

## Annual Financial Position and Performance Disclosure Form (Form Por.Por.Wor. 1 –Annual)

**Information Disclosure (Attachment to the Registrar's Order No. 77/2568)**

**Subject: Information Disclosure of Non-life Insurance Company**

**"ERGO Insurance (Thailand) Public Company Limited"**

**Part 1 Authentication of Disclosed Information**

The Company has carefully reviewed the disclosed information and substantiated that the information is correct, complete, and no misleading or lack of significant information. The Company certifies that all disclosed information is accurate.

Sign .....

Mr. Isorasak Thesratanavong

Director

**ERGO**

บริษัท เออร์โกประกันภัย  
(ประเทศไทย) จำกัด (มหาชน)

Sign .....

Mr. Matthias Benedikt Veith

Director

Disclosure on May 19, 2025

Information of annual report 2025

## **Part 2 Details of Information Disclosure**

- 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, the Company's contact channels, procedures and duration of claims request according to insurance policy.**

### **1.1. The Company's History**

The Company's history is available at:

[https://www.ergo.co.th/assets/pdf/tmp\\_pdf/ERGO\\_Company\\_Overview\\_1778644384\\_6a03f5a0979c9.pdf](https://www.ergo.co.th/assets/pdf/tmp_pdf/ERGO_Company_Overview_1778644384_6a03f5a0979c9.pdf)

### **1.2. Policies, Objectives and Business Strategies**

#### **Policies**

The Company's policy is to build credibility and be the first non-life insurance company of customer's choice according to good customer's experience, financial stability, and social responsibility.

#### **Objectives**

The Company aims to be one of the top five non-life insurance companies in terms of business performance with the well-known reputation, marketing-strategic-oriented and innovative organization.

#### **Business Strategies**

The Company focuses on maintaining its existing customer group, expanding new customer group and rolling out new technology in the operations. This is to stimulate the convenience, speech and maximum the efficiency, while maintain the capital adequacy according to regulatory requirements. The Company shall control the operating expenses by applying the early warning systems as control and monitoring tools.

### **1.3. Nature of Business**

ERGO Insurance (Thailand) Public Company Limited (the Company) is a non-life insurance company and has offered all type of non-life insurance products. The Company has offered various types of products to meet the customers' needs. The Company's staff have knowledge, experience and expertise in marketing, underwriting and claims.

The Company's products have been sold via the variety of channels i.e. agents, brokers, and commercial banks. Currently, the Company has developed online channels to meet modern lifestyles and to reduce operational costs and increase service efficiency.

In 2025, The Company had numerous branches and representative offices as per below.

Region / Area (s)	Branch (es)	Representative Office (s)
Bangkok and Metropolitan Area	25	2
North	12	1
Northeast	10	1
East	7	1
Central	11	3
South	10	-
Total	75	8

#### 1.4 Key products, services, and percentage of premiums classified by product type

The Company's portfolio in 2025 was composed of motor products at 59.73% and 40.27% of non-motor products as per below.

Types of Products	Percentage (%)
Property Insurance	9.78%
Marine Cargo Insurance	1.55%
Motor Insurance	59.73%
Personal Accident and Health Insurance	25.78%
Miscellaneous Insurance	3.16%

List	Property Insurance		Marine Cargo Insurance			Motor Insurance		Personal Accident and Health Insurance			Miscellaneous Insurance			Total
	Fire Insurance	Industrial all risk Insurance	Marine Hull Insurance	Cargo Insurance	Carrier Liability Insurance	Compulsory Insurance	Voluntary insurance	Personal Insurance	Health Insurance	Travel Insurance	All Risk Insurance	Liability Insurance	Other	
Direct Premium	186.94	961.15	17.10	164.33	-	2,434.64	4,578.10	2,133.72	890.31	2.65	-	-	370.90	11,739.85
Percentage	1.59%	8.19%	0.15%	1.40%	0.00%	20.74%	39.00%	18.18%	7.58%	0.02%	0.00%	0.00%	3.16%	100%

**Remark:** Information derived from the annual report.

## **1.5 Company Contact Channels and Procedures for Claiming Indemnity or Insurance Benefits under Insurance Policies**

Procedures, processes, and requirements for claiming indemnity or insurance benefits under each type of insurance policy, including the review process for claim consideration, are as follows:

### **1.5.1 Procedures, Timeframes, Documentation, and Methods for Submitting Insurance Claims**

The Company provides details regarding the procedures, timeframes, required documentation, and methods for submitting insurance claims under insurance policies at:

- <https://www.ergo.co.th/th/claim/car-insurance>
- [service-level-agreement-SLA-th.pdf](#)

### **1.5.2 Contact Channels of the Company and Relevant Authorities in Case of Disputes or Complaints**

The Company provides the following contact channels and relevant units for disputes or complaints: Complaints Channel | ERGO

- Telephone: +66 2-820-7000 press 4, Call Center 1219 press 4, or
- E-mail: [customer.service@ergo.co.th](mailto:customer.service@ergo.co.th), or
- Address: 126/2 Thonburi Road, Banglamphu Lang Subdistrict, Khlong San District, Bangkok 10600

## **2. Good Corporate Governance Framework and Internal Control Processes of the Company, Including Details of Their Implementation according to the aforementioned framework**

### **2.1 Good Corporate Governance Framework and Internal Control Processes of the Company**

#### **Good Corporate Governance Framework**

The Board of Directors has established a Corporate Governance Policy for Ergo Insurance (Thailand) Public Company Limited to promote confidence and support from shareholders, regulatory authorities, customers, the general public, and society. This is to ensure that the Company operates as an ethical and responsible organization.

