the Office of Insurance Commission (OIC) and in line with the situation and the opportunity to receive more returns at risk appetite.

The Executive Board's Report

Mr. Pitiphong Bisalputra
Chairman of the Executive Board

The Executive Board consists of 6 executives who were appointed by the Board of Directors to screen the operating matters and support the performance of the Board of Directors regarding determining policies, regulations and guidelines for management.

In 2022, the Executive Board held 52 meetings. Details of meeting attendance are as follows:

1. Mr. Pitiphong Bisalputra	Chairman	Meeting Attendance	52 times
2. Ms. Anukul Thitikulrat	Member	Meeting Attendance	51 times
3. Mr. Anin Wanglee	Member	Meeting Attendance	48 times
4. Mrs. Nalina Bodharamik	Member	Meeting Attendance	47 times
5. Dr. Saran Wanglee	Member	Meeting Attendance	47 times
6. Mr. Anak Wanglee	Member	Meeting Attendance	42 times

The Executive Board performed duties as assigned by the Board of Directors. In 2022, the following matters were considered:

1. Prepared an annual budget and business strategies that aimed to grow not lower than the growth rate of the non-life insurance business.

2. Monitored the management's performance and the Company's operating results as well as gave opinion on adjusting the operations to respond the current situation for the target achievement.

3. Approved the market, sale channel and new products expansion plan to approach more target.

4. Reviewed the important policies such as Personal Data Protection Policy, Anti-Corruption Policy and etc., to be in accordance with the standards, rules, regulations and related laws before proposing to the Board of Directors for approval.

5. Supervised the Company's operation to comply with laws, rules and regulations.

6. Performed duties as assigned by the Board of Directors.

SECTION 1

BUSINESS OPERATIONS AND PERFORMANCE

Structure and Operation 17

Risk Management 41

Driving Business for Sustainability 52

Management Discussion and Analysis 64

The Company's General Information 78

1. Structure and Operation

1.1 Business overview

The Navakij Insurance Public Company Limited ("the Company") originally named Luang Lee Insurance Company Limited. The Company was founded by Wanglee family and engaged in the non-life insurance business since 23 September 1933. At the initial period, the Company provided only two classes of insurance that were fire and marine insurance. The name of the Company was changed to The Navakij Insurance Company Limited on 15 August 1985. The Company was listed in the Stock Exchange of Thailand with paid-up capital of 40 million Baht on 24 August 1990. The registered capital was increased to 80 million Baht in 1992. On 20 August 1993, the Company registered for transformation and changed its name to The Navakij Insurance Public Company Limited.

The Company has operated its business for over 89 years by adhering to the principles of Corporate Governance and developed the work and services systems continuously to grow steadily and sustainably. At present, the Company had paid-up capital of 360 million Baht with 24 branches throughout Thailand, both in the metropolitan areas and many provinces.

The Company insured all types of non-life insurance business that were fire insurance, marine and transportation insurance, motor insurance and miscellaneous insurance.

Underwriting

Direct insurance is underwrited through agents, brokers, corporate brokers, and branches of the Company. Proportion of direct insurance is more than 90% of the total written premium.

Reinsurance and retrocession are ceded to and accepted from other insurance companies to spread risks.

Investment

The Company makes investments to manage its revenue in order to allocate insurance reserves to be sufficient for the obligations to insurance creditors. The type and proportion of investment must comply with the Notification of the Insurance Commission (OIC) Re: Investments in other businesses of Non-Life Insurance Companies B.E. 2556 and amended version. The investment is diversified in various types of assets such as deposits with financial institutions, promissory notes, government bonds, debentures, stocks and unit trusts.

1.1.1 Vision, objectives, goals and business strategies

The management has reviewed strategic plans and policies annually. In 2022, the Board of Directors approved the strategic plan and business direction that focused on maintaining and expanding the insurance customer base and business relationship with various producers; developing products and

distribution channels to increase sales; applying technology in work processes to increase efficiency of work, service and cost management, supporting the compliance with laws and regulations as well as developing personnel for more potential and better service.

The Board of Directors set the vision and mission for the same goals as follows:

Vision

- To operate a sustainable business with reasonable profit objectives while promoting social stability and ethical integrity.
- To be a leading enterprise of non-life insurance business with a network of offices, highly competent personnel, good services and the best technology.
- To provide quality insurance coverage and quality protection for the benefit of policyholders, employees, shareholders and the general public.

Mission

- To provide good and high-quality services to customers with fairness and integrity.
- To innovate and develop new insurance products for the changing needs of society.
- To focus on quality of service and reasonable cost control to achieve utmost efficiency in the development of management system.
- To support and develop a good working environment and promote unity among employees as well as maintain competitive benefits and compensation suitable for social environment.
- To invest in human resource development and encourage employees to be professional and maintain high ethical standard.
- To develop and implement new technology to effectively improve our service to the customers.

1.1.2 Significant changes and developments in the past 3 years

2020

- The Company abolished Suvarnabhumi branch and transferred liabilities to Rangsit branch according to the Company's branch management policy.
- The Company restructured the organization by establishing the Office of Corporate Image and Communication to increase the efficiency in managing the corporate image and communication.

2021

- The Company was certified as a member of CAC (Thai Private Sector Collective Action Against Corruption) for the 3rd time.

- The Company was certified for information security management systems standards (ISO 27001 : 2013).

2022

- The Company increased registered capital by 10 million Baht to support stock dividend payment to shareholders by issuing 1 million new ordinary shares with a par value of 10 Baht per share. As a result, the registered capital of the Company increased to 360 million Baht.

1.1.3 Information of the proceeds

The Company did not offer any equity or debt securities in 2022.

1.1.4 Obligations committed according to securities offering (If any)

None

1.1.5 The Company's general information

Name of the Company	The Navakij Insurance Public Company Limited
Stock Code	NKI
Type of Business	Non-life Insurance
Registration No.	0107536000862
Year of Establishment	23 September 1933
First Trade Date	24 August 1990
Registered Capital	360 million Baht, comprised of 36 million shares 10 Baht par value
Paid-up Capital	360 million Baht
Headquarter Address	100/47-55 Sathorn Nakorn Tower, 25th-27th Floor, 90/3-6 Sathorn Thani Building, 1st Floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500
Telephone	(66) 2664 7777 and 1748
Fax	(66) 2636 7999
Website	www.navakij.co.,th

1.2 Business type

1.2.1 Income structure

Direct premium

Unit: Million Baht

Direct Premium	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Fire	707.37	19.29	640.29	18.98	656.92	19.75
Marine	102.08	2.78	98.42	2.92	83.62	2.51
Motor	2,243.80	61.20	1,951.01	57.84	2,007.21	60.35
Miscellaneous	613.43	16.73	683.23	20.26	578.31	17.39
Total	**3,666.68**	**100.00**	**3,372.95**	**100.00**	**3,326.06**	**100.00**

Profit (loss) from underwriting

Unit: Million Baht

Profit (Loss) from Underwriting	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Fire	129.85	40.49	159.29	39.85	138.02	33.09
Marine	29.72	9.26	31.93	7.99	34.59	8.29
Motor	178.11	55.54	343.73	85.98	189.93	45.54
Miscellaneous	(16.98)	(5.29)	(135.19)	(33.82)	54.58	13.08
Total of profit (loss) from underwriting before operating	**320.70**	**100.00**	**399.76**	**100.00**	**417.12**	**100.00**
Operating expense	353.44		353.29		338.19	
Total of profit (loss) from underwriting	**(32.74)**		**46.47**		**78.93**	

Investments Income

Unit: Million Baht

Investments Income	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Interest income from debt securities	20.87	24.32	15.62	17.59	28.92	271.04
Dividends received from equity securities	59.85	69.77	52.88	59.54	33.03	309.56
Profit on investments	6.97	8.12	7.54	8.49	7.44	69.73
Fair value gain (loss)	(8.41)	(9.80)	11.39	12.82	(57.75)	(541.24)
Share of gain from investments in associates	6.51	7.59	1.38	1.56	(0.97)	(9.09)

Investments Income

Unit: Million Baht

Investments Income	2022		2021		2020	
	Amount	%	Amount	%	Amount	%
Total of investments and share of gain from investments in associates	**85.79**	**100.00**	**88.81**	**100.00**	**10.67**	**100.00**

1.2.2 Information of products

The Company has been licensed to operate all types of non-life insurance business. Products of the Company are insurance policies that provided coverage against loss or damage to property and accidents. Most policies are valid for 1 year and categorized as follows:

(1) Products, services and innovation development

Motor Insurance

Motor insurance provides coverage for damage from the use of car such as a collision or a rollover accident, a car loss, injury or death of a driver, a passenger and a third-party. The insurance covered damage to a third-party property, driver bail, defending on civil litigation. Types of motor insurance are as follows:

- Compulsory motor Insurance according to Road Accident Victims Protection Act, B.E. 1992 which is defined the owner to provide a car insurance for a victim.

- Comprehensive motor insurance provides 3 types of coverage that are car damage, third party liability and additional coverage, e.g., driver bail and personal accident.

- Voluntary motor insurance covers only damage arising from a collision with a road vehicle.

- Voluntary motor insurance covers only third party liability.

Fire Insurance

Fire insurance provides coverage for damage to properties such as buildings, furniture, fixtures, machines and products stocks, that caused by fire, lightning and other additional risks e.g., explosion, windstorm, floods and earthquake. Moreover, the policy also covers loss from business interruption due to fire and other disasters. Types of fire insurance are as follows:

- Home insurance covers damage to residence arising from fire, lightning, explosion and natural disasters.

- Fire Microinsurance for Residential covers damage to properties arising from fire, lightning and explosion.

- Terrorism Insurance covers physical damage to properties arising from act of terrorism.

- Properties insurance covers physical damage to properties arising from strike, riot, malicious act, civil commotion, sabotage or terrorism

Marine and transportation Insurance

Marine and transportation insurance covers damage caused by accidents during domestic and international logistics either by car, train, ship, or plane. The insurance is divided into 2 types which are hull insurance and cargo insurance, and which is the main product of the Company.

Miscellaneous Insurance

Apart from the insurances mentioned above, there are other types of insurance as follows:

- Personal accident insurance covers personal injury, death, dismemberment or disability arising from accident.

- Microinsurance 200 Baht covers injury, death, dismemberment or disability due to accident and funeral expenses in case of death by illness.

- Travel insurance covers bodily injury caused by accident during a trip resulting in death or dismemberment including related medical expenses.

- Oversea travel insurance provides coverage when traveling abroad. The policy covers medical expenses due to injury and illness, death, dismemberment and permanent disability arising from accident, emergency medical evacuation, repatriation to Thailand, increased cost of travel delay, loss or damage to luggage and/or personal belongings inside the luggage, luggage delay and legal liability to a third party.

- Personal health insurance and group health insurance cover medical expenses such as room, meal, medicine, surgery, and doctor's fees.

- Personal health and accident insurance bundles health and accident insurance including hospital income benefit in case of cancer or heart disease.

- Hospital income benefit insurance provides daily payment during the hospitalization according to the period of inpatient hospitalization. The insurance also covers recuperation after discharge from hospital and funeral expenses in case of death from injury or illness.

- Cancer insurance provides coverage against cancer upon diagnosis for the first time with a lump sum for treatment, monthly payment for outpatient medical expenses after surgery.

- Golfer’s insurance covers bodily injuries of the insured while playing or practicing golf, loss or damage to golf equipment including third party liability in case of bodily injury and or loss or damage to property arising from the insured.

- Burglary insurance covers the assets inside the insured place that are robbed or burglarized.

- All risks insurance covers loss or damage to properties from all perils, except the ones specifically excluded in the policy.

- Contract work insurance covers assets in the construction project, machine installation, liability, equipment, tools including liability to third parties from the construction.

- Machinery insurance covers all assets that are machines such as generators, special machineries damaged by unexpected accidents such as design defects, lack of expertise, short circuits, explosion in physics or being defamed.

- Boiler insurance covers damage caused by explosion and collapse of boiler and pressure tank, that is caused by defects or misuse damaged to the life and property of third parties.

- Third party liability insurance covers legal liability of the insured to third parties for physical injury, death and damage to property.

- Money insurance covers loss of money in the insured place, which may be a safe or a vault, and outside the insured place on indicated way in the policy.

- Fidelity insurance covers financial loss of employer caused by fraud, embezzlement or corruption committed by an employee in connection with his duties as specified.

- Legal liability insurance for controlled business under type 3 according to Fuel Control Act, B.E. 2000 provides coverage against third party legal liability arising from fire and explosion from fuel business operation or fuel storage in business premises.

- Product liability insurance covers liability arising from unsafe products of entrepreneur which may be caused by product defects.

- Gold shop insurance covers gold in case of robbery or snatching. The insurance also covers damages to buildings, safes, glass and furniture in an insured premise.

- Health Insurance for Non-Immigrant Visa O-A (1 year) and O-X (5 years) covers outpatient and inpatient medical expenses for foreigners throughout the period of living in Thailand.

- COVID-19 vaccine insurance covers medical expenses caused by allergies to the COVID-19 vaccine.

- Other miscellaneous insurances

The Company reinsures all perils identified above. At present, the Company provided reinsurance from local insurance companies, so the effect of exchange rate fluctuations is minimal.

Reinsurance

Reinsurance is a diversification of insurance risks in the proportion prescribed in the Non-Life Insurance Act B.E. 1992. The Company shall reinsure high sum insured properties with reinsurers in order to mitigate risks. Reinsurance can be divided into 2 types as follows:

- Facultative reinsurance provides coverage for an individual risk. The ceding company shall inform the details of each risk to reinsurers from time to time.

- Treaty reinsurance is a form of reinsurance which the ceding company makes agreement with the reinsurer to cede risks falling within the terms of the treaty during the contract period. Therefore, the reinsurer shall not consider risks which come within the scope of the contract.

The retention ratio will be set taking into consideration the capital, nature of risk and risk level of the insured properties. The selection criteria of reinsurers are specified in reinsurance strategy. The Company shall consider the credit rating of S&P or AM Best for selecting domestic and foreign reinsurance Companies with stable financial status.

Research and Development

Product Development

The impact of COVID-19 pandemic has continuously affected the Thai economy in the production, trade and service sector. Lifestyle and behavior of consumers change to a New Normal. The application of digital technology is widespread and replaces the traditional culture, such as an online marketing, electronic transactions and work from home. Insure Tech plays a greater role in various aspects, for example, comparing insurance premiums and coverage of each insurance company. Therefore, the Company focused on researching and developing various insurance products to meet the demands of consumers in the changing era. When technology became a part of new lifestyle, it is necessary to focus on modern product, uncomplicated coverage and reasonable premiums which affected customers' decision. The Company has also developed cyber insurance, electric vehicle (EV) insurance, including various health insurance such as office syndrome health insurance and critical illness insurance in response to the environmental policy. In addition, the Company promotes electronic policy issuance for all types of products, which would be presented to the market by the beginning of 2023.

Service Development

The Company has applied Artificial Intelligence (AI) to increase speed and accuracy of damage assessment service. The mobile application for health insurance has been provided in order to access the service and check the insurance coverage more conveniently and quickly. Several tools for quotations and soft file documents have also been created in order that business partners easily access the Company' services with less work process and more efficiency. Moreover, the Company has developed the system to notify business partners and customers about policy renewal. They are able to check policy information, renewal notice and premium payment.

Information Technology Systems Development

The technologies that the Company has applied to develop the operation are as follows:

- Robotic Process Automation (RPA) was applied to reduce time and error.
- Enterprise Content Management was applied for security of documents and support work from anywhere.
- Line was applied to facilitate accessing to information, tracking, and contacting for services more quickly.

- IT Infrastructure was improved to be safe, fast and to support business expansion.

(2) Marketing and Competition

The economy of Thailand in Q4/2022 improved after experiencing higher inflation during Q2/2022 and Q3/2022, with an average inflation rate of 7.8% resulting in higher costs of consumption. The government had to issue several measures to prevent an increment of inflation. In Q4/2022, the inflation rate dropped to less than 5%. As a result, the cost of goods and services decreased which stimulate small-size businesses growth. Large and medium-size businesses were less affected in short term.

In 2023, the economy of Thailand is expected to be expanded at a rate of 3.2-3.5%, supported by China opening-up policy that benefited the tourism business sectors and related businesses. SME group which was affected by the outbreak of the Coronavirus 2019 disease (COVID-19) has recovered. The export volume in 2023 is forecasted to decrease due to the impact of the global economic downturn. However, Thai agricultural products can still be exported continuously in Chinese, European, and American market as they still be affected by geographical factors from 2022. However, exports of auto parts and electronic equipment are expected to decline because of high inflation and an interest rate hiked by the Federal Reserve. The Fed Interest Rate Policy, in line with the measures of Bank of Thailand, will affect the loan rate and cause the real estate business to slow down in 2023.

(a) Marketing of key products and services

Marketing policy in the past year

The direct premium of non-life insurance business for the year 2022 was 275,505 million Baht, 3.6% increased from the previous year. The growth rate of each type of insurance was in line with the economic situation both domestic and abroad. Non-life insurance premiums in descending order included motor, accident and health insurance as a result of public health measures to reduce the outbreak of COVID-19. Government measures to reopen the country for tourism have had a positive effect on overseas travel insurance until 2023. After being affected by both COVID-19 pandemic and electronic equipment parts shortage during the years 2020 – 2022 resulting in motor manufacturers being unable to produce new car to meet market demand, the motor market began to return to a normal situation. In addition, the government implemented measures to stimulate and push the private sector and motor business to focus on the electric vehicle (EV) market. Such measures were in line with the agreement of the social contract that every country was committed to reduce greenhouse gas emissions and focus on using pure energy to reduce global warming. As a result, the electric vehicle (EV) market in Q4/2022 experienced a leapfrog growth rate. It was expected that in 2023, motor manufacturers would stimulate and open more diverse electric vehicle (EV) market as another option for consumers, which was a good sign for motor insurance. However, the issue of after-sales service might be considered as well due to the limitation of such services of the motor manufactures. The fire insurance and marine and transportation

insurance for the year 2023 depends on the impact on Thai industry and business sectors from Thai and global economy recession. The miscellaneous insurance under government policy that has been continuously implemented since Q3/2022 and Q4/2022 stimulates revenue from the tourism industry and various service sectors. Such policy focused on both domestic and international tourism and built confidence for foreign tourists under the outbreak control measures to control the outbreak that was special relaxed. As a result, the number of Thai and foreign tourists increased steadily, and the non-life insurance business grew in the same direction. In 2023, the government implements such measures continuously. Many countries also relieve control measure and ready to reopen the country for traveling which affect positively for non-life insurance sector. In addition to the Chinese, Russian and European markets, restoring relationship between Thailand and Saudi Arabia increases more tourism business which will benefit the accident and health insurance to grow at the same rate as 2022.

The Company increased competitiveness in the insurance market in 2023 by continuously developing and adjusting products and after-sales services for both Motor and Non-Motor. New digital products and services are offered to insurance producers both in central and region to meet the demands of insurance producers, business partners and public in according to new generation market. However, the Company still maintained the traditional service for customers or business partners who were still satisfied with such services. The Company has also expanded markets and increased customer bases, both in the electric motor insurance and miscellaneous insurance market, in line with government policies which concretely implemented in 2022 and continued in 2023.

Characteristics of business partners, potential target and distribution channels

The overall performance of the Company in 2022 increased from 2021. Each distribution channel had a different growth depending on the policy of the partners and the Company; in order to manage risks according to the announcements of the Office of Insurance Commission (OIC) and in line with the factors that affect the overall economy, both positive and negative in 2022. The mentioned factors would have a continuous effect as a chain to insurance producers, business partners and customers both in the central and region. Therefore, in 2023, the divisions, which supervised the distribution channels and the sales, collaboratively conducted operation plan and analyzed business direction and policies of business partners in 2023 that was planned to grow after the pandemic of COVID-19 during 2020 to 2022. The Company adjusted both price and underwriting policies to suited the current situations. The after-sales service policy focused on the customers and business partners' satisfaction.

In addition, internal policies and technological systems were developed to determine operational measures that were suitable for the market competition of each group of potential customers and each business partner to improve competitiveness. In addition, the Company also integrated internal management to increase the efficiency of services for customers' satisfaction as follows:

Approach 1: target customers for motor market

1. Motor business market in 2022 was quite volatile with both positive and negative effect to motor manufacturers, dealers, financial institutions and the non-life insurance business sectors. The electric vehicle (EV) market was a new market that had a leap growth rate in terms of sales and response from consumers. In addition, the domestic use of electric car (EV), promoted by the government, is on target. Thus, many motor manufacturers and dealers gradually imported electric vehicles to create business opportunities and displace oil. It also reduced the pollution that was the global issue. The electric vehicle (EV) market share stood at 5% versus the estimated 3%. Especially, during Q3/2022 and Q4/2022, motor manufacturers launched several models of electric vehicles and signed a memorandum of understanding with the government for manufacturing and distributing Electric vehicles (EV) in Thailand. That was an opportunity to create and increase the Company's new target customer base continuously in 2023, which still had purchasing power whether in central or regional. As there were not many competitors in electric vehicles (EV) market, the Company should be able to increase business opportunities in such market similar to the new and used car market. In addition, the Company still focused on after-sales service for customers and built confidence with business partners in all distribution channels.

2. Policies offering were adjusted to support the digital market and correspond to insurance producers and distribution channels. After the COVID-19 pandemic, the number of consumers who bought insurance policies via online platform was increased gradually. Technology was developed and implemented to provide more convenient and faster services to business partners and other target groups as well as reduce the operating cost.

3. The Company continued to communicate and publicize the corporate image by offering insurance products and services through websites and media to the insurance producers, customers of all distribution channels and potential group.

Provincial target group

1. In 2022, motor dealers both regional and central area affected by motor manufacturers (new car). Therefore, they still maintained the existing customer base. This channel’s growth came from the transfer of customers from other insurance companies. The new car sales has increased continuously by the end of 2022 until 2023 because the motor manufacturers could increase production capacity and deliver cars to dealers both in the central and region. In addition, the Company has entered into business alliances with Chinese electric car dealers to offer motor insurance nationwide. Therefore, It was an opportunity to expand sales channels through motor dealers, agents, brokers and regional tele brokers. In 2023, it was expected that various plans and projects offered to all distribution channels will increase the overall growth rate of motor insurance in the region increased as well as in 2022.

2. For general customers, in addition to communicating the corporate image to the public in the region, the Company will further approach more target group to expand the customer base, including giving advice or consulting on all types of insurance to interested people as well.

Approach 2: Expanding the target customer group for the non-motor market

The Company focused on expanding insurance partners which were agent and brokerages, both individuals and juristic persons, for offering non-motor insurance. At the same time, in 2023, the Company plans to expand non-motor insurance through financial institutions that provided real estate loan services. The Company has also continued to offer digital products through agents and brokers.

Approach 3: maintaining the existing customers in the renewal year for continuous growth rate

The Company managed the customer database for all types of policy renewal both in the central and region by centralizing command system for operating in the same direction.

Certain limitations or conditions for policy renewal were amended in order to increase renewal rate and be an option for the insured. The Company maintained the base and escalated policy renewal of all distribution channels whether directly or indirectly by implementing Digital system for renewal service; coordinating with business partner in offering renewal service; improving the management for cost reduction and raise efficiency and speed in service; as well as providing QR Code system apart from credit card to facilitate premiums payment.

(b) Competition conditions

Non-life insurance business in 2022

Non-life insurance business in 2022 began to recover after recession in the previous year because of COVID-19 and political uncertainty which affected the economy and investment. However, the overview of each type of insurance still had a good growth of about 3.6% with the total direct written premium amounted to 275,505 million Baht. Almost all types of insurance tended to grow due to the economic recovery. The outbreak of COVID-19 began to subside. The value of exports and imports was likely increased. Motor sales as well as domestic and foreign tourism increased more than last year. All factors above had a positive effect on insurance as follows.

The economic recovery and the relief of spare part shortage resulted in more new car sales. Direct premiums for motor insurance increased by 4.0% because number of policies and average premium per policy increased. Direct premium for fire insurance decreased by 3.4% in line with the decline in mortgage loans in the first half of the year. Marine insurance direct premium increased by 12.4% due to the economic recovery and more needs of consumers which positively affected the marine insurance and value of imports and exports. Miscellaneous direct premium decreased by 0.8% as a result of abolition of COVID-19 policy offering of which the premiums amounted to 6,000 million Baht. However, travel

insurance, which was in the group of miscellaneous insurance, had a large increase in direct premiums of 238.6% due to the promotion of domestic tourism, the country reopening and relieved regulations that facilitate more international travel.

The loss ratio of all insurances was 121.0%, motor insurance was 55.3%, fire insurance was 21.9%, marine and transportation insurance was 36.6%, and miscellaneous insurance was 300.9%. Loss ratio of miscellaneous insurance was high because of high claims of COVID-19 insurance during Q1 and Q2.

The trend for the non-life insurance business in 2023

The non-life insurance business in 2023 was forecasted to grow by 4.5-5.5% with direct premium written amounted to 282,200-287,900 million Baht, divided into each type of insurance as follows:

Motor insurance was estimated to grow at the rate of 3.5% from car sales in 2023, which would gradually return to normal situation. The competition in motor insurance business would be more intense both in terms of price and service.

Accident and health insurance (excluding COVID-19) were expected to grow 6.0% and 10.0% respectively. Accident and health insurance would continue to gain popularity with a trend of continuous demands due to increasing awareness of health insurance importance, recovery of purchasing power, sales channels that facilitate purchase as well as variety of products.

Travel insurance was expected to grow by 40.0% because of tourism recovery according the government's country reopening policy in 2023.

Fire and all risks insurance were estimated by 2.0% and 10.0% respectively. As the economy recovered, purchasing power and business situation would gradually return to normal situation. In addition, insurance premium would increase due to the contraction of reinsurance capacity. The property value also increased continuously.

Marine and transportation insurance was expected to grow by 8.0% as the global economy would be slow down in 2023. A recession might occur in some countries such as United Kingdom, Eurozone and United States. However, the recession would not be severe and affect much to Thai exports and imports.

Source: Thai General Insurance Association as of 29 September 2022
Office of Insurance Commission (OIC) as of 28 December 2022
Research and Statistics Department, Thai Reinsurance Public Company Limited

The Company plans to grow in line with the forecasted growth rate of insurance industry in 2023 taking into consideration with factors and impacts of highly competitive in each distribution channel under the economic and political variability, including the ongoing impact from the outbreak of COVID-19. Operational guidelines will focus on the directions that correspond and relate to the premium, cost and performances to meet the goals. At the same time, the capability in service is escalated to be in line with

the changing business direction of the new generation by implementing digital systems to provide convenient and fast services for customers and the general public who are interested in the Company's products including better after-sale services.

Competitive strategy

Each distribution channel' plans in 2023 focuses on the relationship with the insurance producers, cost management, concise work processes, personnel management and electronic systems for escalating efficiency, speed and accuracy in recording data. Moreover, the Company will adjust the digital insurance offering to be in line with the competition and the current situation in order to ensure that all operating results meet the goals. The Company focuses on issues as follows:

1. To select target groups with low risk in order to ensure the achievement of all distribution channels.

2. To adjust the insurance premium price according to the competitive conditions in the market in order to meet the demands and satisfy customers.

3. To adjust the sales promotion of each distribution channel to be related with the goals and the cost of expenses for effectiveness.

4. To develop products to meet the demands of all consumers, including after-sales service that consumers can access more conveniently and quickly by using digital systems.

5. To increase capability in after-sales service for various market directions that began to expand towards the end of 2022, especially the electric vehicle (EV) market, to build confidence among partners and customers.

6. To develop personnel's potential and abilities for the digital business in line with insurance producers.

(3) Products and services procurement

Operational guidelines in 2023, the Company will focus on products and services development to respond to the demands and behaviors of customers in each insurance producer both central and regional in order to comply with various market directions after COVID-19 during the years 2020-2022. The economic situation and favorable government measures drive overall economic growth to meet the target customers. The insurance premium and after-sales service focus on customers and business partners' satisfaction. Products offering and services on traditional and online platforms will still be operated concurrently for the consumer groups to access quickly as before.

Company's market share as of 30 September 2022

Type of Insurance	Direct Insurance Premium (Thousand Baht) 2022	2021	Product Share (%)	Growth Rate (%)	Market Share (%)
Fire	272,501	263,332	10.32	3.48	3.58
Marine and Transportation	67,126	70,332	2.54	-4.56	1.25
Motor	1,573,329	1,375,685	59.58	14.37	1.41
Miscellaneous	727,530	722,477	27.55	0.70	0.97
Total	**2,640,486**	**2,431,826**	**100.00**	**8.58**	**1.32**

Source: Office of Insurance Commission (OIC) as of 28 December 2022

(4) Business assets

Land, buildings, equipment and building lease agreements

As at 31 December 2022, fixed assets used in the Company's business operations totaled 337.56 million Baht, consisting of:

Land and buildings including building improvements	326.99	million Baht
Furnishings and office equipment	8.89	million Baht
Vehicles	1.68	million Baht

Land and buildings of the head office and branches owned by the Company

Asset / Location	Size	Account Value (Unit:Million Baht)		Obligation
Head Office 100/47-55, 90/3-6, Sathorn Nakorn Bldg., 26th Flr., North Sathorn Rd., Silom, Bangrak, Bangkok 10500	Office space 4,344.66 sq.m Parking space 788.50 sq.m	Condo	132.95	None
Office 100/20-21, Sathorn Nakorn Bldg., 14th Flr., North Sathorn Rd., Silom, Bangrak, Bangkok 10500	Office space 1,200.70 sq.m Parking space 240.00 sq.m	Condo	142.61	None

Asset / Location	Size	Account Value (Unit:Million Baht)		Obligation
Office of Claims Management Department 90/4-6, 1st Floor, Sathorn Thani Building 1, North Sathorn Road, Silom, Bangrak, Bangkok 10500	523.39 sq.m	Condo	19.30	None
Khon Kaen Branch Office and accommodation for staff 2 booths of 3.5-storey commercial building and land 110-110/1 Srichan Rd., Nai Mueang, Mueang Khon Kaen, Khon Kaen 40000	365 sq.m	Land	0.47	None
Chiang Mai Branch Office and accommodation for staff 2 booths of 3.5-storey commercial building and land 96 Sam Lan Rd., Phra Sing, Mueang Chiang Mai, Chiang Mai 50200	355 sq.m	Land	0.53	None
Hat Yai Branch Office and accommodation for staff 2 booths of 3-storey commercial building and land 14,16 Siam City Center 1 Rd., Hat Yai, Songkhla 90110	307 sq.m	Building Land	4.69 1.16	None
Mukdahan Branch Office and accommodation for staff 2 booths of 4-storey commercial building and land 33/19-20 Chayangkul Kor Rd., Mukdahan, Mueang Mukdahan, Mukdahan 49000	448 sq.m	Building Land	5.70 0.48	None

Asset / Location	Size	Account Value (Unit:Million Baht)	Obligation
Phetchabun Branch Office and accommodation for staff 2 booths of 3.5-storey commercial building and land 199/16-17 Moo 2, Saraburi-Lomsak Rd., Sadiang, Mueang Phetchabun, Phetchabun 67000	354 sq.m	Building 3.24 Land 2.75	None

Leased office buildings

Asset / Location	Lease Condition
Future Park Rangsit Branch Office Ground Flr., Room G 87/1, 94 Paholyothin Rd., Prachathipat, Thanyaburi, Pathum Thani 12130	3-year building lease agreement From 1 July 2021 to 30 June 2024 Size: 52.18 sq.m
Nakhon Pathom Branch Office 2 booths of 3.5-storey commercial building 560 Phetkasem Rd., Phra Prathon, Mueang Nakhon Pathom, Nakhon Pathom 73000	3-year land and building lease agreement From 1 July 2021 to 30 June 2024 Size: 320 sq.m
Pranburi Branch Office 2 booths of 3.5-storey commercial building 498/4 Moo 2, Phetkasem Rd., Wang Phong, Pran Buri, Prachuap Khiri Khan 77120	3-year land and building lease agreement From 1 January 2023 to 31 December 2025 Size: 336 sq.m
Customer Service Office 90/3, 1st Floor, Sathorn Thani Tower 1, North Sathorn Road, Silom, Bangrak, Bangkok 10500	3-year office space lease agreement From 1 September 2023 to 31 August 2025 Size: 157 sq.m
Kanchanaphisek Warehouse 1 1 booth of 4-storey commercial building 45/1856, Soi DK 16, Kanchanaphisek Road Bang Bon, Bang Bon, Bangkok 10150	3-year building lease agreement From 1 September 2020 to 31 August 2023 Size: 147 sq.m

Asset / Location	Lease Condition
Kanchanaphisek Warehouse 2 1 booth of 4-storey commercial building 102 Soi Phraya Monthat Intersection 35-2/1, Kanchanaphisek Road, Bang Bon, Bang Bon, Bangkok 10150	3-year building lease agreement From 1 June 2020 to 31 May 2023 Size: 147 sq.m
Pattaya Backup Site 1 booth of 1-storey commercial building 47/99 Moo 9, Central Pattaya Rd., Nong Prue, Bang Lamung Chonburi 20150	1-year building lease agreement From 1 November 2022 to 31 October 2023 Size: 48 sq.m
Pattaya Branch Office 1 booth of 4-storey commercial building 72/150 Moo 4, Sukhumvit Rd., Bang Lamung, Chonburi 20150	3-year land and building lease agreement From 1 July 2022 to 30 June 2025 Size: 288 sq.m
Phichit Branch Office 1 booth of 2-storey commercial building 4/196-197 Saruang Rd., Nai Mueang, Mueang Phichit, Phichit 66000	3-year land and building lease agreement From 1 June 2022 to 31 May 2025 Size: 320 sq.m
Phitsanulok Branch Office 1 booth of 4-storey commercial building 444/13 Siharat Dechochai Rd., Nai Mueang, Mueang Phitsanulok, Phitsanulok 65000	3-year land and building lease agreement From 1 May 2022 to 30 April 2025 Size: 156 sq.m
Nakhon Sawan Branch Office 1 booth of 4-storey commercial building 1002/2 Moo 10, Nakhon Sawan Tok, Mueang Nakhon Sawan, Nakhon Sawan 60000	3-year land and building lease agreement From 1 September 2021 to 31 August 2024 Size: 262.64 sq.m
Nakhon Ratchasima Branch Office 2 booths of 3-storey commercial building 230/11-12 Mittraphap-Nong Khai Rd., Nai Mueang, Mueang Nakhon Ratchasima, Nakhon Ratchasima 30000	3-year land and building lease agreement From 1 March 2023 to 28 February 2026 Size: 288 sq.m

Asset / Location	Lease Condition
Ubon Ratchathani Branch Office 2 booths of 2-storey commercial building 265/4,265/5 Uppleesan Rd., Nai Mueang, Muang, Ubon Ratchathani 34000	3-year land and building lease agreement From 1 April 2022 to 31 March 2025 Size: 160 sq.m
Udon Thani Branch Office 2 booths of 3.5-storey commercial building 419/7-8 Rop Mueang Rd., Mak Khaeng, Mueang Udon Thani, Udon Thani 41000	3-year land and building lease agreement From 1 November 2020 to 31 October 2023 Size: 532 sq.m
Roi Et Branch Office 2 booths of 3-storey commercial building 36/2-3 Tewapibal Rd., Nai Mueang, Mueang Roi Et, Roi Et 45000	3-year land and building lease agreement From 1 November 2020 to 31 October 2023 Size: 384 sq.m
Nakhon Si Thammarat Branch Office 2 booths of 3.5-storey commercial building 187 Pattanakarn-Kukwang Rd., Nai Mueang, Mueang Nakhon Si Thammarat, Nakhon Si Thammarat 80000	3-year land and building lease agreement From 1 November 2022 to 31 October 2025 Size: 294 sq.m
Surat Thani Branch Office 1 booth of 4-storey commercial building 141/124 Moo 5, Kanchana Vithi Rd., Bang Kung, Mueang Surat Thani, Surat Thani 84000	3-year land and building lease agreement From 1 August 2020 to 31 July 2023 Size: 256 sq.m
Phuket Branch Office and accommodation for staff 2 booths of 4-storey commercial building 58/7-8 Thepkrasattri Rd., Ratsada, Mueang Phuket, Phuket 83000	3-year land and building lease agreement From 1 July 2020 to 30 June 2023 Size: 640 sq.m
Krabi Branch Office 1 booth of 3-storey commercial building 434/50 Utarakit Rd., Krabi Yai, Mueang Krabi, Krabi 81000	3-year land and building lease agreement From 1 April 2022 to 31 March 2025 Size: 212 sq.m

Asset / Location	Lease Condition
Chanthaburi Sub-Branch Office 1 booth of 3-storey commercial building 59/14 Phraya Trang Rd., Wat Mai, Mueang Chanthaburi, Chanthaburi 22000	3-year land and building lease agreement From 1 May 2020 to 30 April 2023 Size: 170 sq.m
Chiang Rai Sub-Branch Office 1 booth of 3-storey commercial building 418/5 Moo 5, Klang Wiang Rd., Rim Kok, Mueang Chiang Rai, Chiang Rai 57100	3-year land and building lease agreement From 1 July 2020 to 30 June 2023 Size: 240 sq.m
Chumphon Sub-Branch Office and accommodation for staff 1 booth of 2-storey commercial building 177 Moo 3, Wang Phai, Mueang Chumphon, Chumphon 86000	3-year land and building lease agreement From 1 May 2021 to 30 April 2024 Size: 128 sq.m
Rayong Sub-Branch Office 1 booth of 3-storey commercial building 4/20 Moo 4, Thap Ma, Mueang Rayong, Rayong 21000	3-year land and building lease agreement From 1 August 2021 to 31 July 2024 Size: 162 sq.m

Investment policy in associated companies

As at 31 December 2022, the Company investments in associated Companies as follows:

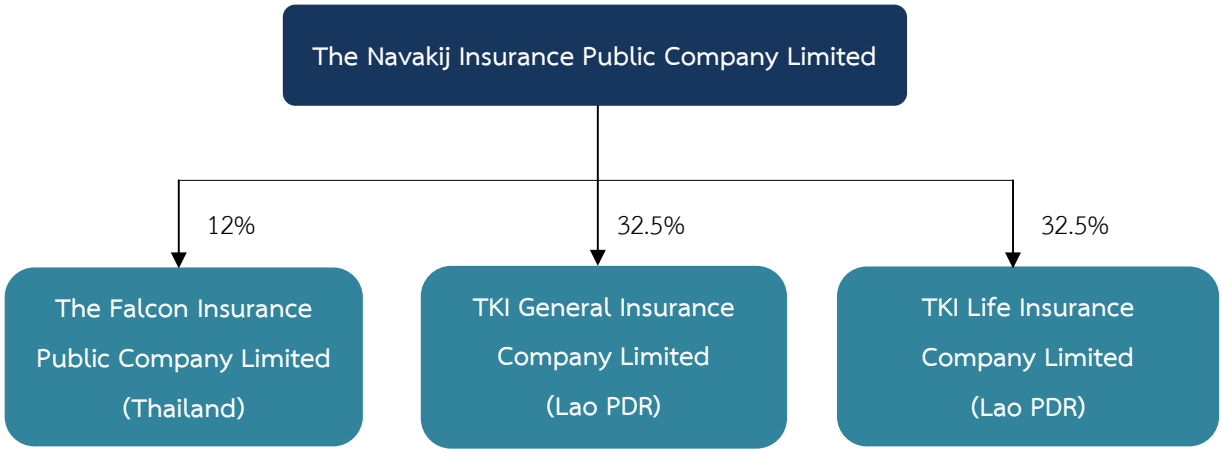
1. Investment in TKI General Insurance Co., Ltd., a non-life insurance company in the Lao People's Democratic Republic. TKI General issued 8 million ordinary shares of which the Company holds 32.50%.

2. Investment in TKI Life Insurance Co., Ltd., a life insurance company in the Lao People's Democratic Republic. TKI life issued 8 million ordinary shares of which the Company holds 32.50%.

1.3 Shareholding Proportion of the group of the Company

1.3.1 Shareholding Proportion of the group of the Company

Shareholding Proportion of the group of the Company as at 31 December 2022 summarized as follows:



The Falcon Insurance Public Company Limited (Thailand)

Type of Business	Non-life Insurance
Registered Capital	100 million Baht Comprise 10 million shares with a par value of 10 Baht per share
Paid-up Capital	100 million Baht
Headquarter Address	33/4 Floor 24-25 A Building, The Nine Tower, Rama 9 Road, Huai Khwang Subdistrict, Huai Khwang District, Bangkok 10310
Telephone	0 2676 9888
Fax	0 2676 9898
Shares held by the Company	1,200,000 shares with a par value of 10 Baht per share Equivalent to 12% of paid-up Capital

TKI General Insurance Company Limited (Lao PDR)

Type of Business	Non-life Insurance
Registered Capital	16,000,000,000 LAK Comprise 8 million shares with a per value of 2,000 LAK per share
Paid-up Capital	16,000,000,000 LAK
Headquarter Address	Level 4, Zone A office Unit, The Iconic, Unit 11, Phonxay Road, Phonxay Village, Saysettha District, Vientiane Capital, 01000, Lao PDR
Telephone	+856 21 417707
Fax	+856 21 417705
Shares held by the Company	2,600,000 shares comprised 2,000 LAK per value Equivalent to 32.50% of paid-up Capital

TKI Life Insurance Company Limited (Lao PDR)

Type of Business	Life Insurance
Registered Capital	16,000,000,000 LAK Comprise 8 million shares with a per value of 2,000 LAK per share
Paid-up Capital	16,000,000,000 LAK
Headquarter Address	Level 4, Zone A office Unit, The Iconic, Unit 11, Phonxay Road, Phonxay Village, Saysettha District, Vientiane Capital, 01000, Lao PDR
Telephone	+856 21 417707
Fax	+856 21 417705
Shares held by the Company	2,600,000 shares with a per value of 2,000 LAK per share Equivalent to 32.50% of paid-up Capital

1.3.2 Conflicts of interest holding shares in subsidiaries or associates

None

1.3.3 Relationship with businesses of shareholders

None

1.3.4 Shareholders

Major Shareholders

Top ten major shareholders as of 30 December 2022

No.	Shareholders	No. of Shares	Percentage of Total Number of Shares
1.	Mr. Suchin Wanglee Group*	5,082,510	14.12
2.	The United Indemnity Company Limited	2,565,639	7.13
3.	Thanasarn Sombat (Thai) Company Limited	1,859,418	5.17
4.	Mr. Nataphol Srichomkwan	1,696,056	4.71
5.	Siam Motors Company Limited	1,454,400	4.04
6.	Wanglee Company Limited	1,054,219	2.93
7.	Mrs. Saijit Wanglee Group**	1,043,610	2.90
8.	Mr. Pradit Rodloytuk	945,613	2.63

No.	Shareholders	No. of Shares	Percentage of Total Number of Shares
9.	Visudhi Phanich Limited	901,410	2.50
10.	Mr. Chan Chi Keung	802,017	2.23
	Other Shareholders	**18,595,108**	**51.65**

Note: * Mr. Suchin Wanglee Group consisted of 1) Mr. Suchin Wanglee holds 3,623,127 shares 2) Mrs. Rujiraporn Wanglee holds 1,260,000 shares 3) Dr. Saran Wanglee holds 199,383 shares.

** Mrs. Saijit Wanglee Group consisted of 1) Mrs. Saijit Wanglee holds 657,508 shares 2) Miss Jittinan Wanglee holds 245,504 shares 3) Mr. Nattachai Wanglee holds 140,598 shares.

1.4 Registered Capital and Paid-up Capital

The Company has been listed in The Stock Exchange of Thailand (SET). The registered capital is 360 million Baht which is fully paid. The total issued ordinary share is 36 million shares with a par value of 10 Baht par value.

The Company does not have any other securities apart from the ordinary shares.

1.5 Other securities

The Company does not have any other securities.

1.6 Dividend payment policy

The Company's dividend payment policy stipulated that the dividend shall be paid at the rate of not less than 40% of the net profit of the financial statements in which the equity method is applied and the separate financial statements must not have accumulated loss. The board of director may consider dividend payment provided that it is approved by the shareholder's meeting. The board of director could consider interim dividend occasionally and reports to the shareholder's meeting for acknowledgement.

Previous dividend payment information

Items	2022	2021	2020
Earnings per share (Baht)	0.69	3.04	1.98
Dividend rate per share (Baht)	1.277778	1.7857	1.50
• Cash dividend payment per share (Baht)	1.00	1.50	1.50
• Stock dividend payment per share (Baht)	0.277778	0.2857	-
Dividend payment ratio to net profit (%)	185.17	57.16	73.61

Note:

- The operating results are according to the financial statements in which the equity method is applied.
- The Company adjusted the number of ordinary shares used to calculate the earnings per share, as though it had issued the stock dividend at the beginning of the reporting year.
- Dividend payment for the year 2022 will be proposed to the Annual General Meeting of Shareholder on 20 April 2023 for approval.

2. Risk Management

2.1 Risk Management Policy

The Navakij Insurance Public Company Limited realizes the importance of the Company's risk management. Therefore, for the effective risk management, the Board of Directors assigns the Risk Management Committee to determine the Enterprise Risk Management Policy and control the Own Risk and Solvency Assessment (ERM & ORSA), which has been approved by the Board of Directors to communicate the importance of the risk management policy to all departments for acknowledgment and strictly implementing the policy.

