

The Minutes of the 27th Annual General Meeting of Shareholders

Charan Insurance Public Company Limited

Wednesday, July 22, 2020

**The Meeting was held at Le Lotus Room No.1 on the 2nd floor, The Swissotel Bangkok Ratchada,
Ratchadapisek Road, Huaykwang Bangkok**

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The Meeting started at 15.00 hours

Mr. Sapon Kluaymai Na Ayudhaya, Chairman of the Board, is Chairman of the Meeting.

The Chairman informed the Meeting that there were 22 shareholders present in person, and 22 shareholders by proxy. In total, 44 shareholders and proxy holders attended the meeting, holding a total of 5,696,099 shares, equivalent to 47.47% of the total 12,000,000 issued shares which constitutes a quorum pursuant to the Company's Articles of Association. The Chairman declared the 27th Annual General Meeting of Shareholders open. Before commencing the meeting, Chairman assigned Mr. Sukich Charanvas, Managing Director, to introduce those in attendance to the meeting, i.e. the Directors, the Company Executives and the external auditors and explain the voting procedures are as follows:

The Managing Directors suggested the Directors and the External Auditors are as follows:

Directors

- | | |
|----------------------------------|---|
| 1. Mr. Sapon Kluaymai Na Ayudhya | - Chairman of the Board |
| 2. Mr. Sompol Chaichow | - Chairman of Audit Committee
- Independent Director |
| 3. Mr. Vorayuth Charoenloet | - Member of Audit Committee
- Independent Director |
| 4. Mrs. Poodpong Arsingsamanunta | - Member of Audit Committee
- Independent Director |
| 5. Mr. Pon Titipanichayagoon | - Executive Director |
| 6. Mr. Kittipong Charanvas | - Executive Director |
| 7. Mr. Sukich Charanvas | - Managing Director |

Auditors

1. Vuthichot Sathoncha From DIA International Auditing Co., Ltd.

All 7 Directors attended the meeting (equivalent to 100% of the total Board members).

In addition, there were the Company Executives and the legal team attended the meeting.

The Chairman declared to the meeting, in accordance with the good corporate governance practice and realize the importance of shareholders to be equally treated. In case that shareholder unable to attend the meeting in person, the company provided the shareholders assign a proxy to an Independent Director and / or Managing Director to attend the meeting and cast votes on his/her behalf. The company also provided an opportunity for every shareholder to propose the meeting agenda and submit the question

for the Annual General Meeting of Shareholder in advance, the company was informed the criteria and procedure via the Stock Exchange of Thailand's website and the Company's website for the period from January 27, 2020 to February 21, 2020. However, there was neither proposal of the meeting agenda nor submit the question in advance to the Company.

The Chairman assigned Mr. Sukich Charanvas, Managing Director to inform the meeting for the voting procedures are as follows:

1. Each shareholder shall have one vote for every share held.

2. The Chairman will ask in every agenda, any shareholders who wish to vote to **disapprove** or **abstain**, if there no, the remainder shall be deemed that all shareholders agree on that agenda.

3. In casting votes on each agenda item, shareholders who voted to **disapprove** or **abstain** on such an agenda item would be requested to raise their hands and **mark** the voting card to notify the Company's officer to have their barcodes scanned and their voting cards collected. For shareholders who voted to **approve** should **mark** the voting card and do not required to raise their hands. All the approval voting cards were to be collected when the meeting adjourned.

4. For the agenda item that needs the majority voting of shareholders attending the meeting and casting their votes, the **abstain** and **void** are not included as part of the total votes. For the agenda item that needs three-fourths (if any) voting of shareholders attending the meeting, such **voting cards above** will be included as part of the total votes. In counting and summing up the votes for each agenda, the votes indicated in proxy forms shall also be counted. For each agenda item, the votes shall be counted, and the results shall be announced on the screen after the counting votes was finished.

Void shall be consider in the event that the shareholder or proxy holder fails to clearly specify their intention on the voting cards, such as when more than one box is marked on the voting cards, or a signature is not provided to verify a correction made on the cards.

5. The total number of shareholders or proxy holders and the casting votes on each agenda might vary from item to item since shareholders or proxy holders might leave the meeting or later enter the meeting.