Details are available at: <https://www.ergo.co.th/wp-content/uploads/2023/07/กก-ป-003-2561-นโยบายการกำกับดูแลกิจการ-Corporate-Governance-Policy.pdf>

In addition, the Company has developed various policies to support good corporate governance, as follows:

#### **Code of Conduct**

Available at: [https://www.ergo.co.th/assets/pdf/tmp\\_pdf/011-2566\\_EN\\_Code\\_of\\_Conduct\\_2023-EN\\_1778576709\\_6a02ed452b791.pdf](https://www.ergo.co.th/assets/pdf/tmp_pdf/011-2566_EN_Code_of_Conduct_2023-EN_1778576709_6a02ed452b791.pdf)

#### **Guideline for Anti-Fraud Management**

Available at: [https://www.ergo.co.th/assets/pdf/tmp\\_pdf/033-2568\\_Guideline\\_for\\_Anti-fraud\\_Management-EN\\_1778577145\\_6a02eef931e44.pdf](https://www.ergo.co.th/assets/pdf/tmp_pdf/033-2568_Guideline_for_Anti-fraud_Management-EN_1778577145_6a02eef931e44.pdf)

#### **Guideline for Handling Whistleblower Reports**

Available at: [https://www.ergo.co.th/assets/pdf/tmp\\_pdf/015-2568\\_Guideline\\_for\\_handling\\_whistleblower\\_reports-EN\\_1778577018\\_6a02ee7ac756d.pdf](https://www.ergo.co.th/assets/pdf/tmp_pdf/015-2568_Guideline_for_handling_whistleblower_reports-EN_1778577018_6a02ee7ac756d.pdf)

#### **Internal Control Process**

The Company has appointed an independent Internal Audit Department who directly report to the Audit Committee and the Chief Executive Officer, and be responsible for evaluation of the sufficiency and effectiveness of internal control system, risk management system, monitoring any compliance with good corporate governance and code of conduct. The annual audit plan has been developed by considering the goals, objectives, strategies, and relevant risk factors, including key controls that impact the Company's achievement of its objectives. This annual audit plan has been approved by the Audit Committee.

In addition, the Internal Audit Charter defines the vision, mission, goals, objectives, responsibilities, and authority of the Internal Audit function. The Internal Audit Manual is also available as a standard guideline for the internal audit team, ensuring alignment with international standards and professional practices of internal auditing.

## 2.2. Company's Organizational Structure

The details are available on

[https://www.ergo.co.th/assets/pdf/tmp\\_pdf/Company\\_organization\\_chart\\_1778576884\\_6a02edf46d03a.pdf](https://www.ergo.co.th/assets/pdf/tmp_pdf/Company_organization_chart_1778576884_6a02edf46d03a.pdf)

## 2.3 Company's Management Structure

The list of the Board of Directors members is available on

[https://www.ergo.co.th/assets/pdf/tmp\\_pdf/ERGO\\_Board\\_of\\_Directors\\_2026\\_1778147867\\_69fc621b794fa.pdf](https://www.ergo.co.th/assets/pdf/tmp_pdf/ERGO_Board_of_Directors_2026_1778147867_69fc621b794fa.pdf)

The list of the Executive Committee members is available on

[https://www.ergo.co.th/assets/pdf/tmp\\_pdf/ERGO\\_Executives\\_2026\\_1778147814\\_69fc61e62a26d.pdf](https://www.ergo.co.th/assets/pdf/tmp_pdf/ERGO_Executives_2026_1778147814_69fc61e62a26d.pdf)

## 2.4 Sub-Committee (Information as of 31 December 2025)

### 2.4.1. The Audit Committee consists of:

- |    |                     |          |
|----|---------------------|----------|
| 1. | Mr. Surasak Vajasit | Chairman |
| 2. | Mr. Tai Chong Yih   | Member   |
| 3. | Ms. Ilona Mihele    | Member   |

The Head of Internal Audit serves as the Secretary of the Audit Committee.

### Responsibilities

1. Review that the Company has a complete, correct, and accurate financial reports with significant information disclosure in line with generally accepted accounting standards.
2. Review and evaluate that the Company has appropriate and effective internal control, internal audit, and risk management systems according to accepted international standards; including determining authorities and responsibilities of Internal Audit function.
3. Review the Company's compliance with non-life insurance laws, regulations issued by regulatory authorities, and other relevant laws of the Office of Insurance Commission ("OIC").
4. Select and appoint an independent auditor as the Company's auditor, propose the auditor's remuneration, and meet with the auditor without the participation of management at least once a year.
5. 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. Comment on the Company's overall internal control assessment report to the Board of Directors.
7. Consider related party transactions or transactions that may give rise to conflicts of interest, ensuring compliance with applicable laws and government regulations, and that such transactions are reasonable and beneficial to the Company.
8. Monitor the summary reports of all whistleblowing and fraud cases of the Company, including reviewing such reports and considering their submission to the Board of Directors for further consideration.
9. Report the performance results to the Board of Directors at least on a quarterly basis.
10. Perform other duties as assigned by the Board of Directors with the approval of the Audit Committee.

#### **2.4.2. Risk Management Committee:**

1.	Isorasak Thesratavong	Chairman
2.	Hans-Georg Till Boehmer	Member
3.	Varinporn Lauhapattanapreecha	Member
4.	Dr. Svenja Katharina Mangold	Member
5.	Iлона Mihele	Member

The Head of Risk Management Department has served as a secretary of Risk Management Committee.

#### **Responsibilities**

1. Formulate the Risk Management Policy and Risk Management Framework for submission to the Board of Directors for approval, covering all key significant risks of the Company.
2. Evaluate adequacy of Risk Management Strategy and efficiency/effectiveness of company's Risk Management.
3. Ensure that all risk-owner units have taken adequate action to respond to risk in accordance with the company's risk management policy.
4. Supervise overall activities of the Company related to the risk.
5. Review and approve the risk mitigation plan to handle risks in case of an emergency occurs.
6. Monitor the Business Continuity Management, Information Security, Third Party Risk. Management including Project Risk Management and report any material risk to the Board of Directors.
7. Determine the purpose, scope, roles and responsibilities of the risk management unit.
8. Perform any other duties assigned by the Board of Directors
9. Submit reports related to risk management in accordance with the OIC's requirements.