The Company defines a risk management policy which is in accordance with the Company's business strategy and the 3-year business plan by identifying the key risks according to the Company's main activities, providing the risk register, doing the risk assessment, monitoring and improving risks, which are in the high-level risks (risk tolerance) in order to mitigate risk to an acceptable risk level (risk appetite) as the specified risk management policy and does not significantly affect the Company's capital, and reporting the risk management results to the Risk Management Committee for acknowledgment.

2.2 Risk Factors for the Company's Business Operations

Strategic Risk

1. The competitiveness and the liberalization of the insurance industry

Currently there is a greater competition in the non-life insurance business which can be seen in the concentration of large and medium sized companies. Entry in ASEAN economic community plays a major role in the increase of competition for insurance companies abroad and domestic of both which have strong financial standings, modern technology and new innovative products for the consumer. Therefore, these companies have a potential for a higher market share supported by a strong financial backing allowing them to compete in terms of pricing, strategy and quality of service. To stay competitive, insurance companies must adjust accordingly with those given conditions.

The strategies are

1) The Company emphasizes the existing customers group and focus on the motor insurance business which has the high potential growth and making the market share of the Company's total insurance premium is higher than the non-motor insurance.

2) The Company expanding the market-based to the retail customers group and also have micro-insurance products to serve the customers' needs.

3) Adjusting competitive strategy by looking for new and high potential marketing channels. Developing new products to effectively respond to changes in customers' needs, economy, and social conditions. The Company will develop the new products to support this regarding situation.

2. Risks from selecting target customers that are suitable for the Company strategy and the technology that supports new products to suit for the specific risk of customer group

The selection of target customers is very important for today's business operations, so determining the target customers are important. The Company should give precedence to manage costs including target customers to be suitable with the Company strategy as specified in order to build a better customer base in the future and create the sustainable competitiveness in business. In addition, technology has an important part that can be used to analyze, plan, and make decisions by processing from a Company database and able to modify the application processing according to various situations for the Company's goals.

The Company manages the risk by

1) To set the target of the new product, insurance premiums and loss ratio.
2) To emphasize the new product that is profitable and high potential growth.
3) To make the new marketing channels and analyze customers' demand for new products.
4) To monitor the insurance premium growth rate and loss ratio in accordance with the Company target and make the evaluation.

Insurance Risk

1. Increasing of amount and frequency of loss

The impact of external factors whether physical or geographical factors, natural perils, disasters, accident, terrorism and burglary may bring disaster to lives and damage to property insured by the Company, leading to higher than expected losses. These risks may result in the premiums received from customers being lower than the actual losses or the claims reserve being inadequate, which may have an impact on the Company’s capital at risk.

2. Ethics and moral

The risk may arise from insurers who intend to take advantage of insurance company. In this respect, insurers may have to pay for a higher settlement than the fair amount. This may result in a higher of loss ratio than expected and effect to the Company’s liquidity risk.

The Company adopts measures to deal with the above risks by

1) Analyzing on the basis of Loss ratio and Combined ratio by monitoring and controlling to be in the Company criteria.
2) Implements strict risk selection criteria, client groups and type of business which conform to the risk appetite of loss ratio. The Company analyzes the reinsurance retention appropriately in order to increase profitability and absorb risks that may occur.
3) The Company purchases the Excess of Loss Insurance which will help to control the risk that Company takes, and to prevent the Company's performance, Company's financial status, including the

level of the Company's capital fund fluctuation and severely affected by the crisis such as catastrophic events, which affect more than the Company can accept as the Company has defined in accordance with the risk management policy.

Market Risk

The risk arises from decreasing in value of securities from fluctuations in exchange rates, interest rating and security prices as well as from external factors such as economic, social and political situations.

The Company manages the market risk by

The Company diversifies the portfolio and spreading investment funding to include various lines of investment as well as categories of business in order to reduce fluctuations in aggregate value of investment. It closely monitors and regularly assesses factors that may cause fluctuations to value of investment instruments in order to make a proper investment transaction according to situation. It has policy not to invest in speculative securities that price fluctuation is high but concentrates on blue-chip securities and ones that have steady yield. The Company has an investment committee who considers and sets up investment policy, in addition to the Office of Insurance Commission's rule of practice promulgated under the Non-Life Insurance Act B.E.2535, in order to reduce exposure from the loss of investment funding. The committee considers and reviews structure of the portfolio mix on a regular basis.

Credit Risk

The counterparty is unable to meet the agreement which has been stated in the contract and the probability that the counterparty's credit rating is downgraded.

1. Investment

More than 50 percent of the Company asset is securities investment, so the Company is taking on the risk should the issuer is default.

The Company manages the investment risk by

The strategy is making selection of investment base on credit rating of at least A- of issuers of fixed income securities, assigned by reliable outside credit rating agencies such as TRIS and FITCH. It is the Company policy to invest in fixed income securities at least "Investment Grade" quality. All invested fixed income securities will be periodically monitored for an adjustment of the debtors' credit rating and relevant information will be gathered to review business potential of the issuers. It also regularly monitors and reviews the limit for investment to ensure adequate investment limit of individual line is maintained at all time.

2. Reinsurance

The reinsurance companies cannot pay claim recovery the Company as specify in the contract so the Company's liquidity is affected consequently.

The Company manages this risk by

The Company considers and chooses only reinsurers with a credit rating of A- or higher and monthly monitors for any adjustments to the credit ratings of foreign reinsurance companies and quarterly monitors for any adjustments to the credit ratings of local reinsurance companies.

Liquidity Risk

The risk arises from a given security or asset that cannot be traded quickly enough, and at the required quantity, price and time to enable the Company to have cash to pay loans or meet its obligations as they become due. Liquidity is critical to insurance operation as it can create damages in terms of monetary as well as non-monetary damages such as reputation, image, and credibility to clients, business partners, public and industry.

The Company establishes policy to manage liquidity risk on investment operation by

1) Making investment on securities that are liquid such as fixed income securities from government sector or private sector that has good credit rating. It also spreads out investment funding and balances the portfolio with taking into account time horizons and fund needs to pay loans and meet obligations, managing account receivable, account payable, remaining useful life of assets and changes in value of assets, deals with the remaining useful life of assets and liabilities was taken into consideration and anticipated quantity and duration properly needed in circumstances whether inside and outside the Company.

2) Maintaining adequate shareholders' equity to meet its liabilities and have an appropriate ratio to handle exposure from business and operation risks and provides other funding sources for its contingency plans for handling liquidity crisis.

3) Responsibilities and line of report to those who manage liquidity risk are clearly defined as well as establish reporting system to generate an early warning report to executives for transactions that are not conform to the Company' policy or promptly, timely and accurately report warning signs to key risk indicators.

Operational risk

1. Personnel

There exists limited skilled and specialized workforce for insurance industry. The strategies are to support continuing growth in career path through training programs both domestic and international, to sponsored higher education scholarship, to keep high potential employees to work permanently.

2. Processing system

The risk arises from the insufficient or inappropriate internal control system also including the classification of responsibility ineffectively as well as there exists no guideline for examining any person who commits an offense under Anti-Money Laundering Act and Counter-Terrorism and Proliferation of Weapons of Mass Destruction Financing Act that may cause the Company shall be liable to fine and discredit.

The strategies are

1) To endorse and establish code of work ethics based on good governance on a continuous basis.

2) Work manual, authority to exercise power and responsibilities are clearly defined in writing and periodically revised.

3) To build up a culture that values corporate risk management and work integrity and ethics.

4) To emphasize the investigating process those who violate or fail to comply with the Anti-Money Laundering Act, and Terrorism and Proliferation of Weapons of Mass Destruction Financing Act.

3. Technology

Statistical data and information of clients were lost or leaked to outsiders or competitors, including the cyber risk. The Company will suffer negative image, the operation will be interrupted if problems occurred to the central computer it will lead to system failure or losing all data.

There are effective information security solutions to protect electronic information and contingency plan for central computer unit. There is a back-up system in preparation for emergency disaster. A contingency business continuity plan has been designed and tested on a yearly basis.

In addition, procedures and regulations have been clearly defined and practiced in respect of security of data and system, are

1) Software Security and Data, the Company installs a program to check and detect computer viruses, firewall and the patch programs from each particular program producers to get rid of bugs and errors in the computer system. Two sets of backup data are kept. They are updated daily, monthly and yearly at secured outside locations in preparation for emergency disaster.

2) Hardware and Network, the Company has a contingency plan to use an outside backup site if disaster occurs.

3) Physical security of the central computer unit, the Company provides backup power system to support short term power outage. It also has a generator capable of keeping the unit live should we experience longer term power outage. The Company has installed fire alarm system and fire extinguishers specifically for electronic system protection.

4) Personnel security, the Company establishes clearly defined procedures identify those who can access to send mail out of the office, set size limit to sent mail, and report of sent mail.

5) The Company occasionally provides the information technology external auditor for information technology auditing to improve the Company's working process in accordance with international standard procedures.

4. External Factors

Outsider effect that can impact the Company's operation and financial status, might include social (third party), market conditions, political environment and natural factors e.g. fire, flood or earthquake.

The Company manages these external factors by carefully selecting of partnership management and increasing more diligence for the record of claims arising from moral hazard as well as the KYC: know your customer should be done before the issue of every new policy following the principles of risk management and also comply with Anti-Money Laundering Act and Counter-Terrorism and Proliferation of Weapons of Mass Destruction Financing Act.

5. Fraud Risk

Means the act or omission to act of fraud in order to gain unlawful benefits, regardless of whether the beneficiary of the fraud is a fraudulent person or any other involved person. In this regarding includes internal fraud and external fraud, which has been identified as part of the operational risk.

The Company manages the fraud risk by

The Company has specified the event and source of fraud risks, which effected on income, capital fund, reputation, or existence of the Company.

The Company has prescribed the procedures for fraud risk assessment, and implement.

The Company manages fraud risks, by performing at least the following items;

1) To set a standard and do the evaluation for qualifications and suitability of directors, and employees regularly at least once a year.

2) To set a policy for categorizing customers, Customer Due Diligence (CDD).

3) To set procedures for managing compensation claims to reduce fraud risk.

4) To set a guideline for assessing the qualifications of agents and brokers.

5) To monitor the operations of insurance agents and brokers.

6) In the case of the Company uses services from third parties, the Company prepares a policy for outsourcing third-party services, monitor risk from third-party services.

The Company prepares a policy for reporting fraud (whistle-blowing).

The Company has appointed an independent person to perform an investigation on any suspicious event by reporting the investigation result to the audit committee quarterly at least. If the audit

committee receives the report and found the fraud that has a serious impact on the financial status, performance or Company reputation, the audit committee reports to the board of directors in order to solve the problem in the appropriate period. In case of the board of directors or the management does not make improvements within the time specified by the audit committee, the audit committee reports to the OIC.

The Company prepares a database for internal and external fraud for monitoring fraud.

The Company revisits its policy at least once a year.

The Company prepares a report summarizing its implementation of insurance fraud risk policies and procedures, which have been approved by the risk management committee and submitted to the board of directors, at least once a year.

6. Corruption Risk

This risk arising from actions to seek unlawful benefits for oneself and others such as embezzlement, fraud, reporting fraud, disinformation, disclosure of confidential information of the Company, or exploitation etc., including bribery in any form by offering, promising, conferring, promising, demanding or accepting any improper money, property or other benefit with government officials, government agency, or the person in charge whether directly or indirectly in order for such person to act or refrain from performing duties which is to acquire or maintain business or any other benefits that are inappropriate for business except in the case of laws, regulations, announcements, regulations, local customs or trade customs.

The Company has risk management by defining the Anti-Corruption Policy, Terms and Practices of Anti-Corruption by communicating to directors, executives, employees and stakeholders for acknowledgment. To cultivate a corporate culture of honesty recognize the importance of this measure and have an understanding of the guidelines. It will also communicate to outsiders such as customers, partners, stakeholders, and third parties associated with the Company or may affect the Company to be aware of the Company's business practices and encourage the Company's partners to adhere to transparent business practices and not involve in corruption.

7. Conduct of Business Risk

This risk arises from the operations or activities of providing customer service of the Company, causing customers not to be treated fairly.

The Company has the conduct of business policy that defines the Company's business operations, staff working process, non-life insurance agent and broker including banks which is in accordance with the OIC announcement.

8. Personal Data Risk

Personal data risk caused by using personal information collection or disclosure without the consent of the data subject for personal gain or trade or for the benefit of personal information using in various offenses.

The Company has risk management by defying the guidelines for the use or disclosure of personal information related to the non-life insurance business, and comply with the Personal Protection Act, as well as other laws related.

Reputational Risk

The risk arises from expectation from stakeholders that the Company may not response to all issues such as the expectation of insurance coverage or customer expectations to response their needs that may resulting in the loss of trust, faith, reputation and image of the Company.

To mitigate this, the Company concerns on strategic vision and reputation though the cooperation between the Board of Directors and top executives. Therefore, we are having several sources of information and experience sharing which is relevant to identify the possible risk of Company's reputation.

Information Technology Risk

Information Technology or IT risk is basically any threat to your business data, critical systems and business processes. It is the risk associated with the use, ownership, operation, involvement, influence and adoption of IT within the Company. IT risks have the potential to damage business value and often come from poor management of processes and events. This will have a negative impact on the Company's business operations. In addition, cyber risk is one of the risks that the Company focuses on and included in the information technology risk because it affects the credibility of the Company's information (Trust Building) including the Company's business interruption due to a disaster happening with The Company's data center that caused the Company could not do business or has lost some or all of the data, which causes damage the Company and lack of credibility.

The Company has risk management by defining the information technology risk management policy and information technology security policy that complies with international standards and the Notification of the Office of Insurance Commission (OIC) Re: the Rules for Supervision and Risk Management in Information Technology of Non-Life Insurance Companies B.E.2563. Moreover, the Company complies with the IT Audit - Risk Based Supervision which specified by OIC for monitoring and controlling about the information technology risk management and cybersecurity risk. The Company has the Business Continuity Management (BCM) Plan and has the yearly testing for reporting the results to the Risk Management Committee and the Board of Director.

Catastrophic Risk

This risk will make the damage suddenly and seriously, they caused a lot of loss such as earthquakes, floods, etc. This is one of the important factors that may affect the Company's business operations.

The Company has risk management by analyzing and considering the preparation of reinsurance contracts through reinsurers with stable financial status. This is the transferring and diversifying risks of the insurance business. This will help to limit the amount of the damage that the Company can compensate the compensation without affecting the Company's financial position.

Emerging Risk

The loss from unseen risks but is likely to happen in the future according to the changing of the environment. This risk may occur gradually and has low probability but if it happens, this will cause a large damage to the Company. This risk is based on statistically and expectation of the reliable evidence.

The risk management plan is applicable though the product development in order to cover cost of loss and restricting the threshold of underwriting process.

Group Risk

The risk that the financial status of affiliated company impacts to other associates companies. Currently, the Company has investments in associates are incorporated in Laos.

The strategy is complying with investment plan and procedure and guideline for investment in other business defined in the risk management policy as well as relevant laws and regulations to prevent the Company’s operation from causing any damage.

Environmental, Social and Governance Risk

Risk arising from business operations and investments of the company that reflect the concrete environmental, social and governance concepts, such as encouragement the company's investment in green financial products, encouragement the sustainability awareness in the company's business operations etc. The sustainability information disclosure of the Company shows the policy, impact, and performance of the company's environmental and social activities under the good corporate governance policy, including the data of greenhouse gas emissions and respect for human rights. These data will show the efficiency of the business, adjustment to accommodate risks in various areas as well as reflecting the efficiency of the energy cost and resource management of the company in order to achieve business sustainability in a tangible way to build credibility for investors and reduce the risk of stakeholders' conflicts in business operations. In addition, data users can see the business operations' overview in a broader dimension than financial data. This will create confidence in the organization in terms of their

abilities to manage their business with efficiency, transparency, competitiveness, and generate the long-term returns for the Company.

The risk management plan: There are policies and goals for sustainability management. The company's sustainability management approach is reflected in the company's vision which is committed to conducting business in order to create social stability with ethics. Provide the valuable and quality protection to the insured and all stakeholders as well as strengthening its position as a leading company in the non-life insurance business by adhering to the NKI's core values: Creative Thinking, Accountability, Collaboration, Excellent Service. The Company uses digital technologies such as online meeting, e-policy to reduce workflows process and support the transformation of cyber transactions. The Company applies the paperless workflows with business and have the hybrid working for the employees in order to preserve the environment and reduce global warming from traffic jam. In addition, the company also places importance on business management in accordance with good corporate governance principles and defines anti-corruption policy and continuously supports activities for society and public benefit for the operation of the business to grow steadily and sustainably covering all dimensions including economy, society and environment.

Asset and Liability Management Risk

A mismatch between assets and liabilities either due to liquidity or changes in interest rates, stock prices and property prices, especially a loss reserve, unearned premium reserve, premium received in advance and duration of asset is longer than the average life of liability which affected the Company’s financial standing and liquidity.

The strategy is defining asset and liability management as a mechanism to address the investment risk in line with investment policy, investment plan and procedure of the Company as well as guideline for investment in other business set by the Company’s investment committee and have been approved by the Board of Directors in order to ensure that the Company has a suitable asset and liability management, investment in equity securities, cash ratio and liquid assets.

Concentration Risk

The risk arises from the value of specific asset concentration is too high including investment and reinsurer. As the issuer and reinsurer have credit difficulties and unable to pay obligation, the Company will have liquidity problem subsequently.

1. Investment:

The Company is investing in both equity and security market in order to get high return as targeted. Therefore, if the Company invests on one specific equity in order to get high return might cause the big loss when the value of equity is dramatically decreased.

The risk management plan is to the concentrations' restriction is applicable through the investment diversification. The Company is investing on various types of securities which is categorized the level of risk. We are strictly tightening the Concentration policy because it might affect the severity to the Company in term of Liquidity, Reinsurance risk, and Capital Adequacy Ratio and Risk Based Capital.

2. Reinsurance

The Company is facing the risk if choosing one reinsurer more than 50 percent of total reinsurance value. In the case that reinsurer is bankrupt, the Company will possibly be defaulted from the reinsurer.

The risk management plan: The Company has the reinsurance counterparty with both local and international reinsurers. The reinsurance policy of the Company is restricted though the ceiling of the amount of reinsure. The diversification to each reinsurer does not exceed 45 percent of the aggregate reinsure value of the Company.

Legal and Regulatory Risk

The Company abuses, neglects or an offense to comply with the law, the rules and regulations stipulated by the regulatory specifications.

The strategies are

1) The Company requires all employees to follow the relevant regulations properly as their responsibilities.
2) The Company communicates and gives the understanding to the employee to the effect and the loss that will be occurred according to the law discipline.
3) The Company records and pursues the legal and regulation policy issued.
4) Each division in the organization set their work instructions to prevent offense against the serious law such as Anti-Money Laundering Act and Counter Terrorism Financing Act.

3. Driving Business for Sustainability

3.1 Policies and Sustainable Management Goals

The Company is committed to creating value, considers the best interests of stakeholders, adheres to management under ethical principles and guidelines for Good Corporate Governance and conducts business responsibly. This commitment is reflected in the vision of the Company that is to conduct business in order to create stability for the society with ethics, provide valuable and quality protection to the insured and all stakeholders, as well as strengthen being a leader of non-life insurance company. The Company adheres to the four corporate values which are creativity, accountability, collaboration and excellent service as well as considers the relevant society and environment.

Moreover, the Company also pays attention to good corporate governance, stakeholders and business value chain. The Company adheres to be a good citizen by complying with the laws and regulations of relevant agencies, establishing anti-corruption policy and continually providing supports to social and public activities.

In 2022, the Board of Directors established the Sustainable Development Policy to raise awareness and confidence that the Company's business operations will create economic, social and environmental benefits. The Company also established the sustainable commitment that "We build agility protection for quality of life" to be in line with the Sustainable Development goals of regulators.

3.2 Stakeholders Impact Management in the Business Value Chain

3.2.1 Business Value Chain

The Company's main business is to provide all types of non-life insurance services. The main activity in the business value chain is the design and development of policies to meet the demands of customers. The Company is committed to modernizing the organization along with the emphasis on social responsibility. The Company developed work processes to meet the demands of customers by applying modern technology to reduce processes, time and resources such as paper, which is the main raw material in policy production. The Company also developed products and sales channels to have a variety and easier access.

Information of Value Chain in Key Activities

Key Activities				
Production Factors	Operation	Distribution of Goods and Services	Marketing and Sales	After-Sales Service
- Develop variety of products and suitable for the target group - Fair coverage and premium rates without taking advantage of customers - Appoint the Product Committee to supervise the issuing of new products, and set the insurance premium rates to be appropriate, and fair for the maximum benefit to the customers including in accordance with the rules prescribed by law - Business partners procurement	- Underwriting carefully and take into account the ability of retention - Issue policies with correct coverage conditions as offered to customers - Prepare information and documents to present to business partners - Consider business cooperation	- Branch offices in many regions for the convenience of policies offering and providing services - Various channels for offering insurance policies to access the various targeted groups - Knowledgeable and experience insurance offerors - Offering channels that are suitable for the nature and complexity of the policy	- Training for insurance offerors to fully understand the product in order to properly offer the product to customers - True and clear messages of advertising that do not create misunderstandings on the essence of the policy with a warning for customers to understand the details before making a decision	- 24-hour claims service - Several partners and service providers such as garages and hospitals in many regions - Quality and fair claim management system. - Customer service process in case of policy changing or cancellation - Complaint system and process - Prepare customer satisfaction assessment form to improve the service of claims

Supporting Activities			
Procurement	Technology Development	Human Resource Development	Infrastructure
The Product Committee carefully considered providing quality products and services with reasonable price from a reliable vendor or service provider with fair conditions.	Develop systems and procedures by applying modern technology for more flexible work with convenient and fast service.	Organize training to continuously improve the skills of personnel in various fields.	Management based on Corporate Governance principles.

3.2.2 Stakeholders in the Business Value Chain Analysis

The Company values all stakeholders in the business value chain. There are clear policies and guidelines for treating each stakeholder group as shown in the Company's business ethics manual. The Company also provides communication channels and stakeholder engagement activities, enabling the Company to get opinions, concerns, expectations, and new perspective. Those issues shall be benefit for improving the efficiency of the Company's business operations.

The stakeholder engagement is established for each stakeholder group in different forms as follows:

Stakeholders	Communication/Engagement	Expectation	Response
Shareholders	1. Annual General Meeting of Shareholders 2. Annual report 3. Disclosure of various information through corporate communication channels and the Stock Exchange of Thailand	1. Good profit and returns 2. Stable and sustainable business growth	1. Consistently pay dividends in line with operating results 2. Operate the business in accordance with the principles of good corporate governance and sustainable development.

Stakeholders	Communication/Engagement	Expectation	Response
Customers	1. Provide accurate, complete and clear information about products and services through various communication channels of the organization. 2. Customer satisfaction survey and channels for complaints and suggestions	1. Good product with reasonable price and a wide range of options 2. Good service and fast response to customer needs	1. Design products with reasonable price and a wide range of options 2. Organize a Customer Service Center to serve the customers and receive complaints
Partners	1. Visits and meetings to discuss regularly for strengthen relationship and acknowledge the operational problems, opinions and suggestions 2. Organize training about non-life insurance and insurance products.	1. Comply trade contracts properly fair and transparent 2. Convenient and fast coordination and services 3. Efficient and uncomplicated work system and workflow	1. Make an agreement with regard to mutual benefits and strictly comply with trade contracts 2. Inform partners of the procedures and timeframes for the process.
Employees	1. Orientation for new employees 2. Internal and external training for employees 3. Activities for employees such dressing in various festivals for fun and prizes 4. Annual checkup and vaccination 5. Communication through various channels such as intranet, email, LINE and Facebook groups. 6. Annual employee satisfaction survey form.	1. Proper compensation and benefits 2. Good working environment 3. Stability and career path 4. Equality, fairness and transparency 5. Knowledge and ability development 6. Work and life balance	1. Determine appropriate and adequate compensation and benefits, comparable to businesses in the same industry. 2. Establish workplace safety practices including creating a good working environment 3. Provide continuous training plan for professional

Stakeholders	Communication/Engagement	Expectation	Response
			development and growth. 4. Treat the Company's employees fairly according to personnel management regulations
Competitors	1. Notify information through s various communication channels of the Company	1. Fair trade competition	1. Compete in trade according to rules and business etiquette.
Creditor	1. Meeting	1. Paying back debts on time	1. Strictly comply with the agreed terms.
Community, Society, and Environment	1. Activities to help society and the environment	1. Social and environmental responsibility	1. Raise awareness among employees to care about society and the environment. 2. Organize activities to help society and the environment
Regulators	- The Meeting - Notifications through various channels	- The Company complies with the requirements correctly. - The Company cooperates and supports various projects.	- Communicate to employees regarding laws, rules, regulations and urge to strictly perform. - Promote good cooperation between departments

3.3 Sustainability Management in Environmental Dimensions

3.3.1 Environmental Policies and Practices

The Company's main business is service. Although it does not directly affect the environment, the Company recognizes the importance of sustainability in the environmental dimension and intends to comply with environmental laws and regulations. The Committee therefore established the Environmental Policy that focuses on the economical and efficient use of natural resources to prevent and reduce the environmental impact caused by the activities, products and services of the Company.

The Company raises awareness among employees to realize the importance of the environment, energy and resource consumption economically and cost-effectively to help reduce global warming, for example, reusing single-sided paper, printing only necessary documents, turning off the air conditioner 30 minutes before lunch and after work, turning off the electricity every time employees leave the office or meeting room and during lunch break, changing the incandescent lamps in the Company to energy-saving lamps, encouraging employees to turn off their computer screens every time they are not in use and use stairs between floors 26-27 instead of an elevator. The Company's cars only refuel with gasohol. The Company also plans to change equipment in operation to reduce the use of resources.

3.3.2 Environmental Performance

1. Electricity and Water Management

The Company raises awareness and continuously campaigns to reduce the use of water and electricity. However, during 2021, most of the employees worked from home, but in 2022, all employees returned to work in the office. As a result, the consumption of water and electricity increased, as detailed in the table:

	2022		2021		Percentage Change	
	Unit	Baht	Unit	Baht	Unit	Baht
Water	6,193	99,782.50	4,406	71,091.00	41	40
Electricity	607,016	3,145,088.99	601,619	2,768,636.56	1	14

2. Paper Management

A lot of paper is used in insurance business, especially in policy issuing process and letters. Thus, the Company encourages employees to use paper with value by using double-sided paper, and the submission of electronic meeting documents, including the preparation of electronic policies.

	2022		2021		Percentage Change	
	Page	Baht	Page	Baht	Unit	Baht
General Documents	1,940,963	501,085.60	1,841,656	476,755.80	5	5
Policies Printing	9,237,848	1,507,766.42	7,468,529	992,446.76	24	52

3. Waste and pollution management

The Company encourages employees to separate waste. There are 4 types of waste bins provided: 1) aluminum waste such as a cap or a screw cap and a can 2) recyclable waste such as glass bottles and clear plastic bottles (Polyethylene Terephthalate: PET) 3) toxic waste and 4) general waste.

The Company collects aluminum waste to deliver to The Prostheses Foundation of H.R.H the Princess Mother for making prosthetic legs. Since the Company's office is in an office building, the Company takes recyclable waste and general waste to the waste collection point of the building in order to properly dispose to help reduce environmental pollution.

4. Greenhouse gas management

Although the Company is a service business, various operational activities still emit direct and indirect greenhouse gases from energy consumption use of cooling systems, vehicles and documents delivery etc. In 2022, the Company therefore studied data on greenhouse gas emissions and would collect data to assess greenhouse gas emissions from activities in 2023.

However, in 2022, the Company continues to support the reduction of greenhouse gas emissions by continuously conducting environmental activities. Each activity is in line with the Sustainable Development Goals according to the SDGs as follows:

Preparation of an electronic policy

12th Goal: Responsible Consumption and Production

The Company created an electronic policy and delivered to customers via electronic channels that customers have requested. This plan reduced the process and time of printing documents. As a result, customers received the policy faster. It also reduced the use of paper, other resources and fuel consumption in policy delivery.

Perfect Step

3rd Goal: Good Health and Well-being

12th Goal: Responsible Consumption and Production (sustainable production and consumption plan)

The Company encouraged employees in the head office and branches to collect aluminum waste such as soft drink cans, rings from bottles of water, soft drink can cap and screw cap. After that, the Company donated aluminum waste to The Prostheses Foundation of H.R.H the Princess Mother for making prosthetic legs.

Books and Clothes Donation

4th Goal: Quality Education

11th Goal: Sustainable Cities and Communities

The Company gathered books, cloths, and other items that were unused but still in good condition to donate to The Mirror Foundation for reuse encouragement.

Campaign to use paper wreaths instead of fresh flower wreaths

11th Goal: Sustainable Cities and Communities

The Company changed from fresh flower wreaths to paper wreaths made from recycled and environmentally friendly materials in expressing condolences. The Company chooses to order wreaths from companies that support opportunity creation and create jobs for people in the community. In addition, wreath vendors also donate 10 – 40% of the cost to charitable organizations.

3.4 Sustainability Management in Social Dimensions

3.4.1 Social Policies and Practices

The Company adhered to conduct business with social responsibility, focus to all groups of relevant stakeholders by applying the principles of Good Corporate Governance as a guideline for the operation as well as formulate policies and practices that were consistent with the laws, rules and regulations of regulatory agencies.

Respect Human Rights

The Company was committed to build a corporate culture that adhered to respect for human rights and complied strictly with laws and international principles on human rights. The Board of Directors established Human Rights Policy that prohibited involvement in human rights violations and was based on freedom, equality and peace and treated each other with respect and equality without discrimination of race, nationality, gender, language, religion, age, political opinion, social status, culture, customs, or any other matter.

Fair Treatment of Labor

The Company placed importance on fair treatment of employees by appointing a welfare committee to take care of employees to have equal rights under the law, as well as set up a complaint process so that employees who faced problems in various matters could exercise their rights to complain.

3.4.2 Corporate Social Performance

In 2022, the Company implemented Social Responsibility Projects as below:

Using the Mobile Application for Health and Accident Insurance Services

3rd Goal: Good Health and Well-being

The Company participated in third-party mobile application services in order for the insured to search for various information under the health insurance policy and accident insurance easily and quickly, such as the coverage under the policy claim history, names, maps and phone numbers of hospitals in the network including various medical services.

Communicating information and knowledge with society

3rd Goal: Good Health and Well-being

11th Goal: Sustainable Cities and Communities

The Company communicated and educated the general public through the Company's communication channels, such as warning about fraudsters selling insurance of the Company, vehicle safety inspections, traffic laws, etc.

Participate the Crop Insurance Scheme

8th Goal: Decent Work and Economic Growth

11th Goal: Sustainable Cities and Communities

The Company participated in the Rice insurance and the Maize insurance Scheme to cover damage or loss to the insured crops which was caused by the perils specified in the policy such as floods, droughts and windstorms, etc. The person who would insure the crop had to be the one who produced that crop by himself and owns that produce.

The government designated crop insurance as one of the important measures used as a tool to assist farmers in organizing their financial system to cover production costs in the event of natural disasters, protection against reduced productivity and to protect the volatile price of produce, which would help building income stability and job security for farmers.

Vaccination against coronavirus disease 2019 and 4 strains of influenza

3rd Goal: Good Health and Well-being

To build immunity among employees, family members of employees, partners, communities and society in order to reduce disease severity and mortality.

Hybrid Working

3rd Goal: Good Health and Well-being

12th Goal: Responsible Consumption and Production

The Company allowed employees to work from home on certain days to help reduce travel expenses and help balance work and personal life. If there was an emergency situation regarding risk management, the operations could be operated continuously.

Blood Donation Project

3rd Goal: Good Health and Well-being

The Company cooperated with the National Blood Center, Thai Red Cross Society, Poonpol Group Company Limited and Sathorn Thani Complex, inviting employees, the general public and various agencies within the Sathorn Thani Complex to donate blood. This project was ongoing since 2000 to deliver blood to help patients in various hospitals. This year, 165,000 cc of blood was donated from 413 donors.

Body, Organ and Eye Donation Project

3rd Goal: Good Health and Well-being

Employees and the general public were invited to donate bodies, organs and eyes to Chulalongkorn Hospital, the Thai Red Cross Society Organ Donation Center and the Eye Center of the Thai Red Cross Society. The Company awarded of the body donation importance, which was for benefit researches, medical treatment and to pass on to patients who needed new organs for returning to their family and having the opportunity to contribute to society.

Do Good Deeds for Dad Winter 2022

3rd Goal: Good Health and Well-being

The Company donated 20,000 Baht to the Thai Red Cross Society to give warm cloths and dried food to promote good health and help the needy people. This year, the event was scheduled to be held in Udon Thani between 28 November 2022 and 2 December 2022.

Project for the blind

3rd Goal: Good Health and Well-being

11th Goal: Sustainable Cities and Communities

The Company donated 125,000 Baht to Foundation for the Blind in Thailand under the Royal patronage of H.M. the Queen. to help blind people for a better quality of life as well as supported education and enhanced knowledge and skills.

Dream Project

4th Goal: Quality Education

10th Goal: Reduced Inequalities

The Company gave scholarships in the amount of 30,000 Baht to the Public-School Fund in the project of dreams for children to give to Ban Khlong 3 School (Darun Suksa). This project supported the highest degree scholarships for poor students along with supporting the purchase of educational equipment.

Navakij Volunteer

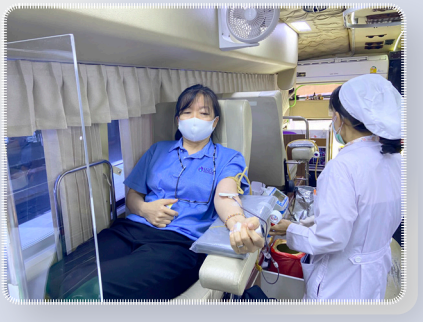
3rd Goal: Good Health and Well-being

The Company cooperated with the Mirror Foundation to deliver books, cloths, and other items in good condition for needy areas. Some of those items could be sold to raise funds for various activities of the Mirror Foundation and further improve the quality of life.

Activities

นวกิจจิตอาสา
โครงการกองทุนเสื้อผ้า เพื่อการแบ่งปันมูลนิธิกระจกเงา

สภากาชาดไทย
The Thai Red Cross Society
ศูนย์ปฏิบัติการด้านพิบัติสภากาชาดไทย
THAI RED CROSS DISASTER OPERATIONS CENTER
พ้นภัย
PhonPhai
RCHB



ร่วมแบ่งปัน
สานฝันให้น้อง

ร่วมแบ่งปัน
สานฝันให้น้อง
นวกิจ ประกันภัย
30,000

4. Management Discussion and Analysis

Summary of operating performance, financial position and cash flow for 3 years

Unit: million Baht

List	2022	2021	2020
Gross premium written	3,666.68	3,372.95	3,326.06
Net premium written	2,795.05	2,552.56	2,557.41
Net earned premium	2,624.85	2,522.93	2,437.21
Total underwriting income	2,845.61	2,756.72	2,631.06
Underwriting expenses	2,524.91	2,356.96	2,213.94
Profit from underwriting before operating expenses	320.70	399.76	417.12
Operating expenses	353.44	353.29	338.19
Profit (loss) from underwriting	(32.74)	46.47	78.93
Total investments income and profit (loss)	79.28	87.43	11.64
Share of profit (loss) from investment in associates	6.51	1.38	(0.97)
Other income	4.40	3.66	6.15
Other expenses and financial costs	11.28	6.37	9.15
Profit before income tax expenses	46.17	132.57	86.60
Income tax expenses	21.33	23.22	15.27
Profit for the year	24.84	109.35	71.33
Total assets	6,280.63	6,278.91	6,077.94
Total liabilities	4,095.60	4,030.62	3,983.38
Equity	2,185.03	2,248.29	2,094.56
Cash flows from operating activities	209.70	115.18	164.11
Cash flows from investing activities	(151.06)	(9.91)	24.52
Cash flows from financing activities	(67.14)	(66.89)	(64.65)

Financial Ratio

Financial Ratio		2022	2021	2020
Liquidity ratio				
Liquidity ratio	Times	1.11	1.19	1.24
Collection period for premium due and uncollected	Day	52.50	53.75	51.72
Profitability Ratio				
Gross profit margin	%	(1.17)	1.82	3.09
Retention Rate	%	76.23	75.68	76.89
Loss ratio	%	65.19	63.50	59.12
Underwriting and operating expenses ratio	%	36.06	34.66	37.64
Return on investment	%	2.34	2.59	0.36
Net premium ratio	Times	1.26	1.18	1.23
Net profit margin	%	0.85	3.84	2.69
Return on equity	%	1.12	5.04	3.43
Efficiency Ratio				
Return on assets	%	0.40	1.77	1.21
Assets turnovers	Times	0.47	0.46	0.45
Financial Position Ratio				
Debt to equity ratio	Times	1.87	1.79	1.90
Policy Liability to Capital Fund)	Times	1.40	1.26	1.26
Unearned premium reserve to equity ratio	Times	0.93	0.81	0.85
Unearned reserve to assets ratio	%	32.36	28.96	29.26
Dividend payout ratio *	%	185.17	57.16	73.61
Car ratio**	%	395.62	344.46	447.03

* Proposed to 2023 Shareholder's Meeting of in April 2023 for approval.

** Information of 2022 is unaudited.

Operating performance analysis

Summary of operating performance in 2022 compared to 2021, the Company's profit for the year was 24.84 million Baht, decreased by 84.51 million Baht or 77.28%. Loss from underwriting was 32.74 million Baht. Profit from investments and other income were 78.91 million Baht. Income tax expenses was 21.33 million Baht.

Operating performance from underwriting for the year 2022, gross premium written was 3,666.68 million Baht, increased by 293.73 million Baht or 8.71%. Net premium written was 2,795.05 million Baht, increased by 242.49 million Baht or 9.50%. Total under writing income was 2,845.61 million Baht, increased by 3.22%. Total underwriting expenses was 2,524.91 million Baht, increased by 7.13%. Operating expenses were 353.44 million Baht, increased by 0.04%. For these reasons, the Company was resulted loss from underwriting that was 32.74 million Baht in 2022 compared to the year 2021 that the Company's profit from underwriting was 46.47 million Baht.

Operating performance from investments and other income in 2022, the Company's income and profit (loss) from investments were 79.28 million Baht, decreased by 8.15 million Baht or 9.32%. Other income was 4.40 million Baht, increased by 0.74 million Baht or 20.22%. Share of profit from investment in associates was 6.51 million Baht. Other expenses and financial costs were 11.28 million Baht.

Return on equity was 1.12% compared to the previous year that was 5.04%. Profits per share was 0.69 Baht compared to 2021 that was 3.04 Baht.

Operating results from underwriting

1. Fire Insurance

Unit : million Baht

Fire Insurance	2022	2021	Increase (Decrease)	Increase (Decrease) %
Gross premium written	707.37	640.29	67.08	10.48
Net premium written	348.85	330.54	18.31	5.54
Net earned premium	317.65	333.09	(15.44)	(4.63)
Fee and commission income	104.63	112.88	(8.25)	(7.31)
Total underwriting income	422.28	445.97	(23.69)	(5.31)
Net claims	93.61	94.02	(0.41)	(0.44)
Fee and commission	149.58	144.20	5.38	3.73
Other underwriting expenses	49.24	48.46	0.78	1.61
Total underwriting expenses	292.43	286.68	5.75	2.01

Fire Insurance	2022	2021	Increase (Decrease)	Increase (Decrease) %
Profit (loss) from underwriting	129.85	159.29	(29.44)	(18.48)
Loss ratio (%)	29.47	28.23		

Fire insurance of the Company in 2022, gross premium written was 707.37 million Baht, increased by 10.48%. Net premium written was 348.85 million Baht, increased by 5.54%.

Total underwriting income of fire insurance was 422.28 million Baht, decreased by 23.69 million Baht or 5.31%. Total underwriting expenses were 292.43 million Baht, increased by 2.01% from the previous year. Loss ratio was 29.47%, compared to 2021 that was 28.23. Resulting loss ratio in profit from underwriting was 129.85 million Baht compared to 2021, which profit was decreased by 29.44 million Baht or 18.48%.

2. Marine and Transportation Insurance

Unit : million Baht

Marine and Transportation Insurance	2022	2021	Increase (Decrease)	Increase (Decrease) %
Gross premium written	102.08	98.42	3.66	3.72
Net premium written	43.35	40.44	2.91	7.18
Net earned premium	43.02	39.95	3.07	7.69
Fee and commission income	14.75	16.59	(1.84)	(11.08)
Total underwriting income	57.77	56.54	1.23	2.18
Net claims	15.32	10.15	5.17	50.94
Fee and commission	8.26	10.58	(2.32)	(21.92)
Other underwriting expenses	4.47	3.88	0.59	15.20
Total underwriting expenses	28.05	24.61	3.44	14.00
Profit (loss) from underwriting	29.72	31.93	(2.21)	(6.94)
Loss ratio (%)	35.62	25.41		

Marine and transportation insurance of the Company in 2022, gross premium written was 102.08 million Baht, increased by 3.72%. Net premium written was 43.35 million Baht, increased 7.18% compared to 2021.

Total underwriting income of marine and transportation insurance was 57.77 million Baht, increased by 1.23 million Baht or 2.18%. Net claims was 15.32 million Baht, increased by 5.17 million Baht or

50.94%. Loss ratio of 2022 was 35.62% compared to 2021 which was 25.41%, resulting in a decrease of marine and transportation insurance which was 2.21 million Baht or 6.94%.

3. Motor Insurance

Unit : million Baht

Motor Insurance	2022	2021	Increase (Decrease)	Increase (Decrease) %
Gross premium written	2,243.80	1,951.01	292.79	15.01
Net premium written	2,227.75	1,940.02	287.73	14.83
Net earned premium	2,059.34	1,946.95	112.39	5.77
Fee and commission income	3.83	2.41	1.42	58.92
Total underwriting income	2,063.17	1,949.36	113.81	5.84
Net claims	1,377.57	1,170.50	207.07	17.69
Fee and commission	359.72	299.80	59.92	19.99
Other underwriting expenses	147.77	135.33	12.44	9.19
Total underwriting expenses	1,885.06	1,605.63	279.43	17.40
Profit (loss) from underwriting	178.11	343.73	(165.62)	(48.18)
Loss ratio (%)	66.89	60.12		

Motor insurance of the Company in 2022, gross premium written was 2,243.80 million Baht, increased by 292.79 million Baht or 15.01%. Net premium written was 2,227.75 million Baht, increased by 287.73 million Baht or 14.83% compared to 2021.

Total underwriting income of motor insurance was 2,063.17 million Baht, increased by 113.81 million Baht or 5.84%. Net claims was 1,377.57 million Baht, increased by 207.07 million Baht or 17.69%. Loss ratio of 2022 was 66.89% compared to 2021 which was 60.12%, an increase of loss ratio was because motor operations returns to normal after the epidemic of the Coronavirus 2019. For this reason, the Company had a profit from motor insurance of 178.11 million Baht, decreased by 165.62 million Baht or 48.18% in 2022 comparing to 2021.

4. Miscellaneous Insurance

Unit : million Baht

Miscellaneous Insurance	2022	2021	Increase (Decrease)	Increase (Decrease) %
Gross premium written	613.43	683.23	(69.80)	(10.22)
Net premium written	175.11	241.56	(66.45)	(27.51)

Miscellaneous Insurance	2022	2021	Increase (Decrease)	Increase (Decrease) %
Net earned premium	204.83	202.94	1.89	0.93
Fee and commission income	97.56	101.91	(4.35)	(4.27)
Total underwriting income	302.39	304.85	(2.46)	(0.81)
Net claims	224.62	327.33	(102.71)	(31.38)
Fee and commission	58.24	71.21	(12.97)	(18.21)
Other underwriting expenses	36.51	41.50	(4.99)	(12.02)
Total underwriting expenses	319.37	440.04	(120.67)	(27.42)
Profit (loss) from underwriting	(16.98)	(135.19)	118.21	87.44
Loss ratio (%)	109.66	161.29		

Miscellaneous insurance of the Company in 2022, gross premium written was 613.43 million Baht, decreased by 69.80 million Baht or 10.22%. Net premium written was 175.11 million Baht, decreased by 66.45 million Baht or 27.51% compared to 2021. The decrease came from the insurance premium for the Coronavirus Disease 2019, which in 2022 was not underwritten. As a result, gross premium written of health insurance was decreased by 83.29 million Baht and net premium written of health insurance was decreased by 69.27 million Baht.

Total underwriting income of miscellaneous insurance was 302.39 million Baht, decreased by 2.46%. Net claims was 224.62 million Baht, decreased by 102.71 million Baht or 31.38%. Loss ratio was 109.66%, decreased from 2021 which was 161.29%. As a result, loss from underwriting was 16.98 million Baht, decreased by 118.21 million Baht or 87.44% in 2022 compared to 2021 which was 135.19 million Baht.

Profit (loss) from underwriting of 2022 compared to 2021 had a significant reason as follows;

- Profit from accident insurance was 14.70 million Baht, decreased by 10.29 million Baht or 41.17%.
- Loss from health insurance was 97.49 million Baht, decreased by 93.04 million Baht or 48.83%, mainly due to a decrease of claims from the Coronavirus Disease 2019, in which all policies ended coverage in July 2022.
- Profit from agricultural insurance was 43.63 million Baht, increased by 31.08 million Baht or 247.70%, due to the reduction in claims payment because of the project cycle closure.

