

Information Disclosure (Attachment to the Registrar's Order No. 72/2563)

Subject: Information Disclosure of Non-life Insurance Company

Part 1 Authentication of Disclosed Information

The Company has carefully reviewed the disclosed information and certify that the information is correct, complete, and not misleading or lack of significant information. The Company certifies that all disclosed information is accurate.

Sign



Mr. Thawin Srifuengfung

Director



Sign



Mr. Matthias Veith

Director

Disclosure on May 24, 2022

Information of annual report 2021

Part 2 Details of Information Disclosure

1. The Company's history, policies, objectives and business strategies to achieve its business goals including information of nature of the business, details of key products and services, company's contact channels, procedures and duration of claims according to insurance policy.

1.1. The Company's History

The Company's history is presented at:

https://www.thaisri.com/about-us/company_history.pdf

1.2. Policies, Objectives and Business Strategies

Policies

The Company has a business policy to build credibility, to be the first non-life insurance company of customer's choice, good customer's experience, financial security, and social responsibility.

Objectives

The Company has an objective to be one of the best ten non-life insurance companies in terms of business profits, reputation, marketing-strategic-oriented organization, and innovations.

Business Strategies

The company focuses on maintaining its existing customer base, expanding new customer base, use technology for working to be more convenience and speed for the most effectiveness under the Capital Required by law, as well as operational expense control by using early warning systems to control and monitor risk.

1.3. Nature of Business

Thaisri Insurance PLC. operates all types of non-life insurance. The Company has various types of products to meet the needs of customers with a team of marketing and underwriting and claim with good knowledge, ability, experience and expertise

The Company distributes products by variety of channels of agents, brokers, and commercial banks. Currently, the Company has also developed online channels to meet modern lifestyles and to reduce operational costs and increase efficiency.

Currently, the Company has numbers of branches and offices as follows;

Region / Area (s)	Branch (es)	Representative Office (s)
Bangkok (Excluding headquarters)	3	6
North	6	15
East	3	8
Northeast	3	5
Central and West	2	11
Southern	6	21
Total	23	66

1.4. Details of key products, services, and percentage of premiums classified by type of insurance.

Percentage of insurance of 2021 classified into 74.61% motor insurance, 25.39% non-motor insurance with following details;

Types of Products	Percentage
Motor	74.61
Property Insurance	17.81
Miscellaneous Insurance	2.74
Marine Cargo Insurance	1.41
Engineering Insurance	1.45
Others	1.98

List	Fire	Marine		Motor insurance		Miscellaneous Insurance						Total
		Hull	Cargo	Compulsory	Voluntary	Property risk	Third party liability	Engineering	Person Accident	Health	Other	
Direct premium	130.41	2.83	56.96	960.40	2,276.86	625.78	118.03	62.15	17.28	2.45	64.98	4,318.13
%	3.02	0.07	1.32	22.24	52.73	14.49	2.73	1.44	0.40	0.06	1.50	100.00

1.5. Company's contact channels, procedures and duration of claims according to insurance policy

1.5.1 Procedures, durations, documents, and methods of claims under insurance policy

The Company presents procedures, durations, and methods of claims at:

<https://www.thaisri.com/about-us/claim-procedure.pdf>

1.5.2 The Company's contact channels and related agencies in case of dispute or complaint:

- Hotline: 1219 #4, or
- E-mail : info@thaisri.com or
- Company's Website:

<https://www.thaisri.com/complain/>

2. Framework of Company's Corporate Governance, Internal Control, and Implementations

2.1. Framework of Company's Corporate Governance and Internal Control

Corporate Governance

The Company's Board of Directors has set a Corporate Governance of Thiasri Insurance PLC to encourage confidence and support from shareholders, supervisory agencies, customers, general public, and society in order to be an ethical and responsible. Which is shown at :: <https://www.thaisri.com/disclosure/KK-P-003-2561-EN.pdf>

In addition, the company has prepared various policies to support good corporate governance as follows.