#### **2.4.3. Investment Committee:**

1.	Dr. Svenja Katharina Mangold	Chairman
2.	Isorasak Thesratavong	Member
3.	Hans-Georg Till Bohmer	Member
4.	Panadda Manoleehakul	Member
5.	William Scott	Member

The Head of Investment Department serves as the secretary of Investment Committee.

#### **Responsibilities**

1. Formulate the Investment Policy Framework and submit it to the Board of Directors for approval.
2. Approve the Company's investment plan in line with investment policy framework and risk management policy.
3. Supervise the Company's investment in accordance with the investment policy, risk management policy, investment procedures, and related requirements.
4. Oversee corporate governance, transparency, and prevent conflicts of interest related to the Company's investment transactions.
5. Oversee the Company's systems, personnel, and information used in support of its investment activities to ensure their adequacy for operations.
6. Manage investments in accordance with the Investment Policy Framework approved by the Board of Directors.
7. Regularly report investment results to the Board of Directors.

#### **2.4.4. Complaints Management Committee :**

1.	Dr. Hans-Georg Till Boehmer	Chairman
2.	Nattawut Nganpinyo	Member
3.	Dumri Thuencheum	Member
4.	Kachen Kungsadannatee	Member
5.	Atipong Chittchang	Member
6.	Head of Risk Management	Member

#### **Responsibilities**

1. The Complaint Management Committee has been delegated authority by the Executive Committee in relation to its duties and powers as set out in this Terms of Reference.
2. The Complaints Management Committee shall have access to adequate resources necessary for the performance of its duties and shall have the authority to engage independent advisors and other experts, as well as to invite such persons to attend its meetings.
3. The Complaints Management Committee shall have the authority to investigate any matters within its scope of responsibilities and to request necessary information from management or employees.
4. The Complaints Management Committee is responsible for receiving, assessing, and resolving all complaints relating to insurance claims, ensuring that such matters are handled in a fair, transparent, and timely manner.
5. The Complaints Management Committee must operate in accordance with internal policies and applicable legal requirements to promote accountability and consistency in the handling of both complaints and insurance claims.
6. The Complaints Management Committee shall approve claim payments with a quorum of no fewer than three members, for payments exceeding THB 10,000,000 (ten million baht) per individual claim or THB 50,000,000 (fifty million baht) for aggregate claims.
7. Decisions of the Complaints Management Committee shall be deemed final. In the absence of agreement or in the event of objection, the matter shall be escalated to the Chief Executive Officer for further consideration.

#### **2.4.5. Product Governance Committee:**

1.	Hans-Georg Till Boehmer	Chairman
2.	Svenja Katharina Mangold	Member
3.	Matthias Benedikt Veith	Member
4.	Nattawut Nganpinyo	Member
5.	Varinporn Lauhapattanapreecha	Member
6.	Dumri Thuenchuen	Member

#### **Responsibilities**

1. Determine framework and policy for product issuance and propose to the Board of Directors for consideration and approval
2. Continually supervise and monitor the Company's operations regarding the product issuance as follows:
  - 2.1. Oversee and ensure that the Company's operations in relation to product development are aligned with the vision, strategies, financial objectives, and business plans as established by the Board of Directors.
  - 2.2. Oversee and ensure that the Company complies with all laws, rules, and regulations relating to product development.
  - 2.3. Supervise and monitor the operations of any departments to be in accordance with the framework and policy of product issuance with efficiency and effectiveness.

- 2.4. Supervise the Company to ensure a fair treatment to customers, not taking advantage of customers and being transparent in business operations
  - 2.5. Oversee and ensure that the Company conducts its business with fairness towards customers, avoids taking undue advantage of customers, and maintains transparency in its operations.
  - 2.6. Oversee operations relating to products to ensure fairness, systematic management, and consistency in direction, while remaining responsive to changing circumstances, enabling a comprehensive assessment of the overall business and its risks, and ensuring the ability to measure performance, identify issues, and implement timely and effective corrective actions.
  - 2.7. Monitor the Company's operational processes to ensure readiness and efficiency prior to product launch.
3. Report important matters and have a process to report the product issuance information to the Board of Directors at least once a quarter
  4. Proceed in other matters relating to approval request for forms and wording of Insurance Policy and Premium Rate to OIC which is apart from above mention as well as any additional assigned by the Board of Directors
  5. Approve the products that will be submitted for OIC's approval by considering the minimum standards for product risk management and determination of premiums and other matters as determined by the registrar and prepare a report to support the application for approval, except for international transportation insurance products, Domestic transportation of goods, Ship insurance, liability related to maritime transport and logistics business or other insurance for which the registrar has specified specific approval criteria.
  6. Supervise work operations related to products.
  7. Report product information to the Board of Directors and the Risk Management Committee at least once a year. In the case of significant matters with material impact, such matters must be reported to the Board of Directors for consideration. In this regard, supporting documentation must be maintained and made readily available for inspection by the Office of Insurance Commission (OIC) at all times.
  8. In the case of launching products that cover emerging risks, the Insurance Product Governance Committee shall have the following additional duties:
    - 8.1 Appoint at least one individual possessing knowledge, expertise, or experience in insurance underwriting or risk management relating to insurance products covering emerging risks to perform the following functions:
      - Conduct in-depth review and analysis of underwriting conditions; and
      - Propose recommendations for improvement and resolution of issues arising from underwriting activities to the Board of Directors.
    - 8.2 Conduct stress tests to assess the ability to withstand potential future crisis scenarios for products covering emerging risks, based on reasonable assumptions under plausible worst-case scenarios. The Company shall impose a cap on the maximum aggregate sum insured, which must not exceed its underwriting capacity as determined by the results of such stress testing. In addition, the assumptions used in the calculations and assessments must be clearly disclosed.