6. In case the shareholders or proxy holders wished to leave before the end of the meeting, it was requested that they return all the voting cards at the exit so that the officer could update the attendance lists

7. Due to the outbreak of the Coronavirus Disease 2019 ("COVID-19") which rapidly spread, the company necessary to have the precautionary measures and guidelines about the Annual General Meeting of Shareholders, prescribed by the Department of Disease Control and Ministry of Public Health as announced in the Notice of 2020 which has been sent to the shareholders. All the Shareholders and proxy holders shall be required to fill in the Health Declaration Form, the screening and registration might be late, so please forgive any errors/mistakes.

8. For the shareholders or proxy holders wishing to asked questions on each agenda items, please write down on the question form which provided by the Company instead of speaking through

microphone. In the meeting, all the questions were not addressed during the meeting; the Company will post the answers on the Company's website within 7 business days.

9. On Agenda 2, this item was for acknowledge the Board of Directors' report on the Company's Performance for the year ended December 31, 2019 only and therefore did not require to be vote on.

10. On Agenda 6, this item was for appoint directors to succeed those completing their terms for the year 2020, so please the shareholders or proxy holders elect each director clearly as the voting procedures which mentioned above.

After the meeting acknowledged the voting procedure, the Chairman then proposed the meeting in accordance with the agenda items listed are as follows:

Agenda 1: To consider and certify the Minutes of the 26th Annual General Meeting of Shareholders held on April 24, 2019

The Chairman informed the meeting to consider and certify the Minutes of the 26th Annual General Meeting of Shareholders held on April 24, 2019 which are shown in the Company's website, for this meeting the copy of Minutes together with the Notice was shown in the **Attachment 1** which are shown as a QR code

After that, the Chairman gave opportunity for the shareholders to question and comment on relevant matters by writing on provided question form, there was no neither question nor comment.

The meeting considered and certified the Minutes of the 26th Annual General Meeting of Shareholders held on April 24, 2019. The vote results are as follows:

Approve	5,696,099	votes equivalent to	100%
Disapprove	0	votes equivalent to	0
Abstain	0	votes	
Void	0	votes	

Agenda 2: To acknowledge the Board of Directors' Report on the Company's Performance for the year 2019

The Chairman assigned the Managing Director to report the Company's Performance for the year 2019.

The Managing Director delivered a summary as follows; The Premium Written for the year 2019 of 414.86 million baht, increase by 119.87% from the prior year. The Earned Premium Written after deducing the Premium Ceded and the Unearned Premium Reserves of 272.74 million baht. The Underwriting Income of 289.70 million baht after deducing the Operating Expenses of 381.35 million baht, as a result, the Company has loss from Underwriting 91.65 million baht. The Investment Income and Other Income of 53.96 million baht, increase by 94.79%. After deducing Income Tax, the Company has loss of 31.05 million baht or 2.59 baht per share, compared to the prior year which earning per share 0.52 baht, decrease from the profit of 598.08%. The reasons of loss, due to the Claims and Losses Adjustment of

122.26 million baht, increase by 58.43 million baht from the prior year of 63.83 million baht or 91.54% and other Underwriting Expenses increase by 105.13 million baht or 196.35%.

Financial Position as at December 31, 2019, the Company has the total Assets of 900.35 million baht, increase from the prior year 100.84 million baht or 12.61%. The total Liabilities of 371.79 million baht, increase from the prior year 148.79 million baht or 66.72%. The total Shareholder' equity of 528.56 million baht, decrease by 8.32% or 44.05 baht per share. The Capital Adequacy Ratio (CAR) as at December 31, 2019 of 233% or 1.94 times as prescribed by The Office of Insurance Commission (OIC).

Anti-Corruption Policy In the year 2013, the Company has demonstrated its commitment by declaring an intention to participation in the Private Sector Collective Action Coalition Against Corruption (CAC) but the Company did not request the certificate. However, in the operation, the Company adhere to strict anti-corruption policy and conduct the business transparently and fairly in accordance with the good corporate governance principle. The Company specified the Anti-Corruption Practice in the Corporate Governance Policy and Code of Conduct which the Directors, the Executives, the Employees and related parties shall adhere and implement in order to maximize the benefits of all stakeholders.