1. Code of Conduct, which is shown at: <https://www.thaisri.com/disclosure/KK-P-003-2560-EN.pdf>
2. Anti-fraud and Corruption Policy, which is shown at: <https://www.thaisri.com/disclosure/KK-P-006-2561-EN.pdf>
3. Whistleblowing Policy, which is shown at: <https://www.thaisri.com/disclosure/TS-1-1-03-2562-EN.pdf>

Internal Control

The Company provides an independent Internal Audit unit to report directly to the Audit Committee and the Chief Executive Officer, and to evaluate sufficiency and effectiveness of internal control system, risk management system, monitoring, compliance of Corporate Governance and Code of Conduct. Annual Audit plan is according to targets, objectives, strategies, relating risk factors, and key controlling points that impact on achieving the Company's objectives. The annual audit plan must be approved by the Audit Committee. Moreover, charter of internal audit has defined vision, mission, goals, objectives, responsibilities, and clear work authorities of audit. Internal Audit Manual is also available for working standards according to the International Standards for the Professional Practice of Internal Auditing

2.2. Company's Structure

The Company presents its structure at: <https://www.thaisri.com/disclosure/ORGANIZATION-012562-EN.pdf>

2.3. Company's Management Structure

The Company presents a list of the Board of Directors at:

<https://www.thaisri.com/about-us/board-of-directors.pdf>

The Company presents a list of management executives at:

<https://www.thaisri.com/about-us/executives-management.pdf>

2.4. Sub-Committee

2.4.1 Audit Committee:

- | | |
|---------------------------|----------|
| 1. Mr. Chone Sophonpanich | Chairman |
| 2. Mr. Tai Chong Yih | Member |
| 3. Mr. Mr. Frank Ellgring | Member |

The Chief of Internal Audit serves as a secretary of the Audit Committee.

Responsibilities

1. To review that the Company has a complete, correct, and accurate financial reports with significant information disclosure in line with accounting standards.

2. To review and evaluate that the Company has appropriate and effective internal control, internal audit, and risk management according to international standards; including determining responsibilities and authorities of Internal Audit.

3. To review compliance of the Company on non-life insurance laws, regulations by regulatory agencies, and other relating laws.

4. To select and propose independent auditor as company's auditor and propose a remuneration, as well as attend a meeting with the auditor without a participation of management at least once a year.

5. To provide suggestions to the management to effectively supervise, and directly report to the Board of Directors to correct findings in the periods that the Audit Committee deems appropriate.

6. To comment on the Company's overall internal control assessment report to the Board of Directors.

7. To consider related transaction or transaction that may have conflicts of interest comply with the law and government regulations to ensure that those transaction be reasonable and be useful to the company.

8. To follow up and review the summary of fraud and corruption report as well as propose it to the Board of directors

9. Report its performance to the Board of Directors at least once a quarter.

10. Performing other duties as assigned by the Board of Directors with the approval of the Audit Committee.

2.4.2. Risk Management Committee:

- | | |
|----------------------------|----------|
| 1. Mr. Chartchai Panichewa | Chairman |
| 2. Mr. Karan Chopra | Member |
| 3. Mr. Thawin Srifuengfung | Member |
| 4. Mr. Ratavoud Panichewa | Member |
| 5. Mr. Henry Schoenball | Member |

Chief of Risk Management Department serves as a secretary of Risk Management Committee.

Responsibilities

1. Establishing a risk management policy and risk management framework covering the main activities of the company for submission to the Board of Directors for approval
2. To assess sufficiency and effectiveness of Company's risk management.
3. Ensure that the company has enough measures to respond to the risk. Which is in line with the company's risk management policy.
4. Supervise the overall activities of the company related to the risk.
5. Prepare a risk mitigation plan to deal with emergency risks.
6. Define the objectives, scope, roles and responsibilities of the risk management department.
7. Organize a meeting at least every quarter to monitor the risk status. Including the progress in risk management and give suggestions on what needs to be done to improve In order to be in line with the risk management framework and the risk management policy and strategy as appropriate. And report to the Board of Directors at least once a quarter

2.4.3 Investment Committee:

- | | |
|----------------------------|----------|
| 1. Mr. Chartchai Panichewa | Chairman |
| 2. Mr. Karan Chopra | Member |
| 3. Mr. Thawin Srifuengfung | Member |
| 4. Mr. Ratavud Panichewa | Member |
| 5. Mr. Henry Schoenball | Member |

Chief of Investment Department serves as a secretary of Investment Committee.