#### 2.4.6 **IT Steering Committee**

1. Isorasak Thesratavong	Chairman
2. Matthias Benedikt Veith	Member
3. Bunchert Tangtorith	Member
4. Svenja Katharina Mangold	Member
5. Mary-Ann Leong	Member

### **Responsibilities**

1. Oversee the use of information technology to ensure alignment with business strategies, supporting technological changes and future business operations, as well as preparedness against cyber threats.
2. Report performance results to the Board of Directors.
3. Manage risks associated with information technology projects to prevent any adverse impact on the execution of strategic plans.
4. Establish a written information technology security policy aligned with the use of technology in business operations and associated risks, with approval from the Board of Directors.
5. Manage information assets (asset management) in compliance with applicable laws and regulations.
6. Implement access controls for systems, data, and information assets (asset control) to prevent unauthorized access or alteration.
7. Develop guidelines on cryptography.
8. Ensure physical and environmental security for data centers, IT operational sites, and related areas.
9. Ensure the security of the Company's network and communication systems (network and communication security).
10. Ensure information technology operations security (IT operation security).
11. Establish policies and procedures governing system acquisition and development.
12. Establish processes and criteria for evaluating and selecting external service providers, including formal service agreements that require compliance with the Company's security policies, define service level agreements (SLAs), and ensure regular monitoring and review of service performance.
13. Manage incidents and issues arising from the use of information technology in a timely and appropriate manner.
14. Establish an IT continuity plan (IT continuity planning).
15. Establish a cyber resilience governance framework, including operational frameworks and supervisory guidelines aligned with applicable cybersecurity laws, appropriate to the size and complexity of the Company. This includes measures for responding to cyber threats, recovery from cyber incidents, and reporting IT-related incidents in accordance with legal requirements.

### **2.5 Nomination and Appointment of Directors, Independent Directors and the Company's executives.**

Board of Directors is responsible for defining the nomination policy for the appointment of qualified directors, independent directors, and executives, and propose to the Board of Directors. The policy shall be in line with and/or no restrictions by law for the Public Limited Company Act and the Insurance Act. The selected directors have the sufficient experience in insurance business and 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 and 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 in 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 established a risk management framework incorporating key information related to enterprise risk management, with a scope aligned with the requirements of the Office of Insurance Commission (OIC), covering at least 13 categories of risk as follows:

1. Strategic Risk
2. Insurance Risk
3. Operational Risk
4. Market Risk
5. Liquidity Risk
6. Credit Risk
7. Compliance Risk
8. Anti-Money Laundering Risk
9. Reputational Risk
10. Information Technology Risk
11. Catastrophe Risk
12. Emerging Risk
13. Group Risk (if any)

This also covers at least 12 non-life insurance key risk activities as follows:

- |                                    |                                 |
|------------------------------------|---------------------------------|
| 1. Product development and pricing | 7. Investment in other business |
| 2. Sale and premium                | 8. Asset & liability management |
| 3. Underwriting                    | 9. Information Technology       |
| 4. Premium reserve assessment      | 10. Human Resources Management  |
| 5. Claims Management               | 11. Compliance                  |
| 6. Reinsurance                     | 12. Outsourcing (If any)        |

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 to the Risk Management Committee and the Board of Directors at least once a quarter.

#### **Risk Management Policy**

The Company's risk management policy covers risk management governance, risk management objective, the statement of risk appetite and level of risk tolerance, key risk indicator, risk limit, compliance to risk management policy, risk management scope and risk management process. Nevertheless, the Company has also identified linkage between business strategy and risk management and capital management process.

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. Establish a committee or function responsible for risk management and for monitoring operations to ensure compliance with the prescribed risk management policy.
2. Ensure the development of policies, guidelines on risk management, and reporting mechanisms for controlling risks in key business activities.
3. With respect to regulatory compliance, the Company shall establish a function to monitor, supervise, and ensure strict compliance with applicable laws and regulations.

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 its assets and liabilities by utilizing financial ratios as key indicators to assess the appropriateness of its management. Such financial ratios serve as an Early Warning System (EWS), with target levels established in accordance with the guidelines of the Office of Insurance Commission (OIC), comprising the following:

1. Capital Adequacy Ratio (CAR)
2. Shareholders' Equity or Head Office Equity (book value based on financial statements)
3. Total Capital Available Ratio (TCA)
4. Liquid Assets Ratio
5. Return on Equity (ROE)
6. Net Insurance Service Expense Ratio
7. Claims Ratio
8. Expense Ratio
9. Net Written Premium to Capital Ratio
10. Asset Backing Ratio
11. Gross Written Premium to Capital Ratio
12. Premium Receivables to Capital Ratio
13. Liabilities (Payables) to Equity Ratio
14. Retained Earnings
15. Net profit for the past four consecutive quarters
16. Direct Written Premium Growth Rate
17. Retention Ratio for Non-Motor Insurance

#### **Criteria for Managing Liquidity and Investment**

The Company sets the criteria for maintaining liquidity according to the financial ratios set by the OIC in Early Warning System (EWS). It requires that the Company must remain liquidity assets to invest not lower than 100%. The Company will liquid assets to invest, but this ratio shall not be lower than the specified criteria.

#### **Loss Preventive Measures in case to sell assets due to unfavorable market conditions**

The Company implements measures to mitigate the risk of potential losses arising from the disposal of investment assets during unfavorable market conditions through diversification, in order to reduce concentration risk, which may result from excessive investment in a particular asset class. Such diversification enhances the Company's flexibility in managing its investment portfolio and provides greater options for the prudent disposal of investment assets under adverse market conditions.