After that, the Chairman gave opportunity for the shareholders to question and comment on relevant matters by writing on provided question form. The contents were summarized as follows:

Mr. Anu Wongsankij - Shareholder questions are as follows:

1. In the case of low interest rates, how does the investment risk impact on the Company's investment income? What is the Company's investment trend?
2. How does the economic slows impact on the Premium Written?

Mr. Sukich Charanvas - Managing Director informed the meeting are as follows:

1. From the economic recession, due to the outbreak of the Coronavirus Disease 2019 (COVID-19), the increase of investment risk will inevitably impact the Company's investment income. As long as the situation is not resolved, the company will carry out the investment policies more carefully.
2. Due to the economic slows significantly, this result decrease in purchasing power and impact on Premium Written. To compensate for the decrease revenue, the Company has a policy to expand the market by adding the brokers and agents.

There was neither question nor comment.

The Chairman requested the meeting to acknowledge the Board of Director's report for the year 2019.

The meeting acknowledged the Board of Directors' Report on the Company's Performance for the year 2019

This item was for acknowledge only and therefore did not require to be voted on.

Agenda 3: To consider and approve the Company's Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2019

The Chairman informed the meeting that the Directors provided the Company's Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2019 which

have been Audited from the DIA International Auditing Co., Ltd. and reviewed by the Audit Committee. The details are disclosed in the 2019 Annual Report as provided in QR Code.

After that, the Chairman gave opportunity for the shareholders to question and comment on relevant matters by writing on provided question form. The contents were summarized as follows:

Mr. Anu Wongsankij - Shareholder questions are as follows:

1. Why there are so many deductions for insurance costs (claims)? Is it resulting to the Company's loss? (Quarter 1 is better)
2. TFRS 9, 16 as part of retirement reserves, what are the effects?

Mr. Sukich Charanvas - Managing Director informed the meeting are as follows:

1. As reported on the Agenda 2, the reason of loss due to the Claims and Loss Adjustment of 122.26 million baht, increase by 58.43 million baht from the prior year of 63.83 million baht or 91.54% and other Underwriting Expenses increase by 105.13 million baht or 196.35%.

Miss Sudarat Vivattanadech - Accounting Manager informed the meeting are as follows:

2. TFRS 9 and 16 do not have any impacts on the Company's retirement reserves, due to the TFRS 9 is about "Financial Instruments" and TFRS 16 for "Leases"

There was neither question nor comment.

The Chairman requested the meeting to consider and approve the Company's Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2019.

The meeting considered and approved the Company's Statement of Financial Position and Statement of Comprehensive Income for the year ended December 31, 2019. The vote results are as follows:

Approve	5,696,099	votes equivalent to	100%
Disapprove	0	votes equivalent to	0
Abstain	0	votes	
Void	0	votes	

Agenda 4: To acknowledge the payment of interim dividend

The Chairman assigned the Managing Director to inform the meeting.

The Managing Director informed to the meeting that due to the outbreak of the Coronavirus Disease 2019 (COVID-19), the Company was unable to hold the 2020 Annual General Meeting of Shareholders which was previously set on April 27, 2020 in order to reduce the effects that may occur to the shareholders due to the indefinite postponement of the Annual General Meeting, the Board of Directors in the meeting No. 2/2020 held on March 30, 2020 had the resolved to pay the interim dividend for the 70th anniversary of the Company instead of annual dividend at 0.50 baht per share totaling 6 million baht. The dividend which paid from the unappropriated retained earning that paid the corporate income tax at 30 percent rate and the individual shareholders are therefore entitled to obtain tax credit according to above mentioned details. Such dividend was paid to the shareholders whose names appeared on list of shareholders at the date to determine the right to receive dividend on March 20, 2020. The Company was paid the interim

dividend on April 30, 2020, the Board of Directors will not proposed the annual dividend payment for the year 2019

After that, the Chairman gave opportunity for the shareholders to question and comment on relevant matters by writing on provided question form. The contents were summarized as follows:

Mr. Anu Wongsankij - Shareholder question as follows:

1. Due to the Company loss, which budget paid for the Interim Dividend or paid from the unappropriated retained earning?

Mr. Sukich Charanvas - Managing Director informed the meeting as follows:

1. As reported on the Agenda 4, that the Board of Directors in the meeting No. 2/2020 held on March 30, 2020 had the resolved to pay the interim dividend for the 70th anniversary of the Company instead of annual dividend at 0.50 baht per share totaling 6 million baht. The dividend which paid from the unappropriated retained earning that paid the corporate income tax at 30 percent rate

There was neither question nor comment.

