

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 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



Sign

Dr.Hans-georg Till Böhmer

Director

Disclosure on May 27, 2025

Information of annual report 2024

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, 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/wp-content/uploads/2025/05/ERGO-Company-Profile-2025.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, speed 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 2024, The Company had numerous branches and representative offices as per below.

Region / Area (s)	Branch (es)	Representative Office (s)
Bangkok (Excluding headquarters)	53	2
North	28	1

Region / Area (s)	Branch (es)	Representative Office (s)
East	28	1
Northeast	13	1
Central and West	19	3
Southern	27	-
Total	168	8

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

The Company's portfolio in 2024 was composed of motor products at 68.52% and 33.48% of non-motor products as per below.

Types of Products	Percentage (%)
Motor	68.52
Property Insurance	1.80
Miscellaneous Insurance	26.21
Marine Cargo Insurance	1.70
Engineering Insurance	1.74
Others	0.03

Llist	Fire	Marine		Motor insurance		Miscellaneous Insurance						Total
		Hull	Cargo	Compulsory	Voluntary	Property risk	Third party liability	Engineering	Perso Na Accident	Health	O T H E r	
Direct premium	206.88	20.70	175.02	2,635.28	5,247.77	979.06	246.62	200.39	943.40	846.66	2.97	11,504.76
%	1.80	0.18	1.52	22.91	45.61	8.51	2.14	1.74	8.20	7.36	0.03	100.00

1.5. Company's contact channels, procedures and duration of claims management

1.5.1. Procedures, durations, documents, and approach of claims request

The details are available on

- <https://www.ergo.co.th/claim/>
- <https://www.ergo.co.th/service-level-agreement/>

1.5.2. The Company's contact channels and the department responsible for complaint management as per below.

- Tel 02-8207000 # 4 , Call Center 1219 # 4 or
- E-mail : customer.service@ergo.co.th or
- 126/2 Krungthongburi Rd. Banglamphulung, Klongsan, Bangkok 10600

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

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

Good Corporate Governance Framework

The Company's Board of Directors has set a Corporate Governance of the Company to gain confidence and support from the shareholders, supervisory agencies, customers, general public, and society and to represent as an ethical and responsible company. The details are available on <https://www.ergo.co.th/wp-content/uploads/2023/07/กน-ป-003-2561-นโยบายการกำกับดูแลกิจการ-Corporate-Governance-Policy.pdf>

In addition, the Company has developed the various policies to encourage the good corporate governance as per below

1. Code of Conduct is available on https://www.ergo.co.th/wp-content/uploads/2024/03/กน-ป-011-2566-EN_Code_of_Conduct_2023.pdf
2. Anti-fraud and Corruption Policy is available on https://www.ergo.co.th/wp-content/uploads/2024/03/กน-ป-014-2566-Guideline-Anti-Fraud-Management_V.1EN.pdf
3. Whistleblowing Policy is available on <https://www.ergo.co.th/about-us-2/whistleblowing-portal/>

Internal Control

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 examine the sufficiency and effectiveness of internal control system, risk management system, monitoring any compliance with good corporate governance and code of conduct. Annual audit plan has been developed by considering the goals, objectives, strategies and relevant risk factors including the key control which impact to the Company's goal achievement. This annual audit plan has been approved by the Audit Committee. In addition, the internal audit charter has defined vision, mission, goals, objectives, responsibilities, and clear work authorities of internal audit. Internal Audit Manual is also available as the working standard guideline for internal audit team to be in line with international standards and professional practice of internal auditing

2.2. Company's Structure

The details is available on

<https://www.ergo.co.th/wp-content/uploads/2025/05/Public-announcement-ERGO-Organization-Chart-1-4-2025.pdf>

2.3. Company's Management Structure

The list of the Board of Directors is available on

<https://www.ergo.co.th/wp-content/uploads/2025/05/ERGO-Board-of-Directors-2025.pdf>

The list of management executives is available on

<https://www.ergo.co.th/wp-content/uploads/2025/05/ERGO-Executives-2025.pdf>

2.4. Sub-Committee

2.4.1. Audit Committee:

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

The Head of Internal Audit has served as a 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 accounting standards.
2. 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. Review compliance of the Company on non-life insurance laws, regulations by regulatory agencies, and other relating laws.
4. 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. 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 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. 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. Perform other duties as assigned by the Board of Directors with the approval of the Audit Committee.