Responsibilities

1. To propose Investment policy to the Board of Directors for approval.
2. To approve the Company's investment plan in line with investment policy framework and risk management policy.
3. To supervise the company's investment in accordance with the investment policy, risk management policy, investment procedures, and related requirements.
4. To oversee corporate governance, transparency, and prevent conflicts of interest that relate to the Company's investment transactions.
5. To supervise sufficiency of working systems, personnel, and information used for the company's investment.
6. To invest in accordance with the investment policy approved by the Board of Directors.
7. Regularly report investment results to the Board of Directors.

2.4.4 Nomination and Remuneration Committee:

- | | |
|--------------------------------|----------|
| 1. Mr. Surasak Vajasit | Chairman |
| 2. Mr. Markus Oscar Hofmann | Member |
| 3. Ms.Sukonrat Bhurivatana | Member |
| 4. Mrs.Urachata Srisupojnagkul | Member |

Chief of Human Resource Department serves as a secretary of Nomination and Remuneration Committee.

Responsibilities

1. Formulate a policy for recruiting directors and management personnel, and policy on remuneration and benefits to directors and management.
2. Selection and nomination of qualified persons for the positions of directors;
 - 2.1. Directors
 - 2.2. Sub-committee
 - 2.3. Management Personnel
3. Ensuring the size and composition of the Board
4. Determine the assessment of directors and the authorized signatories in management for annual adjustment.
5. Performance report to the Board of Directors at least twice a year.

2.5. Nomination and Appointment of Directors, Independent Directors and Executives

Nomination and Remuneration Committee is responsible for setting nomination policy of qualified directors, independent directors, and executives, and propose to the Board of Directors in line with and/or no restrictions by law for the Public Limited Company Act and the Insurance Act with sufficient experience in insurance business. The selected director must not be a high risk person or a designated person according to Anti-Money Laundering Act 1999 and the Prevention and Suppression of Terrorism Financial Support Act 2016.

2.6. Remuneration Policy

The Company is required to have a reasonable remuneration structure that is able to compete with the market to encourage executives and staff at all levels to work in line with their long-term objectives and goals. The remuneration of directors and independent directors must be reviewed and approved by the shareholders' meeting on an annual basis. For compensation of top executives and employees at all levels, the Company has set a clear remuneration structure in line with the structure of the position. The increase of salary and annual bonus are according to employee's performance evaluation and company's performance.

3. Enterprise Risk Management (ERM) and Asset Liability Management (ALM)

3.1. Enterprise Risk Management (ERM)

The company has established a framework and risk management policy approved by the board of directors. In accordance with the OIC's business plan and announcement regarding the rules, procedures, and conditions for the supervision of the holistic risk management and the assessment of the risk and financial stability of the non-life insurance company B.E. 2562 to be Guidelines and practices for risk management that may occur as follows;

Risk Management Framework

The Company has set up a risk management framework that includes important information related to corporate risk management classified into 12 aspects: Strategic Risk, Insurance Risk, Operational Risk, Market Risk, Liquidity Risk, Credit Risk, Anti-Money Laundering and Counter-Terrorism Financing Risk, Reputation Risk, Technology Risk, Catastrophic Risk, and Emerging Risks, under 11 major activates as follows:

- Insurance product development and determining the insurance rate
- Offering and collection of insurance premiums
- Underwriting
- Compensation management
- Reinsurance
- Investment in other businesses
- Asset and liability management
- Assessment of insurance reserves
- Information Technology
- Human Resources
- Outsourcing

The Company's risk management process consists of various steps that are in line with the International Risk Management Standardization (COSO – Enterprise Risk Management). The Company is required to report Risk status, Compliance with risk management measures, and related reports as required to the Risk Management Committee and the Board of Directors at least once a quarter.