The Chairman request the meeting to acknowledge the payment of interim dividend and will not proposed the annual dividend payment for the year 2019.

The meeting acknowledged the payment of interim dividend and approved the proposal of refrain the annual dividend payment for the year 2019. The vote results are as follows:

Approve	5,696,099	votes equivalent to	100%
Disapprove	0	votes equivalent to	0
Abstain	0	votes	
Void	0	votes	

Agenda 5: To consider and approve the Directors' Remuneration for the year 2020

The Chairman assigned the Managing Director to inform the meeting.

The Managing Director informed to the meeting that the Director's remuneration is not determined by the Remuneration Committee, as such committee has not yet been appointed. However, the Board of Directors in the meeting has carefully considered by the responsibilities appropriateness and comparing with familiar industries as well as the Company's business expansion and financial results, deems it appropriate to propose the Director's remuneration as the same rate with the prior year. The details are as follows:

Component of Remuneration	2020	2019
<u>Board of Directors</u>		
Meeting Allowance		
- Chairman of the Board	20,000 baht / meeting	20,000 baht / meeting
- Member of the Board	15,000 baht / person / meeting	15,000 baht / person / meeting
Directors' fee	300,000 baht, which is computed from the rate of 5% of the dividend payout; the fee payable to the Chairman shall be 50% higher than the rate payable to each member of the Board.	300,000 baht, which is computed from the rate of 5% of the dividend payout; the fee payable to the Chairman shall be 50% higher than the rate payable to each member of the Board.
<u>Audit Committee</u>		
Meeting Allowance		
- Chairman of the Committee	20,000 baht / meeting	20,000 baht / meeting
- Member of the Committee	15,000 baht / person / meeting	15,000 baht / person / meeting

Directors' remuneration is not applicable to the Executive Board, the Investment Committee and the Risk Management Committee.

After that, the Chairman gave opportunity for the shareholders to question and comment on relevant matters by writing on provided question form, there was no neither question nor comment.

The meeting considered and approved the Directors' Remuneration for the year 2020. The vote results are as follows:

Approve	5,696,099	votes equivalent to	100%
Disapprove	0	votes equivalent to	0
Abstain	0	votes	
Void	0	votes	

Agenda 6: To consider and appoint directors to succeed those completing their terms

The Chairman assigned the Managing Director to inform the meeting.

The Managing Director informed to the meeting that, according to the Article 14 of the Company's Articles of Association, in every Annual Ordinary General Meeting, one – third or the nearest to one – third of the directors who served the Company longest will be retired by rotation; however, the retired directors are eligible for re-election.

In 2020, two directors are due to retire by rotation which are **Mr. Pon Thitipanichayangoon**, the Executive Director and **Mr. Vorayuth Charoenloet**, the Member of Audit Committee and Independent Director, the Company prescribed the qualifications under the definition of the Securities and Exchange Commission and the Stock Exchange of Thailand which are not holding more than 1% of the total number of voting shares of the Company, not involve in the management, not being a relation by blood of any director or executives, not being a provider of any professional service with the Company, not being the Director who has been appointed to represent major shareholder, not engaging in any business of the same nature with the

Company and not having any characteristics which could interfere with the exercise of their independent judgement on the Company's operation.

The Company invited all shareholders to nominated any qualified person to be elected as the Company's Directors, the Company was informed the criteria and procedure via the Company's website for the period from January 27, 2020 to February 21, 2020. However, there was no proposal of the director nominee submitted to the Company.