2.4.2. Risk Management Committee:

- | | | |
|----|----------------------------------|----------|
| 1. | Ms.Sirinpach Lauhapattanapreecha | Chairman |
| 2. | Dr.Hans-georg Till Böhmer | Member |
| 3. | Dr.Svenja Katharina Mangold | Member |
| 4. | Ms.Ilona Mihele | Member |
| 5. | Ms.Sutthinan Kuruhongsa | Member |

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

Responsibilities

1. Formulate Risk Management Policy and Risk Management Frameworks proposed to the Boards of Directors for their approval which covers 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 report related the risk management according to OIC's requirement.

2.4.3. Investment Committee:

- | | | |
|----|-----------------------------|----------|
| 1. | Dr.Svenja Katharina Mangold | Chairman |
| 2. | Dr.Hans-georg Till Böhmer | Member |
| 3. | Mr.William Turner | Member |
| 4. | Ms.Panadda Manoleehakul | Member |

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

Responsibilities

1. Propose Investment policy 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. Supervise sufficiency of working systems, personnel, and information used for the Company's investment.
6. Invest in accordance with the investment policy approved by the Board
7. Regularly report investment results to the Board of Directors.

2.4.4. IT Steering Committee :

1.	Dr.Hans-georg Till Böhmer	Chairman
2.	Mr. Matthias Benedikt Veith	Member
3.	Mr. Bunchert Tangtorith	Member
4.	Dr. Svenja Katharina Mangold	Member
5.	Ms.Mary-Ann Leong	Member

Responsibilities

- Supervise the use of information technology in line with business strategies to support changes in information technology and future business operations. Including preparing to deal with cyber threats.
- Report the performance to the Board of Directors.
- Manage the risks of IT project to prevent the impact on the strategic plan
- Provide a written IT security policy consistent with the use of technology in business operations and risks which has been approved by the Board of Directors
- Manage IT asset management to be in accordance with the law
- Provide control access to the system, data and information assets to prevent unauthorized access and change of the system or information by unauthorized person.
- Develop data encryption practices.
- Provide physical and environment security of the computer center, workplaces related to information technology and related areas.
- Provide the security of the Company's network and communication.
- Provide security for IT operations.
- Provide rules and procedures for system acquisition and development.
- Provide a process or criteria for evaluating and selecting external service providers and having contract with service provider and set conditions for them to comply with the Company's security policy including setting up a SLA including regular inspection and follow-up of services.
- Manage incident and problems arising from the use of IT appropriately and in a timely manner.
- Provide to have IT continuity planning
- Provide cyber resilience governance guidelines, with operational frameworks and governance guidelines consistent with cybersecurity laws appropriate to their size and complexity, including countermeasures and responses when cyber threats are detected and methods for recovering damage from cyber threats and report IT incidents as required by law.

2.4.5. Product Governance Committee :

1.	Dr. Hans-Georg Till Boehmer	Chairman
2.	Dr. Svenja Katharina Mangold	Member
3.	Mr. Matthias Benedikt Veith	Member
4.	Mr. Nattawut Nganpinyo	Member
5.	Ms.Sirinpach Lauhapattanapreecha	Member
6.	Mr. Somboon Fusirboon	Member

Responsibilities

- Determine framework and policy for product issuance and propose to the Board of Directors for consideration and approval
- Continually supervise and monitor the Company's operations regarding the product issuance as follows:
 - Supervise the Company to comply with any laws, rules, and regulations regarding product issuance.
 - Supervise and monitor the operations of various departments to be in accordance with the framework and policy of product issuance with efficiency and effectiveness.