Investment Performance

Unit : million Baht

List	2022	2021	Increase (Decrease)	Increase (Decrease) %
Investments income	80.72	68.50	12.22	17.83
Profits from investments	6.97	7.54	(0.57)	(7.56)
Profits (loss) from fair value adjustment	(8.41)	11.39	(19.80)	(173.82)
Total investments income	79.28	87.43	(8.15)	(9.32)
Share of profit (loss) from investments in associates	6.51	1.38	5.13	371.74
Other income	4.40	3.66	0.74	20.22
Return on investment	2.34	2.59		

In 2022, the Company's total investments income was 79.28 million Baht, decreased by 8.15 million Baht or 9.32% compared to the previous year. Return on investment was 2.34 compared to 2021 that was 2.59%. Investments income consisted as follows;

- Investments income was 80.72 million Baht, increased by 12.22 million Baht including interest income from debt instruments that were 20.87 million Baht and dividend income from equity instruments that were 59.85 million Baht.
- Profits from investments were 6.97 million Baht, decreased by 0.57 million Baht.
- Loss from fair value adjustment for trading were 8.41 million Baht while profit from fair value adjustment was 11.39 million Baht in 2021.

Share of profit (loss) from investments in associates was 6.51 million Baht, increased by 5.13 million Baht or 371.74%. Other income was 4.40 million Baht, decreased by 0.74 million Baht or 20.22%.

Income Tax

Income tax expenses for the years ended 31 December 2022 and 2021 were made up as follow:

List	Financial statements in which the equity method is applied	
	2022	2021
Accounting profit before income tax expenses	46.17	132.57
Corporate income tax rate	(9.23)	(26.52)
Adjustment of income tax expenses of the previous year	(2.65)	0.74

List	Financial statements in which the equity method is applied	
	2022	2021
Adjustment of deferred tax	(11.05)	-
Net tax effect on tax-exempted revenues and non tax-deductible expenses – net	1.60	2.55
Income tax expense shown in the income statement	(21.33)	(23.23)
Actual tax rate paid (%)	46.19	17.52

In 2022, accounting profit before tax of the Company was 46.17 million Baht. Income tax expenses reported in statements of income was 21.33 million Baht. Actual tax rate was 46.19%, which was higher than legal applicable tax rate of 20% due to deferred tax adjustment. For this reason, income tax expenses were increased by 11.04 million Baht because the Company reduced investments in associates proportion to general investments. It resulted in a difference between the fair value and the book value recognized as a profit in the amount of 55.24 million Baht, which the Company did not recognize income tax expenses and deferred tax. Therefore, there had a record of such adjustments this year and there were adjustments for the net tax effect of income or expenses that were not considered income or expenses in accordance with the Revenue Code.

Financial statement analysis

Assets

As of 31 December 2022, the Company's total asset of 6,280.63 million Baht, an increase of 1.72 million Baht or 0.03% compared to the previous year. The significant changes were as follows:

- Investment assets were 3,420.69 million Baht, increased by 13.31 million Baht or 0.39% from the previous year.
- Reinsurance assets were 663.46 million Baht, decreased by 59.11 million Baht or 8.18% that was from insurance reserve refundable from reinsurance.
- Outstanding premiums were 557.81 million Baht, increased by 46.10 million Baht or 9.01% from business value of direct premium written which increased by 8.71%.
- Reinsurance receivable was 395.97 million Baht, decreased by 108.30 million Baht or 21.48% including amounts deposit on reinsurance that was 0.10 million Baht and amounts due from reinsurers that were 395.87 million Baht.
- Property, building and equipment were 337.56 million Baht, increased by 132.70 million Baht or 64.78%. In 2022, an office building (Condominium units) was purchased.

- Cash and cash equivalents were 293.47 million Baht, decreased by 8.38 million Baht or 2.78%
- Deferred income tax assets were 242.35 million Baht, increased by 26.70 million Baht or 12.38%

Liabilities

As of 31 December 2022, the Company total liabilities were 4,095.60 million Baht, increased by 64.98 million Baht or 1.61% from 2021. Major liabilities were as follows:

- Insurance contract liabilities were 3,058.56 million Baht, increased by 220.27 million Baht or 7.76% came from unearned premium reserve that was 211.34 million Baht.
- Reinsurers 665.22 million Baht were stated at amounts withheld on reinsurance that were 257.59 million Baht and the outstanding balance of amount due to reinsurers that were 407.63 million Baht, decreased by 174.10 million Baht or 20.74% because the outstanding balance of amount due to reinsurers decreased by 177.39 million Baht.
- Amounts due to accrued fee and commission were 101.88 million Baht, increased by 7.15 million Baht or 7.54% which were amounts due to agents and brokers.

Equity

As of 31 December 2022, the Company total equity was 2,185.03 million Baht, decreased by 63.26 million Baht or 2.81% from 2021. Major equity was as follows:

- Registered, Issued and paid up capital was 360 million Baht, increased by 10 million Baht from 2021 due to share dividends payment. Share premium was 647.29 million Baht.
- Appropriated retained earnings were 56.00 million Baht, increased by 1.00 million Baht due to the statutory appropriation from an increase in registered and paid-up capital.
- Unappropriated retained earnings were 1,075.80 million Baht, decreased by 36.35 million Baht or 3.27% due to appropriation for dividends payment in 2022.
- Other components of equity was 45.94 million Baht, decreased by 37.92 million Baht or 45.21% due to exchange differences on translation of financial statements in foreign currency and surplus (deficit) on changes in value of investments in securities as in the table below.

Unit : million Baht

Other components of equity	2022	2021	Increase (Decrease)	Increase (Decrease) %
Exchange differences on translation of financial statements in foreign currency	(15.58)	(8.20)	(7.38)	90.00
Surplus (deficit) on changes in value of investments in securities	61.52	92.06	(30.54)	(33.17)
Total	45.94	83.86	(37.92)	(45.21)

Assets quality

Premium receivables

As of 31 December 2022, the Company total premium receivables were 557.81 million Baht, increased by 46.10 million Baht or 9.01% from 2021 which divided by time as follows:

Unit : million Baht

Aging from the maturity date	2022	%	2021	%	Increase (Decrease)	Increase (Decrease) %
Not yet due	486.07	86.88	434.96	84.67	51.11	11.75
Not over 30 days	54.30	9.71	48.50	9.44	5.80	11.96
Over 31 days to 60 days	10.58	1.89	14.65	2.85	(4.07)	(27.78)
Over 61 days to 90 days	2.34	0.42	6.45	1.26	(4.11)	(63.72)
Over 90 days to 1 year	5.71	1.02	9.04	1.76	(3.33)	(36.84)
Over 1 year	0.44	0.08	0.08	0.02	0.36	450.00
Total premium receivables	559.44	100.00	513.68	100.00	45.76	8.91
Less: Allowance for doubtful accounts	(1.63)		(1.97)		0.34	(17.26)
Total premium receivables-net	557.81		511.71		46.10	9.01

Premium receivables divided by time was a not yet due premiums of 486.07 million Baht or 86.88% and not over 30 days in the amount of 54.30 million Baht or 9.71%. Comparison of the year 2021, premium receivables that were not yet due increased 51.11 million Baht or 11.75%, and premium receivables that were not over 30 days increased by 5.80 million Baht or 11.96%. An increase of premium receivables complied with an increase of gross premium written that was 8.71%. Allowance for doubtful accounts was 1.63 million Baht, decreased by 0.34 million Baht or 17.26%. During the year, the Company cut off bad debts of 1.21 million Baht. The consideration of the adequacy of the allowance for doubtful accounts was conducted regularly and the amount was sufficient to cover the risk of loss from inability to collect. Most of which were debts that were pending legal proceedings.

Property, building and equipment

Unit : million Baht

Property, building and equipment	2022	%	2021	%	Increase (Decrease)	Increase (Decrease) %
Property	5.39	1.60	5.39	2.63	0.00	0.00
Building	11.49	3.40	12.19	5.95	(0.70)	(5.74)

Property, building and equipment	2022	%	2021	%	Increase (Decrease)	Increase (Decrease) %
Condominium units	248.41	73.58	108.83	53.12	139.58	128.26
Buildings improvement	58.82	17.43	62.88	30.69	(4.06)	(6.46)
Office furniture, fixture and equipment	7.89	2.34	9.68	4.73	(1.79)	(18.49)
Motor vehicles	1.68	0.50	5.73	2.80	(4.05)	(70.68)
Assets under installment	3.88	1.15	0.16	0.08	3.72	2,325.00
Total	337.56	100.00	204.86	100.00	132.70	64.78

In 2022, the Company had a net book value of property, building and equipment totaling 337.56 million Baht, an increase of 132.70 million Baht or 64.78% from 2021. During the year, the Company had prepared to expand office building space to support the growth of the Company by purchasing 2 units of real estate with a total area of 1,440.70 square meters (including parking spaces) located in the same building as the head office, No. 100/20-21, 14th floor, Sathorn Nakorn Tower Building, North Sathorn Road, Silom, Bangrak, Bangkok, totaling 142.83 million Baht.

Investment assets and investments in associates

Unit : million Baht

Investment assets In which the equity method is applied	2022	%	2021	%	Increase (Decrease)	Increase (Decrease) %
Trading investments which are measured at FVPL	534.89	15.64	547.55	16.07	(12.66)	(2.31)
Available-for-sale investments which are measured at FVOCI	2,355.15	68.85	2,198.90	64.53	156.25	7.11
Held-to-maturity investments which are measured at amortized cost	529.96	15.49	660.54	19.39	(130.58)	(19.77)
Loans and interest receivables	0.69	0.02	0.39	0.01	0.30	76.92
Total investment assets	3,420.69	100.00	3,407.38	100.00	13.31	0.39
Investments in associates	21.15		23.87			

Total investment assets were 3,420.69 million Baht, increased by 13.31 million Baht or 0.39% from the previous year. It was consisted of investments in securities totaling 3,420.00 million Baht and loans and interest receivables totaling 0.69 million Baht.

Investment in securities totaling 3,420.00 million Baht were as follows;

1. Trading investments which are measured at FVPL was 534.89 million Baht or 15.64% of total investment assets.

2. Available-for-sale investments which are measured at FVOCI was 2,355.15 million Baht or 68.85% of total investment assets.

3. Held-to-maturity investments which are measured at amortized cost was 529.96 million Baht or 15.49% of total investment assets.

Associates	Nature of business	Shareholding percentage		Book value	
		2022 %	2021 %	2022	2021
TKI General Insurance Company Limited	Non-life insurance	32.50	32.50	11.03	11.98
TKI Life Insurance Company Limited	Life insurance	32.50	32.50	10.12	11.89
Total				21.15	23.87

Investments in associates of the Company were invested in TKI General Insurance Company Limited and TKI Life Insurance Company Limited that registered and located at the Lao People's Democratic Republic on 27 December 2016 to operate insurance and life insurance business. The investment was between insurance Companies, life insurance Companies in Thailand and local business group. The Company's shareholding percentage was 32.5 percent, the initial investment amount was 43.26 million Baht as of 31 December 2022. The book value of interests in TKI General Insurance Company Limited was 11.03 million Baht, TKI Life Insurance Company Limited was 10.12 million Baht. The operating results of 2022 was 6.51 million Baht compared to the previous year that profit was 1.38 million Baht. However, there was a loss from exchange rate totaling 9.23 million Baht in 2022 and 2.32 million Baht in 2021 that recognized and shown in the comprehensive income statement.

Liquidity

Cash flows

Unit : million Baht

List	2022	2021
Net cash provided from operating activities	209.70	115.18
Net cash used in investing activities	(151.06)	(9.91)
Net cash used in financing activities	(67.14)	(66.89)

List	2022	2021
Net increase (decrease) in cash and cash equivalents	(8.50)	38.38
Liquidity ratio	1.11	1.19

During the year 2021, cash and cash equivalents of the Company were decreased by 8.50 million Baht. Liquidity ratio was decreased to 1.11 from 2021 that was 1.19. Cash flows were generated from the following activities;

- Net cash provided from operating activities were 209.70 million Baht. It consists of cash flow received from direct premium written, interest income, dividend income, other investment income and other income, cash paid for reinsurance, loss incurred, commission and brokerage, other underwriting, operating expenses and Income tax expenses.
- Net cash used in investing activities were 151.06 million Baht from the purchase of 2 units of real estate with a total area of 1,440.70 square meters (including parking spaces); to support the expansion of the office building used as the head office, amounted to 142.83 million Baht.
- Net cash used in financing activities were 67.14 million Baht that was an annual dividend payment to shareholders of 52.49 million Baht and payment of lease liabilities of 14.65 million Baht.

Source of fund

As of 31 December 2022, the Company total liabilities were 4,095.60 million Baht, total equity was 2,185.03 million Baht which is equivalent to 1.87 of debt to equity ratio, higher than 1.79 of 2021. Most funds used in business operations came from an equity and business operation. The major liabilities of the Company came from insurance contract which loss reserves, outstanding claim and unearned premium reserves that was 3,058.56 million Baht and due to reinsurers was 665.22 million Baht which were occurred during the insurance business operation. The Company has capital management in order to maintain the ability to operate continuously and maintain risk-based capital in accordance with the requirements of the Office of Insurance Commission. In 2022, the total capital required to maintain under the law was 535.98 million Baht while available capital was 2,120.44 million Baht, a capital adequacy rate of 395.62% that was higher than the rate prescribed by law at least 140%.

Commitments and Liabilities and Management of Off-Balance Sheet Transactions

As of 31 December 2022, the Company has been sued for damages totaling approximately 69.10 million Baht. However, the Company's obligations in respect of these lawsuits do not exceed the maximum sum insured per the relevant policies, which is 38.90 million Baht. Nonetheless, the Company has set aside reserve for contingent loss amounting to 38.90 million Baht, and there were bank guarantees

amounting to 2.10 million Baht; with a certificate issued in the Company's name amounting to 7.10 million Baht, as required in the normal course of the Company's business.

Factors or events that may affect the financial position or operations in the future

Business factors

The ASEAN Economic Community and trade liberalization of the insurance industry results more competition in the insurance business. Foreign insurance companies will have more market share because of modern technologies and new products that meet the needs of customers more. They also have high underwriting ability due to a strong financial position.

Economic factor

The economic slowdown has affected the Company's revenue because when consumers have decreased purchasing power may consider taking out insurance as required by law, reducing sum insured or coverage or not to take out insurance. The Company therefore must develop products and calculate insurance premiums appropriately to make easier way for the insured to consider buying insurance with advising the importance of insurance.

Social factors

Aging society and health awareness result the rising of medical cost in Thailand which will increase claims of the Company. In addition, consumers have changed behavior in transactions, they use more online channels and social media so the Company must keep up with consumers by modifying the products, sales channels and service channels.

Environmental factors

Climate change and global warming intensify disasters. Emerging risks may be occurred although there is a low probability, but it will cause severe damage. Because it may affect the overall expense ratio of the Company, the Company must carefully consider seeking information from various sources for products development and underwriting consideration.

5. The Company's General Information

5.1 General Information

Reference

Securities Registrar	Thailand Securities Depository Co., Ltd. 93 Ratchadsaphisek Road, Dindaeng, Bangkok 10400 Telephone (66) 2009 9000 Fax (66) 2009 9991
External Auditor	Miss Narissara Chaisuwan C.P.A. Registration No. 4812 EY Office Limited 33rd Floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Bangkok 10110 Telephone (66) 2264 0777 Fax (66) 2264 0789-90

5.2 Other Information

None

5.3 Legal Dispute

The Company did not have any legal dispute or was in the process of any lawsuit that might affect its assets or operations significantly; negatively affected the Company's assets at a value higher than 5% of shareholders' equity as at 31 December 2022.

5.4 Other Stock Exchange

None

SECTION 2

CORPORATE GOVERNANCE

Corporate Governance Policy 80

Corporate Governance Structure and Information of Board, Subcommittees, Executives, Staffs and Others 102

Corporate Governance Performance Report 125

Internal Control and Related Parties Transaction 137

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policies and Practices

With the intention to supervise the business with transparency and fairness, The Board of Directors committed to develop corporate governance of the Company by reviewing and improving the Corporate Governance Policy ("the Policy") annually; to be in line with the changing situation and business operations. The Policy established in reference to Organization for Economic Co-Operation and Development (OECD) and the announcement of Office of Insurance Commission, regarding Good Corporate Governance of non-life insurance companies, 2019. The Policy was divided into 5 categories: 1) Rights of Shareholders 2) Equitable Treatment of Shareholders 3) Roles of Stakeholders 4) Disclosure and Transparency 5) Responsibilities of the Board of Directors.

The Company published the Corporate Governance Policy on the Company's website. The Company also communicated to directors, executives and employees to understand and sign for acknowledgment to encourage realization of the importance and strictly implement.

In this regard, the overview of the Company's corporate governance could be classified according to the principles of Good Corporate Governance for listed companies 2017 (Corporate Governance Code for listed companies 2017) of the Securities and Exchange Commission as follows:

Code 1: Establish Clear Leadership Role and Responsibilities of the Board

The Board of Directors, as representatives of shareholders, plays an important role in formulating the policies and directions of the Company's operations; by performing duties with caution, honesty, and responsibility to their own duties, in order to build confidence for shareholders, investors, stakeholders and create sustainable value for the organization.

The Board of Directors is independent from the management, whereby the Company has clearly defined the scope of duties, responsibilities and powers of the Board of Directors from the management. The Board of Directors has the authority to make decisions and supervise the Company's operations in accordance with the laws, objectives, regulations and resolutions of the shareholders' meeting. It examines and approves the vision, mission, strategy, direction, business goals, the Company's policies, corporate governance framework, code of conduct, and business ethics. In addition, it is also responsible for overseeing the Company's risk management system, internal control system, compliance, reliable accounting and financial reporting system, appointing sub-committees and company secretary for supporting the work of the Board of Directors as well as having a duty to supervise the management to operate in accordance with the stipulated goal.

The management is responsible for formulating policies, business strategy, goals, plans and annual budget, and carry out various actions in accordance with the policies and guidelines approved by the Board of Directors.

Board of Directors Meeting

The Board of Directors requires at least 7 meetings per year, one of which is a meeting of non-executive directors. The Company Secretary Office is responsible for scheduling the meeting in advance throughout the year, preparing a meeting notice together with supporting documents that contain sufficient information for decision-making, and submit it to the directors for consideration at least 7 days before the meeting. The Company has set guidelines for organizing the meeting as follows:

1. The meeting date is set in advance throughout the year, and there may be additional meetings on special agendas as necessary. However, in the month that the meeting was not held, the Company will send a report on the operating results to the Board of Directors for acknowledgment.
2. There is a clear agenda for each meeting; the Chairman, Chief Executive Officer and an independent director will jointly consider and determine the meeting agendas. Directors and executives are able to propose the meeting agenda too.
3. Chairman or assigned director is the person who summons the Board of Directors' meeting
4. The company secretary is responsible for preparing the meeting invitation letter with complete and adequate meeting documents to deliver to the directors at least 7 days prior to the meeting date except in urgent cases
5. The Board of Directors can access additional necessary information from the Chief Executive Officer, director, company secretary or other executives.
6. At the meeting of the board of directors, the presence of not less than half of the total number of directors is required for a quorum
7. In the event that the Chairman is unable to perform his duties, other directors who attend the meeting shall elect one of the directors to preside over the meeting.
8. Each meeting takes approximately 2 hours and all directors can discuss and express their opinions openly. The Chairman will be the one who collects opinions and conclusions from the meeting.
9. Voting is concluded by a majority of votes. At least two-thirds of the total number of directors must be present at the meeting; and if the directors object to the resolution, the objection shall be recorded in the minutes of the meeting.
10. Director who has significant interests in any matter is not eligible to vote on that matter.
11. The Board of Directors encourages executives who will be successors to have the opportunity to meet or present a report to the Board of Directors in order to get to know and advice on issues that will develop the executives to be more effective.
12. The company secretary prepares the minutes of the meeting and proposes to the Chairman of the Board for consideration before proposing to the Board of Directors' meeting for approval in the next meeting. The minutes of the meeting that have been approved by the meeting and signed by the Chairman of the Board will be kept systematically as confidential documents of the Office of the Company Secretary and stored in the form of electronic documents for easy of searching and checking.

In 2022, the non-executive directors conducted a meeting among themselves once to consider the management and the direction of the organization on 16 December 2022.

Code 2: Define Objectives that Promote Sustainable Development

The Board of Directors considers and determines the main objectives and goals and reviewed it annually to be in line with the changing business factors. The main goal of the Company is to conduct business with honesty and fairness, consider the benefits of stakeholders and society, apply technology to improve and develop work processes and services and invent a wide variety of quality products to respond to the demands of customers.

The Board of Directors considers the annual business strategy and the three-year business plan to ensure that the strategy will lead the Company to achieve objectives and goals; to deliver coverage that responds to every change for every quality of life.

Code 3: Strengthen Board Effectiveness

Composition of the Board of Directors

The Board of Directors, appointed by the shareholders, consists of directors who have knowledge, abilities, experience and skills in a variety of fields that are beneficial to the business operation. The Board of Directors is responsible for overseeing the Company's operations in accordance with the law, objectives and regulations, appointing sub-committees to consider and scrutinizing various matters, appointing senior management and company secretary. The Board of Directors decides on various matters independently from the management to check and balance the work of the management.

Sub-Committees

The Board of Directors has appointed 5 sub-committees, namely 1) Audit Committee 2) Remuneration-Nomination and Governance Committee 3) Risk Management Committee 4) Investment Committee and 5) Executive Committee; in order to help screening and supervising tasks that require specific expertise and regular report pertaining the performance to the Board of Directors. The sub-committees perform their duties as assigned by the Board of Directors. They have an authority to invite to attend the meeting, to clarify or prepare a report in order to provide advice on the actions that have been assigned as it deems appropriate. The Board of Directors specifies charters for each sub-committee which stipulates the composition, qualifications, tenure of office and clearly written authorities and responsibilities.

Term of Directorship

Directors shall have a term of 3 years and any director vacating the office on due term may be re-elected. An independent director shall serve on the directorship for a maximum of 3 consecutive terms,

or no longer than 9 years. However for the benefit of the Company, the Board may review to extend the independent director's term by proposing the shareholders' meeting for approval.

Term of Office of Sub-Committees

1. The Audit Committee holds the office for a term of 3 years for a maximum of 3 consecutive terms or 9 years, unless the Board of Directors has an opinion otherwise.
2. Remuneration, Nomination and Sustainable Development Committee holds the office for a term of 3 years and can be in the position for no more than 3 terms or 9 years unless the Board of Directors has an opinion otherwise.
3. Risk Management Committee holds office for a term of 3 years
4. Investment Committee: Investment Committee Members holding executive position shall hold a term continuously according to the status of the Company's executive such as resignation or lack of eligibility to perform duties. Non-executive Investment Committee Members hall hold a term of 3 years for not more than 3 terms or 9 years unless the Board of Directors consider otherwise.
5. Executive Committee: the term of office shall be effective until the end of the position of the executive.

Nomination of Directors

The Remuneration, Nomination and Sustainable Development Committee is responsible for recruiting people; by considering a variety of qualifications, in terms of skills, experiences, and specific abilities that are beneficial to the Company. They shall have a good work history including dedicating time and effort to perform their duties, in order to strengthen the Company's Board. The nominated persons shall be proposed to the Board of Directors and the shareholders' meeting for appointment as the Company's directors. The resolution of director appointment passed by shareholder's meeting must get not less than one-half of the total number of votes of the shareholders attending the meeting.

In case of proposing retired directors to be re-elected, the Company shall evaluate the directors' performance to encourage the responsibility of the directors and to ensure that the nominated directors have all the qualifications according to the criteria set by the Company. The Board of Directors will consider the nominated person before proposing to the shareholders' meeting for appointment. The Company will provide the opportunity to shareholders to nominate a person to be elected as directors in advance of the date of the shareholders' meeting in accordance with the rules determined by the Company.

The Remuneration, Nomination and Sustainable Development Committee is also assigned by the Board of Directors to be responsible for selecting and screening persons with qualifications, knowledge and experience suitable for the Company's business operations in order to propose that the Board of

Directors appoint as the Chairman of the Board and executives in the position of Chief Executive Officer and President. This may be considered from insiders or outsiders who are qualified for the Company's.

Remuneration for Directors

The Company has a policy to pay remuneration to directors and sub-committees at an appropriate rate, and at similar level to other companies in the same business group. The remuneration is determined in line with the Company's goals and operating results. It shall also be appropriate to the experiences and responsibilities of the directors in order to maintain directors who have qualifications that meet the needs of the Company. Directors who are assigned to perform additional duties in various sub-committees will receive additional remuneration according to the specified rules. The Remuneration, Nomination and Sustainable Development Committee considers and proposes the structure and rate of remuneration for directors to the Board for approval before proposing to the shareholders' meeting for approval. Currently, the Company's directors receive 2 types of remuneration which are director's bonus and meeting allowances for directors attending the meeting. The sub-committees receive only one form of remuneration, which is meeting allowance.

Directorship in Listed Companies

The Board of Directors has established a policy for the Company's directors to be able to hold directorships in not more than 5 listed companies, provided that holding positions in other businesses must not hinder the performance of the Company's directors. If any director holds the position of director more than the above mentioned or to become a director in a business with the same nature and in competition with the Company's business, a written report must be provided to the chairman and/or the board of directors for acknowledgment within 1 month from the date of appointment in order that the Company informs the shareholders' meeting prior to the resolution of further appointment.

The Chief Executive Officer and the President shall hold positions in no more than 2 other listed companies, subject to approval from the Board of Directors and must not hold a position as a director of another company that operates the same business and is in competition with the business of the company unless approved by the Board of Directors.

Supervision of Associated Companies

The Executive Committee is responsible for nominating and appointing a person to be a director of an associated company with the approval of the Board of Directors. Persons appointed as directors in associated companies are responsible to operate business for the best interest. In case of an important matter that must be approved by the Company's Board of Directors, the appointed person must get approval by the committee before voting or exercising the right to vote.

Performance Evaluation of the Board of Directors

The Board of Directors evaluates their performance as a whole board and individual annually. The objectives of the evaluation are to express their opinions on the overall performance of the Board of Director and to review the performance and obstacles in the past year. The company secretary prepares and reviews the assessment form, to be accurate, complete and in accordance with the good practice of the regulatory agencies. The assessment results are presented to the Board of Directors' meeting to consider the solutions for more efficient operation.

The whole Board of Directors' self-assessment form is divided into 6 topics: 1) Structure and Qualifications of the Board 2) Roles, Duties and Responsibilities of the Board 3) Board Meetings 4) Performance of Directors 5) Relationships with the Management 6) Self-Development of directors and executive development. The individual self-assessment form consists 3 topics: 1) Directors' qualifications 2) Roles, duties and responsibilities of Directors 3) Board of Directors' meeting.

The evaluation criteria are divided into 5 levels: 90-100 percent is classified as excellent, 80-89% is classified as very good, 70-79% is classified as good, 60-69% is classified as fair and 50-59% are required for improvement. The results of the assessment concluded that the Board of Directors has performed its duties in accordance with the principles of good corporate governance and the Company's business ethics; with an average score of 95.67% for the whole board and an average score of 93.47% for the individual self-assessment.

The Board of Directors has assessed the performance of the Board-level sub committees, namely the Audit Committee and the Remuneration-Nomination and Governance Committee. The self-assessment is for the whole committee on the yearly basis. The assessment is divided into 3 topics: 1) Structure and Qualifications of the Sub-Committees 2) Roles, Duties and Responsibilities of the Sub-Committees and 3) Meetings of the Sub-Committees. The evaluation criteria are divided into 5 levels, i.e., 90-100% is classified as excellent, 80-89% is classified as very good, 70-79% is classified as good, 60-69% is classified as Fair criteria, 50-59% are in need of improvement. The assessment results of the Audit Committee and the Remuneration, Nomination and Sustainable Development Committee is in excellent level with average scores of 99.31% and 96.90%, respectively.

Development of Directors and Executives

The Company provides orientation for new directors to understand the roles, duties and responsibilities of directors, as well as introducing the nature and business guidelines of the Company. The Office of the Company Secretary shall deliver the Company’s data and useful information to the directors on the next day from the date of appointment. Those documents consist of director's manual of listed companies, good corporate governance principles for listed companies and non-life insurance companies, relevant laws including general information of the Company. Such information shall create

knowledge and understanding of the Company's business and operations in order to prepare to perform the director's duties.

The Company supports and encourages the Company directors and high-level executives to regularly attend training and seminars in various courses, to enhance knowledge, understanding and develop potential in performing duties. They also participate in activities that increase knowledge from the Thai Institute of Directors Association (IOD), SET, SEC, and related agencies, both public and private sectors, in order to have continuous improvement of operations.

Company Secretary

The Board of Directors appoints a company secretary to be responsible for arranging meetings of shareholders and meetings of the Board of Directors in compliance with the law, Articles of Association and various practices. The company secretary's duties are recording and keeping the minutes of the shareholders' meeting and the Board of Directors' meeting, supervising the Company and the Board of Directors to comply with the SET's regulations regarding information disclosure including the requirements of the SEC and other regulatory agencies related to the Company's business operations, providing preliminary advice to directors on legal matters, rules and regulations of the Company and following up to ensure the proper and consistent business operation as well as contacting and communicating with shareholders to be informed of the rights of shareholders and the Company's information.

Code 4: Ensure Effective CEO and People Management

Nomination of the senior executive

The Remuneration, Nomination and Sustainable Development Committee is assigned by the Board of Directors to select and screen qualified persons with knowledge and experience suitable for the Company's business operations and propose to the Board of Directors for consideration and appointment as the senior executive. The senior executive of the Company is the Chief Executive Officer and the President that may be considered from insiders or outsiders who are qualified for the situation of the Company in each period. In this regard, the preliminary qualifications of the senior executive that the Board of Directors has specified are visionary, leadership, and appropriate to the organizational culture, knowledgeable with insurance business experience, business administration and other qualifications that are beneficial to business operations without conflict of interest with the Company.

Succession Plan

The Company prepares a succession plan. Executives are encouraged to take both domestic and international training courses to be successor of the President or Chief Executive Officer.

The Executive Committee assigns the Organization Development Department to prepare a training plan in terms of knowledge and skills for preparing personnel at each level to become a supervisor.

Remuneration for the Senior Executive

The Company considers the remuneration of senior management appropriately in accordance with the Company's remuneration structure. The Remuneration, Nomination and Sustainable Development Committee will review the remuneration of the Chief Executive Officer and the President in accordance with the performance of each executive and the Company as well.

Performance Appraisal of Senior Management

The Remuneration, Nomination and Sustainable Development Committee considers and presents opinions to the Board of Directors in determining the criteria used in the annual performance evaluation of the Chief Executive Officer and the President. The criteria for consideration will be consistent with the Company's goals. The Chief Executive Officer will consider and evaluate the performance of the President, and report the results to the Remuneration-Nomination and Governance Committee for consideration before reporting to the Board of Directors. In addition, the Chief Executive Officer also assesses the performance of the lower-level executives together with the President in order to ensure fairness.

Personnel development

The Company also plans to develop personnel to be the executive and the supervisory by preparing training courses throughout the year which are classified as general courses and job-specific courses. Training courses are organized both in-house and sending employees to attend seminars with external institutions such as Thailand Insurance Institute and International insurance institute. In addition, a program was organized for executives to visit insurance companies abroad as well.

Code 5: Nurture Innovation and Responsible Business

The Board of Directors realizes the importance of respecting rights and providing fairness to stakeholders. Cooperation between the Company and its stakeholders is promoted for enhancing the Company's performance and upholding mutual benefits based on fairness. The Company treats stakeholders according to their rights under relevant laws. The Board of Directors sets policies for treating stakeholders as follows:

1. Shareholders

The Company has a policy to create added value and is determined to be a good representative of shareholders in its operations. The interests of shareholders are maintained in order to create the highest satisfaction for shareholders with good returns. Also, the disclosure of information to investors is accurate, complete, standardized, transparent and reliable.

2. Employees

The Company treats its employees fairly, values employees and strives to give all employees confidence in the organization. Employees are remunerated appropriately and provided

welfare with higher standards than those required by law, such as a provident fund, health and accident insurance plans, annual medical checkup, safe and hygienic working environment, various staff activities. They are encouraged to develop and grow in their career path continuously by providing both local and foreign scholarships including training courses for each level of employees throughout the year.

The Company considers the health and safety of employees. Therefore, policies and guidelines regarding workplace safety and hygiene have been announced, along with providing knowledge and training to employees continuously under the topic "Security, Occupational Health and Environment Policy". In 2021, no employees had any accidents at work.

3. Customers

The Company gives priority to customers' satisfaction in order to build and maintain a customer base for long term using the Company's products and services. The Company offers standardized quality products with appropriate and enough coverage to meet the needs of customers. Fair price and claims settlement are also considerations. The Company realizes the importance of providing accurate information and knowledge to customers. There is a department that specifically receives complaints and suggestions from customers.

4. Business Partner

The Company sets criteria and selects its business partners with transparency without altruism or self-interest. All partners can express their opinions and suggestions on business operations. The Company also provides equality to business partners with equal information and will not disclose the business secrets of business partners to third parties. The Company stipulates criteria for selecting vendors and service providers based on legal documents, service eligibility, pricing, availability, technical competence, experience, expertise, product and service quality, customer references or business reputation and after-sales service policy.

5. Business Competitors

The Company aims to compete in business according to the rules and business etiquette under the related law, does not destroy the reputation of competitors by dishonest means, and does not infringe any intellectual property or copyright. The Company will focus on competition in terms of quality and efficiency of service for the best benefit of customers.

6. Creditor

The Company has a policy to manage the business effectively and the ability to pay off debt to maintain the reputation and credibility. Guidelines to fair practices for both parties stipulate that infringement of creditors' rights is prohibited and appropriate business collaterals are required. Both parties shall strictly abide by the agreed terms. In case that the agreed conditions cannot be fulfilled, both parties shall find a solution together.

7. Community, Society, and Environment

The Company realizes the social responsibility and environmental conservation and instills employees to become aware of these matters. A policy to support public profit activities is stipulated. Stakeholders are encouraged to participate in the development of communities, society and the environment for sustainable growth, such as educational support for underprivileged students, and providing funds to renovate educational institutions. The Company also provides training courses on environment and various activities for executives and employees in order to build awareness of conducting themselves for the benefit of society. The results of continuous and consistent social activities appear concrete. Activities carried out in 2021 are reported in the heading. "Moving Business for Sustainability"

8. Respect Human Rights

The Company has a policy not to involve in human rights violations and realize the rights of equality. The Company complies with the principles of human rights that are protected by the Constitution of the Kingdom of Thailand. The Company neither violates human dignity, rights and personal liberties nor discriminates against any individual by separating the person's ethnic, physical condition, status socioeconomic status, education, or personal characteristics that are not related to working performance.

9. Intellectual Property or Copyrights

The Company has established policies and procedures to prevent the violation of copyright laws and the Computer Crime Act. Employees' use of software programs is monitored to prevent use of software that is not related to their jobs or that violates copyright. Unauthorized disclosure of business secrets and other confidential information is prohibited. An efficient compliance control process is implemented. In case that the Company violates legal rights due to employees' negligence or ignorance, the company will be responsible for damages fairly and appropriately and shall punish related persons according to internal regulations and procedures.

The Information Security Management System and Data Protection Committee and Working Team are responsible for information security operations, emergency management, business continuity plan, privacy and personal data management, and cyber security in order to comply with the laws, rules, and regulations relevant to the business operations.

Stakeholders Participation

All groups of stakeholders can participate in the Company's operations by suggesting, making complaints or whistleblowing if any employees are found or implied misconduct. The whistleblower shall be notified by post, electronic mail or telephone to the Vice Presidents of the Organization Development Department, the Office of Compliance, the Chief Executive Officer and the Chairman of the Audit

Committee. After receiving the matter, the Company will investigate the facts and follow the procedures stipulated in the Whistleblowing and Complaint Policy.

Information Disclosure and Transparency

The Company attaches importance to the disclosure of information, both financial information and non-financial information as it affects the decisions of investors and all groups of stakeholders. The information disclosed shall be transparent, accurate, complete, reliable, timely and eventual in accordance with the rules of the SET, SEC, OIC and other relevant regulatory agencies strictly.

In order that shareholders, investors and the general public easily and thoroughly access the Company's information, various channels are provided such as 56-1 One Report, quarterly performance reports, company website, meeting and interview, press releases for major events and upon new products launch.

The Chairman or Advisor to the Chairman of the Board or the Chief Executive Officer or the President are authorized to disclose information, publish announcement to media or clarify the case of rumors. The Company also assigns the Chief Financial Officer and the Office of Company Secretary staff to coordinate with the Stock Exchange of Thailand. In addition, shareholders and investors contact the Shareholder Relations Department for more information at the telephone number +66 2664 7777 ext. 1905, 1906 and 7719, E-mail Shareholders Relations Department. **office_president@navakij.co.th** or on through the Company website **www.navakij.co.th**.

In 2022, the Company was not ordered to amend the financial statements or has been taken by a regulatory authority regarding non-disclosure of material information within a specified period.

Supervision and Management of Information Technology

The information technology and storage systems are the significant factors for business operation. The Board of Directors assigns the Risk Management Committee to supervise the use of information technology to be in line with the business strategy. The information technology shall be flexible for changes in information technology and the Company's business operations as well as ready for handling cyber threats. The Committee also supervises the management of information technology risks and cyber threats which is considered a major risk and part of the enterprise risk management.

The Board of Directors approved the IT Risk Management Policy and IT Security Policies which have been scrutinized by the Risk Management Committee. The policies were communicated to employees for acknowledgment and practice.

Information Technology Risk Management Policy stipulates guidelines for information technology risk management, scope and criteria for risk management, risk index, risk monitoring and review process including reporting. The Information Technology Security Policy defines the management of information

technology security, human resources and information assets management, information systems access control, physical and environmental security, threat monitoring, and contingency plans as well as cyber security risks supervision and management.

The Company appointed Information Security Management System and Data Protection Committee that consisted of the Chief Executive Officer and the President, the Chief Information Officer, the Chief Risk Officer and Data Protection Officer. The Company also appointed Information Security Management Representative Committee that consisted of the Chief Information Officer, vice presidents and Data Protection Officer to be responsible for information security, corporate governance in emergencies, business continuity, privacy and personal information management and cyber security according to relevant laws, rules and regulations.

The Company was certified with the Information Systems Security Standard (ISO 27001: 2013) since the year 2021, which represents the Company's commitment to develop and enhance the information security systems and confidential information management, credibility and the availability of information to be in international standards. The Company was also audited according to the standards of Office of Insurance Commission (OIC 8 Domains) at the gold level for the year 2021 and 2022, which confirmed intention and determination to continuously create information technology standards of the Company.

Tax Management

The Company is committed to complying with tax laws and recognizes the importance of being a good taxpayer, proper, transparent and verifiable tax payment to drive the business to grow sustainably and contribute to the development of the country. The Board of Directors therefore established Tax Policy by adhering to and complying with the requirements of tax laws. The Tax Policy of the Company is defined to manage tax planning to pay taxes accurately and on time, study the tax implications when implementing a new project or when a new law is issued to operate properly use of tax benefits in accordance with the legal framework for maximum benefit, use the right tax structure, do not seek opportunities from unusual tax structures to evade taxes as well as cooperate with government tax authorities to ensure transparency of tax operations.

Code 6: Strengthen Effective Risk Management and Internal Control

Risk Management and Internal Control

The Board of Directors established a holistic risk management framework and policy that corresponds to the purpose and business goals for effective risk management and strategic plan with Corporate Governance. The Board of Directors supervised the Company's risk management to risk appetite and did not exceed risk tolerance by appointing the Risk Management Committee to follow up on risk management for maximum benefits and in accordance with the holistic risk

management framework and policy. The Risk Management Committee was also appointed to ensure that the Company would have a stable financial and capital position with adequate and appropriate risk management that the Company was able to achieve the objectives or goals.

The Audit Committee

The Board of Directors appointed the Audit Committee ("the Committee") whose composition and qualifications were in accordance with relevant laws. The Committee is assigned to review the Company's internal control system and internal audit system, financial reporting, compliance with laws, rules and regulations of the regulators, connected transactions or transactions that may have conflicts of interest, proposals to appoint or remove auditors and the risk management system. In case the Committee find or suspect that there are transactions that may significantly affect the financial position and performance of the Company, the Committee will report to the Board of Directors for acknowledgment to correct. The Audit Committee's Meeting was hold at least 6 times a year and reports to the Board of Directors.

Prevention of Conflict of Interest

The Company requires directors, executives and all employees to avoid engaging in rival business and making related transactions with a related person or juristic person that may cause a conflict of interest with the Company. However, the Board of Directors approves the related person transaction in case that it is a normal business that operates in accordance with general commercial principles and taking into account the best interests of the Company. Such transactions must strictly comply with the regulations of the regulatory agencies. Directors or interest person must not attend the meeting or participate in the consideration or vote for such transaction. The Company will prepare a report and disclose information about related transactions or transactions that may have conflicts of interest to shareholders in order to be used as information for examining transactions that may cause conflicts of interest. Directors and executives from the department head level shall prepare a report on their interests when they are first appointed as directors or executives and every time there is a change in information as well as to review the information annually. The Company Secretary will send a copy of such report to the Chairman and the Chairman of the Audit Committee.

Internal Information Control

The Code of Ethics stipulates the confidentiality of the Company's information. Agreements to comply with data security policy were signed by all employees in order to prevent them from using the Company information for their own benefit or without permission from the Company. Violation of such regulations is a serious offense and subject to disciplinary action of which the maximum penalty is dismissal without compensation.

In addition, directors, executives and staff responsible for the Company's information are prohibited to use inside information in trading the Company's stock for their own or third party's benefit. The Company Secretary shall send a notice to the Board of Directors and executives to refrain from trading in the Company's securities 2 weeks before disclosing information or financial reports to the public. The directors and executives shall submit a report on the change of securities holding (Form 59) via the SEC's online system upon making transactions such as buying, selling, transferring or accepting transfers of the Company's securities and notify the Company Secretary in order to report to the Board of Directors' meeting. The Company prescribes an agenda for acknowledgment of securities holdings of directors and executives as a regular agenda in every meeting of the Board of Directors.

Anti-Corruption Policy

The Company is committed to resist corruption. The Board of Directors therefore established Anti-Corruption Policy and Measures ("the Policy") which was reviewed annually. The Policy prohibited directors, executives, employees and people who have business relationship with the Company to resist or be involved in all forms of corruption both directly and indirectly. The Company also established guidelines for activities with high risk of corruption and rules on giving and receiving gifts.

In the part of monitoring and evaluating the implementation of anti-corruption measures, the Board of Directors assigned the Risk Management Committee to be responsible for ensuring that the Company has adequate and appropriate corruption risk management by reviewing the risk management report to assess and monitor significant risks and report to the Board of Directors.

The President assigned Anti-Corruption Working Team to be responsible and coordinate with each department to comply with Anti-corruption Policy and Measures and report to the President. Every department must conduct an annual corruption risk assessment as well as formulate a risk management and mitigation plan. Office of Risk Management will analyze and evaluate the effectiveness of the risk management plan to maintain risk appetite and report results to the Risk Management Committee. In addition, the Company assigned Office of Internal Audit to audit and review internal control system and operations to ensure in accordance with policies, guidelines, operational authority, regulations, laws and regulatory requirements to ensure that the control system was appropriate and adequate to corruption risk and report the results to the Audit Committee.

The Company communicated the Policy to employees through various communication channels such as the intranet and other electronic communication channels, including organizing online learning courses for employees to attend and test. The Company also communicated to external parties such as customers, business partners, associates and stakeholders via the Company's website, annual report, electronic mail, commercial contract, etc.

All departments shall assess the corruption risk annually as well as prepare a preliminary risk management plan. The Office of Risk Management Office shall analyze the operational and fraud risk

management process by assessing, analyzing, monitoring, controlling and collecting the overall risk position to be risk appetite and report to the Risk Management Committee and the Board of Directors. In addition, the Company has established guidelines for high-risk activities or as a channel for corruption, to improve understanding and be the norm in the work.

The Anti-Corruption Working Team, appointed by the President, is responsible for coordinating with various departments to communicate internal policies through the Company's intranet. The working team also provides training and testing for employees through an electronic learning system and orientation. It also communicates the policy to third parties such as customers, partners and stakeholders through the Company's website, annual report, electronic mail including specifying as a clause in a commercial contract. The Company also provides channels for receiving complaints, measures to protect whistleblowers and the complainant as well as a fair trial process. An employee who committed the violation shall be punished according to the disciplinary. The Company shall review or terminate the business transaction with a third party who commits corruption.

The guidelines for supervising and monitoring corruption risks are as follows:

1. The Board of Directors has assigned the Audit Committee to supervise the implementation of anti-corruption measures, to review the financial reporting system, accounting system, internal control system, internal audit system, and risk management system. Such systems shall comply with relevant laws and international standards. They shall also be efficient, up-to-date, appropriate and rigorous for preventing and reducing the corruption risk.

2. Stipulate guidelines for high-risk activities or channels for corruption to enhance understanding and be the standard of work process.

3. Provide channels for receiving complaints, measures to protect whistleblowers and complainants and a fair trial process. The Company imposes disciplinary penalties for an employee who committed the corruption and reviews or terminates the business transaction in the case of a third party.