Risk Management Policy

The Company has set up a risk management policy that is in line with its business plan, by setting an acceptable level of risk appetite for Capital Adequacy Ratio to Capital Required for no less than 300%, Key Risk Indicator, and Risk Limit of the major activities both monetary and non-monetary forms such as maximum liability of reinsurer, maximum reinsurance proportion per one reinsurer, underwriting under Company's

conditions and acceptable risk level, investment under the OIC's requirement, duration of claim record, etc. The Company has also set risk limits of company's key financial ratios such as claims and operational expenses to premium recognized as income must not exceed 100%.

In order to maintain acceptable risk levels and to timely prevent potential damages, the Company's measures to control and monitor risks are as below;

1. The Company has Risk Management committee or responsible unit for risk management and monitoring of operations in accordance with the defined risk management policy.
2. The Company has risk management policy, guidelines, and report on risk control of major activities.
3. For legal compliance, the Company has a responsible unit to strictly monitor implementation.
4. For anti-money laundering, the Company has a policy on Anti-Money Laundering and the Prevention and Suppression of Terrorism Financial Support, and Terrorism and Proliferation of Weapons of Mass Destruction Financing, as well as develops regularly Information Technology to monitor the risk from undesirable

3.2. Asset Liability Management (ALM)

The Company manages assets and liabilities using financial ratios as indicators of whether or not the Company's management is appropriate. The financial ratios are used as Early Warning System (EWS) the insurance business according to the OIC as following;

1. Capital Adequacy Ratio to Capital Required
2. Equity of shareholders or head quarter
3. Liquidity Ratio
4. Investment Assets to Liability insurance Ratio
5. Total Capital Available (TCA)
6. Return on Equity Ratio
7. Claims and operating expenses to net earned premium Ratio
8. Accrued premium valuation Ratio
9. Claims Reserve development 1 year Ratio
10. Net insurance premiums to capital funds Ratio

Criteria for Managing Liquidity and Investment

The Company sets the criteria for maintaining liquidity according to the financial ratios set by the Office of Insurance Commission (OIC) in Early Warning System (EWS). It requires that the Company must remain liquidity assets to invest or any actions not lower than 100%. The company will use liquid assets to invest, it must not let this ratio be lower than the specified criteria.

Loss Preventive Measures due to the Need to Sell Assets in Unfavorable Market Conditions

The Company prevents loss due to the need to sell assets in unfavorable market conditions by diversification method to reduce concentration risk due to over investment in an asset. The method allows the Company for more options to sell investment assets in the unfavorable market conditions.

Proportion of investment assets as below;

1. Deposits with each financial institution will not exceed 30% of the total assets of the company.
2. Bonds that are issued, paid, accepted, rewarded, guaranteed by the Thai Government / Bank of Thailand / Ministry of Finance / Financial Institutions Development Fund, with unlimited.
3. Bonds that are issued, paid, accepted, rewarded, guaranteed by Financial Institutions, limited company, or organizations or state enterprise without a Ministry of Finance guarantee that the risk rating is not lower than the investment grade by credit rating agency. The total of investment must not over 60% of total investment assets of the company, and each of up to 10% of the Company's investment assets to each issuer.
4. Total of Equity instruments cannot exceed 30% of the Company's investment assets, and each of up to 5% of the Company's investment assets to each issuer.
5. Each investment unit shall not exceed 5% of the Company's investment assets.

Any other proportions shall be in accordance with the OIC's notification on "Investment in Other Businesses of Non-Life Insurance Company, 2013"

Million baht

Assets	2021		2020	
	Account Value	Appraised Value	Account Value	Appraised Value
Total Investment Assets	3,899	3,871	3,492	3,463
Total Liquid Assets	3,696	3,672	3,361	3,336
Total Liabilities	5,263	5,148	4,308	4,163
Insurance Liabilities	3,433	3,326	3,023	2,883

Note:

- Account value refers to assets and liabilities appraised by the Financial Reporting Standards.
- Appraised value refers to assets and liabilities appraised in accordance with the OIC's notification on valuation of assets and liabilities of non-life insurance companies with purposes to ensure the insurance company's financial security and the ability to fully pay the insured benefits.