- 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. Supervise to ensure the quantity and quality of personnel resource related to the products and consistent with the business volume and quality performance
- 2.6. Supervise the operations related to products to be fair, systematic, consistency, up to date, able to fully assess the overall and business risk, able to measure the success rate, analyze and solve problems quickly and efficiently
- 2.7. Monitor on various operational processes of the Company to be ready and efficient before the products are sold
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 products information to the Board of Directors and the Risk Management Committee at least once a year and in the case of important matters that has a significant impact on report to the Board of Directors for consideration.
8. In the case of issuance the products for coverage the emerging risks, Product Governance Committee has additional responsibilities as follows:
 - 8.1. Arrange for a person with knowledge, expertise or experience in underwriting or risk management regarding insurance that insured the emerging risks, at least 1 person responsible for
 - Considering and analyzing insurance situations in depth and
 - Propose ways to improve and solve various problems arising from underwriting to the Board of Directors.
 - 8.2. Perform stress test for the products that insured the emerging risks. Applying appropriate hypothesis for worst case scenario. The company must identify maximum limit of sum insured which does not exceed the company capacity.

2.5. Nomination and Appointment of Directors, Independent Directors and 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 set up a risk management framework that includes important information related to corporate risk management and the scope of risk management align with OIC requirements which focus on at least 13 risk type 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. New and 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. 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 by considering financial ratios as indicators of whether or not the Company's management is appropriate. The financial ratios are used as Early Warning System (EWS) according to the OIC's guideline as following;

1. Capital Adequacy Ratio to supervisory required capital
2. Equity of shareholders
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 ratio for 1 year development
10. Net insurance premiums ratio to capital fund

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 prevents loss in case to sell assets due unfavorable market conditions by diversifying to reduce concentration risk as a result of over investment in any asset. The method allows the Company to have more options to sell investment assets in the unfavorable market conditions.

Asset investment portfolio as below;

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. Total of Equity instruments would not exceed 30% of the Company's investment assets, and each is up to 5% of the Company's investment assets for each 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 investment shall be in accordance with the OIC's notification on "Investment in Other Businesses of Non-Life Insurance Company, 2013"

Million Baht

Assets	2024		2023	
	Account Value	Appraised Value	Account Value	Appraised Value
Total Investment Assets	9,097	9,116	8,859	8,826
Total Liquid Assets	7,812	7,827	7,636	7,610
Total Liabilities	11,916	10,694	11,352	10,107
Insurance Liabilities	8,858	7,774	8,304	7,198

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, 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 a process to forecast loss by using loss ratio analysis for overall and each insurance type and comparing the data last year vs next year. The data is referring from actuary report and based on historical company statistics and market trends. If the estimated losses increase from the previous year, the Company will identify the actual cause of increase, and re-calculate the reserve fund and prepare a risk management plan to address any potential damage. The reinsurance would be an option to avoid the concentration risk especially natural disaster and then report to the Board of Directors and the Risk Management Committee for further consideration.

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 and conducted stress test to ensure that the Company is able to maintain the capital adequacy ratio at an acceptable level in accordance with the requirements of the OIC and the Company.

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

1. The Company is to reinsure to the reliable reinsure with high rating i.e. rating at (according to OIC's notification re criteria, approach and condition for reinsurance of non-life insurance company B.E. 2023) not more than 50% of premium for all insurance contract.
2. The Company follow the ERGO group guideline for concentration management of reinsurance

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.
- *ST: Short term, LT: Long term)
- 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 set the condition for proportional cash call and premium reserve on the every reinsurance contract

Unit: Million Baht

Criteria	Amount
Reinsurance recoveries on technical reserves	903
Amount of due from Reinsurer	184
Deposits on reinsurance treaties	2

5. Value, methods, and assumptions in assessing insurance liabilities

The Company presents the methods and assumptions for assessing insurance liabilities in the notes to the consolidated and the separate financial statements for the year ended 31 December 2024 on https://www.ergo.co.th/wp-content/uploads/2025/05/ERGO_2024YE_FSEN_Signed.pdf on page 56, Clause 19

Unit: Million Baht

	2024		2023	
	Account Value	Appraised Value	Account Value	Appraised Value
Insurance Liabilities				
- Premium Liabilities	5,075	4,380	4,453	3,808
Claim Liabilities	3,058	3,015	2,898	2,888