Anti-Corruption monitoring and assessment

1. Assign the Office of Internal Audit to audit and review the internal control system and the operation to be in accordance with the policy, guidelines, authority, regulations, laws and regulatory requirements; to ensure that there is an appropriate and enough control system against corruption risks. The audit report shall be presented to the Audit Committee.

2. Assign the Risk Management Committee to oversee the corruption risk management to ensure that it is adequate and appropriate. The Committee shall review the risk management reports in order to assess and monitor major risks and report them to the Board of Directors.

The Company regularly reviews anti-corruption measures to be in accordance with changes in laws, rules, regulations and the Company's business.

The Company established Anti-Corruption Policy and Measures via https://www.navakij.co.th/public/core/uploaded/documents/6be87b814f5d420801971078cecad448.pdf

Whistleblowing and Complaints

The Board of Directors provided the Whistleblowing Policy for stakeholders to participate in expressing opinions or notify clues of suspected fraud, violations of regulations, irregular financial reporting and any other actions that might affect the reputation and cause damage to the Company. Stakeholders shall notify any matter via a post mail to the Navakij Insurance Public Company Limited, No. 100/47-55, 93/3-6, North Sathorn Road, Silom, Bangrak, Bangkok 10500 or the following channels as follows:

- Vice president of Organization Development Department
  Tel: 0 2664 7712 Email: phatarawipha_w@navakij.co.th
- Vice president of Office of Compliance
  Tel: 0 2664 7719 Email: charuwan_c@navakij.co.th
- The Chief Executive Officer
  Tel: 0 2664 7738 Email: pitiphong@navakij.co.th
- Chairman of the Audit Committee via Secretary of the Committee
  Tel: 0 2664 7778 Email: phisit_p@navakij.co.th

Details are published on the Company's website and complaint information will be kept confidential. The Company will not do anything that is unfair to whistleblowers, complainants or those who cooperate in the investigation.

1. The details of clues and complaints must be clear or enough to investigate.
2. Information and investigation process will be kept confidential and disclose only necessity. Whistleblowing on third parties and employees will only be recognized by those involved in the investigation. Whistleblowing on senior executives will be kept by the secretary of the Audit Committee to report directly to the Audit Committee.
3. President shall appoint 3 vice presidents who are independent from concerns and complaints as the Investigation Committee.
4. The Investigation Committee will provide the management approach including remedies for damage and propose to the President for operation approval.
5. The investigation must be conducted with fair treatment of the accused. The accused have the rights to prove by providing additional information or evidence to show in the complaint.
6. The duration of the investigation depends on the complexity of the issues, the sufficiency of the evidence provided by whistleblowers and those involved with the process of investigation.
7. The Investigation Committee shall report the result of investigation and remedies for damage to the Audit Committee quarterly.

Code 7: Ensure Disclosure and Financial Integrity

Board of Directors Report

The Board of Directors provides the Company's financial reports and the consolidated financial reports of the Company and its associated companies at the end of the fiscal year in the annual report to be presented to the shareholders' meeting as required by law. The preparation of financial reports is prepared in accordance with the current financial reporting standards and in the form prescribed by the OIC. In addition, the Board of Directors' responsibility for financial reports is also prepared along with the report of the auditor in the annual registration statement (56-1 One Report).

The Board of Directors assigns the Audit Committee to oversee the quality of financial reports and provide opinions to the Board of Directors to ensure that the report preparation is in accordance with the requirements of the SEC, SET, OIC and related laws.

Code 8: Ensure Engagement and Communication with Shareholders

Rights of Shareholders

The Board of Directors realizes the duty to protect the interests and respect the fundamental rights of all shareholders. Shareholders' rights include the right to receive share certificates and to transfer shares, the right to receive sufficient and timely information which is appropriate for decision-making, the right to receive a share of profits in the form of dividends. Shareholders also have the right to attend the shareholders' meeting to vote at the meeting in order to decide on changes in policies or important fundamentals of the Company, such as election and removal of directors, determination of directors' remuneration, selling or transferring the Company's business to another person, buying or accepting other business transfers, dividend allocation, capital increase or capital reduction and approval of other special transactions that are not normal transactions. The Company encourages shareholders and institutional investors to exercise their rights through shareholders' meetings; so that all groups of shareholders are involved in decisions related to their interests.

Equitable Treatment for Shareholders

The Board of Directors has a policy to protect the rights of all shareholders to be treated equally and fairly. Shareholders can take part in supervision of the business and operation. They can nominate a person to be elected as the Company's director, propose a meeting agenda and submit questions related to the Company before the date of the shareholders' meeting between September and December every year. As of which, between 9 September 2020 and 31 December 2020, the Company has published details of the rules and procedures on the aforementioned matters on the Company's website and notified via the system of Stock Exchange of Thailand (SET). Nonetheless, no shareholder proposed any matter to be included in the meeting agenda or nominated a person to be elected as a director during such period.

The Company sends the meeting invitation letter and details of related information for decision making on each agenda to all shareholders at least 21 days in advance so that shareholders have enough time to study the information. The said information was published on the Company's website in both Thai and English more than 30 days in advance of the meeting date and informed the shareholders of the meeting information via the SET website. However, the shareholders who are unable to attend the meeting in person can vote by using Proxy Form B which was sent along with the meeting invitation letter. The Company will nominate at least three independent directors and executive directors as proxy of the shareholders accordingly.

Shareholders Meeting

The Company holds an annual general meeting of shareholders within 4 months from the end of the fiscal year for shareholders. All shareholders are reported the Company's operating results and participate in consideration and decision-making on important agenda. The Board of Directors clearly sets the meeting agenda, and does not add any agenda for consideration other than those specified in the notice or change any important information without notifying the shareholders in advance. The Company may organize an extraordinary general meeting of shareholders in the event that it is necessary to propose the matter to the shareholders' meeting for consideration as a special case.

In 2022, the Company held the Annual General Meeting of Shareholders ("the Meeting") on 26 April 2022 in 2 ways that the physical Meeting is held at the Grand Hall, The Bangkok Club, Sathorn City Tower, 28th Floor, 175 South Sathorn Road, Tungmahamek, Sathorn, Bangkok, which is a suitable place and convenient for shareholder to attend the Meeting, and the online Meeting is lived broadcast via Facebook. After the Meeting, the Company will post the recorded Meeting in video clip on the Company's website. The Chairman, chairmen of all sub-committees, and the senior executive of the Company will attend the meeting. Due to the Coronavirus-2019 pandemic, the Company has stipulated measures and guidelines for the general meeting of shareholders in accordance with the requirements determined by the Department of Disease Control, the Ministry of Public Health in order to prevent the risk of disease spreading. Nevertheless, the Company still managed the shareholders' meeting in full compliance with the law, regulations and guidelines of the shareholder meeting assessment project of the Thai Investors Association.

The Company prepared an invitation notice for the 2022 Annual General Meeting of Shareholders which contained detailed information and opinions of the Board of Directors in each agenda, meeting minutes and annual report. Shareholders were informed to submit questions about the meeting agenda via the Company's website on 24 March 2022, 33 days before the meeting. The AGM notice was published in a newspaper between 5-7 April 2022, 3 consecutive days before the meeting. The Center Securities Depository (Thailand) Co., Ltd. as the Company's Registrar submitted a notice of meeting to shareholders on 4 April 2022, 22 days prior to the meeting in order to allow shareholders to acknowledge and have

sufficient time to consider the information prior to attend the meeting. The Company encourages shareholders who are unable to attend the meeting to use Proxy Form B in which shareholders can determine the voting. Proxy Form B is delivered to the shareholders together with the invitation letter for the shareholders' meeting and can be downloaded from the Company's website as well. In this regard, the Company prepares a duty stamp for attaching the proxy form for the convenience of the shareholders.

The Company uses a barcode system to register the meeting attendees in order to ensure that the registration process is fast and correct. Shareholders shall receive ballots to vote for the agenda that must be considered for approval and verification. In addition, shareholders can register to attend the meeting after the meeting started and they can vote on the agenda that has not yet been resolved.

The Board of Directors informs shareholders of important information prior to the meeting, such as the number of shareholders attending the meeting and appointing their proxies, voting practices, vote counting and collection of ballots. The Chairman then proceeded to the meeting according to the meeting agenda without adding any agenda or changing any important information other than those specified in the invitation letter sent to the shareholders in advance.

The Company allocates time for the meeting appropriately and gives shareholders an opportunity to express their opinions and ask additional questions in each agenda before voting. The Company Secretary will record questions and answers in the minutes of the Annual General Meeting of Shareholders. In the 2021 annual meeting, there were no shareholders asking questions or giving suggestions to the Company.

Shareholders have the right to vote according to the number of shares held; where one share equals one vote. In the agenda for the election of directors to replace those retiring by rotation, shareholders can vote for the election of directors individually. The directors who have interests in any agenda will not attend the meeting and vote on that agenda. The Company has provided a legal advisor to provide legal opinions and act as a mediator to verify voting, and vote counting in order to ensure transparency in the shareholders' meeting.

Resolutions disclosure

The Company disclosed the resolutions of the 2022 Annual General Meeting of Shareholders with voting results within the meeting date. The minutes of the 2022 Annual General Meeting of Shareholders was submitted to the relevant regulatory agencies within the specified date according to the regulations and published on the Company's website for the shareholders to acknowledge, comment, and review within 14 days after the meeting is finished.

Disciplinary Measures for Non-Compliance with Policies and Guidelines

The Company provides fairness and protection to directors, executives and employees at all levels who oppose corruption. They shall not be demoted, punished or get any impact even if the corruption refusal may cause the Company to lose business or miss the opportunity to gain new business.

However, the Company's personnel should not neglect or ignore and act of corruption. They shall notify the supervisor or responsible person as soon as possible, upon witnessing any actions relevant to the Company that are considered corruption. Moreover, they shall cooperate in investigations according to the Whistleblowing and Complaints Policy.

Directors, executives and employees who commit corruption, violate Company's policies, codes of conduct and rules and supervisors or responsible persons who ignore employee 's misconduct or do not resolve the offense, they will be subjected to disciplinary punishment. The Company shall set up a committee to investigate the consider the punishment fairly. It will also consider reviewing and possibly terminate the business with partners who violate the policy.

6.2 Code of Conduct

The Company has established a written Code of Conduct as a framework for ethical business conduct, goals and methods of business operations for shareholders' benefit and success according to the Vision, Mission and Corporate Governance Policy. In addition, the Code of Conduct also stipulated best practices for directors, executives and employees for performing their duties with integrity in order to drive the organization to grow continuously and stably. All personnel are required to acknowledge, understand and strictly comply with the policies set forth in the Code of Conduct. Violators will be investigated and disciplined appropriately. The Board of Directors requires that the Code of Conduct shall be reviewed annually.

The essences of the Code of Conduct are as follows:

1. Perform duties with responsibility, caution and integrity.
2. Fair and equal treatment of customers
3. Comply with the conditions agreed with business partners and pay off debts on time.
4. Free and fair business competition within the framework of the law.
5. Community, society and environment responsibility
6. Respect for human rights
7. Anti-corruption
8. Respect for intellectual property
9. Maintaining the information systems and personal data security
10. Maintaining confidentiality and do not use internal information for personal gain.
11. Conflicts of interest awareness
12. Maintain effective internal control system and risk management system.
13. Efficient and fair process for complaints management

The Company has published the Corporate Governance Policy, Code of Conduct, Anti-Corruption Policy and Measures, and Whistleblowing and Complaints Policy through the Company's website at https://www.navakij.co.th/en/sustainability/significant-policies-of-nki

6.3 Significant Changes and Developments of Policies, Practices and Corporate Governance Systems in the Past Year

6.3.1 Significant Changes and Developments Related to the Policies and Practices Review, the Corporate Governance System or the Board of Directors Charter in the Past Year

In 2022, the Board of Directors approved the reviewed and revised Corporate Governance Policy and related policies such as; Code of Conduct, Stakeholders Policy, and Conflicts of Interest Policy, to be in accordance with the requirements of the relevant regulatory agencies and current business operations in order to increase the efficiency of business governance. The Company has regularly reviewed and updated the said policy at least once a year.

6.3.2 Other Practices in Accordance with Good Corporate Governance Principles

The Company adheres to the principles of good corporate governance of the Securities and Exchange Commission (SEC) and the Thai Institute of Directors Association (IOD) as well as implement the Corporate Governance Code 2017 (CG Code). In 2021, the Company received the “excellent” recognition of the Corporate Governance Report Program of Thai listed companies organized by the Thai Institute of Directors Association (IOD) and received an evaluation score of 100 or classified as "excellent" in the 2021 Annual General Meeting Quality Assessment Program. The Company does not comply with some CG principles. However, The Company will adopt the principles of good corporate governance as much as possible by applying it to suit the company's situation as follows:

1. The Board should consist of 5-12 directors.

Currently, the Company has 13 directors which is appropriate for the size and complexity of the Company's business operations. The non-life insurance business requires directors with diverse knowledge and experiences to examine and supervise business operations. However, the Board of Directors consists of 10 non-executive directors, 5 of which are qualified as independent directors, resulting in a balance of authority, ability to independently express opinions of the management, and transparent management.

2. The Chairman of the Board should be an independent director

The Chairman of the Board is not an independent director because the insurance business requires a person with knowledge, understanding and experience in the business for the benefit of the Company and shareholders. However, the Chairman is not an executive director. The authorities, duties and responsibilities of the Chairman and the Chief Executive Officer and President are clearly separated. In addition, the Board of Directors has also appointed Mr. Chan Soo Lee, an independent director, to consider the Board of Directors' meeting agenda.

3. Independent directors should have a term of office not exceeding 9 years.

The Board of Directors stipulates that independent directors may hold office for not more than 3 consecutive terms or not more than 9 years unless for the benefit of the Company, the Board of Directors may consider extending the term of office of independent directors. However, such independent directors shall be able to give opinions independently, and in accordance with the relevant rules. 2 independent directors have a term of office of more than 9 years because they have appropriate qualifications and skills that are beneficial to the Company. Moreover, recruiting new independent directors with experience in the Company's business is quite difficult. The Board of Directors has presented the reasons of such necessity to the shareholders' meeting for consideration accordingly.

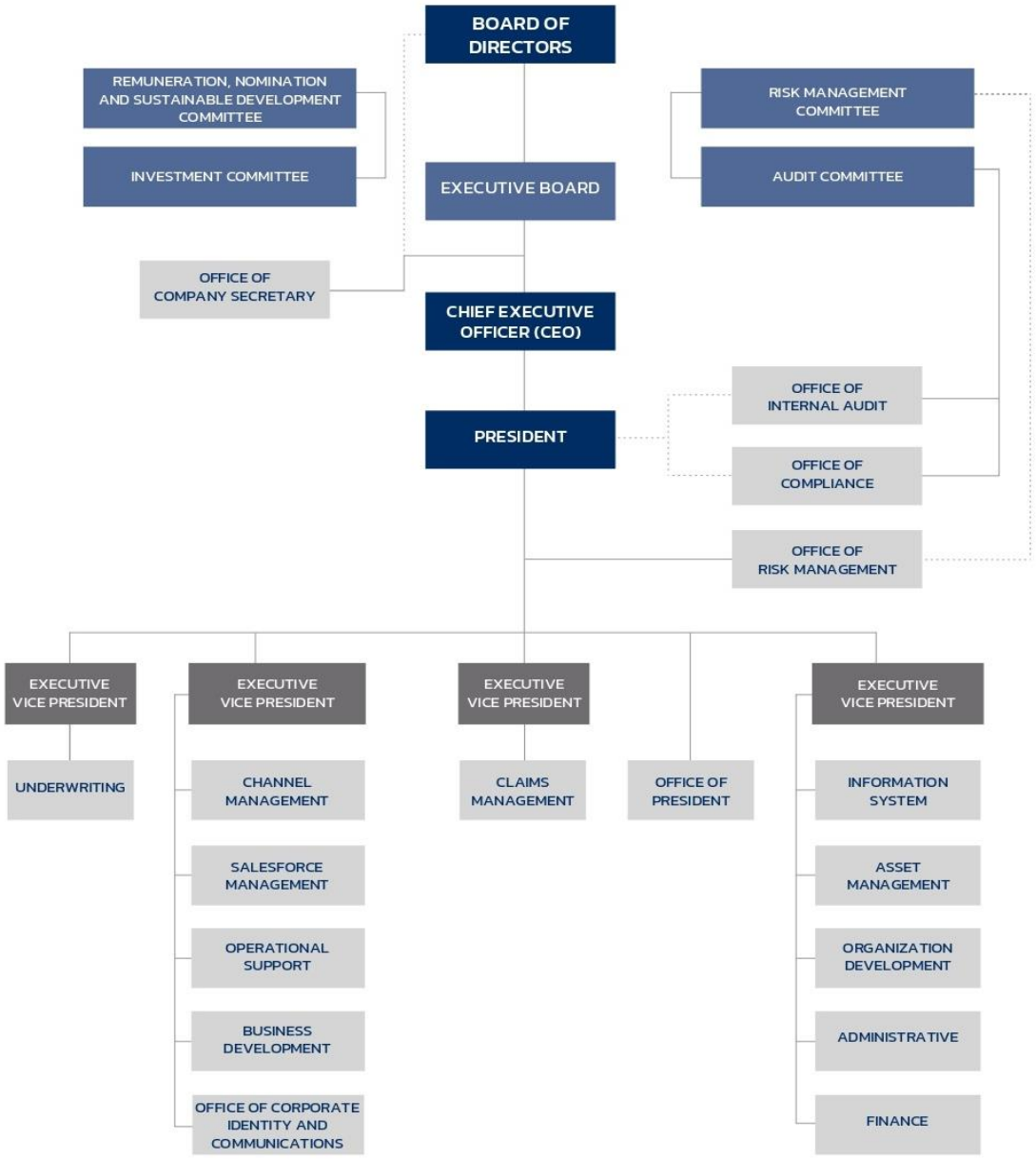
4. Press releases to the media

The Company does not hold press releases about the Company's financial results. However, it does provide opportunities for journalists and securities analysts to meet and interview about the operating results, significant event and new products.

7. Corporate Governance Structure and Information of Committees, Subcommittees, Executives, Staffs and Others

7.1 The Structure of Corporate Governance

The Company's structure consists of the Board of Directors and 5 subcommittees that are Audit Committee, Remuneration Nomination and Sustainable Development Committee, Risk Management Committee, Investment Committee and Executive Board



7.2 Information of the Board of Directors

7.2.1 Composition of the Board of Directors

Under the Company's Articles of Association and the Board of Directors Charter, the Board comprise of no fewer than 9 members who are competent with skills and extensive experience to the benefit of the Company's operation with diversity in skills, experience and gender. At least one director shall be an expert in the area of non-life insurance business, at least one in the area of accounting and at least one in the area of information technology. The Chairman of the Board, the Chief Executive Officer and the President, shall not be the same person in order to maintain a balance of power between supervisory and management functions. The Company defines independent directors as specified by the standard of the Capital Market Supervisory Board.

At present, the Company's Board consists of 13 directors as follows:

1. 10 non-executive directors, 76.92% of the entire Board
2. 5 independent directors, which exceeds one-third of the entire Board, 38.46% of the entire Board
3. 3 executive directors, 23.07% of the entire Board
4. 4 female directors, 30.76% of the entire Board

Qualification of Director

1. Directors should be competent with skills and extensive experience to benefit the Company's operation, with various skills mixes and integrity. At least one director shall be an expert in the area of non-life insurance business, at least one in the area of accounting and at least one in the area of information technology.

2. Directors must possess relevant qualifications and shall not possess prohibited characteristics, according to the Public Limited Company Act, Non-life Insurance Act, and other relevant laws.

3. Directors should have the ability to exercise sound and independent judgments, free from any conflict of interest from the management and other stakeholders.

4. Directors could dedicate appropriate time to perform the duties.

5. Independent Directors must possess the qualifications as specified by the Notification of the Capital Market Supervisory Board and relevant Notifications.

Board Skill Matrix

No.	Name	Non-Life Insurance	Insurance Product	Actuary	Risk Management	Audit	Internal Control	Finance and Accounting	Investment	Management	Fair Treatment of Customers	Information Technology	Corporate Governance	Legal
1.	Mr. Suchin Wanglee	✓	✓	✓				✓	✓	✓	✓	✓	✓	✓
2.	Mr. Pitiphong Bisalputre	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	
3.	Professor Hiran Radeesri	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
4.	Mr. Kiet Srichomkwan	✓	✓		✓	✓	✓	✓	✓	✓	✓		✓	
5.	Gen. Montree Sungkasap				✓	✓	✓			✓	✓		✓	
6.	Mr. Nipol T. Jeerawong	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓	✓
7.	Mrs. Wanida Chansikarin	✓	✓		✓	✓	✓	✓	✓	✓	✓		✓	✓
8.	Mr. Phornpun Phornprapha	✓	✓		✓			✓	✓	✓		✓	✓	
9.	Mr. Chan Soo Lee					✓		✓	✓	✓	✓			
10.	Mr. Thamnu Wanglee	✓	✓		✓			✓	✓	✓	✓			✓
11.	Mr. Vuttichai Wanglee	✓	✓		✓		✓		✓	✓	✓		✓	
12.	Ms. Jittinan Wanglee						✓		✓	✓			✓	
13.	Dr. Saran Wanglee	✓	✓	✓	✓		✓		✓	✓	✓	✓	✓	✓
14.	Ms. Charuwan Chabchamrun	✓	✓				✓				✓		✓	✓
	Total	11	11	5	10	5	10	9	12	13	12	5	12	7

7.2.2 The Directors Information

The list of Company's directors as of 31 December 2022

No.	Name	Position
1.	Mr. Suchin Wanglee	Chairman of the Board Non-Executive Director
2.	Mr. Pitiphong Bisalputra	Executive Director Chairman of Executive Board Chairman of Investment Committee
3.	Mr. Keit Srichomkwan	Independent Director Chairman of Audit Committee
4.	Gen. Montree Sungkasap	Independent Director Chairman of Remuneration Nomination and Sustainable Development Committee Member of Audit Committee
5.	Mr. Nipol T. Jeerawong	Non-executive Director The Chairman Risk Management Committee Director of Remuneration Nomination and Sustainable Development Committee
6.	Mrs. Wanida Chansikarin	Independent Director Member of the Audit Committee
7.	Mr. Chan Soo Lee	Independent Director
8.	Mrs. Phornpun Phornprapha	Independent Director Member of the Remuneration Nomination and Sustainable Development Committee
9.	Mr. Thamnu Wanglee	Non-Executive Director
10.	Mr. Vuttichai Wanglee	Non-Executive Director
11.	Ms. Jittinan Wanglee	Non-Executive Director
12.	Dr. Saran Wanglee	Executive Director
13.	Ms. Charuwan Chabchamrun	Executive Director

Note:

No. 4 was appointed as a director on 26 April 2022 in replacement of Prof. Hiran Radeesri, independent director and Chairman of Audit Committee who retired by rotation.

No. 8 was appointed as a director and a director on 22 February 2022 in replacement of Mr. Phornpong Phornprapha who was vacated by decease.

The Chairman of the Board is not an independent director however he is not an executive director. The Chairman's authorities and duties separate distinctly from those of the management. The Company appointed Mr. Chan Soo Lee, an independent director, to participate in setting the Board of Director's meeting agendas to counterbalance authority between the Board of Director and the management.

7.2.3 Roles of the Board of Directors

Duties and Responsibilities of the Board of Directors

1. To oversee that the Company's operations are operated in accordance with the objects, the articles of association of the Company, and the resolutions of the shareholders' meeting, as well as the regulations specified by relevant laws in good faith and with due care to preserve the greatest interests of the Company.

2. To consider and approve vision, mission, strategies, business direction and goals including important business policies, as well as overseeing the management operate in accordance with the vision or framework with effectiveness and efficiency.

3. To regularly monitor, evaluate and approve the implementation of the sustainable development framework, code of ethics and the code of conduct of the Company at least once a year.

4. To approve the organizational structure that maintain a balance of power between supervisory and management functions.

5. To supervise the Company to have processes for controlling, monitoring and auditing a risk management, an internal control system and compliance, including independent unit or personnel to audit the said operations to ensure adequate efficiency and transparency.

6. To supervise an accounting system, a financial reporting and reliable auditing.

7. To appoint appropriate and sufficient subcommittees to support the Board of directors' performance as well as to consider the composition of the subcommittees and any significantly changes that may affect their performance.

8. To oversee disclosure of information regarding good governance, sustainable development, financial reports and important matters in accordance with the relevant rules and regulations to public and regulators accurately, completely and timely.

9. To oversee a selection of directors and an efficient succession plan of the top executives.

10. To appoint or delegate any other person(s) to conduct the Company's business subject to control of and within the time frame as may be specified by the Board.

11. To oversee the performance evaluation of the Board and subcommittees annually.

12. To approve connected transactions and any transactions in compliance with the laws and regulations specified by all regulatory agencies such as OIC, SEC Etc., to prevent transactions that may have a conflict of interest.

13. To approve the acquisition and disposition of assets and any transactions in compliance with the laws and regulations specified by all regulatory agencies such as OIC, SEC Etc., to prevent transactions that may have a conflict of interest.

14. To approve a significant matter submitted by the management such as business plan, budget or any project of which the transaction value is greater than the authority of the management.

15. To approve the criteria for annual incentive bonus payment for the employees.

16. To appoint the Company Secretary to ensure that the Board and the Company perform their duties in accordance with relevant laws, rules and regulations.

Authority of the Board of Directors

1. Appoint and remove the subcommittees, Chief Executive Officer and President including delegate authorities to them.
2. Appoint and remove the company secretary
3. Approve directions and strategic goals of the Company
4. Approve significant policies of the Company
5. Approve the receipt or cancellation of credit limit in the amount that exceeds the authority of the Executive Board
6. Approve the sale of equity instruments and/or debt instruments in the amount that exceeds the authority of the Investment Committee
7. Approve the acquisition and investment in fixed assets in the amount that exceeds the authority of the Executive Board
8. Approve the reconditioning, destruction and write-off fixed assets and intangible assets in the amount that exceeds the authority of the Executive Board
9. Approve the conciliation, the arbitration, the complaint, the prosecution and/or the litigation on behalf of the Company of which the capital exceeds the authority of the Executive Board
10. Approve the remuneration of the advisor to the Executive Board, the Chief Executive Office and the President
11. Delegate authority of the Board to the management, executives or other persons to act on behalf of the Board of Directors
12. Invite the management and related staffs give explanations and opinions, attend the meeting or submit documents as deemed necessary

Authorized Directors

The Company's authorized signatures are divided in 2 categories as follows:

1. Insurance policy of the Company shall be signed by any one of three directors, namely Mr. Pitiphong Bisalputra, Ms. Charuwan Chabchamrun or Dr. Saran Wanglee and affixed with the Company's seal.

2. Other juristic act other than those specified in No.1 shall be signed by two of six directors, namely Mr. Suchin Wanglee, Mr. Vuttichai Wanglee, Mr. Nipol T. Jeerawong, Mr. Pitiphong Bisalputra, Ms. Charuwan Chabchamrun or Dr. Saran Wanglee and affixed with the Company's seale,

7.3 Information of Subcommittees

The Board of Directors appointed 5 subcommittees which are 1) the Audit Committee 2) the Remuneration Nomination and Sustainable Development Committee 3) the Risk Management Committee 4) the Investment Committee and 5) the Executive Board to perform and consider the specific issues before presenting to the Board of Directors. The charters of all subcommittees are determined in writing.

(1) The Audit Committee

The Audit Committee is appointed by the Board of Directors to review financial statements and internal audit of the Company. The Audit Committee included not less than 3 members who are independent directors. At least 1 member must have sufficient knowledge and experience in accounting or finance to review financial statements. The term of office is 3 years and not more than 3 terms except the Board of Directors has another opinion.

As at 31 December 2022, the Audit Committee consists of 3 independent directors. The second director have expertise in accounting and finance with the significant experience in reviewing financial reports. However, all of 3 directors as listed below will be vacated the office on due term in November 2024.

No.	Name	Position
1.	Mr. Kiet Srichomkwan	Chairman of the Audit Committee
2.	Mrs. Wanida Chansikarin	Member of the Audit Committee
3.	Gen. Montree Sungkasap	Member of the Audit Committee

Note:

No.1 was appointed as the Chairman of the Audit Committee on 10 May 2022 in replacement of Prof. Hiran Radeesri, the Chairman of Audit Committee who retired by rotation of the Board of Directors.

No.3 was appointed as a member of the Audit Committee on 10 May 2022 in replacement of Prof. Hiran Radeesri independent, a member of Audit Committee who retired by rotation of the Board of Directors.

Mr. Phisit Photisatian, Vice President of the Office of Internal Audit is the secretary of the Audit Committee.

Duties and Responsibilities of the Audit Committee

1. To review the Company's financial reports to ensure the quality that are completely and accurately prepared according to the accounting standards.

2. To review the Company's internal control system and internal audit systems to ensure the efficient and to approve the appointment, transfer, removal and considering compensation and merit increases of internal audit chief as well as to define duties and responsibilities of internal audit unit.

3. To review that the Company's operations are operated in accordance with the laws and regulations specified by SEC, SET, OIC as well as other related laws.

4. To consider, select, nominate and disposal an independent person to be the Company's external auditor, and to propose such person's remuneration, as well as to attend a non-management meeting with the auditor at least once a year.

5. To review connected transactions or any transactions in compliance with the laws and regulations specified by SET, to prevent transactions that may have a conflict of interest, to ensure the transactions are reasonable and to preserve the greatest interest of the Company.

6. To review the efficiency of the Company's risk management system.

7. To report the Committee's performance to the board of directors at least 4 times a year.

8. To prepare report of the Committee that would be signed by the Committee's Chairman to be disclosed in the Company's annual report. The report must be consisted of at least following items;

   8.1 An opinion on the accuracy, completeness and creditability of the Company's financial reports

   8.2 An opinion on the adequacy of the Company's internal control system

   8.3 An opinion on complying with the laws and regulations specified by all regulatory agencies and others relating to the Company's operations

   8.4 An opinion on the suitability of the auditor

   8.5 An opinion on the transactions that may have a conflict of interest

   8.6 Number of the Committee's meetings and the attendance of each member

   8.7 An opinion or overview comment received by the Committee from its performance of duties in accordance with the charter

   8.8 Other transactions which should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors

9. To perform any other tasks as assigned by the board of directors thereof with the approval of the Committee.

10. In performing of their duties, if it is found or suspected that there is a transaction or any of the following acts which may materially affect the Company's financial condition and operating results, the Committee shall report to the board of directors for rectification within the period of time that the Committee thinks fit;

10.1 The transactions that may have a conflict of interest

10.2 Any fraud, irregularity, or material defect in the internal control system

10.3 An infringement of the laws and regulations specified by all regulatory agencies and other relating to the Company's operations

If the Company's board of directors or management fails to make a rectification within the period of time under the first paragraph, any member of the Committee may report on the transaction or act under the first paragraph to SEC or SET and the Committee must be reported to OIC immediately.

11. If the external auditor discovers any suspicious circumstance that the director, manager or any other person responsible for the operation of the Company commits an offense as defined by laws and the auditor informed the fact relating to such circumstance to the Committee in order to continue the inspection without delay. The Committee shall inspect the circumstance and report the result of preliminary inspection to SEC and the external auditor within 30 days from the date received the external auditor noticed. The suspicious circumstance to be reported and the process to uncover facts of such circumstance shall be as specified by the Capital Market Supervisory Board.

The Audit Committee Meeting

The Committee holds at least six meetings a year.

(2) The Remuneration, Nomination and Sustainable Development Committee

The Remuneration, Nomination and Sustainable Development Committee is appointed by the Board of Directors to support the Board of Directors' duties in remuneration and nomination of directors and senior executive including sustainable development function. The Remuneration, Nomination and Sustainable Development Committee consists of at least 3 members. The Chairman and at least 2 of 3 members must be independent director, the other must be a non-executive director. The committee's term of office is 3 years.

As at 31 December 2022, the Remuneration, Nomination and Sustainable Development Committee consists of 3 directors. The Chairman and the second director are independent directors. All members as below name list who will be vacated the office on due term in February 2025.

No.	Name	Position
1.	Gen. Montree Sungkasap	The Chairman of Remuneration, Nomination and Sustainable Development Committee
2.	Mr. Phornpun Phornprapha	Member of Remuneration, Nomination and Sustainable Development
3.	Mr. Nipol T. Jeerawong	Member of Remuneration, Nomination and Sustainable Development

Note:

No.1 was appointed as the Chairman of the Remuneration, Nomination and Sustainable Development Committee on 10 May 2022 in replacement of Mr. Kiet Srichomkwan, who vacated by resignation.

No.2 was appointed as a member of the Remuneration, Nomination and Sustainable Development Committee on 22 February 2022 in replacement of Mr. Phornpong Phornprapha who was vacated by decease.

Duties and Responsibilities of Remuneration

1. To propose that the board of directors' meeting or shareholder's meeting (as it may be) consider and approve the structure and procedures of remunerations for the board of directors, the committees and top executives.

2. To consider and fix bonus for the board of directors and the committees and propose to the board of directors and shareholders' meeting for approval.

3. To consider criteria and performance evaluation of the Chief Executive Officer and the President.

4. To consider and fix remuneration for the senior executive and propose to the board of directors for approval.

5. To consider the rules and conditions for new securities offering or warrants to purchase shares for directors and employees. Good rules and conditions would help motivate performance of directors and employees that can create long-term added value for shareholders and retain quality personnel under the criteria that are fair to shareholders. However, the opinion will be presented to the Board of Directors for consideration.

6. To consider and review authority and duties regarding remuneration annually to be appropriated and complied with legal and regulations of regulators such as OIC, SET and SEC etc. before proposing to the Board of Directors.

Duties and Responsibilities of Nomination

1. To consider the Board of Directors' composition to be appropriate to the organization, accountability as well as in compliance with the regulations and best practices of regulators.

2. To determine criteria and procedures for selection of nominees to serve as the Company's directors, member of the committees and top executives propose to the board of directors for approval.

3. To recruit and nominate a qualified person to serve as the Company's director, the committees and top executives when retiring by rotation or the position is vacant, propose to the board of directors' meeting or shareholder's meeting for approval.

4. To consider and propose training guidelines for performing the duties of directors and knowledge related to the Company's business for the Board of Directors and senior executives to increase the potential.

5. To supervise a succession plan for the senior executive position (The Chief Executive Officer and the President), so that the Company's management can operate continually.

6. To consider and review authority and duties of the nominating to appropriate and comply with legal and regulations of regulatory agencies such as OIC, SET and SEC etc.

7. To evaluate the performance of the Committee annually and report the evaluation results to the Board of Directors.

Duties and Responsibilities of Sustainable Development

1. To consider policies and guidelines for sustainable development to be in accordance with the laws, rules regulations of government agencies and regulators; as well as being suitable for business operations and propose to the Board of Directors for approval.

2. To monitor and evaluate the implementation of the Sustainable Development Policy, Corporate Governance Policy and the Code of Conduct and other related policies.

3. To provide advice and encourage personnel in the Company at all levels to follow the Company's sustainable development guidelines.

4. To consider and approve the disclosure of sustainable information before disclosing to the stakeholders.

5. To review the authority and duties related to sustainable development to comply with laws, regulations or notifications of regulatory and propose to the Board of Directors for approval.

The Remuneration, Nomination and Sustainable Development Meeting

The Committee holds at least two meetings a year.

(3) The Risk Management Committee

The Risk Management Committee is appointed by the Board of Director to supervise the Company's risk management to be effective in accordance with the overall framework of risk management including strategic plan and business plan. The Risk Management Committee consists of not less than 5 members who are a director and an executive or the expert who are proficient in risk management not less than 5 members, with the term 3 years.

As at 31 December 2022, the Risk Management Committee consists of 5 directors and executives as below name list. All members will be vacated the office on due term in February 2025.

No.	Name	Position
1	Mr. Nipol T. Jeerawong	The Chairman of the Risk Management Committee
2	Mr. Pitiphong Bisalputra	Member of the Risk Management Committee
3	Ms. Anukul Thitikulrat	Member of the Risk Management Committee
4	Mrs. Nalina Bodharamik	Member of the Risk Management Committee

No.	Name	Position
5	Mr. Anak Wanglee	Member of the Risk Management Committee

Duties and Responsibilities of the Risk Management Committee

1. To review and propose risk management policy and risk appetite to the board of directors for approval, at least as specified by the Office of Insurance Commission (OIC).

2. To Supervise the overall risk related activities of the Company including the development and implementation of the enterprise risk management frameworks and policies to ensure that the business is operated under the risk management policy assigned by the Board of Directors correctly and efficiently.

3. To review the risk management reports and periodically follow up on major risks and make sure that the Company has managed risks appropriately and with efficiently.

4 . To submit to the board of directors, a report of overall risk exposure to the Company including review whether the internal audit system is appropriate to manage exposure from major risks and report to the Board of Directors at least once a quarter.

5. To prepare the risk mitigation and business continuity plans.

6. To provide advice to various departments that are risk management departments and to consider revising various information about the development of the risk management system

The Risk Management Meeting

The Committee holds at least four meetings a year.

(4) The Investment Committee

The Investment Committee is appointed by the Board of Director to be responsible for investment plan of the Company in accordance with the framework of investment policy, risk management policy and regulations of investment which is defined by the Investment Committee. The Investment Committee consists directors, executives or executive officers of the Company at least 3 persons with a term of 3 years.

As at 31 December 2022, the Investment Committee consists of 3 members as follows:

No.	Name	Position
1	Mr. Pitiphong Bisalputra	Chairman of the Investment Committee
2	Mr. Nipol T. Jeerawong	Member of the Investment Committee
3	Mr. Anak Wanglee	Member of the Investment Committee

Mr. Suchin Wanglee is the advisor to the Investment Committee

Duties and Responsibilities of the Investment Committee

1. To set investment policy and submit to the board of directors for approval.
2. To review investment plans and complying with the policies designed by the board of directors, the Company's risk management strategy and to ensure its consistency and compliance with regulations of OIC and related laws.
3. To consider and define guidelines for investment risk management strategy.
4. To consider and set investment procedures for the Company.
5. To oversee the investment management in accordance with the policies, plans, procedures and risk management strategy approved by the board of directors.
6. To review and adjust investment policy and investment plans so as to fit in with a change in investment climate and propose a revised investment policy to the board of directors for approval.
7. To consider approval of investment in securities.
8. To consider approval of general loan.
9. To consider approval of disposition of real property.

Investment Committee Meeting

The Committee holds at least four meetings a year.

(5) Executive Board

The Executive Board is appointed by the Board of Directors to support the performance of the Board of Directors in issuing the policy, regulations and management guidelines of the Company. The Executive Board includes not less than 3 members who are executives or executive directors appointed by the Board of Directors. The term of office shall be effective consistent with the status of the Company's executive officers.

As at 31 December 2022, the Executive Board consists of 6 executives as follows:

No.	Name	Position
1	Mr. Pitiphong Bisalputra	Chairman of the Executive Board
2	Ms. Anukul Thitikulrat	Member of the Executive Board
3	Mrs. Nalina Bodharamik	Member of the Executive Board
4	Mr. Anak Wanglee	Member of the Executive Board
5	Mr. Anin Wanglee	Member of the Executive Board
6.	Dr. Saran Wanglee	Member of the Executive Board

Mr. Suchin Wanglee is the advisor to the Executive Board.

Duties and Responsibilities of the Executive Board

1. To control and supervise the Company's operation and its subsidiaries that are carried out according to the policies and major operating plans, with utmost efficiency and effectiveness, as assigned by the Board.

2. To prepare corporate mission, vision, strategy, business direction and goals, budget, guideline and other operating plans, management structures as well as significant policies of the Company and its subsidiaries and propose to the Board.

3. To control and supervise the Company and its subsidiaries to conducts in compliance with the Securities and Exchange Act, the Non-Life Insurance Act, the Public Company Act and other related applicable regulations thereof.

4. To supervise the Company to comply with the generally accepted accounting standards and prepare financial statements of the Company and its subsidiaries which present accurate and reasonable financial and operation results.

5. To evaluate and assess risks in operating business of the Company and its subsidiaries and make appropriate measures to manage such risk and inform the Board thereof.

6. To perform any other tasks as assigned by the Board thereof.

Authority

1. To manage the Company's operation and its subsidiaries according to the policy, budget and operating plans.

2. To delegate the management authority to the respective responsible executives of the Company and its subsidiaries according to level of command.

3. To manage and handle all matters related to underwriting, claims management, investment and general management.

4. To purchase, hire, sell and transfer assets, and to authorize expenditure within the limit of 50 million Baht.

5. To authorize expenditure that exceeds the budget but not over 20 percent of the budget.

6. In the event that the Board has given authority to the executive board or in the event that the executive board has given authority to the President and/or any executives to act on behalf of the Company or its subsidiaries, the authority given so does not include the power to approve transactions that the assignee or the involved person may have interest, or conflict of interest with the Company or its subsidiaries.

The Executive Board Meeting

The Committee holds at least two meetings a month.

7.4 Executives

7.4.1 Name and position of executives

As at 31 December 2022, the executive of the Company consists of the following:

No.	Name	Position
1	Mr. Pitiphong Bisalputra	Chief Executive Officer and President
2	Ms. Anukul Thitikulrat	Executive Vice President – Finance
3	Mrs. Nalina Bodharamik	Executive Vice President – Underwriting/ Risk Management
4	Mr. Anak Wanglee	Executive Vice President – Assets Management/ Organization Development/ Administrative and Information System
5	Mr. Anin Wanglee	Executive Vice President - Claims Management
6	Dr. Saran Wanglee	Executive Vice President – Channel Management/ Salesforce Management/ Operational Support/ Business Development and Corporate Identity Communications

Note: the structure of Corporate Governance shows on 7.1 the Corporate Governance Structure

Duties and Responsibilities of the Chief Executive Officer

1. To monitor and provide advises to the president and the management in managing the Company to achieve its vision and overall objectives set by the board of directors, will all units in the organization cooperatively to achieve their respectively responsible objectives.

2. To motivate and/or oversee participation from all members of the organization towards common directions and objectives.

3. To establish sound working understandings of roles and duties of the management with the board of directors to work towards a common direction.

4. To provide recommendations to the management including review and oversee management direction and business strategies as a whole including normal business operation plans before presenting to the board of directors.

5. To oversee the adequacy of having strategies, annual budget and operation plans in accordance with the Board's policy.

6. To oversee development of good culture and sound environment in workplace for the Company's personnel with taking in consideration of their pride and respect for human dignity including having code of moral and equal treatment for them.

7. To consider and evaluate the president's performance and report it directly to the board of directors and/or assigned sub-committees.

8. Cooperating with the president to consider and evaluate performance of executives to ensure fairness.

Duties and Responsibilities of the President

1. To perform policy, strategic direction, business plan and annual budget of the Company propose to the board of directors for approval and to proceed as the resolutions approved by the board of directors.

2. To report the Company's operating performance by monthly and quarterly compared to business plan and budget with suggestion to the board of directors.

3. To approve the Company's expenditure with limit of not over 1 million Baht that he must be reported to the Chief Executive Officer.

4. Other matters assigned by the board of directors.

7.4.2 Directors and Executives Remuneration

The Remuneration, Nomination and Sustainable Development Committee is responsible for reviewing the remuneration for CEO and President and propose to the board of directors for approval. Such remuneration will be appropriately fixed based on the remuneration structure of the Company, including his/her performance and consistency with the duties and responsibilities assigned.

The CEO and the President shall determine the appropriate amount of remuneration for the Company's executive officers at a level of vice president and higher, with consideration of his/her performance and the Company's operation result.

1. Cash Remuneration

In 2022, the total remuneration for six executives in the form of salaries and bonuses amounted to 28,256,475 Baht.

The remuneration paid for 6 executives for the year 2020 - 2022 are as follows:

(Unit : Baht)

Remuneration	2022		2021		2020	
	Person	Amount	Person	Amount	Person	Amount
Salaries and bonuses	6	28,256,475	6	24,975,575	6	22,911,500

2. Other Remuneration

The Company has established a provident fund at the rate of 5% of the salary. In 2022, the Company made contributions of 932,423 Baht to provident fund for the 6 executives.

A paid provident fund of 6 executives for the year 2020 - 2022 are as follows:

(Unit : Baht)

Remuneration	2022		2021		2020	
	Person	Amount	Person	Amount	Person	Amount
Provident fund	6	932,423	6	855,895	6	810,390

7.5 Information of employees

As at 31 December 2022 the Company has 554 employees in any departments as follows:

Department	Number (Person)		
	Female	Male	Total
Office of Executive	2	6	8
Underwriting	58	17	75
Channel Management	31	14	45
Marketing Salesforce	24	32	56
Marketing Support	67	8	75
Business Development	4	1	5
Claims Management	42	76	118
Information System	6	20	26
Assets Management	4	2	6
Office of President	5		5
Organization Development	5	2	7
Administrative	29	10	39
Finance	62	14	76
Office of Risk Management	2		2
Office of Internal Audit	4	2	6
Office of Compliance	1	1	2
Office of Corporate Identity and Communications	1	2	3
Total	**347**	**207**	**554**

Information of employees with disability

The Company promotes the employment of people with disabilities and the underprivileged by contributing money to the Fund for Promotion or Development of Life Quality of Disabled Persons under Section 34, The Empowerment of Persons with Disabilities Act, B.E. 2007 within March of every year. For the number of people with disabilities that the Company must employ in the ratio of 100: 1, by the year 2022, the Company paid into the Fund for Promotion or Development of Life Quality of Disabled Persons 718,310 Baht.