4. Predictable risks that may affect the Company's financial position, reinsurance management, links of capital, underwriting risks, and insurance concentration risk

Process of loss forecast and risk exposure

The Company has a process of loss forecasting from the Loss Ratio analysis for overall and for each type of insurance of the Company for next year by comparing data of the previous year. The data is based on historical company statistics and market trends, based on the report of the actuaries. If it is found that the estimated losses increase from the previous year, the Company will identify the actual cause of the increase, and calculate the reserve fund and prepare a risk management plan to address any potential damage to avoid the concentration of disaster, especially natural disaster. And it will be reported to the Board of Directors and the Risk Management Committee for further consideration.

Criteria and policies for risks from insurance, reinsurance, or other risk transfers

The Company determines the criteria for taking or transferring risks in accordance with the terms, conditions, and policies of each line of business by using actuarial models to determine whether the risks are in the Risk Appetite, Risk Tolerance, or Retention Limits of the Company. It is also considering the potential impact of the insurance or transfer of such risk in order to comply with the capital management requirements that are appropriate to the nature, size and complexity of the business, as specified by the Office of Insurance Commission (OIC), and for the most effectiveness in the operation and risk management of the organization. The policies of each business line need to be revised and updated at least once a year.

Links of Capital, Underwriting Risks, and Insurance Concentration Risk

According to criteria for accepting or transferring risks and reinsurance limits, the Company is able to estimate the capital amount for the risk of loss reserve, risk of premium reserve, credit risk of reinsurance, and insurance concentration risk. All of the risks have an impact on Capital Required. The Company has determined the ratio of claims and operating expenses to earned premium, including conducting stress test to ensure that the Company is able to control the capital adequacy ratio to an acceptable level in accordance with the requirements of the OIC and the Company.

In addition, the Company has a policy to diversify the risk for not to accumulate or concentrate on a reinsurer or reinsurer group in accordance with the Company's risk management policy.

By managing and controlling the concentration and accumulation of risks both from direct insurance and reinsurance, the Company utilizes the method of management and control by setting the maximum liability of a reinsurer per reinsurance contract based on types of insurance, types of industry, geography, and types

of product, such as fire insurance, property insurance/ all risk insurance , personal accident insurance, miscellaneous insurance, marine cargo insurance, engineering insurance, and motor insurance, etc.

The Company's Criteria for Selecting Reinsurers

The company provides a framework for managing reinsurance and effectiveness analysis of the past years in line with the business and risk profile, as well as considering criteria for selecting reinsurers as below;

1. Credit rating for overseas reinsurers must not below A- (S&P or equivalent), altogether with financial statements, history, and vision of the reinsurers.
2. For domestic reinsurers, Capital Adequacy Ratio must higher than 140%. Net profit margin is more than 0%. Asset Ratio is more than 100%, as well as other important qualitative factors.
3. It must be a concentration limit for risk exposure to contractual reinsurers.
4. A financial reporting system is needed to determine the repayment period of each reinsurer, which helps to manage liquidity and track accrued liabilities.

Unit: million baht

Criteria	Amount
Reinsurance recoveries on technical reserves	1,029
Amount Due from Reinsurer	295
Deposits on reinsurance treaties	5

5. Value, Methods, and Assumptions in Assessing Insurance Liabilities

The Company presents the methods and assumptions in assessing insurance liabilities in the notes to the consolidated and the separate financial statements for the year ended 31 December 2021 at

https://www.thaisri.com/wp-content/uploads/2022/01/ANNAUL_2021EN.pdf in page 36, Clause 13

Unit: million baht

	2021		2020	
	Account Value	Appraised Value	Account Value	Appraised Value
Insurance Liabilities				
- Premium Liabilities	2,132	1,855	2,088	1,840
Claim Liabilities	1,301	1,471	934	1,043

Note:

- Account Value refers to the value of insurance liabilities assessed in accordance with accounting standards to ensure investors or financial analyst to understand the economic value of a recognized

insurance liability in accordance with accounting principles in Thailand, by which the value must be certified by a licensed auditor.