In this regard, the Company shall invest in or hold assets, as well as enter into contractual arrangements as a counterparty, within the investment limits for each asset class as follows:

1. Deposit money to any financial institutions with unlimited proportions, but each institutions limit at 15% of the Company's total investment assets.
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 proportions.
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 and with the risk rating is not lower than the investment grade by credit rating agency. The total of investment would not be over 60% of total investment assets of the Company, but only up to 10% of the Company's investment assets for each issuer.

4. Equity instruments, in aggregate, shall not exceed 30% of the Company's investment assets, and investment in each individual issuer shall not exceed 5% of the Company's investment assets per equity issuer.
5. Investment in real estate mutual funds, trust certificate of a real estate investment trust and infrastructure funds, would not exceed 20% of the Company's investment assets in total. The investment per fund would not exceed 10% of the Company's investment assets.

Any other limits or proportions not specified herein shall be governed primarily by the Notification of the Insurance Commission on Investment in Other Businesses of Non-Life Insurance Companies, B.E. 2568 (2025).

In this regard, the quantitative information shall include the following details:

Unit: Million Baht

Accounting item	2025		2024	
	Booking Value	Appraised Value	Booking Value	Appraised Value
Total Investment Assets	9,263.76	9,622.92	9,107.76	9,549.96
Total Liquid Assets	7,957.19	7,956.46	7,811.68	7,826.80
Total Liabilities	13,610.30	14,793.01	11,916.32	10,694.12
Insurance Liabilities	8,498.56		7,254.59	
- Insurance Contract Assets	89.30		0.90	
- Insurance Contract Liabilities	8,587.86	9,153.64	7,255.49	7,774.20

**Remark:**

1. Net insurance contract liabilities<sup>1</sup> are calculated as insurance contract liabilities minus insurance contract assets.
2. Book value refers to the value of assets and liabilities measured in accordance with financial reporting standards. Its primary objective is to enable investors and financial analysts to understand the economic value of insurance contract liabilities as recognized under Thai Generally Accepted Accounting principles. Such values must be certified by a Certified Public Accountant (CPA).
3. Appraised value refers to assets and liabilities measured in accordance with the Notification of the Office of Insurance Commission regarding the valuation of assets and liabilities of non-life insurance companies. The primary objective is to ensure the financial soundness of insurance companies and to ensure that they are able to fully meet their obligations under insurance contracts to policyholders.
4. The value of insurance contract liabilities may differ significantly between book value and appraised value due to the different objectives and methodologies used in their respective valuations as described above. Users of this information should carefully study and understand the objectives and approaches of both valuation methods before making any decisions.

**4. Predictable risks that may affect the Company's financial position, reinsurance management, linkage between capital reserve and underwriting risks as well as insurance concentration risk**

**Process of loss forecast and key risk exposure as a result of underwriting**

The Company has established a process for estimating potential losses based on an analysis of the **loss ratio**, both on an overall basis and by line of insurance, for the forthcoming year. Such estimates are compared against the Company's historical data. The data is developed using the Company's statistical records and market trends, with reference to reports prepared by the appointed actuary.

In the event that the estimated losses are projected to increase compared to the previous year, the Company shall conduct an in-depth analysis to identify the underlying causes of such changes. In addition, the Company shall ensure the adequacy of its reserves and establish a risk management plan to mitigate potential losses.

Furthermore, the Company has arranged reinsurance coverage to diversify risk and reduce risk concentration, particularly in relation to natural catastrophe risks. Reports in this regard are regularly submitted to the Board of Directors and the Risk Management Committee for their consideration and oversight.

#### **Criteria and policies for risks acceptance due to self-insure, reinsurance, or risk transfer**

The Company defines the criteria for underwriting or transferring risks in accordance with the terms, conditions, and policies of each business line by applying actuarial models and considering the defined risk appetite, risk tolerance, or retention limits of the Company as well as the potential impact of the self-insure or risk transfer. This is to be in line with the capital management requirements that are appropriate to the nature, size and complexity of the business, as specified by OIC, and for the most effectiveness in the operation and risk management of the organization. The policies of each business line need to be reviewed and updated at least once a year.

#### **Risk linkage between capital reserve and underwriting risks as well as insurance concentration risk**

According to criteria for accepting or transferring risks and reinsurance limits, the Company is able to estimate the capital amount for relevant risk i.e. loss reserve, premium reserve, reinsurance credit and concentration risk. All of the risks have an impact on capital reserve required. The Company has determined the claims ratio and operating expenses to earned premium.

Furthermore, the Company has conducted stress testing to assess its ability to withstand severe adverse scenarios, with the objective of ensuring that it can maintain its capital adequacy ratio at an acceptable level in accordance with the requirements prescribed by the Office of Insurance Commission (OIC) and the Company's internal criteria.

By managing and controlling the concentration and accumulation of risks both from direct insurance and reinsurance, the Company has set 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.

In addition, the Company has a policy to diversify risk in order to prevent excessive concentration or accumulation of risk with any single insurer or group of reinsurers. The approach is as follows:

1. The Company stipulates that outward reinsurance placements with reinsurers having a credit rating at risk level 4 (in accordance with the Notification of the Office of Insurance Commission on Rules, Procedures, and Conditions for Reinsurance of Non-Life Insurance Companies B.E. 2566 (2023)) must not exceed 50% of the total treaty reinsurance premium.
2. The Company complies with guidelines on controlling concentration risk of reinsurers at the group level in accordance with the policies of the Ergo Group.