Policies and regulations to employees

The Company paid attention to human resource development policy. The principle and method for human resource are adjusting constantly to be in line with the business operation in the future. The Company encouraged knowledge and skill development, up skill and re skill, learning technology digital as well as providing offline training program to get along with current situation.

Total remuneration and the type of remuneration given to employees

In 2022, the Company's total remuneration for employees amounted to 294.41 million Baht.

The Company reviews the Pay for Performance criteria to be complied with the remuneration and according to the Company's operation continuously such as adjusting the weight of performance management annually, setting the higher goal to challenge compared to the previous year. The Company provides concrete remuneration system to encourage employees for more potential. In addition, the Company takes into consideration the sufficiency of living in the current economic situation. Regular and incentive bonus shall be paid to employees. Incentive bonus is paid according to the employees' performance and the Company operating results in order to encourage employees to achieve the Company's goal.

Annual salary adjustment shall be done after the systematic evaluation of performance. Key Performance Indicator (KPI) that supports the Company's goad is set and mutually accepted between the employees and the supervisor to create empirical evidence, measurable and evaluable results. Core Competency is one factor that the Company ensures to have good and talented employees.

The Company considers remuneration fairly. The employees who had equal performance would receive equal remuneration while the employees who performed better or harder were paid higher. However, the Company analyzed and evaluated the work transparently. Comparison between all duties in the organization because every job was important to the Company but differ only by function.

The Company has welfare benefit to reduce expense of the employees, e.g. medical expenses, dental expenses, eyeglasses or contact lenses, uniform, grant, emergency loan, vehicle loan, house loan.

Provident Fund

The Company registered a provident fund on 1 June 1990 which was under the supervision of the Provident Fund Committee. In 2022, the Company contributed to the provident fund at the rate of 5 percent of the salary, total amount 9.47 million Baht.

Age (Year)	Provident Fund Payment		
	Member (Person)	Amount (million Baht) per year	Ratio
< 30 year	82	0.94	14.8%
30-50 year	291	5.85	52.5%
> 50 year	46	2.68	8.3%
None	135	-	24.4%

Human Resource Development Policy

The Company manages human resource to suit workloads and always improves the recruitment system to be more efficient and faster. The Company provides more channels to recruit more applicants, creates a recruitment system that could select candidates who met the criteria with a good attitude and behaviour in accordance with the culture of the Company.

Human resource development plan is set according to business development plan under Unified Culture. The Company establishes the Core Competency as the main qualification that defines expectation and ability of the employees to conduct in the same direction and to contribute for achieve the Company's goal.

The Company has a priority to develop and increase employees' knowledge. In 2022, the employees took 41 training courses and seminars, which cost 1,016,242 Baht.

Type of Training	Number		
	Courses	Attended	Training Hour
Outsource Training For example, management, insurance, law, computer, claims, marketing, accounting, personnel management	21	30	565
Internal Training For example, orientation, computer, profession, anti-corruption and environment.	20	1,346	240
Total	**41**	**1,376**	**805**
Average training hours per year			**1.45**

Note:

1. In 2022, the average number of employees was 554
2. 1 employee might attend more than 1 training course
3. Anti-corruption course is organized as online training nationwide 1 time

Occupational Health and Safety Management Plan

The Company considers safety that affected the quality of life of employees as priority. In term of health, the Company provides annual medical checkup, recreational activities. For safety, there were fire escape, exchange of access cards for outsiders. For protection, there was a fire protection system with a plan for emergencies and disasters. In addition, the Company is responsible for maintaining the environment to be safe for lives and properties of employees at all times.

Employee Engagement Plan and Result

The Company regards employees as the most valuable resource and encourages them to improve knowledge and skills regularly as well as keeps talented employees to work with the Company. The Company promotes the engagement between employees and the Company and encourages employees to express opinions for the development of the Company through various projects and activities. The Company organizes a seminar to improve knowledge, expertise and experience from talented employees. In 2022, the employee turnover rate was 8.84%, which was at a low level and tended to continue to decline compared to the average of the Company over the past 3 years, resulting in the majority of the Company's employees having long working experience. The experienced employees can continuously share knowledge and experience from generation to generation resulting customer service efficient.

7.6 Other Information

7.6.1 Information of responsible position

Company Secretary

Ms. Charuwan Chabchamrun, the Company’s director and vice president, was appointed by the board of directors since 15 May 2014, to serve as the company secretary. Her qualifications in term of skills and knowledge fulfill the functions for which she has been appointed. The Office of Company Secretary supports the company secretarial work to be efficiency and effective as well as compliance with the principles of good corporate governance as shown in attachment no. 1.

Duties and Responsibilities of the Company Secretary

1. Organize the meetings of shareholders and the Board as stipulated by law, the Company's Articles of Association, and other guidelines.

2. Prepare the minutes of shareholders' meetings and the minutes of the Board's meetings as well as filing documents.

3. Prepare and keep director registration.

4. Keep report on the interest of directors and executives and submit the copies to the Chairman of the Board and the Chairman of the Audit Committee.

5. Ensure that the disclosure of the Company's operations and the Board activities comply with rules and regulations of SET, SEC., OIC and other relevant regulators.

6. Provide appropriate advice to the Board regarding related laws, the Company's rules and regulations, as well as monitoring the compliance with accuracy on a regular basis.

7. Communicate with internal departments of the Company to comply with the resolutions of the Board of Directors Meeting and the Shareholder's Meeting.

8. Prepare the annual report.

9. Communicate with the Company's shareholders to acknowledge the Company's news and general information.

10. Proceed along with the notifications of Thai Capital Market Supervisory Board.

11. Perform other duties that are assigned by the Company.

Accounting Supervisor

The Company assigned Mrs. Maysa Suntranusorn, Senior Manager of Finance Department to be an accounting supervisor that qualifications complied with the notification of Department of Business Development. More detail is on attachment no. 1.

Head of the Internal Audit

The Company assigned Mr. Phisit Photisatian, Vice President of the Office of Internal Audit, to be the head of internal audit. More detail is in attachment no.3

Duties and Responsibilities of the Head of Internal Audit

1. Define, implement and maintain an audit plan based on the risk level to examine and assess the consistency of the Company's work processes with the Company's risk management culture.

2. Review and report on the accuracy, reliability, completeness of financial information and performance, as well as methods of performance evaluation and measurement.

3. Verify that the Company has an adequate and efficient internal control system to manage the risks up to controllable level and in line with Corporate Governance process.

4. Follow and assess the adequacy and effectiveness of policy, work process and documentation, including operating control of both the Company and the business groups.

5. Review operations or plans to ensure the consistency with objectives and goals, as well as the implementation of those prescribed plans with efficiency and cost-effectiveness according to a good and proper governance process.

6. Examine the operations of all departments in the Company to comply with the non-life insurance and other relevant

7. Revise the efficiency and effectiveness of risk management in accordance with the framework and policy of overall risk management approved by the Board of Directors.

8. Monitor and assess the effectiveness of the departments in charge of controlling the Company's operations, particularly, the Office of Risk Management and the Office of Compliance and disclose key issues found for further improvements.

9. Review the work system with significant impact on operating performance and report to be in accordance with the Company's policies, work plans and regulations including relevant laws.

10. Assess procedures for protecting the Company and insured's assets, as well as review the suitability of property preservation and examine the existence of the property.

11. Appraise the efficiency and cost-effectiveness of the Company's resource utilization.

12. Audit and evaluate risk and fraud management guidelines, the occurrence of errors, omission and other unusual entries.

13. Examine the suitability of information technology to be in accordance with the Company's plan and IT risks

14. Evaluate information system to ensure that there is adequate and efficient internal control that could protect the computer activities including backup system to support continuity management.

15. Assess the reliability, completeness and effectiveness of information management procedure including methods used to identify, evaluate, classify and report on the use of information in the Company.

16. Assess the reliability of hierarchy reporting system including confidentiality in case that employees report rules violation as well as protection against retaliation and following up.

17. Prepare the audit plan by learning the work system, action, initial survey, resources and procedures of the department to be audited

18. Prepare the audit report by collecting information and fact from the audit and consider with Vice President of the audited department for the comment and suggestion

19. Prepare the internal control evaluation report and present the summary of facts, suggestions, solution and opinion of the audited department to the Audit Committee and President for supervisory

20. Follow up the revision according to the suggestion in the audit report.

21. In case that the audit report does not specify the clarification or corrective action of the audited department, the vice president of the related department is responsible for providing written explanation and solution within 30 days of receipt of the report

22. Control and keep the audit report and working paper and related documents used for auditing

23. Coordinate with external auditor to enhance audit efficiency and reduce duplicated audit activities.

24. Evaluate the working quality of external auditor. (if related)

Head of the Compliance

The Company assigned Ms. Charuwan Chabchamrun, Senior Vice President - the Office of Compliance to be the head of compliance. More detail is on attachment no. 3

Duties and Responsibilities of the Head of Compliance

1. Compile laws, rules, regulations, orders and notifications which is announced by regulators
2. Summarized new and changed laws, rules, regulations, orders and notifications which are issued by regulators and communicate to all staff for acknowledgement and compliance
3. Give a suggestion and advice related to laws, rules, regulations and notification for business operating
4. Coordinate with all departments to prepare compliance risk management plan as well as propose solutions to non-compliance transactions
5. Prepare annual legal compliance report to the President and the Audit Committee.
6. Educate employees about the laws, rules and regulations related to the Company's operations.
7. Being a coordinator on behalf of the Company with the Office of Insurance Commission and other regulatory agencies under the law.

7.6.2 Shareholder Relations

The Shareholder Relations division is investor relations that Ms. Charuwan Chabchamrun is assigned to be the head. Investors could contact Shareholder Relations Division at:

Shareholder Relations Division
100/47-55, 90/3-6 Sathorn Nakorn Tower, North Sathorn Road, Silom, Bangrak, Bangkok 10500.
Telephone: 0 2664 7777 ext. 1905, 1906 and 7719
E-mail: office_president@navakij.co.th

7.6.3 Remuneration of Auditor

Audit Fee

The Company pays audit fee to EY Office Limited for the year 2022, details as follows:

1. Annual audit and quarterly review fee for the financial statements	1,920,000	Baht
2. Review fee for RBC (Risk Based Capital) for the year 2022 and second quarter of the year 2022	585,000	Baht
Total	**2,505,000**	**Baht**

Non-Audit Fee

In the previous year, the Company did not pay non-audit fee for any other service than audit work to the office of auditors.

8. Corporate Governance Performance Report

8.1 Summary of the Performance of the Board of Directors in the Past Year

In 2020, the Board of Directors reviewed the Corporate Governance Policy and Code of Conduct, to be in line with the Corporate Governance Code of Listed Companies 2017, taking into consideration the recommendations from the Corporate Governance Report of Thai Listed Companies.

8.1.1 Nomination, Development and Performance Evaluation of the Board of Directors

(1) Independent Director

Remuneration-Nomination and Corporate Governance Committee is responsible for nominating directors. The Board of Directors consists of 5 independent directors. The Company defines definitions of independent directors as same as the criteria of Thai Capital Market Supervisory Board as follows:

1. Shall not hold share more than 1 % of total voting shares of the Company, its parent company, subsidiary, associate, major shareholder or the controlling person of the Company including the shareholding of related persons.
2. Shall neither be nor have ever been a director with management authority, an employee, a staff or an advisor who receives a regular salary, or a controlling person of the Company, its parent company, subsidiary, associate, same-tier subsidiary company, major shareholder or controlling person of the Company, unless the term has been terminated for not less than 2 years.
3. Shall not be a person who relating by blood or legal parents, spouses, siblings and child, including the spouses of child, an executive, a major shareholder, a controlling person of the Company and a person who will be nominated to be an executive or authorized person of the Company or subsidiary.
4. Shall neither have nor have ever had a business relationship with the Company, its parent company, subsidiary, associated Company, a major shareholder or an authorized person of the Company. Shall not be a person who is significant shareholder or an authorized person able to have business relationship with the Company, it parent company, the subsidiary, an associated Company, a major shareholder or an authorized person; by considering transactions with 2 0 Million Baht or 3 % of the Company's net tangible assets, unless the term has been terminated for not less than 2 years.
5. Shall neither be nor have ever been an auditor of the Company, its parent company, a subsidiary, an associated Company, a major shareholder or an authorized person of the Company. Shall not be a significant shareholder, an authorized person or a partner of the audit firm which employs the auditor of the Company, its parent company, a subsidiary, an associated Company, a major shareholder or an authorized person of the Company, unless the term has been terminated for not less than 2 years.

6. Shall not be nor have ever been a provider of any professional services, including a legal advisor or a financial advisor who receives 2 million Baht service fee per year from the Company, its parent company, the subsidiary, an associated Company, a major shareholder or an authorized person of the Company. Shall not be a significant shareholder, an authorized person or a partner of that professional service provider unless the term has been terminated for not less than 2 years.

7. Shall not be a director appointed to represent the Company's directors, a major shareholder or a shareholder who is related to a major shareholder.

8. Shall not operate the same business and have significant competition with the Company's business or subsidiaries. Shall not be a significant partner in the partnership or be a director who participates in the management, an employee, a staff, a consultant who receives a regular salary or hold shares more than 1% of the total number of shares of voting rights of another company which operate the same business and in competition with the Company or its subsidiary.

9. Shall not have any other characteristics that prevent the ability to express independent opinions on the Company's operations.

Business Relationship of Independent Directors

The Board of Directors approved the extenuated prohibition criteria on business relationship of independent directors. The value size is not more than 3% of the net tangible assets (NTA) of the Company. The business relationships must be an ordinary business and must support the Company's operations in the general condition the Company should treat contractual parties in the same situation without any benefits that might affect independent opinions. The supervision procedures are as follows:

1. The Executive Board examines and reports the business relationship of independent directors whose transaction exceeds 3% of NTA to the Board of Directors' Meeting.

2. Information on independent directors' business relation shall be presented to the Board of Directors' Meeting and the shareholders' Meeting for nominating independent directors.

3. Business relationships of independent directors shall be disclosed in the form of 56-1 One Report, or in accordance with the notification of Office of the Securities and Exchange Commission.

In 2021, the motor dealer and the motor repair service center that Mr. Kiet Srichomkwan, the Company's independent director, is a major shareholder; had a business relationship with the Company. The business value was 16.83 million Baht, which was not more than 20 million Baht and not more than 3 % of the Company's NTA. The Board of Directors was of the opinion that it did not affect the independent opinion because it was normal business and supported normal business transactions. The mentioned business were divided into 3 parts; 1) insurance premium of Mr. Kiet Srichomkwan and the companies of which he holds a major shares cost 903,077 Baht 2) insurance premiums under marketing campaign of Toyota Motor Thailand Co., Ltd., that provided free policies for customers who select the

insurance company by themselves, cost 719,671 Baht 3) motor repair cost under the Toyota Care for customers whose policies specified the repair service center, cost 15.21 million Baht.

Independence of the Chairman of the Board of Directors

The Chairman of the Board is not an independent director, but duties and responsibilities are clearly separated from the Chief Executive Officer and the President; so that the Chairman can independently supervise the operations of the management. The Chairman has duties and responsibilities as follows:

1. To preside over the Board of Directors Meeting
2. To make decisive vote, in case of equal voting result
3. To summon the Board of Directors' Meeting
4. To preside over the Shareholders' Meeting.

In this regard, the Board of Directors has appointed Mr. Chan Soo Lee, an independent director, to participate in determining the agenda for the Board of Directors' Meeting.

(2) Nomination of Directors and Senior Executives

Nomination of Directors

The Remuneration, Nomination and Corporate Governance Committee is responsible for selecting and nominating person who has qualifications, knowledge and experience in accordance with the criteria specified by the Company; for the Board of Directors to approve before proposing to the Shareholders' Meeting for appointment. During 9 September 2020 to 31 December 2020, the Company gave shareholders an opportunity to propose candidates to be nominated as directors via the Company's website. However, none of the shareholders proposed a qualified candidate.

2021 Annual General Meeting of Shareholder resolved to re-appoint 4 directors who retired by rotation; Mrs. Wanida Chansikarin, independent director; Mr. Chan Soo Lee, independent director; Mr. Vuttichai Wanglee, director and Miss Jittinan Wanglee, director to be directors for another term.

Details of the nomination of directors are reported in section 6.1.1 Policies and Guidelines Related to the Committee and section 7.3 (2) the Rremuneration, Nomination and Corporate Governance Committee.

Nomination of Senior Executives

The Remuneration, Nomination and Corporate Governance Committee is responsible for recruiting and screening persons with appropriate qualifications, abilities, and experiences to propose to the Board of Directors; in order to appoint a senior executive including considering the remuneration to propose to the Board of Directors.

In 2021, the Company considered renewing the contract to hire Mr. Pitiphong Bisalputra as Chief Executive Officer and President, as well as determine the appropriate remuneration.

The nomination of senior executives is reported in section 6.1.1 Policy and Guidelines Relatied to the Board of Directors and section 7.3 (2) the Remuneration, Nomination and Corporate Governance Committee.

Directors and Executives Development

The Company encourages directors and executives to attend training courses, seminars or various meetings to enhance knowledge and ability. In 2021, directors and executives attended training, seminars and meetings as follows:

Directors	Course/Seminar/Meeting
Professor Hiran Radeesri	The Audit Committee of listed Companies Meeting, organized by the Securities and Exchange Commission
Mr. Kiet Srichomkwan	The Audit Committee of listed Companies Meeting, organized by the Securities and Exchange Commission
Mrs. Wanida Chansikarin	The Audit Committee of listed Companies Meeting, organized by the Securities and Exchange Commission
Ms. Charuwan Chabchamrun	- The Seminar of Board of Directors and Senior Executives of insurance companies on “Good Corporate Governance Path to Sustainability of Thai Insurance Business”, organized by the Office of Insurance Commission - The seminar on Sustainability, ESG and a company's reporting (Corporate sustainability concept and reporting data) organized by EY Office Company Limited.

8.1.2 Meeting attendance and remuneration of individual director

Meeting attendance of the Board of Directors and Sub-Committees in 2021

No.	Directors	Board of Directors (6 Times)	Non-Executive Directors (6 Times)	Audit Committee (10 Times)	Remuneration, Nomination & CG Committee (2 Times)	Risk Management Committee (5 Times)	Investment Committee (4 Times)	Executive Board (50 Times)	Annual General Meeting of Shareholders
1.	Mr. Suchin Wanglee	6/6	1/1	-	-	-	-	50/50	1/1
2.	Mr. Pitiphong Bisalputra	6/6	-	-	-	5/5	4/4	49/50	1/1
3.	Prof. Hiran Radeesri	6/6	1/1	10/10	-	-	-	-	1/1
4.	Mr. Kiet Srichomkwan	6/6	1/1	10/10	2/2	-	-	-	1/1
5.	Mr. Nipol T. Jeerawong	6/6	1/1	-	2/2	5/5	4/4	42/50	1/1
6.	Mrs. Wanida Chansikarin	6/6	1/1	10/10		-	-	-	1/1
7.	Mr. Phornpong Phornprapha	3/6	0/1	-	1/2	-	-	-	1/1
8.	Mr. Chan Soo Lee	6/6	1/1	-	-	-	-	-	1/1
9.	Mr. Thamnu Wanglee	6/6	1/1	-	-	-	-	-	0/1
10.	Mr. Vuttichai Wanglee	6/6	1/1	-	-	-	-	-	1/1
11.	Miss Jittinan Wanglee	6/6	1/1	-	-	-	-	-	1/1
12.	Dr. Saran Wanglee	6/6	-	-	-	-	-	49/50	1/1
13.	Ms. Charuwan Chabchamrun	6/6	-	-	-	-	-	-	1/1
14.	Miss Anukul Thitikulrat	-	-	-	-	5/5	-	48/50	
15.	Mrs. Nalina Bodharamik	-	-	-	-	5/5	-	46/50	
16.	Mr. Anak Wanglee	-	-	-	-	4/5	4/4	40/50	
17.	Mr. Anin Wanglee	-	-	-	-	-	-	42/50	

Note: No. 7 vacated his office on 22 December 2021 due to decease

Remuneration of Directors

The Board of Directors determines the directors' remuneration taking into consideration the duty, responsibility and the performance comparing with other similar business companies including the dividends paid to shareholders. The 2021 Annual General Meeting of Shareholders resolved to approve the remuneration of directors and sub-committees as follows:

1. Cash remuneration

   It is divided into 2 types as follows:

   1.1 Meeting Allowance: Paid to directors and sub-committees who attend the meeting. The rates of payment per meeting attendance are as follows.

Board/Committee	Chairman (Baht/Times)	Director (Baht/Times)
Board of Directors	30,000	20,000
Audit Committee	30,000	20,000
Remuneration, Nomination and Corporate Governance Committee	20,000	10,000
Risk Management Committee	20,000	10,000
Investment Committee	20,000	10,000

   1.2 Bonus Paid to the Board of Directors in the amount of 2,625,000 Baht. The Chairman of the Board and the Chief Executive Officer are paid 2 times.

2. Other remuneration

   The Company does not provide any other remuneration or benefits to the directors.

Summary of Remuneration for Board of Directors in 2021

No.	Names	Board of Directors	Non-Executive Directors	Audit Committee	Remuneration, Nomination & CG Committee	Risk Management Committee	Investment Committee	Director's Bonus	Total
1.	Mr. Suchin Wanglee	180,000	30,000	-	-	-	-	350,000	560,000
2.	Mr. Pitiphong Bisalputra	120,000	-	-	-	50,000	80,000	350,000	600,000
3.	Prof. Hiran Radeesri	120,000	20,000	300,000	-	-	-	175,000	615,000
4.	Mr. Kiet Srichomkwan	120,000	20,000	200,000	40,000	-	-	175,000	555,000
5.	Mr. Nipol T.Jeerawong	120,000	20,000	-	20,000	100,000	40,000	175,000	475,000
6.	Mrs. Wanida Chansikarin	120,000	20,000	200,000	-	-	-	175,000	515,000
7.	Mr. Phornpong Phornprapha	60,000	-	-	10,000	-	-	175,000	245,000
8.	Mr. Chan Soo Lee	120,000	20,000	-	-	-	-	175,000	315,000
9.	Mr. Thamnu Wanglee	120,000	20,000	-	-	-	-	175,000	315,000
10.	Mr. Vuttichai Wanglee	120,000	20,000	-	-	-	-	175,000	315,000
11.	Miss Jittinan Wanglee	120,000	20,000	-	-	-	-	175,000	315,000
12.	Dr. Saran Wanglee	120,000	-	-	-	-	-	175,000	295,000
13.	Ms. Charuwan Chabchamrun	120,000	-	-	-	-	-	175,000	295,000
14.	Miss Anukul Thitikulrat	-	-	-	-	50,000	-	-	50,000
15.	Mrs. Nalina Bodharamik	-	-	-	-	50,000	-	-	50,000
16.	Mr. Anak Wanglee	-	-	-	-	50,000	40,000	-	90,000
	Total	**1,560,000**	**190,000**	**700,000**	**70,000**	**300,000**	**160,000**	**2,625,000**	**5,605,000**

Note:

No. 1 Chairman of the Board; total remuneration does not include the remunerations of being an advisor to the Executive Board, which are salaries, bonuses and contributions to the provident fund totaling 9,069,060 Baht.

No. 2 Chief Executive Officer and Chairman of the Investment Committee

No. 3 Chairman of the Audit Committee

No. 4 Chairman of the Remuneration, Nomination and Corporate Governance Committee

No. 5 Chairman of the Risk Management Committee; total remuneration does not include remunerations of being an advisor to the Chairman of the Board, which are salaries, bonuses and contributions to the provident fund totaling 5,587,000 Baht.

No. 7 Vacated his office on 22 December 2021 due to decease

8.1.3 Supervision of Subsidiaries and Associated Companies

The Company has established guidelines for supervising subsidiaries and associated companies by appointing a representative to be director in the associated companies. The Company regularly acknowledges the operating results of the associated companies.

The details of the supervision of the associated companies' operations are reported in section 6.1.1 Policy and Guidelines Related to the Board of Directors.

8.1.4 Monitoring to Ensure Compliance with Corporate Governance Policies and Guidelines

The Company has paid attention to compliance with the Corporate Governance Policy and Code of Conduct. In 2021, the Company received a 5-star or excellent for corporate governance assessment and received a full score of 100 for the quality assessment of the Shareholders' Meeting.

The Company has monitored on compliance with the corporate governance principles in 4 other issues as follows:

(1) Prevention of Conflict of Interest

The Company determined that the personnel should avoid any action that was in competition with the Company or making transactions related to oneself that might cause conflicts of interest. The Company required directors, executives and vice presidents to prepare a report on interest and review such report annually.

The details of the prevention of conflicts of interest were reported in section 6.1.2 Policy and Practices Related to Shareholders and Stakeholders.

In 2021, neither director nor executive of the Company took the position of director in other rival company. There were not related party transactions that might cause conflicts of interest with the Company.

(2) Exploitation of Internal Information

The Board of Directors established a policy to prevent the exploited use of internal information by the Board of Directors, executives and employees including related persons such as spouses and underage children. Any violator would be punished.

Details on the supervision of the use of internal information were provided in a report in section 6.1.2 Policy and Practices Related to Shareholders and Stakeholders.

In 2021, Directors who traded in the Company's securities prepared a securities trading report (Form 59) within the specified period. There were no securities trading transactions during the silent period.

NKI's Shareholding of the Board of Directors and Executives

	Name	Share Capital (Shares) As of 30 December 2021		As of 30 December 2020		Increase (Decrease) During Financial Year	
		Held Personally	Held by Spouse/ Minor Child	Held Personally	Held by Spouse/ Minor Child	Held Personally	Held by Spouse/ Minor Child
1	Mr. Suchin Wanglee	3,522,485	1,225,000	3,522,485	1,225,000	-	-
2	Mr. Pitiphong Bisalputra	165,042	-	160,042	-	5,000	-
3	Prof. Hiran Radeesri	-	-	-	-	-	-
4	Mr. Kiet Srichomkwan	41,793	-	41,793	-	-	-
5	Mr. Nipol T. Jeerawong	57,875	35,502	57,875	39,602	-	(4,100)
6	Mrs. Wanida Chansikarin	3,702	-	3,702	-	-	-
7	Mr. Phornpong Phornprapha	-	-	-	-	-	-
8	Mr. Chan Soo Lee	345,466	-	345,466	-	-	-
9	Mr. Thamnu Wanglee	429,688	16,896	429,688	16,896	-	-
10	Mr. Vuttichai Wanglee	610,168	14,115	610,168	14,115	-	-
11	Miss Jittinan Wanglee	238,685	-	238,685	-	-	-
12	Dr. Saran Wanglee	193,845	-	188,845	-	5,000	-
13	Ms. Charuwan Chabchamrun	-	-	-	-	-	-
14	Miss Anukul Thitikulrat	-	-	-	-	-	-
15	Mrs. Nalina Bodharamik	-	-	-	-	-	-
16	Mr. Anak Wanglee	70,990	-	65,990	-	5,000	-
17	Mr. Anin Wanglee	105,043	-	100,043	-	5,000	-

(3) Anti-Corruption

In 2021, the Board of Directors approved the Anti-Corruption Policy and Measures that were reviewed in accordance with the guidelines of Thai Private Sector Collective Action against Corruption and other relevant laws. The policy stipulated that the directors, executives and employees of the Company including those who had business relationship with the Company, would be prohibited from accept or relate to corruption both directly and indirectly. The Company also established guidelines for high-risk corruption activities.

The President appointed an the Anti-Corruption Working Team to provide activities and coordinate with various parties in order to implement the Anti-Corruption Policy and Measures and reported to the President.

All departments in the Company had to assess the corruption risks annually, prepared a risk management and mitigation plan. The Office of Risk Management analyzed and assessed the effectiveness of the risk management plan to maintain the risk as risk target and reported the risk management results to the Risk Management Committee and the Board of Directors. In addition, the Company assigned the Office of Internal Audit to be responsible for reviewing the internal control system and ensured the accuracy of operation.

The Company clarified the importance of the revised Anti-Corruption Policy and Measures at the Board of Directors' Meeting on 9 November 2021 for acknowledgment and approval. The Company clarified the guidelines for receiving gifts at the management meeting. The Policy was also communicated to employees through various communication channels such as intranet and other electronic communication channels. The Company organized training courses in the form of e-learning for employees to train and evaluate their understanding. Moreover, on 24 December 2021, the Company also communicated this matter to third parties such as customers, business partners, associated companies and stakeholders through the Company's website, annual report, electronic mail, and specified an anti-corruption clause in a commercial contract.

The Board assigned the Risk Management Committee to be responsible to supervise, monitor and evaluate the implementation of the Anti-Corruption Policy and Measures in order to ensure the adequate and appropriate corruption risk management. The risk management reports were reviewed and reported to the Board of Directors.

Office of Internal Audit was responsible for auditing and reviewing the internal control system and the operation to comply with the policies, practices, authority, regulations, laws and regulations of the regulators to ensure that the internal control system was appropriate and sufficient for corruption risks. The audit report shall be present to the Audit Committee. The Company also regularly reviews the Anti-Corruption Measures to comply with changes in rules, regulations, law and business change.

In 2021, the Company was recertified as a member of the Thai Private Sector Collective Action against Corruption. The Company was certified for the first time in 2015 and the second time in 2018.

Further details were reported in section 6.1.2 Policy and Practices Related to Shareholders and Stakeholders. The Company published the complete Anti-Corruption Policy and Measures on the Company's website at https://www.navakij.co.th/th/sustainability/significant-policies-of-nki

(4) Whistleblowing

The Board of Directors established the Whistleblowing and Grievance Policy to enable stakeholders to make suggestions, complaints, or whistle-blowing actions that might imply misconduct by the Company's employees. The concerns shall be sent directly to the Board of Directors at 100/47-55, 90/3-6 North Sathorn Road, Silom, Bangrak, Bangkok 10500 or through the following channels:

- Vice President of Organization Development
  Telephone 0 2664 7712 E-mail phatarawipha_w@navakij.co.th
- Vice President of Office of Compliance
  Telephone 0 2664 7719 E-mail charuwan_c@navakij.co.th
- Chief Executive Officer
  Telephone 0 2664 7738 E-mail pitiphong@navakij.co.th
- Chairman of the Audit Committee via the secretary of the Audit Committee
  Telephone 0 2664 7778 E-mail phisit_p@navakij.co.th

More details are published on the Company's website. The Company' s also stipulated the measures to protect whistleblowers and complainants. The complaint information will be kept confidential. The Company shall not do anything unfair to whistleblowers, complainants or persons who cooperate in the investigation.

Complaint Process and Whistleblower Protection

1. Details and complaints must be clear or sufficient enough for further investigation process.
2. Information and investigation process will be confidential and disclosed carefully as necessary. The concern about third party and general staff shall be disclosed to those in the investigation process. Whistleblowing and complaints of senior executives will be kept by the secretary to the Audit Committee to report directly to the Audit Committee.
3. The President shall appoint at least three vice presidents who are independent from the concern and complaint to be the Investigation Committee.
4. The Investigation Committee will provide the management approach including remedies for damage in case the investigation found that the clues are based on truth, and propose to the President for operation approval
5. The investigation will be conducted fairly to the complainant.
6. Processing time depends on the complexity of the issues and the adequacy of evidence.
7. The Investigation Committee will report the investigation results and remedies for damage to the Audit Committee at least once a quarter.

In 2021, the Company was not received any corruption complaints.

8.2 Reports of sub committees' performance in the past year

8.2.1 Number of meetings and meeting attendance of the Audit Committee

Details are presented in "8.1.2 Meeting attendance and remuneration of the directors"

8.2.2 Report of the Audit Committee

Details are presented in the "Report of the Audit Committee"

8.3 Reports of other sub committees

8.3.1 Report of the Remuneration, Nomination and Governance Committee

Details are presented in the "Report of the Remuneration, Nomination and Governance Committee"

8.3.2 Report of the Risk Management Committee

Details are presented in the "Report of the Risk Management Committee"

8.3.3 Report of the Investment Committee

Details are presented in the "Report of the Investment Committee"

9 Internal Control and Related Parties Transaction

9.1 Internal Control

9.1.1 The opinion of the Board of Directors on internal control system

The Board of Directors Meeting No.1/2023 on 20 February 2023 in which the Audit Committee attended, considered the Company's internal control systems sufficiency evaluation form in 5 different areas which were Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities. The internal control system was assessed according to the evaluation form of the Securities and Exchange Commission (SEC), taking into consideration the management interrogation, the Audit Committee's opinion and the Office of Internal Audit's report. The assessment has been reviewed by the Audit Committee.

The Board of Directors was of the opinion that the Company has adequate and appropriate internal control system. The Company provided sufficient personnel to operate according to the system effectively. The Office of Internal Audit staff did not have knowledge of auditing information systems, so the Company provided an outsource experts to audit the information systems. In 2022, the outsource experts audited the IT governance and risk management, cyber crimes as well as ISO 27001 audit.

The Company prepared Risk Management Policy in accordance with various criteria and was considered appropriate for the Company with risk assessment reports. The Risk Management Committee was assigned to monitor the Company's risk management results quarterly.

The Company abided by the Good Corporate Governance policy for the benefits of the insureds, employees, shareholders and society. The Company joined Thai Private Sector Collective Action against Corruption for transparent and ethic operation, complied with business-related laws, and provided valuable and quality insurance coverage.

The Audit Committee Meeting No. 1/2015 on 8 January 2015 agreed to appoint Mr. Phisit Photisatian to be the head of the Office of Internal Audit since 1 January 2015 because of appropriate educational background, training and experience. The Office of Internal Audit directly reported to the Audit Committee.

The appointment, removal, transfer and evaluation of performance of the head of the Office of Internal Audit shall be approved by the Audit Committee. The qualifications and responsibilities of the head of the Office of Internal Audit are presented in attachment 3.

9.2 Related Transactions

Definition of Related Transactions

The Company and related businesses are bound to conduct transactions with one another in such ways as through shareholding, common directors or business transaction arose in the ordinary course of business based on market terms and conditions. They are disclosed in notes to the financial statements, under item 33 as shown in "Section 3 Financial Report".

Procedures for Approval of Related Transactions

The Board of Directors has approved guidelines and procedures of related transactions to ensure the Company's best interest, authorized the management and/or the person authorized by the management the power to make related transaction that are normal business or normal business support under traditional business practices e.g. insurance or investment transactions. The directors and management who hold up a position of vice president shall disclose to the Company annually whether they hold any stakes involving potential conflict of interest. In case where such transactions need approval in accordance with the regulations and procedures prescribed by law, the management shall propose such matters to the Audit Committee, the Board of Directors or at the shareholders' meeting for approval respectively and shall disclose the information completely. Under no circumstance shall directors or management concerned be allowed to participate in the process of considering approval.

Policy or Tendency of Related Transactions Process in the Future

Future related transactions shall be conducted by implementing fair method, transparent and complying with rules and regulations of the Notification of Capital Market Supervisory Board and OIC.

SECTION 3

REPORT AND FINANCIAL STATEMENTS 140

Report of the Board of Directors' Responsibilities for the Financial Statements

The Board of directors puts strong emphasis on principles of Good Corporate Governance and supervised financial reports presented in the annual report. Such financial reports were prepared in accordance with Thai Financial Reporting Standards, applying the appropriate accounting policies and consistently adhered with careful discretion and best estimation in the preparation. Moreover, significant information which was disclosed sufficiently in the notes to financial statements benefited shareholders and investors in a transparent manner.

The Board of Directors has provided and maintained the appropriate and efficient internal control system to reasonably ensure that the accounting data are accurate, complete, and sufficient to maintain its assets and to prevent fraud and materially irregular operation.

The Audit Committee that comprises independent directors has been assigned by the Board of Directors to take charge of the Company's financial reports and internal control quality matters. The Audit Committee's opinion regarding this issue is disclosed in this annual report under the section of the Audit Committee's report.

The Board of Directors is of the opinion that the overall internal control system of the Company is sufficient, appropriate, able to build the confidence that the financial statement of the Company for the year ended 31 December 2022 is reliable, complies with relevant laws and regulations as well as in accordance with Thai Financial Reporting Standards.

Suchin Wanglee
Chairman of the Board of Directors

Pitiphong Bisalputra
CEO & President

The Navakij Insurance Public Company Limited

Report and financial statements

31 December 2022

Independent Auditor's Report

To the Shareholders of The Navakij Insurance Public Company Limited

Opinion

I have audited the accompanying financial statements, in which the equity method is applied, of The Navakij Insurance Public Company Limited, which comprise the statement of financial position as at 31 December 2022, and the related statements of income, comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of The Navakij Insurance Public Company Limited for the same period.

In my opinion, the financial statements, in which the equity method is applied, referred to above present fairly, in all material respects, the financial position of The Navakij Insurance Public Company Limited as at 31 December 2022, its financial performance and cash flows for the year then ended and the separate financial statements of The Navakij Insurance Public Company Limited 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 Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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 premium recognition

In 2022, the Company had revenue from insurance premiums amounting to Baht 3,666.7 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 insurance premium was correctly recognised as actually incurred.

I have 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, gaining an understanding and selecting representative samples to test the operation of the designed controls. In addition, I selected representative samples of insurance policies to assess whether revenue recognition was consistent with conditions specified in the insurance policies. 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 Company. In addition, I performed analytical procedures to compare insurance premiums recognised throughout the period and tested 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 significant to the financial statements. As at 31 December 2022, the Company had claim reserves and outstanding claims amounted to Baht 1,028.9 million (representing 25 percent of total liabilities). Claim reserves and outstanding claims normally includes 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 claim reserves refundable from reinsurers which were also calculated by the Company's management using actuarial techniques. As at 31 December 2022, the Company had claim reserves refundable from reinsurers amounting to Baht 235.7 million.

I have 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. Performed random test reported claims

and 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, assessed the assumptions and methods used in the calculation of the reserves, test the data used by the actuary in calculating the reserves. Moreover, I also reviewed the estimates of insurance reserves refundable from reinsurers.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Company, but does not include the financial statements and my auditor's report thereon. The annual report of the Company 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 Company, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If 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 Company 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.

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: 20 February 2023

The Navakij Insurance Public Company Limited

Statements of financial position

As at 31 December 2022

(Unit: Baht)

		Financial statements in which the equity method is applied		Separate financial statements	
	Note	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Assets					
Cash and cash equivalents	*6*	293,466,693	301,851,326	293,466,693	301,851,326
Premium receivables	*7*	557,809,721	511,712,858	557,809,721	511,712,858
Accrued investment income		6,187,364	7,716,990	6,187,364	7,716,990
Reinsurance assets	*8*	663,462,167	722,571,121	663,462,167	722,571,121
Reinsurance receivables	*9*	395,973,799	504,266,249	395,973,799	504,266,249
Investment assets					
Investments in securities	*10.1*	3,419,999,695	3,406,995,306	3,419,999,695	3,406,995,306
Loans and interest receivables	*11*	686,989	386,007	686,989	386,007
Investments in associates	*12.1*	21,149,002	23,869,382	33,337,976	33,337,976
Property, building and equipment	*13*	337,559,369	204,852,781	337,559,369	204,852,781
Right-of-use assets	*14.1*	28,215,001	38,484,111	28,215,001	38,484,111
Intangible assets	*15*	16,543,913	18,665,853	16,543,913	18,665,853
Deferred tax assets	*16.1*	242,352,174	215,646,375	239,914,380	202,707,738
Other assets					
Claims receivable from litigants	*17*	107,569,537	102,169,497	107,569,537	102,169,497
Deposits on rice field insurance scheme		80,210,983	103,104,181	80,210,983	103,104,181
Others		109,448,535	116,618,748	109,448,535	116,618,748
Total assets		6,280,634,942	6,278,910,785	6,290,386,122	6,275,440,742

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

The Navakij Insurance Public Company Limited

Statements of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
Liabilities and equity					
Liabilities					
Insurance contract liabilities	*18*	3,058,558,266	2,838,286,174	3,058,558,266	2,838,286,174
Due to reinsurers	*19*	665,223,974	839,315,814	665,223,974	839,315,814
Income tax payable		18,442,399	7,479,782	18,442,399	7,479,782
Lease liabilities	*14.2*	36,804,175	41,597,346	36,804,175	41,597,346
Employee benefit obligations	*20*	67,423,858	67,415,580	67,423,858	67,415,580
Other liabilities					
Fee and commission payables		101,880,333	94,734,854	101,880,333	94,734,854
Accrued expenses		64,994,559	84,587,930	64,994,559	84,587,930
Others		82,276,441	57,208,475	82,276,441	57,208,475
Total liabilities		4,095,604,005	4,030,625,955	4,095,604,005	4,030,625,955
Equity					
Share capital	*21*				
Registered, Issued and paid up					
36,000,000 ordinary shares of Baht 10 each					
(2021: 35,000,000 ordinary					
shares of Baht 10 each)		360,000,000	350,000,000	360,000,000	350,000,000
Share premium		647,285,572	647,275,073	647,285,572	647,275,073
Retained earnings					
Appropriated					
Statutory reserve	*22*	36,000,000	35,000,000	36,000,000	35,000,000
General reserve		20,000,000	20,000,000	20,000,000	20,000,000
Unappropriated		1,075,801,410	1,112,150,293	1,025,791,482	1,056,303,731
Other components of equity		45,943,955	83,859,464	105,705,063	136,235,983
Total equity		2,185,030,937	2,248,284,830	2,194,782,117	2,244,814,787
Total liabilities and equity		6,280,634,942	6,278,910,785	6,290,386,122	6,275,440,742
		-	-	-	-

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

The Navakij Insurance Public Company Limited

Statements of income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2022	2021	2022	2021
Income					
Gross premium written		3,666,681,691	3,372,953,128	3,666,681,691	3,372,953,128
Less: Premiums ceded to reinsurers		(871,628,711)	(820,397,591)	(871,628,711)	(820,397,591)
Net premium written		2,795,052,980	2,552,555,537	2,795,052,980	2,552,555,537
Less: Unearned premium reserves increase from prior year		(170,199,062)	(29,620,778)	(170,199,062)	(29,620,778)
Net earned premium		2,624,853,918	2,522,934,759	2,624,853,918	2,522,934,759
Fee and commission income		220,761,549	233,781,910	220,761,549	233,781,910
Investments income	*24*	80,723,639	68,504,793	80,723,639	68,504,793
Profit on investments		6,969,094	7,535,365	6,969,094	7,535,365
Fair value gain (loss)		(8,417,948)	11,392,970	(8,417,948)	11,392,970
Share of gain from investments in associates	*12.3*	6,510,357	1,384,530	-	-
Other income		4,396,171	3,657,259	4,396,171	3,657,259
Total income		2,935,796,780	2,849,191,586	2,929,286,423	2,847,807,056
Expenses					
Gross claim and loss adjustment expenses		2,071,275,195	2,043,087,099	2,071,275,195	2,043,087,099
Less: Claim recovery from reinsurers		(360,155,576)	(441,083,378)	(360,155,576)	(441,083,378)
Commission and brokerage expenses		575,795,415	525,791,789	575,795,415	525,791,789
Other underwriting expenses		237,997,091	229,164,451	237,997,091	229,164,451
Operating expenses	*25*	353,441,557	353,294,270	353,441,557	353,294,270
Financial costs		1,907,055	2,308,051	1,907,055	2,308,051
Expected credit loss	*26*	5,638,385	4,058,436	5,638,385	4,058,436
Other expenses		3,728,656	-	3,728,656	-
Total expenses	*27*	2,889,627,778	2,716,620,718	2,889,627,778	2,716,620,718
Profit before income tax expenses		46,169,002	132,570,868	39,658,645	131,186,338
Income tax expenses	*16.2*	(21,326,681)	(23,225,688)	(8,979,690)	(22,948,782)
Profit for the year		24,842,321	109,345,180	30,678,955	108,237,556
Earnings per share	*30*				
Basic earnings per share		0.69	3.04	0.85	3.01

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

The Navakij Insurance Public Company Limited

Statements of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2022	2021	2022	2021
Profit for the year		24,842,321	109,345,180	30,678,955	108,237,556
Other comprehensive income					
Other comprehensive income to be reclassified to profit and loss in subsequent periods					
Loss of exchange on translation of financial statements in foreign currency	*12.3*	(9,230,737)	(2,325,956)	-	-
Gain (loss) on changes in value of available-for-sale investments measured at fair value through other comprehensive income		(38,163,650)	120,587,237	(38,163,650)	120,587,237
Add (less): Income tax effect		9,478,878	(23,652,256)	7,632,730	(24,117,447)
Other comprehensive income to be reclassified to profit and loss in subsequent periods - net of tax		(37,915,509)	94,609,025	(30,530,920)	96,469,790
Other comprehensive income not to be reclassified to profit and loss in subsequent periods					
Actuarial gain	*20*	2,885,370	2,842,635	2,885,370	2,842,635
Less: Income tax effect		(577,074)	(568,527)	(577,074)	(568,527)
Other comprehensive income not to be reclassified to profit and loss in subsequent periods - net of tax		2,308,296	2,274,108	2,308,296	2,274,108
Other comprehensive income (loss) for the year		(35,607,213)	96,883,133	(28,222,624)	98,743,898
Total comprehensive income (loss) for the year		(10,764,892)	206,228,313	2,456,331	206,981,454