- Appraised value refers to the value of the insurance liabilities assessed in accordance with the OIC's notification on valuation of assets and liabilities of non-life insurance companies, to control financial security of insurance company and ensure that the company has an ability to fully pay the insured benefits to the Insured. The appraisal must be assessed by an actuary licensed by a registrar based on accepted actuarial principles. The assumptions used in the appraisal must be consistent with the actual experience, or in the event of insufficient data, it may be based on industry experience and tailored to the specific nature of the insurer's portfolio. The value must include Provision of Adverse Deviation (PAD) required by the OIC.

Remark: In some periods of financial reporting, the value of insurance liabilities may differ significantly between the account value and the appraised value due to different objectives and methods of valuation as described above. In case of using the information, user should study and understand the purpose of the valuation method of the insurance liabilities both thoroughly before deciding.

6. Investment of the Company

Policy and Objective

The Company aims to maximize return on investment under the appropriate risk of non-life insurance company, taking into account the balance between return on investment and liquidity under the investment framework and the guidelines of the Office of Insurance Commission (OIC).

Investment Process

The Company has an Investment and Asset Management Department under the Supervision of the Investment Committee. The department conducts its investment transactions of the Company. The Board of Directors will approve the annual investment policy and plan which are approved by the Investment Committee. It will consider the types of investment that the Company can make in accordance with the OIC's rules and regulations, the return on investment assets, and risk of investment. The Investment Department will then conduct the transactions and / or investments in accordance with approved investment policies and plans under the authorized authority and hedging measures. Results of investment are reported to the Investment Committee at least once a quarter. Results of investment risk management are reported to the Risk Management Committee at least once a quarter.

Assumptions and Investment Valuation Method

The Company evaluates valuation of investment assets by following methods.

1. Bond

1.1. Bond listed in Thailand with high liquidity is using the prices at the end of the valuation date published by the following agencies;

- Bond listed on the Thai Bond Market Association is using clean prices that are published by the Thai Bond Market Association or agencies certified by the Office of the Securities and Exchange Commission.
- Bonds listed on bond market is using current bid prices that are published by the bond market.

1.2. If no price references in (1.1), other valuation methods shall be adopted according to the OIC's notification on "valuation of assets and liabilities of non-life insurance companies 2011".

2. Equity instruments

2.1. Last bid price as of the end of appraisal date that published by the Stock Exchange Market of Thailand shall be used for equity listed on the Stock Exchange of Thailand which be traded on appraisal date

2.2. Latest bid price shall be used for the equity listed in the Stock Exchange of Thailand which there is no trade on appraisal date but those price shall not exceed 15 working days backward

2.3. Either of fair valuation technique as notification of the Insurance Commission regarding Valuation of Assets and Liabilities for Non-Life. Insurance B.E.2554 shall be used for the equity listed in the Stock Exchange of Thailand which there is no trade within 15 working days backwards.

2.4. If the reference price cannot be determined according to 2.1-2.3, use a market value which has proven to be a reliable price technique, be used for real trading in the market, and be accepted by OIC

3. Investment Unit

3.1. Last bid price as of the end of appraisal date that published by the Stock Exchange Market of Thailand shall be used for investment unit listed in the Stock Exchange Market of Thailand

3.2. Investment unit, that is not traded in the stock market shall be valued by using NAV of mutual fund as of the end of appraisal date. If there is no NAV as of the end of appraisal date, use latest NAV before appraisal date

4. Other Investment Assets

4.1. Other assets than items in 1 to 3, valuation methods are according to methods of recognition and measurement in accordance with generally accepted accounting standards or widely used and reliable techniques.