#### **The Company's criteria for selecting reinsurers**

The Company follows the ERGO group guidelines which define minimum standard of reinsurer list as follows:

- Reinsurers who are not Lloyd's syndicates:
  - Reinsurers have at least €250 million in shareholder equity.
  - Reinsurers meets the minimum credit rating as per below:
    - A.M. Best: "A-" for short-term (ST) and "A" for long-term (LT).
    - S&P: "A-" for ST and "A+" for LT.
    - Fitch: "A-" for ST and "A+" for LT.
    - Moody's: "A3" for ST and "A2" for LT.
- Reinsurers who are in Lloyd's syndicates:
  - Reinsurers have at least €150 million with Members' Funds at Lloyd's.

In addition, the Company has to ensure that that reinsurers are in the approved list of the Munich Re Security List. Any deviation from above, it is required to approve according to the defined criteria and on case by cases basis.

The Company has stipulated that all Proportional Reinsurance treaties shall include provisions on cash calls and premium reserves to ensure appropriate liquidity management and risk mitigation.

In this regard, the quantitative information shall include the following details:

Unit: Million Baht

Accounting item	Book value	
	2025	2024
Net Reinsurance Contract Liabilities <sup>1</sup>	(1,635.96)	(312.90)
– Reinsurance Contract Assets	1,724.40	502.32
– Reinsurance Contract Liabilities	88.44	189.42

**Note:**

1. Net reinsurance contract liabilities<sup>1</sup> are calculated as reinsurance contract liabilities minus reinsurance contract assets.
2. Book value refers to the value of assets and liabilities measured in accordance with financial reporting standards. Its primary objective is to enable investors and financial analysts to understand the economic value of insurance contract liabilities as recognized under Thai Generally Accepted Accounting principles. Such values must be certified by a Certified Public Accountant (CPA).

**5. Value, Methods, and Assumptions Used in the Valuation of Insurance Contract Liabilities**

**5.1 Book Value**

The Company discloses the methods and assumptions used in the valuation of insurance contract liabilities in the notes to the consolidated and separate financial statements for the year ended 31 December 2025, available at:

[https://www.ergo.co.th/assets/pdf/tmp\\_pdf/FS\\_Official\\_EN\\_1\\_2025\\_1777963830\\_69f9933681060.pdf](https://www.ergo.co.th/assets/pdf/tmp_pdf/FS_Official_EN_1_2025_1777963830_69f9933681060.pdf). Details can be found on page 13, Note 5 of the aforementioned financial statements.

In this regard, the quantitative information shall include the following details:

Unit: Million Baht

Accounting Item	Book Value	
	2025	2024
Net Insurance Contract Liabilities <sup>1</sup>	8,498.56	7,254.59
– Insurance Contract Assets	89.30	0.90
– Insurance Contract Liabilities	8,587.86	7,255.49

**Note:**

1. Net insurance contract liabilities<sup>1</sup> are calculated as insurance contract liabilities minus insurance contract assets.
2. Book value refers to the value of assets and liabilities measured in accordance with financial reporting standards. Its primary objective is to enable investors and financial analysts to understand the economic value of insurance contract liabilities as recognized under generally accepted accounting principles in Thailand. Such values must be certified by a licensed auditor.

## 5.2 Appraised Value

The Company applies valuation methods and assumptions for insurance contract liabilities in accordance with the Notification of the Office of Insurance Commission regarding the valuation of assets and liabilities of non-life insurance companies. The assumptions used in the valuation are aligned with actual experience; where the Company has insufficient data, industry experience may be referenced and appropriately adjusted to reflect the specific characteristics of the Company's underwriting portfolio. In this regard, the quantitative information shall include the following details:

Unit: Million Baht

Item	Appraised Value	
	2025	2024
Technical Reserves (Gross of Reinsurance)		
(1) Claim Reserves <sup>1</sup>	4,772.76	3,014.78
(2) Unearned Premium Reserves <sup>2</sup>	4,127.42	4,379.72

### Note:

1. Claim Reserves<sup>1</sup> refer to reserves for reported outstanding claims and claims that have been reported but not yet fully settled, as well as incurred but not reported (IBNR) claims. This includes both allocated loss adjustment expenses (ALAE) and unallocated loss adjustment expenses (ULAE).
2. Unearned Premium Reserves<sup>2</sup> refer to the higher of the unexpired risk reserve for policies still in force (gross of reinsurance) and the unearned premium reserve (gross of reinsurance).
3. Appraised value refers to the value of insurance contract liabilities measured in accordance with the Notification of the Office of Insurance Commission (OIC) regarding the valuation of assets and liabilities of non-life insurance companies. The primary objective is to ensure the financial soundness of insurance companies and to ensure that they are able to fully meet their obligations under insurance contracts to policyholders. Such valuations must be performed by a licensed actuary approved by the Registrar, in accordance with accepted actuarial principles. The assumptions used in the valuation must be consistent with actual experience, or where the Company has insufficient data, industry experience may be applied and appropriately adjusted to reflect the specific characteristics of the Company's underwriting portfolio. In addition, the insurance reserves must include a Provision for Adverse Deviation (PAD) as prescribed by the Office of Insurance Commission.
4. The value of insurance contract liabilities may differ significantly between book value and appraised value due to the different objectives and methodologies used in their respective valuations, as described above. Users of this information should carefully study and understand the objectives and approaches of both valuation methods before making any decisions.

## 6. Investment of the Company

### Policy and Objective

The Company aims to generate appropriate investment returns under a level of risk consistent with the nature of the non-life insurance business, taking into consideration the balance between investment returns and liquidity. Such investments are undertaken within the investment framework and in compliance with the criteria prescribed by the Office of Insurance Commission (OIC).

### Investment Process

The Company has an Investment Department under the supervision of the Investment Committee. The Department conducts the Company's investment transactions. The Board of Directors will approve the annual investment policy and plan which are considered 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 the investment asset value by following methods.