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

The Navakij Insurance Public Company Limited

Statements of cash flows

For the year ended 31 December 2022

(Unit: Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Direct premium written	3,584,276,191	3,295,439,396	3,584,276,191	3,295,439,396
Cash paid for reinsurance	(242,905,642)	(344,307,258)	(242,905,642)	(344,307,258)
Interest income	27,668,646	21,077,679	27,668,646	21,077,679
Dividend income	59,854,272	52,875,176	59,854,272	52,875,176
Other income	5,981,221	4,895,849	5,981,221	4,895,849
Loss incurred and loss adjustment expenses on direct insurance	(2,035,446,467)	(1,830,862,317)	(2,035,446,467)	(1,830,862,317)
Commission and brokerage on direct insurance	(556,183,529)	(521,843,443)	(556,183,529)	(521,843,443)
Other underwriting expenses	(237,324,700)	(222,642,025)	(237,324,700)	(222,642,025)
Operating expenses	(327,401,801)	(279,670,991)	(327,401,801)	(279,670,991)
Income tax expenses	(18,346,101)	(47,136,857)	(18,346,101)	(47,136,857)
Cash received - financial assets	3,350,176,511	2,316,695,249	3,350,176,511	2,316,695,249
Cash paid - financial assets	(3,400,645,892)	(2,329,344,769)	(3,400,645,892)	(2,329,344,769)
Net cash provided from operating activities	209,702,709	115,175,689	209,702,709	115,175,689
Cash flows from investing activities				
Purchases of property, building and equipment	(149,924,487)	(6,603,517)	(149,924,487)	(6,603,517)
Purchases of intangible assets	(2,114,371)	(3,959,622)	(2,114,371)	(3,959,622)
Disposals of property, building and equipment	976,123	658,134	976,123	658,134
Net cash used in investing activities	(151,062,735)	(9,905,005)	(151,062,735)	(9,905,005)
Cash flows from financing activities				
Cash received from share capital issuance	10,500	-	10,500	-
Repayment of lease liabilities	(14,653,885)	(14,394,781)	(14,653,885)	(14,394,781)
Dividend paid	(52,499,500)	(52,500,000)	(52,499,500)	(52,500,000)
Net cash used in financing activities	(67,142,885)	(66,894,781)	(67,142,885)	(66,894,781)
Net increase (decrease) in cash and cash equivalents	(8,502,911)	38,375,903	(8,502,911)	38,375,903
Cash and cash equivalents at beginning of year	301,851,326	263,536,309	301,851,326	263,536,309
Add (less): Allowance for expected credit loss (increase) decrease	118,278	(60,886)	118,278	(60,886)
Cash and cash equivalents at end of year	293,466,693	301,851,326	293,466,693	301,851,326

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

The Navakij Insurance Public Company Limited

Statements of changes in equity

For the year ended 31 December 2022

(Unit: Baht)

		Financial statements in which the equity method is applied								
				Retained earnings			Other components of equity			
				Appropriated						
	Note	Issued and paid-up share capital	Share premium	Statutory reserve	General reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Surplus (deficit) on changes in value of investments in securities	Total other components of equity	Total
Balance as at 1 January 2021		350,000,000	647,275,073	35,000,000	20,000,000	1,053,031,005	(6,336,078)	(4,413,483)	(10,749,561)	2,094,556,517
Profit for the year		-	-	-	-	109,345,180	-	-	-	109,345,180
Other comprehensive income (loss) for the year		-	-	-	-	2,274,108	(1,860,765)	96,469,790	94,609,025	96,883,133
Total comprehensive income (loss) for the year		-	-	-	-	111,619,288	(1,860,765)	96,469,790	94,609,025	206,228,313
Dividend paid	*31*	-	-	-	-	(52,500,000)	-	-	-	(52,500,000)
Balance as at 31 December 2021		350,000,000	647,275,073	35,000,000	20,000,000	1,112,150,293	(8,196,843)	92,056,307	83,859,464	2,248,284,830
Balance as at 1 January 2022		350,000,000	647,275,073	35,000,000	20,000,000	1,112,150,293	(8,196,843)	92,056,307	83,859,464	2,248,284,830
Profit for the year		-	-	-	-	24,842,321	-	-	-	24,842,321
Other comprehensive income (loss) for the year		-	-	-	-	2,308,296	(7,384,589)	(30,530,920)	(37,915,509)	(35,607,213)
Total comprehensive income (loss) for the year		-	-	-	-	27,150,617	(7,384,589)	(30,530,920)	(37,915,509)	(10,764,892)
Increase share capital	*21*	10,000,000	10,499	-	-	-	-	-		10,010,499
Transfer unapproprinted retained earning to statutory reserve	*22*	-	-	1,000,000	-	(1,000,000)	-	-	-	-
Dividend paid	*31*	-	-	-	-	(62,499,500)	-	-	-	(62,499,500)
Balance as at 31 December 2022		360,000,000	647,285,572	36,000,000	20,000,000	1,075,801,410	(15,581,432)	61,525,387	45,943,955	2,185,030,937

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

The Navakij Insurance Public Company Limited

Statements of changes in equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

		Separate financial statements						
				Retained earnings			Other components of equity - surplus (deficit) on changes in value of investments	
				Appropriated				
	Note	Issued and paid-up share capital	Share premium	Statutory reserve	General reserve	Unappropriated	in securities	Total
Balance as at 1 January 2021		350,000,000	647,275,073	35,000,000	20,000,000	998,292,067	39,766,193	2,090,333,333
Profit for the year		-	-	-	-	108,237,556	-	108,237,556
Other comprehensive income for the year		-	-	-	-	2,274,108	96,469,790	98,743,898
Total comprehensive income for the year		-	-	-	-	110,511,664	96,469,790	206,981,454
Dividend paid	*31*	-	-	-	-	(52,500,000)	-	(52,500,000)
Balance as at 31 December 2021		350,000,000	647,275,073	35,000,000	20,000,000	1,056,303,731	136,235,983	2,244,814,787
Balance as at 1 January 2022		350,000,000	647,275,073	35,000,000	20,000,000	1,056,303,731	136,235,983	2,244,814,787
Profit for the year		-	-	-	-	30,678,955	-	30,678,955
Other comprehensive income (loss) for the year		-	-	-	-	2,308,296	(30,530,920)	(28,222,624)
Total comprehensive income for the year		-	-	-	-	32,987,251	(30,530,920)	2,456,331
Increase share capital	*21*	10,000,000	10,499	-	-	-	-	10,010,499
Transfer unapproprinted retained earning to statutory reserve	*22*	-	-	1,000,000	-	(1,000,000)	-	-
Dividend paid	*31*	-	-	-	-	(62,499,500)	-	(62,499,500)
Balance as at 31 December 2022		360,000,000	647,285,572	36,000,000	20,000,000	1,025,791,482	105,705,063	2,194,782,117

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

The Navakij Insurance Public Company Limited

Notes to financial statements

For the year ended 31 December 2022

1. General information

The Navakij Insurance Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the non-life insuranceand has 24 branches located in provinces. The registered office of the Company, which is the head office, is at 100/47-55, and 90/3-6, North Sathorn Road, Silom, Bangrak, Bangkok.

2. 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 termsfor 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 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 Thai language financial statements.

2.1 Financial statements in which the equity method is applied

The Company prepares the financial statements, in which equity method is applied, by presented investment in associates under the equity method.

2.2 Separate financial statements

The separate financial statements have been prepared, which presented investments in associates 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 Company has adopted the revised financial reporting standards and interpretations 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 providing accounting guidance for users of the standards.

However, the Company applied the temporary exemption for the adoption of Thai Financial Reporting Standard 9 (TFRS 9): Financial Instruments and Thai Financial Reporting Standard 7 (TFRS 7): Disclosure of Information relating to Financial Instruments, which were revised in Thai Financial Reporting Standard 4: Insurance Contracts allowing the extension of the exemption period for the adoption of such TFRS 9 and TFRS 7 whereby the exemption period will end for the financial statements having the fiscal period starts on or after 1 January 2025 or when Thai Financial Reporting Standard 17: Insurances Contracts becomes effective.

The adoption of these financial reporting standards and temporary exemption does not have any significant impact on the Company's financial statements.

3.2 Financial reporting standards that became effective for fiscal year beginning on or after 1 January 2023

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 2023. 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 Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

4. Significant accounting policies

4.1 Product classification

The Company classified insurance and 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 with the benefits payable if the insured event did not occur. If the criteria are not met, the Company 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 Company classifies contracts based on assessment of the significance of the insurance risk at 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. A contract classified as an investment contract at inception can be reclassified as an insurance contract after inception if the 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 insurance contracts that have coverage periods of more than 1 year and the Company can terminate, increase or decrease insurance premiums or change any benefits of the insurance contracts throughout the coverage period.

4.2 Revenue recognition

(a) Gross premium written

Gross premium written consists of direct premium and reinsurance premium less premium of canceled policies and premiums refunded to policyholders.

Direct premium is recognised as income on the date the insurance policy comes into effect at the amount specify in the policies.

Reinsurance premium is recognised as income on the date the insurance policy comes into effect, or when the reinsurer places the statement of accounts with the Company.

(b) Fee and commission income

Fee and commission income from ceded premium are recognised as income when incurred.

(c) Interest income and dividends received from investments

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 asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Dividends received

Dividends are recognised as revenue when the right to receive the dividends is established.

(d) Profit (loss) on investments

Profit (loss) on investments consist of profit (loss) on disposal of investments and impairments of investments and present net of related expenses. Profit (loss) on investments are recognised as revenues or expenses on the transaction date.

(e) Fair value gain (loss)

Fair value gain (loss) consist ofgain (loss) from the change in fair value of financial instrument. The Company recognises in profit or loss on the fair value measurement date.

4.3 Expenses recognition

(a) Premiums ceded to reinsurer

Premiums ceded to reinsurer is recognised as expenses when the insurance risk is transferred to another reinsurer at amount per policy.

(b) Claim and loss adjustment expense

Claim and loss adjustment expense consist of claim and loss adjustment expenses of direct insurance and reinsurance of both reported and not reported, and include the amounts of claim, related expenses, and claim 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 are recognised upon the receipt of the claim advice from the insured, based on the claim notified by the insured and estimates made by the Company's 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 expenses are expended when incurred.

(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 expense from financial liabilities presented at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

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 receivables from direct insurance are stated at net realisable value. The Company set up an allowance for doubtful accounts based on the estimated loss that may incur in collection of the premium receivables, on the basis of collection experiences, analysis of debtor aging and a review of current status of the premium due 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 Company set up an allowance for doubtful accountsof reinsurance assets when had indicator for impairment, based on loss 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 due to reinsurers

(a) Reinsurance receivables are stated at the outstanding balance of amount due from reinsurers and amounts deposit on reinsurance.

Amounts 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 Company set up an allowance for doubtful accounts for 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 are stated at the outstanding balance of amount due to reinsurers and amounts withheld on reinsurance.

Amounts due to reinsurers consist of reinsurance premiums, and other items payable to reinsurers, excluding loss reserve from reinsurance.

The Company 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 Company has a legal right to offset amounts presented in the statements of financial position, and

(2) The Company intends 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

(a) Investments in securities

Trading investments are stated at fair value. Change in the fair value of these investments are recorded in profit or loss. Investments are classified as trading investments if the Company intends to sell them in the near future.

Available-for-sale investments are stated at fair value. Change in the fair value of these investments are recorded in other comprehensive income.

Investments in debt instruments, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt instruments is amortised by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.

Investments in non-marketable equity instruments (non-listed company) are stated at fair value and classified as available-for-sale investments. Change in the fair value of these investments are recorded in other comprehensive income.

The fair value of marketable securities is based on the latest bid price of the last working day of the period. The fair value of debt instruments is determined based on yield rate quoted by the Thai Bond Market Association. The fair value of unit trust is determined from its net asset value. The fair value of non-marketable equity instruments is determined using generally accepted pricing model or approximated to their net book value if the fair value cannot be reliably estimated.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in the statements of income.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in statements of income or recorded as revaluation surplus or deficit in other components of equity, depending on the type of investment that is reclassified.

At end of reporting period, available-for-sale investments and investments in held-to-maturity of debt instruments are stated net of an allowance for impairment or an allowance for expected credit loss (if any).

(b) Loans and interest receivables

Loans and interest receivables are stated at amortised cost and net of allowance for expected credit loss (if any).

(c) Classification and measurement of financial liabilities

At initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of income when the liabilities are derecognised as well as through the EIR amortisation process.

(d) 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 Company has transferred substantially all the risks and rewards of the asset, or the Company has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(e) Impairment of financial assets

The Company recognises expected credit loss on its financial assets measured at amortised cost and financial assets that are debt instruments which are classified as available-for-sale investments using general approach in accordance with Accounting Guidance related to financial instruments. The Company recognizes an allowance for expected credit loss at the amount equal to the lifetime expected credit loss when there has been a significant increase in credit risk since initial recognition 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, the Company recognised allowance for expected credit loss at the amount equal to the expected credit loss in the next 12 months.

At every reporting date, the Company 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 such as over 30 days past due, and if the debtor is more than 90 days past due it is assessed to be credit-impaired.

Expected credit loss is calculated using probability of default (PD), loss given default (LGD) and exposure at default (EAD). The Company assessed PD and LGD by considering the historical loss experience adjusted with current observable data and reasonable and supportable forward-looking information. The Company determines EAD using gross carrying value at the reporting date.

Loss on impairment of financial assets that are equity instruments and unit trusts which are classified as available-for-sale investments is recognized immediately in profit or loss when there is objective evidence of impairment, determined on the basis of evidence that indicates the cost of investments may not be recovered and there is a significant or prolonged decline in fair value of investments to below its costs.

For other financial assets or contract assets that do not contain a significant financing component, the Company 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 and allowance for impairment is recognised as expenses during the year in statement of income. The Company has a policy to write off any financial assets when it is believed that they will not be collected from the debtor.

4.9 Investments in associates

Investments in associates, as presented in the financial statements in which the equity method is applied, are initially recorded at cost and are subsequently adjusted to reflect the proportionate share of the associates' net income or loss and deducted by dividend income.

Investments in associates, as presented in the separate financial statements, are stated at cost net of allowance for impairment (if any). Loss on impairment is recorded as expensesin the statement of income.

4.10 Property, buildings and equipment /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 a straight-line basis over the following estimated useful lives.

Buildings	-	20, 40	years
Condominium units	-	20, 40	years
Buildings improvement	-	5, 10, 20	years
Office furniture, fixture and equipment	-	5	years
Motor vehicles	-	5	years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of land, 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 statement of income when the asset is derecognised.

4.11 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 life is amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible asset are reviewed at least at each financial year end. The amortisation expense is charged to statement of income.

The useful life of intangible assets with finite useful life which is computer software is 3, 5 and 10 years.

No amortisation is provided on computer software under development.

4.12 Leases

At inception of contract, the Company 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 Company 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 Company 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.

Lease buildings	-	3 - 6	years
Office equipment	-	5	years
Motor vehicles	-	5	years
Computer	-	5	years
Computer software	-	10	years

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 and amounts expected to be payable under residual value guarantees.

The Company discounted the present value of the lease payments by the Company'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.

4.13 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the investments in associates, property, building and equipment, right-of-use asset or other 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. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in statement of income.

4.14 Insurance contract liabilities

Insurance contract liabilities consist of claim reserve and outstanding claims and premium reserves.

(a) Claim reserve 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 Company's management. The maximum value of claims estimate is however, not to exceed the sum-insured under the relevant policy.

Outstanding claim provision are calculated using an actuarial method based on a best estimate of claims which are expected to be paid in respect of loss occurring before or as at the end of the reporting periods for both reported and not reported loss including loss adjustment expense, after deducting salvage values and other recoverable values. The different of the calculated outstanding claim provision which are higher than the loss reserve that recognised into financial statement, are recognised as reserves for claims incurred but not yet reported (IBNR).

(b) Premium reserves

Premium reserves consist of unearned premium reserve and unexpired risk reserve.

(a) 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

Outward unearned premium reserve is calculated based on reinsurance premium ceded, as the same method as direct insurance, and recognised for the policy that transfer insurance risk to reinsurer.

The increase or decrease in unearned premium reserves from prior year is to be recognised in statement of income

(b) Unexpired risk reserve

Unexpired risk reserve is the reserve for the claims and related expenses 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 Company 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.

4.15 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 Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company 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.

4.16 Provisions

Provisions are recognised when the Company 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.

4.17 Foreign currencies

The financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rates ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rates ruling at the end of reporting period.

Gain and loss on exchange are included in determining income.

4.18 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 their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company 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 the end of each reporting period, the Company 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 Company records deferred tax directly to equity if the tax relates to items that are recorded directly to equity.

4.19 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.20 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 Company applies a quoted market price in an active market to measure their assets and liabilities except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company 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:

Level1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company 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 Allowance for doubtful accounts on premium receivables and amounts due from reinsurers

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 profile of outstanding debts and the prevailing economic condition.

5.2 Allowance for impairment on equity instruments and unit trusts classified as available-for-sale investments and measured at FVOCI

The Company treats equity instruments and unit trusts classified as available-for-sale investments and measured at FVOCI as impaired when there has been a significant or prolonged decline in the fair value or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment of the management.

5.3 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 Company’s calculation of allowance for expected credit loss depends on the criteria used for assessment of a significant increase in credit risk, the debtors status analysis and the probability of debt collection. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

5.4 Land, buildings and equipment/ Depreciation

In determining depreciation of buildings and equipment, the management is required to make estimates of the useful lives and residual values of the Company's buildings and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review land, 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 judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.

5.5 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 profit.

5.6 Loss reserves and outstanding claims

At the end of each reporting period, the Company 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 various factors. To perform the calculation, it is necessary to perform analysis based on the type of insurance and to use the services of an actuary expertise, experience, and an understanding of the insurance business and the Company's products. Nevertheless, such estimates are forecasts of future outcomes, and actual results could differ.

5.7 Unexpired risk reserve

Unexpired risk reserve is calculated using an actuarial method, based on a best estimate of the claims and related expenses expected to incur 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 the time.

5.8 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.

5.9 Determining the lease term and estimating the incremental borrowing rate of leases

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company to exercise either the extension or termination option.

The Company cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

5.10 Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial assets, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, both fair value less costs of disposal calculation and value in use calculation. The calculation is based on a discounted cash flow model which requires various assumptions such as the discount rate used for the model, the expected future cash-inflows and the growth rate used for extrapolation purposes. Change in assumptions could affect the value in use calculation.

5.11 Litigation

The Company has contingent liabilities as a result of litigation. The Company's management has used judgement to assess of the results of the litigation and believes that loss incurred will not exceed the recorded amounts as at the end of reporting period.

5.12 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.

5.13 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. Cash and cash equivalents

(Unit: Baht)

	2022	2021
Cash on hand	257,000	257,000
Deposits at banks with no fixed maturity date	263,239,535	301,742,446
Deposits at bank with fixed maturity date	30,000,000	-
Total cash and cash equivalents	293,496,535	301,999,446
Less: Allowance for expected credit loss	(29,842)	(148,120)
Total cash and cash equivalents, net	293,466,693	301,851,326

As at31 December 2022, current deposits, saving deposits and fixed deposits carried interest between 0.10and 1.80percent per annum (2021: between 0.05 and 0.25 percent per annum).

7. Premium receivables

As at 31 December 2022 and 2021, the balances 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)

	2022	2021
Not yet due	486,073,041	434,957,500
Not over 30 days	54,291,619	48,500,570
Over 31 days to 60 days	10,584,184	14,645,048
Over 61 days to 90 days	2,337,161	6,453,625
Over 91 days to 1 year	5,711,585	9,044,433
Over 1 year	444,360	82,189
Total premium receivables	559,441,950	513,683,365
Less: Allowance for doubtful accounts	(1,632,229)	(1,970,507)
Total premium receivables, net	557,809,721	511,712,858

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

8. Reinsurance assets

(Unit: Baht)

	2022	2021
Insurance reserve refundable from reinsurers		
Claims reserve	235,682,956	335,932,257
Unearned premium reserve	427,779,211	386,638,864
Reinsurance assets	663,462,167	722,571,121

9. Reinsurance receivables

(Unit: Baht)

	2022	2021
Amounts deposit on reinsurance	96,677	171,999
Amounts due from reinsurers	395,877,122	504,094,250
Total	395,973,799	504,266,249

As at31 December 2022 and 2021, the balances of amounts due from reinsurers are classified by aging as follows:

(Unit: Baht)

	2022	2021
Not yet due	377,928,645	379,663,482
Not over 1 year	14,753,507	123,106,011
Over 1 year to 2 years	1,988,697	1,113,666
Over 2 years	1,206,273	211,091
Total amounts due from reinsurers	395,877,122	504,094,250

10. Investments in securities

10.1 Classified by type of investments

(Unit: Baht)

	Financial statements in which the equity method is applied			
	2022		2021	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Trading investments which are measured at FVPL				
Equity instruments	436,997,809	442,008,200	441,235,308	456,546,387
Unit trusts	156,267,420	92,881,840	156,267,420	90,999,100
Total	593,265,229	534,890,040	597,502,728	547,545,487
Less: Unrealised loss	(58,375,189)		(49,957,241)	
Total	534,890,040		547,545,487	
Available-for-sale investments which are measured at FVOCI				
Government and state enterprise securities	753,522,060	753,275,350	735,110,189	735,237,025
Private debt securities	771,034,524	766,911,294	681,307,532	680,378,435
Equity instruments	352,880,242	317,735,563	278,078,313	246,060,084
Non-listed equity instruments	104,905,795	273,407,232	104,905,795	285,928,438
Foreign equity instruments	37,200,000	45,784,596	37,200,000	41,721,824
Unit trusts	278,586,317	198,037,460	263,390,308	209,586,282
Total	2,298,128,938	2,355,151,495	2,099,992,137	2,198,912,088
Add: Unrealisedgain	76,906,733		115,070,383	
Less: Allowance for expected credit loss	(626,452)		(797,209)	
Less: Allowance for impairment	(19,257,724)		(15,353,223)	
Total	2,355,151,495		2,198,912,088	
Held-to-maturity investments which are measured at amortised cost				
Government and state enterprise securities	30,000,000		30,000,000	
Deposits and certificate of deposits at financial institutions which are matured over 3 months	500,001,007		630,696,993	
Total	530,001,007		660,696,993	
Less: Allowance for expected credit loss	(42,847)		(159,262)	
Total	529,958,160		660,537,731	
Total investments in securities	3,419,999,695		3,406,995,306	

(Unit: Baht)

	Separate financial statements			
	2022		2021	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Trading investments which are measured at FVPL				
Equity instruments	436,997,809	442,008,200	441,235,308	456,546,387
Unit trusts	156,267,420	92,881,840	156,267,420	90,999,100
Total	593,265,229	534,890,040	597,502,728	547,545,487
Less: Unrealised loss	(58,375,189)		(49,957,241)	
Total	534,890,040		547,545,487	
Available-for-sale investments measured at FVOCI				
Government and state enterprise securities	753,522,060	753,275,350	735,110,189	735,237,025
Private debt securities	771,034,524	766,911,294	681,307,532	680,378,435
Equity instruments	352,880,242	317,735,563	278,078,313	246,060,084
Non-listed equity instruments	49,681,200	273,407,232	49,681,200	285,928,438
Foreign equity instruments	37,200,000	45,784,596	37,200,000	41,721,824
Unit trusts	278,586,317	198,037,460	263,390,308	209,586,282
Total	2,242,904,343	2,355,151,495	2,044,767,542	2,198,912,088
Add: Unrealised gain	132,131,328		170,294,978	
Less: Allowance for expected credit loss	(626,452)		(797,209)	
Less: Allowance for impairment	(19,257,724)		(15,353,223)	
Total	2,355,151,495		2,198,912,088	
Held-to-maturity investments measured at amortised cost				
Government and state enterprise securities	30,000,000		30,000,000	
Deposits and certificate of deposits at financial institutions which are matured over 3 months	500,001,007		630,696,993	
Total	530,001,007		660,696,993	
Less: Allowance for expected credit loss	(42,847)		(159,262)	
Total	529,958,160		660,537,731	
Total investments in securities	3,419,999,695		3,406,995,306	

10.2 Classified by stage of credit risk

(Unit: Baht)

	2022		2021	
	Fair value	Allowance for expected credit losses	Fair value	Allowance for expected credit losses
Available-for-sale investments measured at FVOCI				
Debt instruments without a significant increase in credit risk (Stage 1)				
Government and state enterprise securities	753,275,350	-	735,237,025	-
Private debt securities	766,911,294	(626,452)	680,378,435	(797,209)
	1,520,186,644	(626,452)	1,415,615,460	(797,209)

(Unit: Baht)

	2022			2021		
	Gross carrying value	Allowance for expected credit losses	Net carrying value	Gross carrying value	Allowance for expected credit losses	Net carrying value
Held-to-maturity investments measured at amortised cost						
Debt instruments without a significant increase of credit risk (Stage 1)						
Government and state enterprise securities	30,000,000	(2,300)	29,997,700	30,000,000	(7,047)	29,992,953
Deposits and certificate of deposits at financial institutions which are matured over 3 months	500,001,007	(40,547)	499,960,460	630,696,993	(152,215)	630,544,778
	530,001,007	(42,847)	529,958,160	660,696,993	(159,262)	660,537,731

10.3 Classified by remaining period of debt instruments

As at 31 December 2022 and 2021, investments in debt instruments measured at FVOCI and amortised cost has period to maturity counting from the year end date as follows:

(Unit: Baht)

	2022					2021			
	Period to maturity					Period to maturity			
	1 year	1 - 5 years	5 years	Unspecified	Total	1 year	1 - 5 years	Unspecified	Total
Available-for-sale investments measured at FVOCI									
Government and state enterprise securities	703,684,214	49,837,846	-	-	753,522,060	714,289,867	20,820,322	-	735,110,189
Private enterprise securities	239,195,595	501,838,929	30,000,000		771,034,524	352,839,093	328,468,439	-	681,307,532
Unit trusts	-	-	-	70,421,087	70,421,087	-	-	70,421,087	70,421,087
Total	942,879,809	551,676,775	30,000,000	70,421,087	1,594,977,671	1,067,128,960	349,288,761	70,421,087	1,486,838,808
Add (less): Unrealised gain (loss)	(116,223)	(3,915,428)	288,163	(8,776,774)	(12,520,262)	476,611	(481,663)	(6,394,169)	(6,399,221)
Less: Allowance for expected credit loss	(140,928)	(400,003)	(85,521)	-	(626,452)	(312,145)	(485,064)	-	(797,209)
Less: Allowance for impairment	-	-	-	(15,353,224)	(15,353,224)	-	-	(15,353,223)	(15,353,223)
Total	942,622,658	547,361,344	30,202,642	46,291,089	1,566,477,733	1,067,293,426	348,322,034	48,673,695	1,464,289,155
Held-to-maturity investments measured at amortised cost									
Government and state enterprise securities	-	30,000,000	-	-	30,000,000	-	30,000,000	-	30,000,000
Deposits and certificate of deposits at financial institutions which are matured over 3 months	500,001,007	-	-	-	500,001,007	630,696,993	-	-	630,696,993
Total	500,001,007	30,000,000	-	-	530,001,007	630,696,993	30,000,000	-	660,696,993
Less: Allowance for expected credit loss	(40,547)	(2,300)	-	-	(42,847)	(152,215)	(7,047)	-	(159,262)
Total	499,960,460	29,997,700	-	-	529,958,160	630,544,778	29,992,953	-	660,537,731

10.4 Fair value of investments in debt instruments

In classification and measurement of financial assets under the Thai Accounting Guidance related to financial instruments and disclosures applicable to insurance business, the Company are not required to take into consideration its business model and the characteristics of the contractual cash flows, however, if the financial assets has been classified and measured in accordance with TFRS 9, the effects would have been as follows:

(Unit: Baht)

	2022			
	The contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal		The contractual terms of financial assets give rise on specified dates to cash flows that are not solely payments of principal and interest on the outstanding principal	
	Fair value	Changes in fair value during year	Fair value	Changes in fair value during year
Available-for-sale investments measured at FVOCI				
Government and state enterprise securities	753,275,350	(373,546)	-	-
Private enterprise securities	766,911,294	(3,194,133)	-	-
Unit trusts	-	-	46,291,089	(2,382,606)
Held-to-maturity investments measured at amortised cost				
Government and state enterprise securities	30,316,393	(119,220)	-	-
Deposits and certificate of deposits at financial institutions which are matured over 3 months	499,960,460	-	-	-
Total	2,050,463,497	(3,686,899)	46,291,089	(2,382,606)

(Unit: Baht)

	2021			
	The contractual terms of financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the outstanding principal		The contractual terms of financial assets give rise on specified dates to cash flows that are not solely payments of principal and interest on the outstanding principal	
	Fair value	Changes in fair value during year	Fair value	Changes in fair value during year
Available-for-sale investments measured at FVOCI				
Government and state enterprise securities	735,237,025	(883,502)	-	-
Private enterprise securities	680,378,435	(3,497,050)	-	-
Unit trusts	-	-	48,673,695	1,576,137
Held-to-maturity investments measured at amortised cost				
Government and state enterprise securities	30,435,612	(113,917)	-	-
Deposits and certificate of deposits at financial institutions which are matured over 3 months	630,544,778	-	-	-
Total	2,076,595,850	(4,494,469)	48,673,695	1,576,137

10.5 Investments subject to restriction

As at 31 December 2022 and 2021, the Company had pledged certain assets as securities and insurance reserves with the Registrar of the Office of Insurance Commission in accordance with the Non-life Insurance Act and pledged for non-life insurance project as required in the normal course of business of the Company as described below.

(Unit: Baht)

	2022		2021	
	Cost	Fair value	Cost	Fair value
Assets pledged				
Government bonds	15,000,000	15,165,854	15,000,000	15,665,911
Assets reserve as non-life insurance reserve				
Government and state enterprise securities	315,000,000	314,181,360	300,000,000	299,849,719
Non-life insurance project				
Government and state enterprise securities	10,000,000	10,000,000	10,000,000	10,000,000

11. Loans and interest receivables

As at 31 December 2022 and 2021, the balances of loans and interest receivables, classified by stage of credit risk, were as follows:

(Unit: Baht)

	2022		
Classification	Mortgaged loans	Others	Total
Stage1 - Loans with no a significant increase in credit risk	82,329	604,660	686,989
Loans and interest receivables - net	82,329	604,660	686,989

(Unit: Baht)

	2021		
Classification	Mortgaged loans	Others	Total
Stage1 - Loans withnoa significant increase in credit risk	127,712	258,295	386,007
Loans and interest receivables - net	127,712	258,295	386,007

These are loans provided to employees in accordance with the employee welfare scheme, with a credit facility not to exceed 5 times employee's base salary with a limit of Baht 50,000 for loans secured by personal guarantees, and a credit facility not to exceed 80% of the appraised value of collateral for secured loans. Interest on these loans is charged at rates of 7.0% and 6.5% per annum, respectively.

12. Investments in associates

12.1 Details of associates

As at31 December 2022 and 2021, the Company has investments in associates, which are incorporated in Laos, as detailed below:

(Unit: Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Financial statements in which the equity method is applied		Separate financial statements	
					Book value		Cost/Book value	
			2022	2021	2022	2021	2022	2021
			(%)	(%)				
TKI General Insurance Company Limited	Non-life insurance	Lao	32.50	32.50	11,029,511	11,978,789	21,628,040	21,628,040
TKI Life Insurance Company Limited	Life insurance	Lao	32.50	32.50	10,119,491	11,890,593	21,628,039	21,628,039
Total					21,149,002	23,869,382	43,256,079	43,256,079
Less: Allowance for impairment					-	-	(9,918,103)	(9,918,103)
Investments in associates - net					21,149,002	23,869,382	33,337,976	33,337,976

12.2 Financial information of associates

Summarised information about financial position

(Unit: Baht)

	2022		2021	
	TKI General Insurance Company Limited	TKI Life Insurance Company Limited	TKI General Insurance Company Limited	TKI Life Insurance Company Limited
Total assets	49,405,146	37,160,172	55,072,367	42,066,727
Total liabilities	(15,468,188)	(6,023,276)	(18,214,556)	(5,480,286)
Net assets	33,936,958	31,136,896	36,857,811	36,586,441
Shareholding percentage (%)	32.50	32.50	32.50	32.50
Book value of the associates based on equity method	11,029,511	10,119,491	11,978,789	11,890,593

Summarised information of comprehensive income

(Unit: Baht)

	For the years ended 31 December			
	2022		2021	
	TKI General Insurance Company Limited	TKI Life Insurance Company Limited	TKI General Insurance Company Limited	TKI Life Insurance Company Limited
Revenues	24,799,704	18,118,983	16,755,860	12,146,076
Profit for the year	12,043,730	7,988,139	4,025,709	234,383
Other comprehensive loss				
- exchange differences on translation of financial statements in foreign currency	(14,964,583)	(13,437,683)	(3,955,890)	(3,200,897)
Total comprehensive income (loss)	(2,920,853)	(5,449,544)	69,819	(2,966,514)

The financial information of associated companies as the above tables were prepared by the management of such company.

12.3 Shares of gain and other comprehensive investments in associated companies and dividend received

During the years ended 31 December 2022 and 2021, the Company recognised its share of gain and other comprehensive loss from investments in associated companies in the financial statements, in which the equity method is applied, and recognised dividend income in the separate financial statements as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied				Separate financial statements	
Associates	Share of gain		Share of loss from exchange differences on translation		Dividend received	
	2022	2021	2022	2021	2022	2021
TKI General Insurance Company Limited	3,914,212	1,308,355	(4,863,490)	(1,285,664)	-	-
TKI Life Insurance Company Limited	2,596,145	76,175	(4,367,247)	(1,040,292)	-	-
	6,510,357	1,384,530	(9,230,737)	(2,325,956)	-	-

13. Property, buildingand equipment

(Unit: Baht)

	Land	Buildings	Condominium	Building improvements	Furniture, fixtures and equipment	Motor vehicles	Assets under installment	Total
Cost								
1 January 2021	5,385,371	24,521,452	270,282,501	120,849,799	110,995,367	50,364,492	-	582,398,982
Additions	-	-	-	-	3,829,044	44,860	2,729,612	6,603,516
Disposals	-	-	-	(657,168)	(9,793,952)	(3,403,121)	-	(13,854,241)
Transfer in (out)	-	-	-	977,732	1,593,030	-	(2,570,762)	-
31 December 2021	5,385,371	24,521,452	270,282,501	121,170,363	106,623,489	47,006,231	158,850	575,148,257
Additions	-	-	142,828,280	119,267	1,145,160	-	5,831,776	149,924,483
Disposals	-	-	-	(6,449,279)	(2,582,720)	(12,399,713)	-	(21,431,712)
Transfer in (out)	-	-	-	1,439,718	673,034	-	(2,112,752)	-
31 December 2022	5,385,371	24,521,452	413,110,781	116,280,069	105,858,963	34,606,518	3,877,874	703,641,028
Accumulated depreciation								
1 January 2021	-	11,636,500	158,432,771	54,311,534	101,438,149	44,004,562	-	369,823,516
Depreciation for the year	-	698,098	3,022,719	4,537,374	4,981,533	664,703	-	13,904,427
Depreciation on disposals	-	-	-	(555,502)	(9,480,570)	(3,396,395)	-	(13,432,467)
31 December 2021	-	12,334,598	161,455,490	58,293,406	96,939,112	41,272,870	-	370,295,476
Depreciation for the year	-	698,098	3,245,472	4,548,877	3,563,741	456,932	-	12,513,120
Depreciation on disposals	-	-	-	(5,390,043)	(2,536,846)	(8,800,048)	-	(16,726,937)
31 December 2022	-	13,032,696	164,700,962	57,452,240	97,966,007	32,929,754	-	366,081,659
Net book value								
31 December 2021	5,385,371	12,186,854	108,827,011	62,876,957	9,684,377	5,733,361	158,850	204,852,781
31 December 2022	5,385,371	11,488,756	248,409,819	58,827,829	7,892,956	1,676,764	3,877,874	337,559,369
Depreciation for the year								
2021								13,904,427
2022								12,513,120

As at 31 December 2022, the Company had certain items of buildings and equipment which have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 349.9million (2021: Baht 340.9 million).

14. Leases

The Company has lease contracts for various items used in its operations. Leases generally have lease terms between 3 - 10 years.

14.1 Right-of-use assets

(Unit: Baht)

	Lease buildings	Office equipment	Motor vehicles	Computer	Computer software	Total
1 January 2021	40,262,258	6,817,373	9,024,149	-	1,171,123	57,274,903
Increase during year	2,395,750	-	-	-	-	2,395,750
Adjustments	(3,008,157)	-	-	-	-	(3,008,157)
Depreciation for the year	(11,247,835)	(3,029,099)	(3,733,151)	-	(168,300)	(18,178,385)
31 December 2021	28,402,016	3,788,274	5,290,998	-	1,002,823	38,484,111
Addition during period	1,412,093	-	5,011,300	3,750,000	-	10,173,393
Cancelled during period	(1,331,734)	(742,488)	-	-	-	(2,074,222)
Depreciation for the period	(11,192,173)	(2,637,827)	(3,755,934)	(614,047)	(168,300)	(18,368,281)
31 December 2022	17,290,202	407,959	6,546,364	3,135,953	834,523	28,215,001

14.2 Lease liabilities

(Unit: Baht)

	2022	2021
Lease liabilities	39,103,908	44,990,692
Less: Deferred interest expenses	(2,299,733)	(3,393,346)
Total	36,804,175	41,597,346
Less: Portion due within one year	(13,242,599)	(14,053,496)
Lease liabilities - net of current portion	23,561,576	27,543,850

Movements of the lease liability account during the year ended 31 December 2022 is summarised below:

(Unit: Baht)

	Lease buildings	Office equipment	Motor vehicles	Computer	Total
1 January 2022	34,504,648	1,948,461	5,144,237	-	41,597,346
Add: Addition during period	1,412,093	-	5,011,300	3,750,000	10,173,393
Add: Financial cost for the period	1,523,553	54,538	222,297	106,667	1,907,055
Less: Cancelled during period	(1,331,734)	(888,000)	-	-	(2,219,734)
Less: Lease payments during period	(10,069,502)	(836,013)	(3,058,270)	(690,100)	(14,653,885)
31 December 2022	26,039,058	278,986	7,319,564	3,166,567	36,804,175

14.3 Expenses relating to leases that are recognised in statement of income

(Unit: Baht)

	For the years ended 31 December	
	2022	2021
Depreciation of right-of-use assets	18,368,281	18,016,895
Finance costs on lease liabilities	1,907,055	2,308,051
Expense relating to short-term leases	143,880	107,833
Expense relating to leases of low-value assets	2,844,446	1,788,286
Total expenses	23,263,662	22,221,065

The Company had total cash outflows for leases for the year ended 31 December 2022 of Baht 17.6 million, including the cash outflow related to short-term lease and leases of low-value assets (2021: Baht 16.2 Million).

15. Intangible assets

As at 31 December 2022 and 2021, the net book value of intangible assets are presented below.

(Unit: Baht)

	Computer Software	Computer software under improvement	Total
Cost			
1 January 2021	93,085,015	2,206,050	95,291,065
Additions	840,972	3,118,650	3,959,622
Transfer in (out)	5,324,700	(5,324,700)	-
31 December 2021	99,250,687	-	99,250,687
Additions	176,496	1,937,875	2,114,371
31 December 2022	99,427,183	1,937,875	101,365,058
Accumulated amortisation			
1 January 2021	76,281,841	-	76,281,841
Amortisation for the year	4,302,993	-	4,302,993
31 December 2021	80,584,834	-	80,584,834
Amortisation for the year	4,236,311	-	4,236,311
31 December 2022	84,821,145	-	84,821,145
Net book value			
31 December 2021	18,665,853	-	18,665,853
31 December 2022	14,606,038	1,937,875	16,543,913
Amortisation for the year			
2021			4,302,993
2022			4,236,311

As at 31 December 2022, the Company had certain items of computer software which have been fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation of those assets amounted to Baht 59.2 million (2021: Baht 55.6 million)

16. Deferred tax assets and income tax expenses

16.1 Deferred tax assets

The components of deferred tax assets and liabilities as at31 December 2022 and 2021 are as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied			
	Balance as at31 December		Changes in deferred tax assets and liabilities recognised in statements of income for the years ended 31 December	
	2022	2021	2022	2021
Deferred tax assets				
Unearned premium reserve	96,773,188	82,133,171	14,640,017	6,313,179
Allowance for loss on impairment of investments in securities	3,851,545	3,070,645	780,900	-
Allowance for expected credit loss	41,802,340	40,674,663	1,127,677	811,687
Allowance for doubtful accounts	168,155	117,270	50,885	(336,554)
Loss reserves	81,344,180	57,557,629	23,786,551	(8,547,903)
Provision for loss incurred but not reported	8,984,734	14,665,386	(5,680,652)	5,749,297
Employee benefit obligations	18,661,815	22,684,966	(4,023,151)	3,984,022
Share of loss from investments in associates	4,421,415	3,877,339	544,075	188,286
Unrealised loss on changes in value of available-for-sale investments	-	-	-	(1,103,372)
Fair value loss of trading investments	11,675,038	9,991,448	1,683,590	(2,278,594)
Others	11,638,864	12,071,179	(432,315)	362,332
Total	279,321,274	246,843,696		
Deferred tax liabilities				
Unrealised gain on changes in value of available-for-sale investments	15,381,347	23,014,077	7,632,730	(23,014,077)
Difference of investment cost arising from reclassification	8,802,834	7,444,130	(1,358,704)	(621,637)
Others	12,784,919	739,114	(12,045,805)	(313,346)
Total	36,969,100	31,197,321		
Deferred tax assets - net	242,352,174	215,646,375		
Total changes			26,705,798	(18,806,680)
Changes were recognised in:				
- Statement of income			17,803,995	5,414,103
- Statement of comprehensive income			8,901,803	(24,220,783)
			26,705,798	(18,806,680)

(Unit: Baht)

	Separate financial statements			
	Balance as at 31 December		Changes in deferred tax assets and liabilities recognised in statements of income for the years ended 31 December	
	2022	2021	2022	2021
Deferred tax assets				
Unearned premium reserve	96,773,188	82,133,171	14,640,017	6,313,179
Allowance for loss on impairment of investments in securities	3,851,545	3,070,645	780,900	-
Allowance for loss on impairment of investments in associates	1,983,621	1,983,621	-	-
Allowance for expected credit loss	41,802,340	40,674,663	1,127,677	811,687
Allowance for doubtful accounts	168,155	117,270	50,885	(336,554)
Loss reserves	81,344,180	57,557,629	23,786,551	(8,547,903)
Provision for loss incurred but not reported	8,984,734	14,665,386	(5,680,652)	5,749,297
Employee benefit obligations	18,661,815	22,684,966	(4,023,151)	3,984,022
Fair value loss of trading investments	11,675,038	9,991,448	1,683,590	(2,278,594)
Others	11,638,864	12,071,179	(432,315)	362,332
Total	276,883,480	244,949,978		
Deferred tax liabilities				
Unrealised gain on changes in value of available-for-sale investments	26,426,266	34,058,996	7,632,730	(24,117,448)
Difference of investment cost arising from reclassification	8,802,834	7,444,130	(1,358,704)	(621,637)
Others	1,740,000	739,114	(1,000,886)	(313,346)
Total	36,969,100	42,242,240		
Deferred tax assets - net	239,914,380	202,707,738		
Total changes			37,206,642	(18,994,965)
Changes were recognised in:				
- Statement of income			30,150,986	5,691,009
- Statement of comprehensive income			7,055,656	(24,685,974)
			37,206,642	(18,994,965)

16.2 Income tax expenses

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	2022	2021	2022	2021
Current income tax:				
Current income tax charge for the year	(36,487,627)	(29,378,912)	(36,487,627)	(29,378,912)
Adjustment in respect of current income tax of previous year	(2,643,049)	739,121	(2,643,049)	739,121
Deferred tax:				
Adjustment in deferred tax	(11,044,919)	-	-	-
Relating to origination and reversal of temporary differences	28,848,914	5,414,103	30,150,986	5,691,009
Income tax expenses reported in statements of income	(21,326,681)	(23,225,688)	(8,979,690)	(22,948,782)

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rate for the years ended 31 December 2022 and 2021 are as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	2022	2021	2022	2021
Accounting profit before tax	46,169,002	132,570,868	39,658,645	131,186,338
Applicable tax rate	20%	20%	20%	20%
Tax expenses at the applicable tax rate	(9,233,801)	(26,514,174)	(7,931,729)	(26,237,268)
Adjustment in respect of current income tax of previous year	(2,643,049)	739,121	(2,643,049)	739,121
Adjustment in deferred tax	(11,044,919)	-	-	-
Net tax effect on tax-exempted revenues and non tax-deductible expenses - net	1,595,088	2,549,365	1,595,088	2,549,365
Income tax expenses reported in statements of income	(21,326,681)	(23,225,688)	(8,979,690)	(22,948,782)

17. Claims receivable from litigants

Claims receivable from litigants classified by the year of the claims incurred are as follows:

(Unit: Baht)

	2022	2021
Claim years		
Year 2022	89,867,583	-
Year 2021	48,397,615	80,399,884
Year 2020	44,394,893	57,195,826
Year 2019	29,860,470	32,449,469
Year 2018	26,862,125	29,393,698
Prior to 2018	76,493,906	104,985,068
Total claims receivable from litigants	315,876,592	304,423,945
Less: Allowance for expected credit loss	(208,307,055)	(202,254,448)
Claims receivable from litigants, net	107,569,537	102,169,497

18. Insurance contract liabilities

(Unit: Baht)

	2022		
	Insurance contract liabilities	Reinsurance assets	Net
Claim reserves and outstanding claims			
Claim incurred and reported	933,335,377	(185,050,079)	748,285,298
Claim incurred but not reported	95,556,545	(50,632,877)	44,923,668
Premium reserves			
Unearned premium reserves	2,029,666,344	(427,779,211)	1,601,887,133
Total	3,058,558,266	(663,462,167)	2,395,096,099

(Unit: Baht)

	2021		
	Insurance contract liabilities	Reinsurance assets	Net
Claim reserves and outstanding claims			
Claim incurred and reported	805,021,846	(194,321,796)	610,700,050
Claim incurred but not reported	214,937,393	(141,610,461)	73,326,932
Premium reserves			
Unearned premium reserves	1,818,326,935	(386,638,864)	1,431,688,071
Total	2,838,286,174	(722,571,121)	2,115,715,053

During the years 2022 and 2021, the management of the Company 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.