Unit : million baht

Investment Asset	Values as of 31 December			
	2021		2020	
	Account value	Appraised Value	Account value	Appraised Value
Deposits and certificates of deposit at financial institutes	605	606	227	227
Debt Securities (Bond, Debenture, Promissory Note, Bill of Exchange, Convertible Bond, Lottery)	2,351	2,326	2,135	2,111
Stock, excluding investments in subsidiaries and associates	203	198	130	125
Investment Unit	741	741	1,000	1,000
Loan, Car Rental, and Hire Purchase Asset	0	0	0	0
Warrants	0	0	0	0
Derivatives	0	0	0	0
Other investments	0	0	0	0
Total of Investment Assets	3,899	3,871	3,492	3,463

Note:

- Account value refers to assets and liabilities appraised by the Financial Reporting Standards.
- Appraised value refers to assets and liabilities appraised in accordance with the OIC's notification on valuation of assets and liabilities of non-life insurance companies with purposes to ensure the insurance company's financial security and the ability to fully pay the insured benefits.

7. Performance of the Company, Analysis Results and Related Ratios

In 2021, the Company had a gross written premium of 4,339 million baht, decreased from 2020 of 4,341 million baht for 2 million baht or 0.05%. Total net earned premiums was 3,064 million baht, increased from 2020 of 3,046 million baht for 233 million baht or 8.23%. Investment income and other income was 116 million

baht, decreased from 2020 of 153 million baht for 37 million baht or 24.18%. Net profit was 6 million baht, decreased from 2020 of 31 million baht for 25 million baht or 80.65%.

Considering overall, the total revenue in 2021 decreased when compared to 2020, due to the development of new policy issuance channels using technology to help develop and have more agents/brokers. But the company has also increased the total expenses and is increasing in proportion to the higher proportion of revenue causing the company to have a net profit and return on equity less than the previous year 2020.

Unit: million baht

Item	2021	2020
Gross Written Premium	4,339	4,341
Net Earned Premium	3,064	2,831
Investment Income and Other Income	116	153
Net Profit (loss)	6	31

Major Financial Ratios (%)

Ratio	2021	2020
Loss Ratio	66%	65%
Expenses Ratio	38%	38%
Combined Ratio	103%	103%
Liquidity ratio	293%	346%
Return on Equity	1%	3%

8. Capital Adequacy of the Company

Policy and Objective

The Company maintains the Capital Required higher than as required by the OIC in order to assure for the ability of claim paying as the first priority to the insured, especially for the capital adequacy ratio (CAR) as an indicator of the company's financial stability and effectiveness.

Capital Management Process

The Company aims to maintain capital adequacy ratio higher than as required by the OIC. Thus, there is a capital management for capital available and capital required in the right proportion. The Company has high capital according to high assets over liabilities. Moreover, the Company has a strict risk management on risk-based capital in order to maintain the capital required, which has also impacted the CAR to be in the targeted proportion.

In addition to stress test as required by the OIC for the negative situations that affect to the CAR, the Company still has a higher ratio than the OIC's requirement. The Company has set a policy to maintain its financial position and to provide sufficient liquidity to cope with the crisis, such as major floods and reinsurer downgrading.

Unit: million baht

Item	As of 31 December	
	2021	2020
Total Asset	6,895	5,829
Total Liabilities	5,148	4,163
- Insurance Liabilities	4,530	3,656
- Other Liabilities	618	507
Equity	1,748	1,666
Equity Tier 1 Capital Ratio to Capital Required (%)	219.73	205.32
Tier 1 capital ratio to capital (%)	219.73	205.32
Capital Adequacy Ratio (%)	322.02	306.31
Capital Available	1,746	1,664
Capital Required	542	543

Note:

- According to Notification of the Insurance Commission regarding Classification and Types of Capital, and the Rules, Procedures, and Conditions for Valuation of Capital of a Non-Life Insurance Company, the Registrar may prescribe necessary measures to supervise the companies whose capital adequacy ratio is lower than supervisory CAR as specified in the notification
- The above items are evaluated by using the value according to the Notification of the Insurance Commission regarding the Valuation of Assets and Liabilities of Non-life Insurance Companies and the Notification of the Insurance Commission regarding Classification and Types of Capital , and the Rules, Procedures, and Conditions for Valuation of Capital of a Non-life Insurance Company.

9. The financial statements and notes to the financial statements for the preceding calendar year with auditor's review and comment.

The Company presents its financial statements and notes to the financial statements for the preceding calendar year (2021) that have been reviewed and commented by auditors at:

[Financial statements 2021](#)