#### **1. Debt instruments**

- 1.1. Debt instruments registered in Thailand with high liquidity shall be valued using the end-of-day price published by the following entities:
  - Debt instruments registered with the Thai Bond Market Association (ThaiBMA) shall be valued using the clean price (excluding accrued interest) as published by the Thai Bond Market Association or other entities approved by the Securities and Exchange Commission (SEC).
  - Debt instruments listed on the bond market shall be valued using the latest bid price (current bid price) as 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 B.E. 2011".

#### **2. Equity instruments**

- 2.1. Equity instruments listed on Stock Exchange Market of Thailand by applying the bid price at the end of appraisal date published by Stock Exchange Market of Thailand
- 2.2. Equity instruments listed on the Stock Exchange of Thailand (SET) that have no trading on the valuation date shall be valued using the latest bid price, provided that such price is not older than fifteen (15) business days.
- 2.3. Equity instruments listed on Stock Exchange Market of Thailand, which no transaction trading within 15 working day backward applying any fair value method according to the OIC's notification on "valuation of assets and liabilities of non-life insurance companies B.E. 2011".
- 2.4. If a reference price cannot be determined in accordance with items 2.1–2.3, a generally accepted market value shall be used, based on valuation techniques that have been proven to produce reliable prices through actual market transactions and are accepted by the Office of Insurance Commission (OIC).

#### **3. Investment Unit**

- 3.1. Investment unit listed on Stock Exchange Market of Thailand applying bid price at the end of appraisal date published by the Stock Exchange Market of Thailand
- 3.2. Units in collective investment schemes not traded on an exchange shall be valued using the Net Asset Value (NAV) per unit of the mutual fund as at the end of the valuation date. In the absence of an NAV per unit as at the valuation date, the most recent available NAV per unit prior to the valuation date shall be used.

#### **4. Other Investment Assets**

- 4.1. Other assets not specified under items 1 to 3 shall be valued in accordance with the recognition and measurement methods prescribed under generally accepted accounting standards, or by applying other widely accepted valuation techniques. Such techniques must have been proven to produce reliable values and reflect prices commonly observed in market transactions.

In this regard, the quantitative information shall include the following details:

Unit: Million Baht

Investment Asset Type	As at 31 December			
	2025		2024	
	Book Value	Appraised Value	Book Value	Appraised Value
Deposits with financial institutions, certificates of deposit, and promissory notes	372.86	372.86	598.70	601.07
Debt securities	7,080.10	7,080.27	6,501.66	6,520.50
Equity securities	1,205.63	1,205.63	992.51	992.51
Loans	554.75	553.82	999.71	999.71
Derivatives				
– Derivative assets	-	-	-	-
– Derivative liabilities	-	-	-	-
Other investments	4.49	4.45	4.45	4.45
Investment properties	45.94	405.89	10.73	431.72
Total Investment Assets	9,263.76	9,622.92	9,107.76	9,549.96

**Note:**

1. Book value refers to the value of assets and liabilities measured in accordance with financial reporting standards. Its primary objective is to enable investors and financial analysts to understand the economic value of insurance contract liabilities as recognized under generally accepted accounting principles in Thailand. Such values must be certified by a Certified Public Accountant (CPA).
2. Appraised value refers to the value of assets and liabilities measured in accordance with the Notification of the Office of Insurance Commission regarding the valuation of assets and liabilities of non-life insurance companies. The primary objective is to ensure the financial soundness of insurance companies and to ensure that they are able to fully meet their obligations under insurance contracts to policyholders.
3. Loans (book value) refer to the line item “Loans and Accrued Interest Receivable” in accordance with financial reporting standards.
4. Loans (appraised value) refer to the line item “Loans” as prescribed by the Notification of the Office of Insurance Commission.

**7. Operating Performance of the Insurance Company, Including Analysis and Related Ratios**

**7.1 Operating Performance of the Insurance Company**

In 2025, the Company generated insurance revenue of THB 12,441 million, an increase of THB 1,227 million or 11% from THB 11,214 million in 2024. The Company’s insurance service result in 2025 stood at THB 381 million, representing a significant increase of THB 386 million or 6,792% compared to a loss of THB (6) million in 2024.

Regarding investment performance, the Company recorded investment income of THB 175 million in 2025, increasing by THB 143 million or 441% from THB 32 million in 2024. For other operating performance, the Company reported a loss of THB (775) million in 2025 compared to a loss of THB (626) million in 2024, representing an increased loss of THB (149) million or -24%.

Consequently, the Company recorded a net loss of THB (188) million in 2025, which decreased by THB 320 million or 63% from a net loss of THB (508) million in 2024.

Overall, the Company’s performance improved compared to 2024, primarily driven by the recovery in insurance service results. This improvement was achieved despite ongoing claims burdens from major events, such as earthquakes, floods in the southern region, and other large-scale insurance claims.

However, the Company was compensated by an increase in reinsurance recoveries, leading to higher reinsurance commission income and claim recoveries. This contributed to a THB 386 million year-on-year increase in the net insurance service result.

In terms of investment performance, the Company recognized a significant increase in net gain on fair value measurement of financial instruments, alongside financial assets that resumed trading in the market. As a result, net investment income increased by THB 143 million from the previous year. Driven by these key factors, the Company successfully reduced its net loss by a total of THB 320 million compared to the prior year.