18.1 Claim reserves and outstanding claims

(Unit: Baht)

	For the years ended 31 December	
	2022	2021
Beginning balance	1,019,959,239	860,718,119
Claim expenses for the year	2,372,136,274	2,149,880,458
Change in claim reserves and outstanding claims from the prior year	(100,333,440)	(101,005,141)
Change in assumption for calculating claim reserves	(119,380,848)	116,052,771
Claim paid during the year	(2,143,489,303)	(2,005,686,968)
Ending balance	1,028,891,922	1,019,959,239

As at31 December 2022, the Company has claim reserves and outstanding claims under reinsurance contracts at Baht 10.5 million (2021: Baht 7.3 million).

18.2 Claim development table

(a) Gross claims table

(Unit: Million Baht)

Reporting year/ Accident year	Prior to 2013	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
Claim estimates:												
- as at accident year		1,379	1,409	1,956	2,187	1,761	1,754	2,143	1,901	2,262	2,360	
- Next one year		1,396	1,388	1,941	2,199	1,749	1,715	2,045	1,784	2,095		
- Next two years		1,359	1,385	1,961	2,200	1,742	1,701	2,037	1,758			
- Next three years		1,361	1,386	1,957	2,189	1,740	1,698	2,028				
- Next four years		1,358	1,379	1,953	2,188	1,739	1,695					
- Next five years		1,359	1,378	1,952	2,190	1,737						
- Next six years		1,356	1,378	1,954	2,187							
- Next seven years		1,357	1,379	1,951								
- Next eight years		1,358	1,378									
- Next nine years		1,356										
Ultimate claim reserves		1,356	1,378	1,951	2,187	1,737	1,695	2,028	1,758	2,095	2,360	
Cumulative payment to date		(1,354)	(1,376)	(1,948)	(2,184)	(1,731)	(1,689)	(2,010)	(1,719)	(1,980)	(1,548)	
Total	2	2	2	3	3	6	6	18	39	115	812	1,008
Claim for inward treaty												15
Unallocated loss adjustment expenses												6
Total claim reserves and outstanding claims before reinsurance												1,029

(b) Net claims table

(Unit: Million Baht)

Reporting year/ Accident year	Prior to 2013	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
Claim estimates:												
- as at accident year		1,209	1,270	1,681	1,901	1,500	1,330	1,541	1,590	1,706	1,862	
- Next one year		1,236	1,262	1,660	1,853	1,470	1,309	1,471	1,511	1,666		
- Next two years		1,203	1,253	1,680	1,856	1,462	1,296	1,467	1,494			
- Next three years		1,205	1,254	1,678	1,852	1,461	1,295	1,459				
- Next four years		1,202	1,253	1,673	1,852	1,462	1,291					
- Next five years		1,202	1,251	1,672	1,854	1,460						
- Next six years		1,199	1,251	1,676	1,848							
- Next seven years		1,200	1,253	1,672								
- Next eight years		1,201	1,252									
- Next nine years		1,199										
Ultimate claim reserves		1,199	1,252	1,672	1,848	1,460	1,291	1,459	1,494	1,666	1,862	
Cumulative payment to date		(1,198)	(1,249)	(1,669)	(1,845)	(1,457)	(1,286)	(1,445)	(1,460)	(1,590)	(1,235)	
Total	3	1	3	3	3	3	5	14	34	76	627	772
Claim for inward treaty												15
Unallocated loss adjustment expenses												6
Total claim reserves and outstanding claims net of reinsurance balances												793

18.3 Methodology and assumption

The methodology and assumptions adopted for the gross and net valuations of insurance contract liabilities (claim reserves and outstanding claims) as at31 December 2022 and 2021are presented as follows:

(a) Outstanding claims provision

1. Direct and inward facultative business

The Company used 3 actuarial methods as follows:

1.1 Chain Ladder method based on both claims paid and claims incurred

1.2 Bornhuetter-Ferguson method (“BF”) based on both claims paid and claims incurred

1.3 Expected Loss Ratio method (“ELR”)

The Company mostly relies on the Chain Ladder method on claims incurred to derive the best estimate of claims liability. The BF and ELR methods are also used where appropriate. Loss Development Factors (“LDF”) are selected based on a range of criteria, which include the pattern of historical claims payments and claims incurred. In most instances, the loss development factors selected are based on various average loss development factors for each development year. The Company also takes into consideration whether averages may not be appropriate, for reasons such as the average not reflecting the Company’s operational changes, the average being inappropriate due to distortion by large claims, or the average being contrary to a trend of the historical ratios.

Both qualitative and quantitative factors are taken by the Company into consideration in the selection of LDF to produce claim reserves that appropriately reflect the Company’s future claims liability as at the valuation date.

2. Inward treaty business

The Company uses a basic approach in estimating claims reserves provision for inward treaty business. This approach assumes that the claims reserves requirements for the inward treaty business would be proportionally similar to those of the direct and inward facultative business. The Company therefore use the percentage of gross outstanding case reserves to apply with inward treaty contracts.

(b) Estimation of Unallocated Loss Adjustment Expenses reserve(ULAE)

In determining the ULAE, the Company used total expenses to estimate the claim expenses. ULAE is calculated from the ratio of ULAE to the average of paid loss and reported loss which is based on the assumption that half of a claim’s ULAE is expended when a loss is reported, and half when it is paid.

The ULAE ratios are computed for motor and non-motor classes separately and are applied onto the best estimate of gross claim liability (excluding flood claims in 2011) to obtain the ULAE reserves for claims liability.

ULAE reserve is computed as the sum of the ULAE ratio multiplied by half of the case reserve and outstanding claims, plus the ULAE ratio multiplied by the incurred but not reported (IBNR) reserve.

(c) Economic assumptions

The Company has not discounted for future investment earnings, and has not explicitly inflation adjusted claim amounts payable in the future. However, the Company has implicitly allowed for future claims inflation to the extent that this is evident in past claims development.

(d) Other assumptions

The Company has assumed that claims development patterns are generally consistent and stable over the years and also assumed that the past inflation pattern will continue into future projected years. For claims prior to accident year 2004, the Company has reached their ultimate claim so there would be no IBNR from these claims.

18.4 Unearned premium reserves

(Unit: Baht)

	For the years ended 31 December	
	2022	2021
Beginning balance	1,818,326,935	1,778,705,006
Premium written for the year	3,666,681,691	3,372,953,128
Premium earned for the current year	(3,455,342,282)	(3,333,331,199)
Ending balance	2,029,666,344	1,818,326,935

19. Due to reinsurers

(Unit: Baht)

	2022	2021
Amounts withheld on reinsurance	257,593,579	254,291,517
Amounts due to reinsurers	407,630,395	585,024,297
Total due to reinsurers	665,223,974	839,315,814

20. Employee benefit obligations

The movement of provision for employee benefit obligations for the years ended 31 December 2022 and 2021 was as follows:

(Unit: Baht)

	For the years ended 31 December	
	2022	2021
Employee benefit obligations at beginning of year	67,415,580	63,575,523
Included in statement of income:		
Current service cost	9,477,156	9,709,613
Interest cost	1,356,092	957,080
Total items included in statement of income	10,833,248	10,666,693
Included in statement of comprehensive income:		
Actuarial loss (gain) arising from		
Demographic assumption change	(667,835)	1,933,320
Financial assumption change	(1,752,276)	(2,441,874)
Experience adjustment	(465,259)	(2,334,081)
Total items included in statement of comprehensive income	(2,885,370)	(2,842,635)
Benefit paid during the year	(7,939,600)	(3,984,001)
Employee benefit obligations at end of year	67,423,858	67,415,580

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 11years, and the Company expected to pay Baht 5.9 million of long-term employee benefits during the next year (2021: 11 years and Baht 7.2 million, respectively).

Significant actuarial assumptions are summarised below:

(Unit: % per annum)

	2022	2021
Discount rate	2.8	2.1
Salary increase rate	3.3 - 5.8	3.1 - 5.5
Staff turnover rate	0.0 - 16.0	0.0 - 17.0

The result of sensitivity analysis for significant assumptionsthat affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

	2022			
	Increase in assumption	Employee benefit obligations increase (decrease)	Decrease in assumption	Employee benefit obligations increase (decrease)
	(%)	(Baht)	(%)	(Baht)
Discount rate	1.0	(4,495,141)	1.0	5,128,437
Salary increase rate	1.0	5,356,285	1.0	(4,786,474)
Staff turnover rates	10.0[1]	(2,403,444)	10.0[1]	2,586,210

[1] 10% of the turnover rate used as assumption.

	2021			
	Increase in assumption	Employee benefit obligations increase (decrease)	Decrease in assumption	Employee benefit obligations increase (decrease)
	(%)	(Baht)	(%)	(Baht)
Discount rate	1.0	(4,576,658)	1.0	5,233,263
Salary increase rate	1.0	5,450,255	1.0	(4,863,240)
Staff turnover rates	10.0[1]	(2,366,567)	10.0[1]	2,547,473

[1] 10% of the turnover rate used as assumption.

21. Share capital

On 26 April 2022, the 2022 Annual General Meeting of shareholders approved an increase of the Company's registered share capital from Baht 350 million to be Baht 360 million (36 million shares of Baht 10 each) by newly issues the ordinary shares in amount of 1 million shares with the par value at Baht 10 per share to support the stock dividend payment, and approved to allocate indivisible share remaining after such allocated the stock dividend to the Navakij Insurance Provident Fund. The Company registered the increase of share capital with the Ministry of Commerce on 7 June 2022.

22. 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 percent of its net profit, until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

During the year 2022, the Company set aside a statutory reserve of its net profit amounting to Baht 1 million. As at 31 December 2022, the Company has statutory reserve totalling Baht 36 million.

23. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the Chief Operating Decision Maker in order to make decisions about the allocation of resources to the segment and assess its performance. The Chief Operating Decision Maker has been identified as Chairman of the Executive Board.

For management purposes, the Company is organised into business units based on its products, which consisted of Fire, Marine and transportation, Motor, and Miscellaneous insurance.

The Chief Operating Decision Maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss, total assets and total liabilities, and on a basis consistent with that used to measure operating profit or loss, total assets and total liabilities in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Segment assets and liabilities of the Company's operating segments as at 31 December 2022 and 2021 are as follows:

(Unit: Baht)

	Financial statements in which the equity method is applied						
	Fire	Marine and transportation	Motor	Miscellaneous	Total segments	Unallocated	Total
Assets							
As at 31 December 2022	482,714,337	36,834,372	285,098,400	416,624,779	1,221,271,888	5,059,363,054	6,280,634,942
As at 31 December 2021	457,082,654	31,449,225	249,001,375	496,750,724	1,234,283,978	5,044,626,807	6,278,910,785
Liabilities							
As at 31 December 2022	693,616,685	41,324,782	1,859,924,123	463,692,676	3,058,558,266	1,037,045,739	4,095,604,005
As at 31 December 2021	657,333,950	34,325,068	1,570,537,614	576,089,542	2,838,286,174	1,192,339,781	4,030,625,955

(Unit: Baht)

	Financial statement in which the equity method is applied				
	For the year ended 31 December 2022				
	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting income					
Gross premium written	707,368,084	102,082,808	2,243,799,222	613,431,577	3,666,681,691
Less: Premiums ceded to reinsurers	(358,523,068)	(58,737,757)	(16,044,992)	(438,322,894)	(871,628,711)
Net premium written	348,845,016	43,345,051	2,227,754,230	175,108,683	2,795,052,980
Add (less): Unearned premium reserves (increase) decrease from prior year	(31,193,407)	(324,026)	(168,406,810)	29,725,181	(170,199,062)
Net earned premium	317,651,609	43,021,025	2,059,347,420	204,833,864	2,624,853,918
Fee and commission income	104,623,460	14,752,028	3,826,574	97,559,487	220,761,549
Total underwriting income	422,275,069	57,773,053	2,063,173,994	302,393,351	2,845,615,467
Underwriting expenses					
Claim and loss adjustment expenses - net	93,608,795	15,323,042	1,377,564,715	224,623,067	1,711,119,619
Commission and brokerage expenses	149,578,278	8,260,933	359,721,571	58,234,633	575,795,415
Other underwriting expenses	49,241,144	4,473,773	147,770,752	36,511,422	237,997,091
Total underwriting expenses before operating expenses	292,428,217	28,057,748	1,885,057,038	319,369,122	2,524,912,125
Profit (loss) from underwriting before operating expenses	129,846,852	29,715,305	178,116,956	(16,975,771)	320,703,342
Operating expenses					(353,441,557)
Loss from underwriting					(32,738,215)
Investments income					80,723,639
Profit on investments					6,969,094
Fair value loss					(8,417,948)
Share of profit from investments in associates					6,510,357
Other income					4,396,171
Finance costs					(1,907,055)
Expected credit loss					(5,638,385)
Other expenses					(3,728,656)
Profit before income tax expenses					46,169,002
Income tax expenses					(21,326,681)
Profit for the year					24,842,321

(Unit: Baht)

	Financial statement in which the equity method is applied				
	For the year ended 31 December 2021				
	Fire	Marine and transportation	Motor	Miscellaneous	Total
Underwriting income					
Gross premium written	640,288,595	98,423,455	1,951,014,792	683,226,286	3,372,953,128
Less: Premiums ceded to reinsurers	(309,753,794)	(57,977,873)	(10,993,199)	(441,672,725)	(820,397,591)
Net premium written	330,534,801	40,445,582	1,940,021,593	241,553,561	2,552,555,537
Add (less): Unearned premium reserves (increase) decrease from prior year	2,552,589	(496,174)	6,932,255	(38,609,448)	(29,620,778)
Net earned premium	333,087,390	39,949,408	1,946,953,848	202,944,113	2,522,934,759
Fee and commission income	112,880,452	16,585,053	2,408,620	101,907,785	233,781,910
Total underwriting income	445,967,842	56,534,461	1,949,362,468	304,851,898	2,756,716,669
Underwriting expenses					
Claim and loss adjustment expenses - net	94,016,527	10,147,102	1,170,499,884	327,340,208	1,602,003,721
Commission and brokerage expenses	144,200,352	10,579,371	299,798,580	71,213,486	525,791,789
Other underwriting expenses	48,455,251	3,879,366	135,332,902	41,496,932	229,164,451
Total underwriting expenses before operating expenses	286,672,130	24,605,839	1,605,631,366	440,050,626	2,356,959,961
Profit (loss) from underwriting before operating expenses	159,295,712	31,928,622	343,731,102	(135,198,728)	399,756,708
Operating expenses					(353,294,270)
Profit from underwriting					46,462,438
Investments income					68,504,793
Profit on investments					7,535,365
Fair value gain					11,392,970
Share of profit from investments in associates					1,384,530
Other income					3,657,259
Finance costs					(2,308,051)
Expected credit loss					(4,058,436)
Profit before income tax expenses					132,570,868
Income tax expenses					(23,225,688)
Profit for the year					109,345,180

Geographic information

The Company is operated its business in Thailand only, as a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

Major customers' information

During the year ended 31 December 2022, the Company had gross premium written from 1 major customer amounting to Baht 367 million (2021: 2 major customers amounting to Baht 621 million).

24. Investments income

During the years ended 31 December 2022 and 2021, the Company has investment income as follows:

(Unit: Baht)

	For the years ended 31 December	
	2022	2021
Interest income from debt securities	20,869,367	15,629,617
Dividends received from equity securities	59,854,272	52,875,176
Investments income	80,723,639	68,504,793

25. Operating expenses

(Unit: Baht)

	For the years ended 31 December	
	2022	2021
Personnel expenses	229,817,161	234,083,693
Premises and equipment expenses	68,933,147	71,154,284
Taxes and duties	2,712,312	1,570,354
Bad debts and doubtful accounts (reversal)	1,152,678	(21,840)
Other operating expenses	50,826,259	46,507,779
Total operating expenses	353,441,557	353,294,270

26. Expected credit loss

(Unit: Baht)

	For the years ended 31 December	
	2022	2021
Cash and cash equivalents	(118,278)	60,885
Accrued investments income	(8,772)	8,977
Investments in securities	(287,172)	526,818
Claims receivable from litigants	6,052,607	3,461,756
Total	5,638,385	4,058,436

27. Expenses by nature

(Unit: Baht)

	For the years ended 31 December	
	2022	2021
Net claim and loss adjustment expenses	1,663,701,475	1,554,037,513
Commissions and brokerage expenses	575,795,415	525,791,789
Other underwriting expenses	197,982,740	188,564,105
Personnel expenses	317,249,655	322,650,247
Premises and equipment expenses	68,933,147	71,154,284
Taxes and duties	2,712,312	1,570,354
Bad debts and doubtful accounts (reversal)	1,152,678	(21,840)
Finance costs	1,907,055	2,308,051
Expected credit loss	5,638,385	4,058,436
Other operating expenses	54,554,916	46,507,779
Total	2,889,627,778	2,716,620,718

28. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by Tisco Asset Management Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. During the year 2022, the Company contributed Baht 9.5 million (2021: Baht 9.2 million) to the fund.

29. Contribution to the General Insurance Fund

(Unit: Baht)

	For the years ended 31 December	
	2022	2021
Accumulated contribution at the beginning of the year	83,426,200	75,095,287
Contribution during the year	9,063,026	8,330,913
Accumulated contribution at the end of the year	92,489,226	83,426,200

30. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares as a result of the increase in share capital arising from the issue of stock dividend.

On 26 April 2022, the 2022 Annual General Meeting of shareholders approved to pay a cash dividend of Baht 1.5 per share, and stock dividend of 1 million shares to the existing shareholders. For the purpose of calculating earnings per share, the Company adjusted the number of ordinary shares used to calculate the earnings per share, as though it had issued the stock dividend at the beginning of the reporting year.

	Financial statements in which the equity method is applied		Separate financial statements	
	2022	2021 (Restated)	2022	2021 (Restated)
Number of ordinary shares issued during the year (shares)	36,000,000	35,000,000	36,000,000	35,000,000
Number of stock dividend additional issue (shares) in 2022	-	1,000,000	-	1,000,000
Total (shares)	36,000,000	36,000,000	36,000,000	36,000,000
Profit for the period (Baht)	24,842,321	109,345,180	30,678,955	108,237,556
Earnings per share (Baht per share)	0.69	3.04	0.85	3.01

31. Dividends

Dividends declared during the years ended 31 December 2022 and 2021 consisted of the following:

	Approved by	Total dividends	Dividends per share
		(Million Baht)	(Baht)
Annual dividends for 2021 (Cash dividends with the par value at 1.50 Baht per share and stock dividend at the rate of Baht 0.29 per share)	2022 Annual General Meeting No.90 on 26 April 2022	62.5	1.79
Annual dividends for 2020 (Cash dividends with the par value at 1.50 Baht per share)	2021 Annual General Meeting No.89 on 27 April 2021	52.5	1.50

32. Commitments and contingent liabilities

32.1 Leases and service agreements commitments

As at 31 December 2022 and 2021, future minimum payments required under short-term leases, leases of low-value assets and service agreements were as follows.

(Unit: Baht)

	2022	2021
Payable within:		
Within 1 year	212,894	212,894
Over 1 to 3 years	106,448	319,342

32.2 Capital commitments

As at 31 December 2022, the Company had capital commitments of approximately Baht 2.6 million relating to building improvement, furniture, fixtures and equipment and amounting to Baht 10.1 million relating to computer software(2021: Baht 0.02 million relating to computer software).

32.3 Letter of Guarantees

As at 31 December 2022, there were bank guarantees amounting to Baht 2.1 million, and a certificate issued in the Company's name amounting to Baht 7.1 million, as required in the normal course of the Company's business (2021: Baht 2.6 million and Baht 7.0 million, respectively).

32.4 Litigation

As at 31 December 2022, the Company has been sued for damages totaling approximately Baht 69.1 million as insurer. The cases have not yet been finalised. However, the Company's obligations in respect of these lawsuits do not exceed the maximum sum insured per the relevant policies, which is Baht 38.9 million, and the Company has set aside reserves for contingent losses amounting to Baht 38.9 million in the financial statements (2021: Baht 66.1 million, Baht 34.1 million and Baht 33.6 million, respectively).

33. Related party transactions

33.1 Nature of relationship

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
TKI General Insurance Company Limited	Associated company
TKI Life Insurance Company Limited	Associated company
The United Indemnity Co., Ltd.	7.13% of shares held in the Company
ThanasarnSombat (Thai) Company Limited	5.08% of shares held in the Company and common directors
The Falcon Insurance Plc.	12.00% of shares held by the Company
Thai Metal Drum Manufacturing Plc.	Common directors and through shareholding
Rangsit Plaza Co., Ltd.	Common directors and through shareholding
Sathorn Thani Co., Ltd.	Common directors and through shareholding
Siam Motors Co., Ltd.	Common directors and through shareholding
Wanglee Co., Ltd.	Common directors and through shareholding
Thaire Life Assurance Plc.	Common directors and through shareholding
RangsitRuamPatana Co., Ltd.	Common directors and through shareholding
Poon Phol Co., Ltd.	Common directors and through shareholding
Pipatanasin Co., Ltd.	Common directors and through shareholding
Dusit Thani Plc. [(1)]	Common directors
Varopakorn Plc.	Common directors
Serm Suk Plc.	Common directors
Chaitip Co., Ltd.	Common directors
Alinkij Siam Co., Ltd	Common directors
Siam Calsonic Co., Ltd. [(2)]	Common directors
Siam Riken Industrial Co., Ltd. [(2)]	Common directors
Siam International Corp., Ltd.	Common directors
The Pet Co., Ltd.	Common directors
Toyota Petchaboon Toyota's Dealer Co., Ltd.	Common directors
Thai Petchaboon Co., Ltd.	Common directors
BTS Group Holdings Plc.	Common directors
C.E.S. Co., Ltd.	Common directors
Bangkok Motor Works Co., Ltd.	Common directors
Thong Thaworn Pattana Co., Ltd.	Common directors
Siam Auto Parts Co., Ltd.	Common directors
Thaworn Estate Co., Ltd.	Common directors
Siam Country Club Co., Ltd.	Common directors
S T M S Co., Ltd.	Common directors
Poonpipat Co., Ltd.	Common directors
Sittinan Co., Ltd.	A related person of the Company's director is a major shareholder
PIA Interior Co., Ltd.	A related person of the Company's director is a major shareholder

(1) *Since October 2021, it is not a related party.*

(2) *Since January 2022, it is not a related party.*

33.2 Significant related party transactions

During the years ended 31 December 2022 and 2021, 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: Baht)

	For the years ended 31 December		
	2022	2021	Pricing policy
Transactions with associated companies			
Reinsurance premium written	2,510,179	3,031,330	Ceded rates as specified based on the type of insurance and the reinsurance contracts
Commission paid to reinsurance	503,840	654,071	Ceded rates as specified based on the type of insurance and the reinsurance contracts
Transactions with related companies			
Direct premium written	79,740,018	79,853,384	Rates as specified in insurance contracts
Reinsurance premium written	13,301,913	12,913,844	Ceded rates as specified based on the type of insurance and the reinsurance contracts
Premium ceded	23,849,473	24,292,637	Ceded rates as specified based on the type of insurance and the reinsurance contracts
Claim expenses	19,325,916	18,464,664	Actual incurred
Commission paid to reinsurance	4,518,548	4,633,622	Ceded rates as specified based on the type of insurance and the reinsurance contracts
Commission received	9,516,809	9,482,552	Ceded rates as specified based on the type of insurance and the reinsurance contracts
Dividend income	23,240,940	21,488,560	As declared
Rental and service fee for branch office expenses	240,135	239,674	Contract price
Rental income	172,973	172,973	Contract price

33.3 Outstanding balances

The balances of the accounts between the Company and those related companies as at31 December 2022 and 2021 are as follows:

(Unit: Baht)

	2022	2021
Reinsurance receivables - Amounts due from reinsurers		
The Falcon Insurance Plc.	14,604,716	6,959,142
TKI General Insurance Co., Ltd.	2,260,630	2,210,481
Total	16,865,346	9,169,623
Investments in securities - Equity securities		
Varopakorn Plc.	-	1,046,952
Thai Metal Drum Manufacturing Plc.	301,213,200	300,817,400
BTS Group Holdings Plc.	33,819,000	38,107,600
Thaire Life Assurance Plc.	31,286,718	24,287,000
The Falcon Insurance Plc.	57,576,000	74,659,20(
Sathorn Thani Co., Ltd.	23,755,000	20,945,000
Rangsit Plaza Co., Ltd.	18,592,000	16,044,000
Total	466,241,918	475,907,152
Due to reinsurers - Amounts due to reinsurance		
The Falcon Insurance Plc.	21,037,185	12,671,175
TKI General Insurance Co., Ltd.	596,743	585,998
Total	21,633,928	13,257,173

33.4 Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Company had employment benefits expenses payable to their directors and management as below.

(Unit: Baht)

	For the years ended 31 December	
	2022	2021
Short-term benefits	55,532,230	53,756,142
Post-employment benefits	718,570	711,634
Total	56,250,800	54,467,776

34. Risk of insurance company

34.1 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 insurance risk causes or is a factor that contributes to the following risks:

a. Increase in the amount and frequency of loss

The impact of external factors, including physical or geographical factors, natural perils, disasters, accidents, terrorism and burglary may increase damage to lives, physical and property insured by the Company, leading to higher than expected losses. Such risks may result in the premiums received from customers being lower than the actual losses or the claims reserve being inadequate, which may have an impact on the Company's capital at risk.

b. Suboptimal proportions of types of insurance products

The Company focuses on specific types of insurance products in order to expand its business and retain market share, which means that the Company's revenue and expenses are highly dependent on these insurance products. Some types of insurance have high loss ratio, and this in turn increases the Company's average cost of claims. As a result, the Company's risk with respect to revenue or profit, or its capital funds may be affected.

c. Ethical or moral risk

This is the risk of dishonest actions being taken by insured persons for their personal gains, causing the Company payment of a higher settlement than a fair amount. This may result in a higher of loss ratio than expected and effect to the Company's liquidity risk.

The measures adopted by the Company in response to those above risks are as follows:

1. Analysis on the basis of loss ratio and combined ratio plus expenses incurred in accordance with the ratio specified by the Company.
2. Selection based on client group, nature of business and insurable risk, in accordance with specified criteria that correlate with acceptable risk levels, and analysis of the appropriate retention and ceded ratios to improve potential profitability.
3. Reinsurance to spread risk exposure by placing treaty and facultative reinsurance with local and overseas financial secured companies which have a credit rating of at least A-, and by purchasing excess of loss reinsurance that helps control retention risk to prevent exposure from the crisis, and to reduce the volatility of the Company's operations, financial position and capital level.

4. Management of the composition of the portfolio by writing all classes of insurance products and adjusting the portfolio mix according to market situation and customer demands. Technical knowledge and up to date statistics are used to plan marketing strategies to penetrate target markets by introducing products that are profitable and have high potential to expand.

5. Analysis of the concentration of insurance risk.

Concentration of insurance contracts liabilities segregated by insurance type are shown below.

(Unit:Baht)

	2022			2021		
	Gross premium reserves	Outward premium reserves	Net	Gross premium reserves	Outward premium reserves	Net
Fire	525,542,941	(201,958,141)	323,584,800	463,612,689	(171,221,297)	292,391,392
Marine and transportation	26,933,070	(15,181,510)	11,751,560	26,493,301	(15,065,767)	11,427,534
Motor	1,189,738,991	(7,094,478)	1,182,644,513	1,019,377,924	(5,140,221)	1,014,237,703
Miscellaneous	287,451,342	(203,545,082)	83,906,260	308,843,021	(195,211,579)	113,631,442
Total	2,029,666,344	(427,779,211)	1,601,887,133	1,818,326,935	(386,638,864)	1,431,688,071

(Unit:Baht)

	2022			2021		
	Gross loss reserves	Outward loss reserves	Net	Gross loss reserves	Outward loss reserves	Net
Fire	168,073,744	(102,393,570)	65,680,174	193,721,261	(136,949,751)	56,771,510
Marine and transportation	14,391,712	(6,757,829)	7,633,883	7,831,767	(1,669,346)	6,162,421
Motor	670,185,132	(839,886)	669,345,246	551,159,690	(873,899)	550,285,791
Miscellaneous	176,241,334	(125,691,671)	50,549,663	267,246,521	(196,439,261)	70,807,260
Total	1,028,891,922	(235,682,956)	793,208,966	1,019,959,239	(335,932,257)	684,026,982

6. Sensitivity analysis

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.

The Company performed analysis of the sensitivity of insurance liabilities to changes in key variables. The variables for which tests were performed were the ultimate loss ratio ("ULR") in the latest accident year and the unallocated loss adjustment expense ratio ("ULAE") for the best estimate of insurance liabilities, with selection of variables based on appropriateness and the possibility of occurrence.

The impact on the best estimate of insurance liabilities of changes in key variables is shown in the following table.

(Unit: Million Baht)

	2022				
	Assumption change	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 owner's equity
Ultimate loss ratio in latest accident year	+ 5%	105	82	(82)	(66)
Ultimate loss ratio in latest accident year	- 5%	(104)	(81)	81	65
ULAE ratio	+ 50%	3.2	3.2	(3.2)	(2.5)
ULAE ratio	- 50%	(3.2)	(3.2)	3.2	2.5

(Unit: Million Baht)

	2021				
	Assumption change	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 owner's equity
Ultimate loss ratio in latest accident year	+ 5%	105	82	(82)	(66)
Ultimate loss ratio in latest accident year	- 5%	(103)	(81)	81	65
ULAE ratio	+50%	2.7	2.7	(2.7)	(2.2)
ULAE ratio	-50%	(2.7)	(2.7)	2.7	2.2

34.2 Credit risk

Credit risk is the risk that the Company may suffer a financial loss as a result of a counterparty's inability to comply with the specified terms. The Company is exposed to credit risk primarily with respect to insurance and investments. The Company's maximum exposure to credit risk is limited to the book value less allowance for impairment as presented in the statement of financial position. The management manages the risk by adopting appropriate credit control policies and procedures, as follows:

a. Credit risk from underwriting

(1) Risk from reinsurers

The Company considers and selects only reinsurers with a credit rating of A- or higher and monthly monitors for any adjustments to the credit ratings of reinsurance companies.

(2) Risk from premium receivables collection

The Company possesses an efficient process of closely following up its outstanding premiums from the insured, agents and brokers, in addition to requiring agents and brokers to submit collateral for the specified credit limits allowed by the Company.

A credit impairment analysis of claims receivable from litigants is performed at each reporting date. The expected credit loss rates are based on actual claim statistics over the past 10 - 13 years, by classifying debtors into 2 types, namely insurance company litigants and non-insurance litigants. The calculation of expected credit loss reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

b. Credit risk from investments

The Company selects investments based on the credit ratings of the issuers of fixed income securities, assigned by reliable outside credit rating agencies such as TRIS and FITCH. It is the Company's policy to invest in fixed income securities of at least "Investment Grade" quality. All invested fixed income securities are periodically monitored for any adjustment in the debtors' credit rating and relevant information is gathered to review the business potential of the issuers. The Company also regularly monitors and reviews the limits set for investment to ensure adequate investment limits are maintained for individual lines at all times.

An impairment analysis of investments in debt instruments, cash deposits and accrued investment income is performed at each reporting date.The provision of expected credit loss is calculated by using the General Approach by classifying the investments into stages as follows:

Stage 1 Investment grade debt instruments where there has no significant increase in credit risk. The Company recognises allowance for expected credit loss at an amount equal to the expected credit loss in the next 12 months.

Stage 2 Debt instruments where there has significant increase in credit risk but that are not credit impaired such as a downgrade of credit rating. The Company recognises allowance for expected credit loss at an amount equal to the lifetime expected credit loss of the financial assets.

Stage 3 When there is a significant indication of credit impairment, such asfailure to fulfil a contract (overdue principal or interest), borrowers experiencing serious financial problems, the lender relaxing conditions for borrowers and the possibility of borrower bankruptcy, the Company recognises allowance for expected credit loss at an amount equal to the lifetime expected credit loss of the financial assets.

At every reporting date, the Company assesses whether there has been a significant increase in credit risk of financial assets since initial recognition. In the event of a significant change in credit risk, the debt instruments are restaged according to the indications or evidence of the assets being credit-impaired. The calculation of expected credit loss reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The below table showed the maximum exposure to credit risk for financial assets before collateral or any activities that could mitigate credit risk. The maximum exposure to credit risk has carrying amounts that was presented the credit quality of financial assets exposed to credit risk as follows.

(Unit: Baht)

	2022				
	Financial assets where there has no significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Financial assets where applied simplified approach to calculated ECL (Lifetime ECL - simplified approach)	Total
Cash and cash equivalents					
Investment grade	293,496,535	-	-	-	293,496,535
Allowance for expected credit loss	(29,842)	-	-	-	(29,842)
Net book value	293,466,693	-	-	-	293,466,693
Accrued investment income					
Investment grade	6,192,866	-	-	-	6,192,866
Allowance for expected credit loss	(5,502)	-	-	-	(5,502)
Net book value	6,187,364	-	-	-	6,187,364
Available-for-sale investments measured at FVOCI					
Investment grade	1,520,186,644	-	-	-	1,520,186,644
Total fair value	1,520,186,644	-	-	-	1,520,186,644
Allowance for expected credit loss	(626,452)	-	-	-	(626,452)
Held-to-maturity investments measured at amortised cost					
Investment grade	530,001,007	-	-	-	530,001,007
Allowance for expected credit loss	(42,847)	-	-	-	(42,847)
Net book value	529,958,160	-	-	-	529,958,160
Loans and interest receivables					
Not yet due	686,989	-	-	-	686,989
Allowance for expected credit loss	-	-	-	-	-
Net book value	686,989	-	-	-	686,989
Other assets - Claims receivable from litigants					
Overdue	-	-	-	315,876,592	315,876,592
Allowance for expected credit loss	-	-	-	(208,307,055)	(208,307,055)
Net book value	-	-	-	107,569,537	107,569,537
Other assets - Brokers receivables					
Overdue	-	-	-	54,518,261	54,518,261
Allowance for expected credit loss	-	-	-	-	-
Net book value	-	-	-	54,518,261	54,518,261

(Unit: Baht)

	2021				
	Financial assets where there has no significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Financial assets where applied simplified approach to calculated ECL (Lifetime ECL - simplified approach)	Total
Cash and cash equivalents					
Investment grade	301,999,446	-	-	-	301,999,446
Allowance for expected credit loss	(148,120)	-	-	-	(148,120)
Net book value	301,851,326	-	-	-	301,851,326
Accrued investment income					
Investment grade	7,731,264	-	-	-	7,731,264
Allowance for expected credit loss	(14,274)	-	-	-	(14,274)
Net book value	7,716,990	-	-	-	7,716,990
Available-for-sale investments measured at FVOCI					
Investment grade	1,415,615,460	-	-	-	1,415,615,460
Total fair value	1,415,615,460	-	-	-	1,415,615,460
Allowance for expected credit loss	797,209	-	-	-	797,209
Held-to-maturity investments measured at amortised cost					
Investment grade	660,696,993	-	-	-	660,696,993
Allowance for expected credit loss	(159,262)	-	-	-	(159,262)
Net book value	660,537,731	-	-	-	660,537,731
Loans and interest receivables					
Not yet due	386,007	-	-	-	386,007
Allowance for expected credit loss	-	-	-	-	-
Net book value	386,007	-	-	-	386,007
Other assets - Claims receivable from litigants					
Overdue	-	-	-	304,423,945	304,423,945
Allowance for expected credit loss	-	-	-	(202,254,448)	(202,254,448)
Net book value	-	-	-	102,169,497	102,169,497
Other assets - Brokers receivables					
Overdue	-	-	-	58,622,019	58,622,019
Allowance for expected credit loss	-	-	-	-	-
Net book value	-	-	-	58,622,019	58,622,019

The table below shows the movement in the allowance for expected credit loss for the year ended 31 December 2022.

(Unit: Baht)

	2022				
	Financial assets where there has no significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Financial assets where applied simplified approach to calculated ECL (Lifetime ECL - simplified approach)	Total
Cash and cash equivalents					
Beginning balance	148,120	-	-	-	148,120
Change due to remeasurement of allowance for expected credit loss	(118,278)	-	-	-	(118,278)
Ending balance	29,842	-	-	-	29,842
Accrued investment income					
Beginning balance	14,274	-	-	-	14,274
Change due to remeasurement of allowance for expected credit loss	(6,910)	-	-	-	(6,910)
Newly purchased or acquired financial assets	3,268	-	-	-	3,268
Amounts written off	(5,130)	-	-	-	(5,130)
Ending balance	5,502	-	-	-	5,502
Available-for-sale investments measured at FVOCI					
Beginning balance	797,209	-	-	-	797,209
Change due to remeasurement of allowance for expected credit loss	(186,218)	-	-	-	(186,218)
Newly purchased or acquired financial assets	327,014	-	-	-	327,014
Amounts written off	(311,553)	-	-	-	(311,553)
Ending balance	626,452	-	-	-	626,452
Held-to-maturity investments measured at amortised cost					
Beginning balance	159,262	-	-	-	159,262
Change due to remeasurement of allowance for expected credit loss	(89,034)	-	-	-	(89,034)
Newly purchased or acquired financial assets	766	-	-	-	766
Amounts written off	(28,147)	-	-	-	(28,147)
Ending balance	42,847	-	-	-	42,847
Other assets - Claims receivable from litigants					
Beginning balance	-	-	-	202,254,448	202,254,448
Change due to remeasurement of allowance for expected credit loss	-	-	-	12,852,287	12,852,287
Newly purchased or acquired financial assets	-	-	-	64,561,465	64,561,465
Amounts written off	-	-	-	(71,360,645)	(71,360,645)
Ending balance	-	-	-	208,307,555	208,307,555

(Unit: Baht)

	2021				
	Financial assets where there has no significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Financial assets where applied simplified approach to calculated ECL (Lifetime ECL - simplified approach)	Total
Cash and cash equivalents					
Beginning balance	87,235	-	-	-	87,235
Change due to remeasurement of allowance for expected credit loss	60,885	-	-	-	60,885
Ending balance	148,120	-	-		148,120
Accrued investment income					
Beginning balance	5,298	-	-	-	5,298
Change due to remeasurement of allowance for expected credit loss	9,765	-	-	-	9,765
Amounts written off	(789)	-	-	-	(789)
Ending balance	14,274	-	-	-	14,274
Available-for-sale investments measured at FVOCI					
Beginning balance	239,435	-	-	-	239,435
Change due to remeasurement of allowance for expected credit loss	40,012	-	-	-	40,012
Newly purchased or acquired financial assets	719,292	-	-	-	719,292
Amounts written off	(201,530)	-	-	-	(201,530)
Ending balance	797,209	-	-	-	797,209
Held-to-maturity investments measured at amortised cost					
Beginning balance	190,218	-	-	-	190,218
Change due to remeasurement of allowance for expected credit loss	21,414	-	-	-	21,414
Amounts written off	(52,370)	-	-	-	(52,370)
Ending balance	159,262	-	-	-	159,262
Other assets - Claims receivable from litigants					
Beginning balance	-	-	-	198,792,692	198,792,692
Change due to remeasurement of allowance for expected credit loss	-	-	-	15,982,361	15,982,361
Newly purchased or acquired financial assets	-	-	-	55,012,201	55,012,201
Amounts written off	-	-	-	(67,532,806)	(67,532,806)
Ending balance	-	-	-	202,254,448	202,254,448

34.3 Market risk

Market risk is the risk that change in interest rates, foreign exchange rates and securities prices may have an effect on the Company's financial position. The Company had no significant financial instruments denominated in foreign currencies; market risk is therefore confined only to interest rate risk and equity position risk.

The Company manages market risk by diversifying its portfolio and spreading its investment funding to include various lines of investment as well as categories of business in order tominimise fluctuations in the aggregate value of its investments. It closely monitors and regularly assesses factors that may cause fluctuations in the value of investment instruments in order to make appropriate investment transactions in the circumstances. The Company has a policy not to invest in speculative securities that are highly exposed to price fluctuations but to focus on blue-chip securities and securities that generate steady yields. The Company has an investment committee who consider and set investment policies in addition to the Office of Insurance Commission's rules, in order to reduce exposure to investment loss, and also review the structure of the portfolio mix on a regular basis.

a. Interest rate risk

Interest rate risk is the risk that the value of assets or liabilities will fluctuate due to changes in market interest rates.

As at 31 December 2022 and 2021, significant assets and liabilities classified by type of interest rates, 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 as follows:

(Unit: Baht)

	2022						
	Fixed interest rates						
	Maturity date or repricing date						
	Within 1 year	1 -5 years	5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate
							(% per annum)
Financial assets							
Cash and cash equivalents	29,997,710	-	-	263,211,983	257,000	293,466,693	0.10 - 1.80
Accrued investment income	-	-	-	-	6,187,364	6,187,364	-
Investments in securities							
Government and state enterprise securities	703,447,219	79,825,831	-	-	-	783,273,050	0.42 - 1.62
Private debt securities	239,175,439	497,533,213	30,202,642	-	-	766,911,294	0.97 - 5.10
Equity instruments	-	-	-	-	1,078,935,591	1,078,935,591	-
Unit trusts	-	-	-	-	290,919,300	290,919,300	-
Deposits and certificate deposits at financial institutions	499,960,460	-	-	-	-	499,960,460	0.35 - 1.35
Loansand interest receivables	74,805	612,184	-	-	-	686,989	6.50 - 7.00
Other assets - Claims receivable from litigants	-	-	-	-	107,569,537	107,569,537	-
Other assets - Brokers receivables	-	-	-	-	54,518,261	54,518,261	-
Insurance assets				-			
Premium receivables	-	-	-	-	557,809,721	557,809,721	-
Reinsurance assets - claim reserves	-	-	-	-	235,682,956	235,682,956	-
Reinsurance receivables	-	-	-	-	395,973,799	395,973,799	-
Financial liabilities							
Lease liabilities	13,242,599	23,561,576	-	-	-	36,804,175	0.79 - 4.75
Insurance liabilities							
Insurance contract liabilities - claim reserves and outstanding claims	-	-	-	-	1,028,891,922	1,028,891,922	-
Due to reinsurers	-	-	-	-	665,223,974	665,223,974	-

(Unit: Baht)

	2021					
	Fixed interest rates					
	Maturity date or repricing date					
	Within 1 year	1 -5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate
						(% per annum)
Financial assets						
Cash and cash equivalents	-	-	301,594,326	257,000	301,851,326	0.05 - 0.25
Accrued investment income	-	-	-	7,716,990	7,716,990	-
Investments in securities						
Government and state enterprise securities	714,349,144	50,880,834	-	-	765,229,978	0.24 - 0.78
Private debt securities	352,944,284	327,434,151	-	-	680,378,435	0.97 - 5.05
Equity instruments	-	-	-	1,030,256,732	1,030,256,732	-
Unit trusts	-	-	-	300,585,382	300,585,382	-
Deposits and certificate deposits at financial institutions	630,544,778	-	-	-	630,544,778	0.35 - 0.75
Loansand interest receivables	110,112	275,895	-	-	386,007	6.50 - 7.00
Other assets - Claims receivable from litigants	-	-	-	102,169,497	102,169,497	-
Other assets - Brokers receivables	-	-	-	58,622,019	58,622,019	-
Insurance assets						
Premium receivables	-	-	-	511,712,858	511,712,858	-
Reinsurance assets - claim reserves	-	-	-	335,932,257	335,932,257	-
Reinsurance receivables	-	-	-	504,266,249	504,266,249	-
Financial liabilities						
Lease liabilities	14,053,495	27,543,851	-	-	41,597,346	0.79 - 6.64
Insurance liabilities						
Insurance contract liabilities - claim reserves and outstanding claims	-	-	-	1,019,959,239	1,019,959,239	-
Due to reinsurers	-	-	-	839,315,814	839,315,814	-

Interest rate sensitivity

The following table demonstrates the sensitivity of the Company's equity to a reasonably possible change in interest rates which will effect to the fair value of debt instruments as at 31 December 2022.