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 stability 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 defined 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 by taking into account the balance between return on investment and liquidity under the investment framework and the guidelines of 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. Bond

- 1.1. Bond listed in Thailand with high liquidity. The price shall be valued at the end of the valuation date published by the following agencies;
 - Bond listed on the Thai Bond Market Association by applying the 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 by applying the 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 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 Stock Exchange Market of Thailand, without no transaction trading on appraisal date using the latest bid price but the price shall not exceed 15 working days backwards.
- 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 unable to refer the price as per item 2.1-2.3, the Company shall apply wide-market value with the proof of trust and perform the real transaction with acceptable from 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. Investment unit not listing on Stock Exchange Market of Thailand applying the NAV of mutual fund at the end of appraisal date. If there is no NAV at the end of appraisal date, use latest NAV before appraisal date

4. Other Investment Assets

- 4.1. Apart from the assets identified in item 1-3, the price shall be applied the 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			
	2024		2023	
	Account value	Appraised Value	Account value	Appraised Value
Deposits and certificates of deposit at financial institutes	599	601	962	962
Debt Securities (Bond, Debenture, Promissory Note, Bill of Exchange, Convertible Bond, Lottery)	6,502	6,521	6,235	6,207
Stock, excluding investments in subsidiaries and associates	993	993	928	924
Investment Unit	1,000	1,000	729	729
Loan, Car Rental, and Hire Purchase Asset	0	0	0	0
Warrants	0	0	0	0
Derivatives	0	0	0	0
Other investments	4	4	4	4
Total of Investment Assets	9,097	9,118	8,859	8,826

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 relevant ratios

In 2024, the Company had a Gross Written Premium of 11,523 million baht against 10,425 million baht in 2023 which increased for 1,098 million baht or 10.53%. There was a net earned premium in 2024 of 9,397 million baht against 8,548 million baht in 2023 which rise for 848 million baht or 9.93%, while the investment income and other income in the year 2024 for 249 million baht against 209 million baht in 2023 which increase for 39 million baht or 18.72% and having a net Loss profit in 2024 for 310 million baht against net loss 461 million baht in 2023 which decrease for 771 million baht or 167.23%.

Considering the overall picture, it is evident that the Company's total revenue in 2024 has increased compared to 2023. This growth is attributed to the development of new policy issuance channels utilizing technology, along with an increase in the number of agents/brokers. However, the Company's total expenses have also risen, and the rate of increase in expenses is higher than the rate of revenue growth. As a result, the Company's net profit (or loss) and return on equity ratio have declined compared to 2023.

Unit: million baht

Item	2024	2023
Gross Written Premium	11,523	10,425
Net Earned Premium	9,397	8,548
Investment Income and Other Income	249	209
Net Profit (loss)	-310	461

Major Financial Ratios (%)

Ratio	2023	2022
Loss Ratio	57%	58%
Expenses Ratio	50%	48%
Combined Ratio	107%	106%
Liquidity ratio	289%	296%
Return on Equity	-7%	11%

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 those 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 compared to those required by OIC. 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	
	2024	2023
Total Asset	14,406	13,996
Total Liabilities	10,694	10,107
- Insurance Liabilities	8,480	8,120
- Other Liabilities	2,214	1,987
Equity	3,711	3,889
Equity Tier 1 Capital Ratio to Capital Required (%)	161.26	184.83
Tier 1 capital ratio to capital (%)	161.26	184.83
Capital Adequacy Ratio (%)	201.90	229.68
Capital Available	2,103	2,229
Capital Required	1,042	970

Note:

- According to OIC's notification 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 valued by applying the value according to the OIC's notification regarding the valuation of assets and liabilities of non-life insurance companies and OIC's notification regarding classification and types of capital, and the rules, procedures, and conditions for valuation of capital of a non-life insurance company

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 (2023) that have been reviewed and commented by the appointed auditors. The information is available below.

https://www.ergo.co.th/wp-content/uploads/2025/05/ERGO_2024YE_FSEN_Signed.pdf