In this regard, the quantitative information shall include the following details:

Unit: Million Baht

Item	Book value	
	2025	2024
Insurance Revenue <sup>1</sup>	12,441.47	11,214.21
Insurance Service Results <sup>2</sup>	380.77	(5.69)
Investment Results <sup>3</sup>	174.52	32.27
Other Operating Results <sup>4</sup>	(775.37)	(625.77)
Net Profit (Loss) <sup>5</sup>	(188.47)	(508.25)

**Note:**

- Insurance Revenue<sup>1</sup> is calculated as insurance revenue from contracts measured under the General Measurement Model (GMM) plus insurance revenue from contracts measured under the Premium Allocation Approach (PAA).
- Insurance Service Results<sup>2</sup> are calculated as insurance revenue less insurance service expenses and net expenses (income) from reinsurance contracts held.
- Investment Results<sup>3</sup> are calculated as investment income plus gains (losses) on disposal of investments recognized in profit or loss, plus gains (losses) on reclassification of investments, less expected credit losses, less impairment losses on financial assets, plus gains (losses) from fair value adjustments of financial instruments, plus net gains (losses) from hedge accounting, and less net finance expenses (income) from insurance contracts.
- Other Operating Results are calculated as other finance costs plus other operating expenses, less share of gains (losses) from associates and joint ventures (under the equity method), less contribution income, less other income, less gains (losses) on disposal of foreclosed properties, and less foreign exchange gains (losses).
- Net Profit (Loss)<sup>5</sup> is calculated as insurance service results plus investment results, less other operating results and corporate income tax.
- Book value refers to the value of assets and liabilities measured in accordance with financial reporting standards. Its primary objective is to enable investors and financial analysts to understand the economic value of insurance contract liabilities as recognized under Thai Generally Accepted Accounting principles in Thailand. Such values must be certified by a Certified Public Accountant

**7.2 Related Ratios**

Unit: %

Ratio	2025	2024
Return on Equity (ROE)	-5.81%	-14.02%
Net Insurance Service Expense Ratio	96.94%	100.05%
Liquid Assets Ratio	182.53%	293.31%
Asset Backing Ratio	207.67%	128.74%

**Note:**

- Book value refers to the value of insurance contract liabilities measured in accordance with financial reporting standards.
- Appraised value refers to the value of assets and liabilities measured in accordance with the Notification of the Office of Insurance Commission regarding the valuation of assets and liabilities of non-life insurance companies. The primary objective is to ensure

the financial soundness of insurance companies and to ensure that they are able to fully meet their obligations under insurance contracts to policyholders.

- The above financial ratios are calculated in accordance with the formulas prescribed under the Early Warning System (EWS) established by the Office of Insurance Commission.

## 8. Capital Adequacy of the Company

### Policy and Objective

The Company maintains its capital at a level above the minimum regulatory requirements prescribed by the Office of Insurance Commission (OIC) in order to enhance policyholders' confidence in its ability to meet claims obligations, which is considered the foremost priority. In this regard, the Capital Adequacy Ratio (CAR) serves as an effective key indicator that appropriately reflects the Company's financial strength and stability.

### Capital Management Process

The Company aims to maintain its Capital Adequacy Ratio (CAR) well above the regulatory threshold established by the Office of Insurance Commission (OIC) through the strategic management of its total available capital and required capital at an optimal ratio. The Company maintains a robust capital level due to a strong and appropriate asset-to-liability surplus. Furthermore, the Company strictly manages capital-related risks in accordance with the Risk-Based Capital (RBC) framework to ensure that its required capital aligns with regulatory standards and effectively supports the maintenance of the CAR in line with the Company's strategic targets.

In addition, the Company has conducted stress tests based on scenarios prescribed by the OIC. These tests incorporated adverse scenarios that could significantly impact the CAR. The results demonstrated that the Company's CAR remains higher than the minimum requirements set by the OIC. The Company has also established guidelines to maintain its financial position and secure sufficient liquidity to mitigate potential crises, such as catastrophic flooding or credit rating downgrades of reinsurers, thereby ensuring the continuity and stability of its business operations.

The quantitative data details are provided below:

Unit: Million baht

Item	As at 31 December	
	2025	2024
Total Assets	18,509.82	14,405.53
Total Liabilities	14,793.01	10,694.12
(1) Insurance Contract Liabilities <sup>1</sup>	9,153.64	7,774.20
(2) Other Liabilities <sup>2</sup>	5,639.37	2,919.92
Shareholders' Equity	3,716.81	3,711.40
Common Equity Tier 1 Ratio (CET1 Ratio) (%)	232.81%	161.26%
Tier 1 Ratio (%)	232.81%	161.26%
Capital Adequacy Ratio (CAR) (%)	269.16%	201.90%
Total Capital Available (TCA)	2,665.47	2,103.27
Total Capital Required (TCR)	990.28	1,041.74

### Note:

- In accordance with the Notification of the Office of Insurance Commission (OIC) regarding the determination of the types and categories of capital, as well as the rules, procedures, and conditions for calculating the capital of non-life insurance companies, the Registrar may impose necessary supervisory measures on companies whose Capital Adequacy Ratio (CAR) falls below the prescribed Supervisory CAR level.

2. The above figures are calculated based on the valuation principles prescribed in the OIC Notification on the valuation of assets and liabilities of non-life insurance companies, and the OIC Notification on the determination of types and categories of capital, including the rules, procedures, and conditions for calculating capital of non-life insurance companies.
3. Insurance contract liabilities<sup>1</sup> are calculated as insurance reserves (gross of reinsurance) plus other outstanding liabilities under insurance policies.
4. Other liabilities<sup>2</sup> are calculated as liabilities/borrowings plus reinsurance liabilities, plus deferred tax liabilities, plus income tax payable, plus employee benefits obligations, plus other liabilities, plus derivative liabilities, and current account balances with the head office.

**9. Financial statement and its Notes for the previous calendar year with the auditor's review and comment.**

The Company presents its financial statement and the notes to the financial statements for the previous calendar year (2025) that have been reviewed and commented by the Certified Public Accountant. The information is available below.

[https://www.ergo.co.th/assets/pdf/tmp\\_pdf/FS\\_Official\\_EN\\_1\\_2025\\_1777963830\\_69f9933681060.pdf](https://www.ergo.co.th/assets/pdf/tmp_pdf/FS_Official_EN_1_2025_1777963830_69f9933681060.pdf).

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