	2022		2021	
	Increase (decrease)	Effect on equity	Increase (decrease)	Effect on equity
	(%)	(Million Baht)	(%)	(Million Baht)
Available-for-sale investments - Debt instruments	1.0	(15.1)	1.0	(11.2)
Available-for-sale investments - Debt instruments	(1.0)	16.0	(1.0)	11.7

The above analysis has been prepared assuming that the amounts of debt instruments and all other variables remain constant. As a result, a change in interest rates affects fair value of investments in debt instruments.

b. Equity position risk

Equity position risk is the risk that change in the market prices of equity securitieswill result in fluctuations in revenues and in the value of assets.

As at 31 December 2022 and 2021, the Company has risk from its investments in securities of which the price will change with reference to market conditions.

34.4 Liquidity risk

Liquidity risk is the risk that the Company will be unable to liquidate its assets and/or procure sufficient funds to discharge its obligations in a timely manner, resulting in the occurrence of a financial loss.

The Company policies of management of liquidity risk are as follows:

a. The Company invests in securities that are liquid, such as government sector securities or private sector securities with a low credit risk. It also spreads its investment funding and balances the portfolio, taking into account time horizons and fund needs to pay and meet obligations, management of accounts receivable and accounts payable, the period to maturity of assets and changes in the value of assets, given that, the maturity structure of assets and liabilities is in the appropriate level both volume and period, and correspond to external and internal circumstances surrounding the Company.

b. Adequate shareholders' equity is maintained to cover liabilities and to manage exposure to business and operation risks. Other funding sources with high liquidity should also be secured as contingency plan.

c. Responsibilities and lines of reporting to those who manage liquidity risk are clearly defined and a reporting system has been established to generate an early warning report for executives on transactions that do not conform to the Company's policy and to promptly, timely and accurately report warning signs of key risk indicators.

Counting from the financial position date, the periods to maturity of assets and liabilities held as at 31 December 2022 and 2021 are as follows:

(Unit:Baht)

	2022					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	263,468,983	29,997,710	-	-	-	293,466,693
Accrued investment income	-	6,187,364	-	-	-	6,187,364
Investments in securities	1,050,663,063	1,442,583,118	577,359,044	30,202,642	319,191,828	3,419,999,695
Loans and interest receivables	-	74,805	612,184	-	-	686,989
Other assets - Claims receivable from litigants	-	107,569,537	-	-	-	107,569,537
Other assets - Brokers receivables	-	54,518,261	-	-	-	54,518,261
Insurance assets						
Premium receivables	-	557,809,721	-	-	-	557,809,721
Reinsurance assets - claim reserves	-	205,046,310	28,663,573	1,973,073	-	235,682,956
Reinsurance receivables	-	395,973,799	-	-	-	395,973,799
Financial liabilities						
Lease liabilities	-	13,242,599	25,861,309	-	-	39,103,908
Insurance liabilities						
Insurance contract liabilities - claim reserves and outstanding claims	-	871,146,343	152,530,569	5,215,011	-	1,028,891,923
Due to reinsurers	-	665,223,974	-	-	-	665,223,974

(Unit:Baht)

	2021					
	At call	Within 1 year	1 - 5 years	Over 5 years	Unspecified	Total
Financial assets						
Cash and cash equivalents	301,851,326	-	-	-	-	301,851,326
Accrued investment income	-	7,716,990	-	-	-	7,716,990
Investments in securities	1,003,191,854	1,727,831,158	348,322,033	-	327,650,261	3,406,995,306
Loans and interest receivables	-	110,112	275,895	-	-	386,007
Other assets - Claims receivable from litigants	-	102,169,497	-	-	-	102,169,497
Other assets - Brokers receivables	-	58,622,019	-	-	-	58,622,019
Insurance assets						
Premium receivables	-	511,712,858	-	-	-	511,712,858
Reinsurance assets - claim reserves	-	293,351,482	41,532,565	1,048,209	-	335,932,257
Reinsurance receivables	-	504,266,249	-	-	-	504,266,249
Financial liabilities						
Lease liabilities	-	14,449,539	30,541,153	-	-	44,990,692
Insurance liabilities						
Insurance contract liabilities - claim reserves and outstanding claims	-	862,123,259	150,260,888	7,575,092	-	1,019,959,239
Due to reinsurers		839,315,814	-	-	-	839,315,814

35. Fair value measurement for financial assets

As at 31 December 2022 and 2021, the Company had the following financial assets and financial liabilities that were measured at fair value or were measured at cost but has to disclose fair value, using different levels of inputs as follows:

(Unit: Baht)

	2022				
	Fair value				
	Level 1	Level 2	Level 3	Total	Carrying value
Financial assets measured at fair value					
Trading investments which are measured at FVPL					
Equity instruments	442,008,200	-	-	442,008,200	442,008,200
Unit trusts	92,881,840	-	-	92,881,840	92,881,840
Available-for-sale investments measured at FVOCI					
Government and state enterprise securities	-	753,275,350	-	753,275,350	753,275,350
Private debt securities	-	766,911,294	-	766,911,294	766,911,294
Equity instruments	317,735,563	-	319,191,828	636,927,391	636,927,391
Unit trusts	151,746,371	46,291,089	-	198,037,460	198,037,460
Financial asset for which fair value are disclosed					
Cash and cash equivalents	293,466,693	-	-	293,466,693	293,466,693
Accrued investment income	6,187,364	-	-	6,187,364	6,187,364
Held-to-maturity investments measured amortise cost					
Government and state enterprise securities	-	30,316,393	-	30,316,393	29,997,700
Deposits and certificate of deposits at financial institutions which are matured over 3 months	499,960,460	-	-	499,960,460	499,960,460
Loans and interest receivables	686,989	-	-	686,989	686,989

(Unit: Baht)

	2021				
	Fair value				
	Level 1	Level 2	Level 3	Total	Carrying value
Financial assets measured at fair value					
Trading investments which are measured at FVPL					
Equity instruments	456,546,387	-	-	456,546,387	456,546,387
Unit trusts	90,999,100	-	-	90,999,100	90,999,100
Available-for-sale investments measured at FVOCI					
Government and state enterprise securities	-	735,237,025	-	735,237,025	735,237,025
Private debt securities	-	680,378,435	-	680,378,435	680,378,435
Equity instruments	246,060,084	-	327,650,261	573,710,345	573,710,345
Unit trusts	160,912,587	48,673,696	-	209,586,282	209,586,282
Financial asset for which fair value are disclosed					
Cash and cash equivalents	301,851,326	-	-	301,851,326	301,851,326
Accrued investment income	7,716,990	-	-	7,716,990	7,716,990
Held-to-maturity investments measured amortise cost					
Government and state enterprise securities	-	30,435,612	-	30,435,612	29,992,953
Deposits and certificate of deposits at financial institutions which are matured over 3 months	630,544,778	-	-	630,544,778	630,544,778
Loans and interest receivables	386,007	-	-	386,007	386,007

The fair value hierarchy of financial assets and financial liabilities as at 31 December 2022 and 2021 presents according to Note 4.20 to financial statements.

The method used for fair value measurement depends upon the characteristics of the financial assets and financial liabilities. The Company establishes the fair value of its financial assets and financial liabilities by adopting the following methods and assumptions.

(a) Financial assets maturing in the short-term, which consist of cash and cash equivalents, deposit at financial institutions, accrued investment income and other assets, their fair value is estimated based on the carrying amount presented in the statements of financial position.

(b) The fair value of investments in debt instruments is generally derived from quoted market prices or determined by using the yield curve as announced by the Thai Bond Market Association.

(c) Investments in marketable equity instruments have been presented at fair value by using market price. Investments in non-listed equity instruments are determined using generally accepted pricing model or approximated to their net book values if the fair value cannot be reliably estimated.

(d) Investments in marketable unit trusts have been presented at fair value by using market price. Investments in non-listed unit trusts are determined by using the net asset value as announced by asset management company.

(e) The fair value of fixed rate loans is determined by discounting the expected future cash flows by using the current market interest rate.

(f) Fair values of lease liabilities were approximated to their carrying value due to interest rate carrying an approximate market rate.

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: Baht)

	Financial statements in which the equity method is appliedand Separate financial statements
Balance as of 1 January 2022	327,650,261
Net loss recognised into other comprehensive income	(8,458,433)
Balance as of 31 December 2022	319,191,828

Key assumptions used to measure the fair value of investments, categorised within Level 3 that there has been a significant change in fair value are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Rates	Sensitivity of the input to fair value
Investments in Vegetable oil producer industry				
Non-listed equity investments	Price per book value approach	Average price per book ratio	1.66%	1% increase (decrease) in the rate would result in an increase (decrease) in fair value by Baht 1.5 million.
		Discount for lack of marketability	20.00%	1% increase (decrease) in the discount would result in a decrease (increase) in fair value by Baht 1.5 million.
Investments in Insurance business				
Non-listed equity investments	Price per book value approach	Average price per book ratio	1.30%	1% increase (decrease) in the rate would result in an increase (decrease) in fair value by Baht 0.9 million.
		Discount for lack of marketability	20.00%	1% increase (decrease) in the discount would result in a decrease (increase) in fair value by Baht 0.9 million.
	Discounted future cashflow	Discount rate	9.50%	1% decrease in the discount rate would result in an increase in fair value by Baht 1.3 million and 1% increase in the discount rate would result in a decrease in fair value by Baht 1.2 million.

36. Capital management

The primary objectives of the Company's capital management is to ensure that it preserves ability to continue its business as a going concern and to maintain capital reserve in accordance with Notifications of the OIC.

37. Event after reporting period

On 20 February 2023, a meeting of the Board of Directors passed the following resolutions to propose to the Annual General Meeting of shareholders:

1. Approve an increase of the Company's registered capital from Baht 360 million to be Baht 370 million to be divided into 37 million shares with the par value at 10 Baht per share, by newly issue the ordinary shares in amount of 1 million shares with the par value at 10 Baht to support the stock dividend payment.

2. Approve the allocation of profits for cash dividend and stock dividend payment approximately Baht 46 million, as follows:

    2.1 Cash dividend will be paid at the rate of Baht 1 per share for the 36 million existing shares, totaling Baht 36 million.

    2.2 Stock dividend will be paid at the ratio of 36 existing shares per 1 stock dividend, totaling of the stock dividend payment at 1 million shares, at par value Baht 10, totaling Baht 10 million or equivalent to Baht 0.28 per share. In case that any shareholders hold the indivisible share remaining after such allocated, cash will be paid instead of the stock dividend at the rate of Baht 0.28 per share.

    2.3 Approve to allocate indivisible share remaining after such allocated the stock dividend to the registered Navakij Insurance Provident Fund.

38. Approval offinancial statements

These financial statements were authorised for issue by the Company's Board of Directors on 20 February 2023.

SECTION 4

CERTIFICATION OF THE ACCURACY OF THE INFOMATION 228

ATTACHMENT 229

Certification of the accuracy of the information

The Company has examined the information contained in this annual registration statement and hereby certify that the information contained herein is neither false nor misleading nor missing any material information. The Company further certify that:

1. The financial statements and financial summary in this registration statement present fairly, in all material respects, the financial position, the results of the operations and cash flows of the Company and subsidiary companies.

2. The Company provides good information disclosure systems to ensure that the Company has accurately disclosed all the Company's and subsidiary companies' material information and that all the procedures of the said systems were followed properly.

3. The Company provides reliable internal control system and ensures that the Company has comprehensively complied with the said system. Moreover, the Company has reported the internal control assessment as of 23 January 2023 to the auditor and the Audit Committee. The information presented includes errors and significant changes, if any, of the internal control systems as well as any misconduct which might gave an effect on the preparation of the Company's and subsidiary companies' financial statements.

In order to ensure the authenticity and the wholeness of the said documents, the Company authorizes Mr. Pitiphong Bisalputra to sign every page of each document. If any document does not contain the signature of Mr. Pitiphong Bisalputra, the Company will deem that such documents is not the document that the Company certified.

	Name	Position	Signature
1.	Mr. Suchin Wanglee	Director	*- Suchin Wanglee -*
2.	Ms. Charuwan Chabchamrun	Director	*- Charuwan Chabchamrun -*

Authorized signatory	Name	Position	Signature
Mr. Pitiphong	Bisalputra	Chief Executive Officer and President	*- Pitiphong Bisalputra -*

Attachment 1

Details of the Directors

Name Position / Date of Appointment	Age (year)	Highest Education Degree / Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Mr. Suchin Wanglee	87	- Bachelor of Engineering, Electronics	13.56	Father of	2001-Present	Chairman of the Board	The Navakij Insurance Plc.
- Chairman of the Board		Northrop Institute of Technology, USA		- Dr. Saran Wanglee	1993-Present	Director	The Navakij Insurance Plc.
- Director				Son of Uncle	Other Listed Company (4)		
- Advisor to Investment Committee		Director and Executive Training Program		- Mr. Thamnu Wanglee	2013-Present	Audit Committee	Sermsuk Plc.
- Advisor to the Executive Board		- Directors Accreditation Program (DAP 105/2013)		- Mr. Vuttichai Wanglee	2012-Present	Chiarman of the Remuneration Committee	Sermsuk Plc.
		- Role of the Chairman Program (RCP 4/2001)		Younger Uncle of	2011-Present	Vice Chairman	Sermsuk Plc.
Date of Appointment: 29 April 1993		Thai Institute of Directors Association		- Mr. Pitiphong Bisalputra	2010-Present	Independent Director	Sermsuk Plc.
Latest re-election: 25 June 2020		- Thailand Insurance Leadership Program,		Older uncle of	2021-Present	Chiarman of the Nomination and	BTS Group Holding Plc.
		class 2/2012		- Ms. Jittinan Wanglee		Remuneration Committee	
		OIC Advcanced Insurance Institute		Younger Uncle of	2010-Present	Director/ Member of the Audit Committee	BTS Group Holding Plc.
		- Top Executive Program in Urban Green Bangkok		- Mr. Anak Wanglee		Member of the Nomination and	
		Development		- Mr. Anin Wanglee		Remuneration Committee	
		Urban Green Development Institute			2018-Present	Chairman	Thai Metal Drums MFG. Plc.
		- Top Executive Program in Commerce and Trade			1989-Present	Director	Thai Metal Drums MFG. Plc.
		(TEPCOT)			2016-Present	Member of the Investment Committee	Thaire Life Assurance Plc.
		Commerce Academy			1999-Present	Chairman	Thaire Life Assurance Plc.
		- Capital Market Academy Program (Class 9/2009)			1994-2019	Director	Varopakorn Plc.
		Capital Market Academy			1978-2016	Director/ Chairman	Thai Reinsurance Plc.
		- Executive Course, Harvard University, USA			Other Business (11)		
					2017-Present	Director	Pipatanasin Co., Ltd.
					2017-Present	Director/ Chairman	C.E.S. Co., Ltd.
					2017-Present	Director	Poon Phol Co., Ltd.
					2014-Present	Advisor to Chairman of the Board	The Falcon Insurance Plc.
					2007-Present	Director	Aqua Infinite Co., Ltd.
					2006-Present	Director	Wanglee Pattana Co., Ltd.
					2005-Present	Director	Rajdamri Hotel Plc.
					1991-Present	Chairman	Rangsit Plaza Co., Ltd.
					2022-Present	Chairman	The Pet Co., Ltd.
					1988-Present	Director	The Pet Co., Ltd.
					1982-Present	Chairman	Sathorn Thani Co., Ltd.
					1968-Present	Director	Wanglee Co., Ltd.

Name Position / Date of Appointment	Age (year)	Highest Education Degree / Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Mr. Suchin Wanglee (Cont'd)					2008-2019	Director/ Chairman	T.I.I. Co., Ltd.
					1990-2017	Director	Nuchapon Co., Ltd.
Mr. Pitiphong Bisalputra - Director - Chairman of Investment Committee - Chairman of the Executive Board - Member of Risk Management Committee - Chief Executive Officer and Presiddnt (Executive Director) Date of appointment: 25 April 2002 Latest re-election: 25 June 2020	59	- Master of Business Administration University of Hartford, USA Director and Executive Training Program - Successful Formulation and Execution of Strategy (SFE 3/2009) - Director Certification Program (DAP 5/2003) Thai Institute of Directors Association - Advanced Diploma in Security Management Program (3/2011) - The National Defence Course Class 57 Association of National Defence College of Thailand Under The Royal Patronage of His Majesty The King - Bsiness Revolution and Innovation Network (BRAIN) (Class 5) The Federation of Thai Industires	0.47	Son of Older Sister - Mr. Suchin Wanglee Son of Aunt - Ms. Jittinan Wanglee - Dr. Saran Wanglee - Mr. Anak Wanglee - Mr. Anin Wanglee	2014-Present	Chairman of the Investment Committee	The Navakij Insurance Plc.
					2014-Present	Chairman of the Executive Board	The Navakij Insurance Plc.
					2014-Present	Chief Executive Officer	The Navakij Insurance Plc.
					2008-Present	President	The Navakij Insurance Plc.
					2007-Present	Member of the Risk Management Committee	The Navakij Insurance Plc.
					2002-Present	Director	The Navakij Insurance Plc.
					Other Listed Company (2)		
					2019-Present	Director	Varopakorn Plc.
					2018-Present	Director/ Member of the Audit Committee/ Member of the Nomination Committee	Thai Metal Drum Plc.
					Other Business (13)		
					2017-Present	Director	TKI General Insurance Co., Ltd. (Lao P.D.R.)
					2017-Present	Director	Thai Insurers Datanet Co., Ltd.
					2010-Present	Director	Thai General Insurance Association
					2007-Present	Director	Thanapisal Co., Ltd.
					1997-Present	Director	Praphai and Sons Co., Ltd.
					1993-Present	Director	Rangsit Ruampatana Co., Ltd.
					1990-Present	Director	Thanasarn Sombat (Thai) Co., Ltd.
					1987-Present	Director	Thamrongsup Co., Ltd.
						Director	Thana Nondzee Co., Ltd.
						Director	Dhanarat Co., Ltd.
						Director	Ban Ayothaya Co., Ltd.
						Director	Aqua Flow Co., Ltd
						Director	Thailand Insurance Institute
					1987-2017	Director	Aqua Master Solution Co., Ltd.
Professor Hiran Radeesri - Independent Director - Chairman of the Audit Committee	94	- Master of Business Administration The Wharton School of Finance, University of Pennsylvania, USA	None	None	1999-2022	Director Chairman of the Audit Committee	The Navakij Insurance Plc.
					Other Listed Company (None)		
					1999-2020	Chairman of the Audit Committee	Dusit Thani Plc.
					2001-2018	Chairman of the Audit Committee	Thai Com Plc.

Name Position / Date of Appointment	Age (year)	Highest Education Degree / Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Professor Hiran Radeesri (Cont'd) Date of appointment: 24 August 1999 Latest Re-election: 25 April 2019 Date of retirement: 26 April 2022		Director and Executive Training Program - Successful Formulation and Execution of Strategy (SFE 3/2009) - Excellent Board Decision - Director Certification Program (DCP 0/2000) Thai Institute of Directors Association - Capital Market Academy Program (Class 5) Capital Market Academy - Corporate Director Education Program Yale School of Management, USA - Public Enterprise Policy and Management Harvard University, USA - Infrastructure Project Planning and Evaluation Bradford University, England			Other Business (3)		
					2009-Present 1999-Present 2002-2017	Honorary Chairman Director Expert on Corporate Governance & Social Responsibility	Thai Institute of Directors Association Aueradee Co., Ltd. The Stock Exchange of Thailand
Gen. Montree Sungkasap - Independent Director - Chairman of the Remuneration Nomination and Sustainable Development Committee - Member of the Audit Committee Date of appointment: 26 April 2022	74	- Master of Arts (Military) Command and General Staff College Director and Executive Training Program - Board Nomination and Compensation Program (BNCP 2021) - Director Certification Program (DCP 2018) - Advance Audit Committee Program (AACP 2018) - The Role of Chairman Program (RCP 2007) Thai Institute of Directors Association	None	None	2022-Present	Director Chairman of the Remuneration Nomination and Sustainable Development Committee Member of the Audit Committee	The Navakij Insurance Plc. The Navakij Insurance Plc. The Navakij Insurance Plc.
					Other Listed Company (1)		
					2018-Present 2018-2022	Independent Director/ Chairman of the Audit Committee and the Remuneration and Nomination Committee Independent Director/ Chairman/ Chairman of the Risk Management Committee	Starflex Plc. NFC Plc.
					Other Business (2)		
					2011-Present 2010-Present	Advisor to the Board/ Member of the National Broadcasting and Telecommunication Commission Advisor to the Chairman of the Board	Offie of the National Broadcasting and Telecommunications Commission (NBTC) SC Group Co.,Ltd.
Mr. Kiet Srichomkwan - Independent Director - Chairman of the Audit Committee	86	- Bachelor of Business Administration Western New Mexico University, USA	0.12	None	2022-Present 1999-Present 2019-2022	Chairman of the Audit Committee Director Chairman of the Remuneration Nomination and Corporate Governance Committee	The Navakij Insurance Plc. The Navakij Insurance Plc. The Navakij Insurance Plc.

Name Position / Date of Appointment	Age (year)	Highest Education Degree / Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Mr. Kiet Srichomkwan (Cont'd) Date of appointment: 23 November 1999 Latest re-election: 25 June 2020		Director and Executive Training Program - Director Certification Program Update (DCPU 5/2015) - Role of the Chairman Program (27/2011) - Role of Nomination and Governance Committee (RNG 3/2012) - Monitoring the System of Internal Control and Risk Management (MIR 9/2010) - Monitoring Fraud Risk Management (MFM 2/2010) - Monitoring the Internal Audit Function (MIA 7/2010) - Monitoring the Quality of Financial Reporting (MFR 9/2009) - Improving the Quality of Financial Reporting (QFR 4/2006) - Audit Committee Program (ACP 2/2004) - Finance for Non-Finance Director (FND 7/2003) - Director Accreditation Program (DAP 4/2003) - Director Certification Program (DCP 18/2002) Thai Institute of Directors Association - Top Executive Program in Commerce and Trade Commerce Academy (2/2009)			2012-2019 1999-2022 Other Listed Company (1) 2016-Present Other Business (8) 2003-Present 2002-Present 1995-Present 1990-Present 1988-Present 1988-Present 1987-Present 1977-Present	Member of the Remuneration Nomination and Corporate Governance Committee Member of the Audit Committee Director/ Member of the Audit Committee Chairman Chairman Director Director Director Director Director Chairman	The Navakij Insurance Plc. The Navakij Insurance Plc. VGI Global Media Plc. Alinkij Siam Co., Ltd. Toyota Petchaboon Toyota's Dealer Co., Ltd. Pen Sook Co., Ltd. Suan Petchaboon Co., Ltd. Din Prasit Co,. Ltd. Thai Petchaboon Co., Ltd. Suansilver Beach Co., Ltd. Benja Rungrueng Co., Ltd.
Mr. Nipol T.Jeerawong - Director - Advisor to Chairman of the Board - Chairman of the Risk Management Committee - Member of the Remuneration Nomination and Sustainable Development Committee - Member of the Investment Committee Date of appointment: 29 April 1992 Latest Re-election: 25 April 2022	72	- Bachelor Degree in Statistics/ Mini MBA Thammasat University Director and Executive Training Program - Director Certification Program Update (DCPU 5/2015) - Board Matters and Trend (BMT 2017) - Director Certification Program Refresher Course (RE DCP 1/2008) - Director Certification Program (DCP 18/2002) Thai Institute of Directors Association	0.27	None	2019-Present 2015-Present 2014-Present 2009-Present 1992-Present 2007-2014 2007-2014 1997-2007	Member of the Remuneration Nomination and Sustainable Development Committee Member of the Investment Committee Advisor to Chairman of the Board Chairman of the Risk Management Committee Director Chairman of the Investment Committee Chairman of the Executive Board President	The Navakij Insurance Plc. The Navakij Insurance Plc. The Navakij Insurance Plc. The Navakij Insurance Plc. The Navakij Insurance Plc. The Navakij Insurance Plc. The Navakij Insurance Plc. The Navakij Insurance Plc.

Name Position / Date of Appointment	Age (year)	Highest Education Degree / Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Mr. Nipol T.Jeerawong (Cont'd)		- The Executive Program in Energy Literacy for a Sustainable Future (Class 14) Thailand Energy Academy - Capital Market Academy Program (Class 13) Capital Market Academy - National Defence College, The State, Private Sector and Political Sector Course (Class 3) The Association of National Defence College of Thailand Under The Royal Patronage of His Majesty The King - Senior Executive Management Program (SEP-10) Sasin Graduate Institute of Business Administration, Chulalongkorn University - Insurance Management Scandia Management Program, Sweden - General and Advance Insurance Management Swiss Insurance Training Center, Switzerland			Other Listed Company (None)		
					2017-2018	Advisor to the Board of Directors Advisor to the Investment Committee Advisor to the Remuneration Committee	Eastern Water Resources Development and Management Plc.
					2016-2017	Director	Eastern Water Resources Development and Management Plc.
					Other Business (2)		
					2016-Present	Director	Faculty of Liberal of Arts, Thammasat University
					2018-Present	Independent Director	Ornsirin Co.,Ltd.
Mrs. Wanida Chansikarin - Independent Director - Member of the Audit Committee Date of Appointment: 18 December 2019 Latest Re-election: 27 April 2021	62	- Bachelor Degree in Accounting Rajamangala University of Technology - Bachelor Degree in Finance Sukhothai Thammathirat Open University - Diploma in Auditing Thammasat University Director and Executive Training Program - Audit Committee Program (ACP) - Director Accreditation Program (DAP) Thai Institute of Directors Association - Duties and responsibilities of BOD for world trend Changing - Corporate Governance Program for Insurance Companies Thai Institute of Directors Association and Office of Insurance Commission	0.01	None	2019-Present	Director/ Member of the Audit Committee	The Navakij Insurance Plc.
					Other Listed Company (1)		
					2018-Present	Chairman of the Audit Committee	Thai Metal Drums Plc.
					1999-2017	Member of the Audit Committee	Thai Metal Drums Plc.
					Other Business (7)		
					2018-Present	Director	STMS Agency Co., Ltd.
					2018-Present	Manager of Finance	STMS Co., Ltd.
					2007-Present	Director	Aqua Infinite Co., Ltd.
					2007-Present	Director	Aqua Flow Co., Ltd
					2004-Present	Director	STMS Co., Ltd.
					1998-Present	Director	Sathorn Nakorn Tower Co., Ltd.
					1995-Present	Director	Sinn Sathorn Co., Ltd.
					1991-Present	Director	Sathorn Thani Co., Ltd.
					1987-Present	Manager of Accounting	Sathorn Thani Co., Ltd.

Name Position / Date of Appointment	Age (year)	Highest Education Degree / Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Mrs. Wanida Chansikarin (Cont'd)		- Easy listening : Accounting for AC The Securities and Exchange Commission, Thailand					
Mrs. Phornpun Phornprapha - Independent Director - Member of the Remuneration Nomination and Sustainable Development Committee Date of appointment: 22 February 2022 Latest re-election: 26 April 2022	70	- Diploma of Fine Art Marymount College, U.S.A. Director and Executive Training Program None	None	None	2022-Present	Director/Member of the Remuneration Nomination and Sustainable Development Committee	The Navakij Insurance Plc.
					Other Listed Company (None)		
					Other Business (9)		
					N/A	Assistant to Managing Director	Siam Motor Co.,Ltd
					N/A	Managing Director	Thaworn Holdings Co.,Ltd
					N/A	Director	Bangkok Motor Works Co.,Ltd
					N/A	Director	Siam International Corp.Ltd.
					N/A	Director	Thongthavorn Patthana Co.,Ltd.
					N/A	Director	Siam Auto Parts Co.,Ltd.
					N/A	Director	Thaworn Estate Co.,Ltd
					N/A	Director	Siam Country Club Co.,Ltd.
					N/A	Managing Director	Siampile Co.,Ltd.
Mr. Chan Soo Lee - Independent Director Date of appointment: 29 April 2003 Latest re-election: 27 April 2021	63	- Bachelor of Engineering, Electronic & Computer National University of Singapore, Singapore Director and Executive Training Program - Director Accreditation Program (DAP 101/2013) Thai Institute of Directors Association	0.99	None	2003-Present	Director	The Navakij Insurance Plc.
					Other Listed Company (None)		
					Other Business (5)		
					2017-Present	Director	Sino Port Co., Ltd.
					2012-Present	Managing Director	Alpharia Pte. Ltd.
					2004-Present	Managing Director	TGLD Holdings Pte. Ltd.
					1995-Present	Director	Wanglee Co., Ltd.
					1993-Present	Managing Director	Tan Guan Lee Co., Ltd.
Mr. Thamnu Wanglee - Director Date of appoinment: 29 April 1992 Latest re-election: 26 April 2022	86	- Diploma E.M.I. Electronic College, London, UK Director and Executive Training Program - Director Accreditation Program (DAP 51/2006) Thai Institute of Directors Association	1.33	Son of Younger Uncle - Mr. Suchin Wanglee - Mr. Vuttichai Wanglee	1992-Present	Director	The Navakij Insurance Plc.
					Other Listed Company (None)		
					Other Business (3)		
					N/A	Chairman	Thanatip Co., Ltd.
					N/A	Director	Plapat Co., Ltd.
					N/A	Director	Wanglee Co., Ltd.
Mr. Vuttichai Wanglee - Director	82	- Bachelor of Industrial Engineering Boston University, USA	1.78	Son of Younger Uncle - Mr. Suchin Wanglee	1992-Present	Director	Tha Navakij Insurance Plc.
					Other Listed Company (None)		

Name Position / Date of Appointment	Age (year)	Highest Education Degree / Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Mr. Vuttichai Wanglee (Cont'd)		Director and Executive Training Program		Son of Older Uncle	**Other Business (5)**		
		- Director Accreditation Program (DAP 93/2011)		- Mr. Thamnu Wanglee	2008-Present	Director	Chao Phaya Resort Ltd.
Date of appointment: 29 April 1992		Thai Institute of Directors Association			1988-Present	Managing Director/ Director	Chaitip Co., Ltd.
Latest re-election: 24 April 2021					1969-Present	Managing Director/ Director	Wanglee Co., Ltd.
						Managing Director/ Director	Barn Sathorn Nua Co., Ltd.
						Managing Director/ Director	Wanglee Pattana Co.,Ltd.
Ms. Jittinan Wanglee	51	- Master of Business Administration	0.68	Son of Younger Brother	2003-Present	Director	The Navakij Insurance Plc.
- Director		Babson College, USA		- Mr. Suchin Wanglee	**Other Listed Company (None)**		
				Son of Younger Uncle	**Other Business (9)**		
Date of appointment: 29 April 2003		Director and Executive Training Program		- Mr. Pitiphong Bisalputra	2019-Present	Co-MD, Business Group	Rangsit Plaza Co., Ltd.
Latest re-election: 27 April 2021		- Director Accreditation Program (DAP 63/2007)		Son of Younger Uncle	2011-Present	Executive Vice President	Rangsit Plaza Co., Ltd.
		Thai Institute of Directors Association		- Dr. Saran Wanglee		Business Development & Marketing	
				Son of Uncle	2017-Present	Director	Sino Port Co., Ltd.
				- Mr. Anak Wanglee	2014-Present	Director	Pipatanasin Co., Ltd.
				- Mr. Anin Wanglee	2014-Present	Director	Poon phiphat Co., Ltd.
					2010-Present	Director	Shopping Center Services Co., Ltd.
					2010-Present	Director	Jittipat Co., Ltd.
					2009-Present	Director	Thana Nondzee Co., Ltd.
					2009-Present	Director	Somruedee Co., Ltd
					2006-Present	Director	Rangsit Plaza Co., Ltd.
					2005-Present	Director	Rangsit IT Co., Ltd.
Dr. Saran Wanglee	42	- Doctor of Philosophy in Business Administration,	0.55	Son of	2019-Present	Director/ Executive Vice President	The Navakij Insurance Plc.
- Director		Sasin Graduate Institute of Businsess		Son of Younger Uncle	2015-Present	Vice President of Busness Development	The Navakij Insurance Plc.
- Member of the Executive Board		Administration, Chulalongkorn Univiersity			2016-2019	Assistant President	The Navakij Insurance Plc.
- Execuive Vice President				- Mr. Pitiphong Bisalputra	**Other Listed Company (None)**		
- Channel Managemnet				Daughter of Older Uncle	**Other Business (13)**		
- Salesforce Managemnet		Director and Executive Training Program		- Ms. Jittinan Wanglee	2020-Present	Director	Rangsit Plaza Co., Ltd.
- Operational Support		- Director Accreditation Program (DAP 168)		Son of Younger Uncle	2017-Present	Director	TKI General Insurance Co., Ltd.
- Business Development		- Financial Statements for Directors (FSD 28)		- Mr. Anak Wanglee			(Lao PDR.)
- Corporate Identity and Communications		Thai Institute of Directors Association		- Mr. Anin Wanglee	2017-Present	Director	Sino Port Co., Ltd.
(Executive Director)		- Top Executive Program in Commerce and Trade			2017-Present	Director	Sitthinan Co., Ltd.
		(TEPCOT), Class 13, Commerce Academy			2015-Present	Director	The Navasakol Co., Ltd
					2015-Present	Director	Thanasarn Sombat (Thai) Co., Ltd.

Name Position / Date of Appointment	Age (year)	Highest Education Degree / Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Dr. Saran Wanglee (Cont'd)		- Ultra Wealth Group, Class 3 Independent Organization			2014-Present	Director	Nice Neighbourhood Cotporation Co., Ltd.
Date of appointment: 18 December 2019		- Thailand Insurance Leadership Program			2011-Present	Director	Lake Ratchada Co., Ltd.
Latest re-election: 25 June 2020		OIC Advanced Insurance Institute			2011-Present	Director	Agro Polipack Co., Ltd.
		- Wealth Enhancement Program (WEP)			2008-Present	Director	Madame Pia Co., Ltd.
		Tisco Bank Plc.			2008-Present	Director	Aqua Flow Co., Ltd
		- Intermediate Certificate Course of Young			2007-Present	Director	Aqua Infinite Co., Ltd.
		Leadership in Democratic Governance			2014-2019	Director	The Falcon Insurance Plc.
		King Prajadhipok's Institute					
Ms. Charuwan Chabchamrun	53	- Bachelor of Arts	None	None	2015-Present	Director	The Navakij Insurance Plc.
- Director		Chulalongkorn University			2022-Present	Senior Vice President	The Navakij Insurance Plc.
- Company Secretary					2014-Present	Company Secretary	The Navakij Insurance Plc.
(Executive Director)		Director and Executive Training Program			2014-Present	Vice President of Office of President	The Navakij Insurance Plc.
		- Board Matters & Trends (BMT 6/2018)			2014-Present	Vice President of Office of Compliance	The Navakij Insurance Plc.
Date of appointment: 26 February 2015		- Company Secretary Program (CSP 56/2014)			Other Listed Company (None)		
Latest re-election: 26 April 2022		- Director Accreditation Program (DAP 2014)			Other Business (None)		
		Thai Institute of Directors Association					
		- Preliminary to Corporate Sustainability					
		- Sustainability Commitment					
		- Value Chain and Stakeholder Analysis					
		- Materiality and Sustainable Risk Analysis					
		- Sustainability Disclosure					
		The Stock Exchange of Thailand					

Details of Executives (as defined according to SEC)

Name Position / Date of Appointment	Age (Year)	Highest Education Degree/ Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Ms. Anukul Thitikulrat	61	- Master of Business Administration	None	None	2009-Present	Member of the Risk Management Committee	The Navakij Insurance Plc.
- Advisor to Chairman of the Board		Chulalongkorn University			2013-2022	Chief Financial Officer	The Navakij Insurance Plc.
and Finance Department		- Bachelor of Business Administration			2013-2022	Executive Vice President	The Navakij Insurance Plc.
- Member of the Risk Management Committee		Thammasat University			2010-2022	Member of the Executive Board	The Navakij Insurance Plc.
					Other Listed Company (None)		
Commence in: Year 2002					Other Business (None)		

Name Position / Date of Appointment	Age (year)	Highest Education Degree / Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Ms. Anukul Thitikulrat (Cont'd)		Director and Executive Training Program - Related party transaction an impairmen Impairmen Issues - Transfer Pricing - Automation & RPA (Robot Process Automation) for Accounting - How important are intangible assets impairment - Supervisory review quarterly financial reports - Restructuring Business for Growth - Introduction to Sustainable Finance - ESG Bonds in Corporate Financing Thai Listed Companies Association - Thai Financial Reporting Standards 17 Thai General Insurance Association					
Mrs. Nalina Bodharamik - Executive Vice President, Underwriting and Risk Management - Member of the Risk Management Committee - Member of the Executive Board Commence in Year 2009	53	- Master of Business Administration University of West Florida, USA	None	None	2018-Present	Acting Vice President of Office of Risk Management	The Navakij Insurance Plc.
					2014-Present	Member of the Risk Management Committee	The Navakij Insurance Plc.
					2013-Present	Executive Vice President	The Navakij Insurance Plc.
					2010-Present	Member of the Executive Board	The Navakij Insurance Plc.
					2009-2013	Assistant President	The Navakij Insurance Plc.
					Other Listed Company (None)		
					Other Business (None)		
Mr. Anak Wanglee - Chief Financial Officer - Executive Vice President, - Assets Management - Organization Development - Administrative - Information System - Finance - Member of the Risk Management Committee - Member of the Investment Committee - Member of the Executive Board	46	- Master of Science in Information Systems Northeastern University, USA - M.A. in Economics Boston University, USA	0.2	Son of Older Brother - Mr. Suchin Wanglee Son of Younger Uncle - Mr. Pitiphong Bisalputra Son of Older Uncle - Ms. Jittinan Wanglee - Dr. Saran Wanglee Older Brother - Mr. Anin Wanglee	2019-Present	Member of the Executive Board	The Navakij Insurance Plc.
					2015-Present	Member of the Risk Management Committee	The Navakij Insurance Plc.
					2014-Present	Member of the Investment Committee	The Navakij Insurance Plc.
					2014-Present	Vice President of Assets Management Dept.	The Navakij Insurance Plc.
					2015-2019	Asistant President	The Navakij Insurance Plc.
					Other Listed Company (None)		
					Other Business (7)		
					2018-Present	Director	Thanasarn Sombat (Thai) Co., Ltd.
					2017-Present	Director	Sino Port Co., Ltd
					2017-Present	Director	Poon Pipat Co., Ltd
					2015-Present	Director	The Navasakol Co., Ltd

Name Position / Date of Appointment	Age (year)	Highest Education Degree / Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Mr. Anak Wanglee (Cont'd)					2011-Present	Director/ Operation Manager	Marco Technology Co., Ltd
					2007-Present	Director	Somrudee Co., Ltd
Commence in Year 2014					2004-Present	Director	S&U Co., Ltd
Mr. Anin Wanglee	44	- Master of Business Administration	0.3	Son of Older Brother	2019-Present	Member of the Executive Board	The Navakij Insurance Plc.
- Executive Vice President, Claims Management		Bently College, USA		- Mr. Suchin Wanglee	2017-Present	Acting Vice President of	The Navakij Insurance Plc.
- Acting Vice President of Claims Management				Son of Younger Uncle		Claims Management Department	
- Member of the Executive Board		Director and Executive Training Program		- Mr. Pitiphong Bisalputra	2015-2019	Asistant President	The Navakij Insurance Plc.
		- Director Accreditation Program		Son of Older Uncle	2013-2014	Vice President of Claims Management Dept.	The Navakij Insurance Plc.
Commence in Year 2009		Thai Institute of Directors Association		- Ms. Jittinan Wanglee	Other Listed Company (1)		
				- Mr. Khet Wanglee	2015-Present	Director/Member of Audit Committee	Thai Metal Drums MFG. Plc.
				Younger Brother	Other Business (5)		
				- Mr. Anak Wanglee	2019-Present	Director	Sitthinan Co., Ltd.
					2017-Present	Director	C.E.S. Co., Ltd.
					2014-Present	Director	Poonvanich Co., Ltd.
					2014-Present	Director	S&U Co., Ltd.
					2013-Present	Director	The United Indemnity Co., Ltd.

Details of the Person Supervising Accounting

Name Position / Date of Appointment	Age (Year)	Highest Education Degree/ Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Mrs. Maysa Suntranusorn	52	- Bachelor Degree in Accounting	None	None	2018-Present	Senior Manager of Finance	The Navakij Insurance Plc.
- The person supervising accounting		Bangkok University			Other Listed Company (None)		
*qualifications and conditions					Other Business (None)		
in accordance with the rules prescribed in		Training Program					
the notification of the Deartment of Business		- Summary of Significant Changes in the Thai Financial					
Development.*		Reporting Standard (TFRS) effective in 2023					
- Senior Manager of Finance		- IFRS17 Insurance Contract 101)"					
		- IFRS17 Guidelines					
Commence in Year 1993		- Accounting Tools, AI, RPA, OCR Technology and					
Date of Appointment: 1 July 2021		Accounting in Degital Era					
		- Provision for impairment of financial instruments					
		(TFRS9)					

Name Position / Date of Appointment	Age (year)	Highest Education Degree / Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Mrs. Maysa Suntranusorn (Cont'd)		- Electronic System for Submitting Contributions of Insurance Companies - Tax Impact Study Related to International Financial Standard Reporting No. 17: Insurance Contract - Stamp Duty for E-Policy - Cash Stamp Duty for Electronic Instruments					

Details of Company Secertary

Name Position / Date of Appointment	Age (Year)	Highest Education Degree/ Training Program	NKI Shareholding (percent)	Family Relationship between directors and executives	Working experience with 5 years		
					Peroid	Position	Name of Agency/Company
Ms. Charuwan Chabchamrun	53	- Bachelor of Arts	None	None	2015-Present	Director	The Navakij Insurance Plc.
- Company Secretary		Chulalongkorn University			2022-Present	Senior Vice President	The Navakij Insurance Plc.
					2014-Present	Company Secretary	The Navakij Insurance Plc.
Date of appointment: 15 May 2014		Director and Executive Training Program			2014-Present	Vice President of Office of President	The Navakij Insurance Plc.
		- Board Matters & Trends (BMT 6/2018)			2014-Present	Vice President of Office of Compliance	The Navakij Insurance Plc.
		- Company Secretary Program (CSP 56/2014)			Other Listed Company (None)		
		- Director Accreditation Program			Other Business (None)		
		Thai Institute of Directors Association					
		- Preliminary to Corporate Sustainability					
		- Sustainability Commiyment					
		- Value Chain and Stakeholder Analysis					
		- Materiality and Sustainable Risk Analysis					
		- Sustainability Disclosure					
		The Stock Exchange of Thailand					

Attachment 2

Information of subsidiary's director

The Company does not have any subsidiary.

Attachment 3

Details of Head of the Office of Internal Audit

Name	Age (Year)	Education / Training Program	% of Share Possession	Family Relationship among Directors / Executives	Working Experiences		
					Time Period	Position	Company
Mr. Phisit Photisatian Vice President, Office of Internal Audit	55	Bachelor of Accounting Chiang Mai University Training Program - Certified Professional Internal Audit of Thailand (CPIAT) The Institute of Internal Auditors of Thailand - Insurance Management Development Program Thai General Insurance Association	None	None	2015-Present 2013-2014 2006-2013 1995-2006	Vice President, Office of Internal Audit Assistant Vice President, Office of Internal Audit Finance and Accounting Manager Assistant Vice President, Finance and Accounting Dept.	The Navakij Insurance Plc. The Navakij InsurancePlc. Bangkok Thonburi Insurance Plc. Thai Commercial Insurance Plc.

Detail of Head of the Office of Compliance

Name	Age (Year)	Education / Training Program	% of Share Possession	Family Relationship among Directors / Executives	Working Experiences		
					Time Period	Position	Company
Ms. Charuwan Chabchamrun Senior Vice President Office of Compliance	53	Bachelor of Arts Chulalongkorn University Training Program - Insurance Management Development Program Thai General Insurance Association - Compliance for Insurance Business Chula Unisearch - Anti-Money Laundering and Combating the Financing of Terrorism Standards for those who have a duty to report - PDPA for Insurance Business	None	None	2022-Present 2014-Present 2014-Present 2014-2022 2009-2014	Senior Vice President, Office of Compliance and Office of President Company Secretary Vice President, Office of Compliance Vice President, Office of President Vice President, Administrative Dept.	The Navakij Insurance Plc. The Navakij Insurance Plc. The Navakij Insurance Plc. The Navakij Insurance Plc. The Navakij Insurance Plc.

Note: Duties and responsibilities of Head of the Office of Internal Audit and Head of the Office of Compliance show in 7.6 Other Information

Attachment 4

Assets for Business Operations

Details are presented in “1.1.2 (4) Assets for Business Operations”

Attachment 5

Corporate Governance Policy, Code of Conduct and Board of Directors and Sub Committee Charters

Corporate Governance Policy

https://www.navakij.co.th/public/core/uploaded/documents/e217fa1d452a09c73d2dcafff6259026.pdf

Code of conduct

https://www.navakij.co.th/public/core/uploaded/documents/a62dcd38b2081ba3c8055ae670b95556.pdf

Board of Director and Sub Committee Charter

https://www.navakij.co.th/en/sustainability/charters-and-definition-of-independent-director

Attachment 6

Report of the Audit Committee

Details are presented in “Report of the Audit Committee”

NAVAKIJ
INSURANCE

The Navakij Insurance Public Company Limited
100/47-55, 90/3-6 Sathorn Nakorn Bldg., 26th Flr., North Sathorn Rd.,
Silom, Bangrak, Bangkok 10500, Thailand
Tel: +66 2664 7777, +66 2636 7900
Fax: +66 2636 7999