The Board of Directors, excluding directors who might have conflict of interests, propose to the meeting to consider and appoint the two directors to succeed those completing their terms serves as the Company's Directors for another term. For the proposal **Mr. Vorayuth Charoenloet** to the meeting for the consideration serves as the Independent Director for another term. Even though **Mr. Vorayuth Charoenloet** had served as Independent Director with more than nine years in his directorship, the Board of Director considered that he is knowledgeable person, the ability and his diverse experience which shall develop the Company's business and shall make the Company achieve the goal. In addition he also expressed his opinion independently to relevant rules and regulation. Details of each Director are disclosed in **Attachment 3** as provided in QR Code.

After that, the Chairman gave opportunity for the shareholders to question and comment on relevant matters by writing on provided question form, there was no neither question nor comment.

The Managing Director requested the meeting to consider and appoint directors to succeed those completing their terms individually for each nominated director.

The meeting considered and appointed the two Directors to serve as the Company's Director for another term. The vote results are as follows:

Directors	Approve		Disapprove		Abstain		Void	
	Vote	Percent %	Vote	Percent %	Vote	Percent %	Vote	Percent %
1. Mr. Vorayuth Charoenloet	5,696,099	100	0	0	0		0	
2. Mr. Pon Thitipanichayangoon	5,696,099	100	0	0	0		0	

Agenda 7: To consider and appoint the external auditor and fix the audit fee for the year 2020

The Chairman assigned the Managing Director to inform the meeting.

The Managing Director informed to the meeting that, the Audit Committee had considered the performance, independence as well as the audit fees proposed to the Board of Directors and recommended the shareholders to consider and appoint auditors from the DIA International Auditing Co., Ltd which was registered with the Federation Accounting Profession in accordance with the Accounting Profession Act, B.E. 2547 (2004). The details are as follows:

Name	CPA Registration No.	Experiences in Providing Audit Services to the Company
1. Mrs. Suvimol Kritthayakiern	2982	2018 – Present
2. Miss Somjintana Pholhirunrat	5599	2013 – 2017
3. Mr. Chumpot Prairattanakorn	7645	Nil
4. Miss Supaporn Mangjit	8125	Nil

In 2020, Mrs. Suvimol Krittayakiern shall sign the audit report of the Company. All four auditors from the DIA International Auditing Co., Ltd had neither any relationships nor any transactions that could constitute a conflict of interest with the Company or any of its executives or any related parties.

The Managing Director requested the meeting to consider and appoint the external auditor and fix the audit fee for the year 2020 totaling 1,550,000 baht are as follows;

Audit Fees	2020	2019
Fee for review three quarterly Financial Statement	570,000	540,000
Audit Fee for the year ended December 31, 2020	780,000	760,000
Fee for review of the Risk Based Capital (RBC) report for half - yearly	200,000	200,000
Other	-	-
Total	<u>1,550,000</u>	<u>1,500,000</u>

After that, the Chairman gave opportunity for the shareholders to question and comment on relevant matters by writing on provided question form, there was no neither question nor comment.

The meeting considered and appointed Mrs. Suvimol Krittiyakiern, CPA Registration No.2982 and/or Miss Somjintana Pholhirunrat, CPA Registration No. 5599 and/ or Mr. Chumpot Prairattanakorn, CPA Registration No. 7645 and/or Miss Supaporn Mangjit, CPA Registration No. 8125 from the DIA International Auditing Co., Ltd as Company's Auditor for the year 2020, and fixed the audit fees totaling 1,550,000 baht. The vote results are as follows:

Approve	5,696,099	votes equivalent to	100%
Disapprove	0	votes equivalent to	0
Abstain	0	votes	
Void	0	votes	

Agenda 8: To consider other matter (if any)

The Chairman informed the meeting that the Company announced in the Company's website for the period from January 27, 2020 to February 21, 2020, there was no the proposal of the meeting agenda submitted to the Company.

After that, the Chairman informed the meeting that the Annual General Meeting of Shareholders for the year 2020 completed all the agendas. If any shareholders or proxy holders would like to question and

comment, so please write on provided question form and submit to the Company's staff for answer in the Company's website.

The contents were summarized as follows:

Mr. Yuthana Varit – Proxy Holder questions are as follows:

1. Last year, the Company loss, is it cause by received a lot of Compulsory Insurance (PorRorBor) and Crop Insurance? If it's yes, What is the policy to prevent the Company loss?
2. How does the outbreak of COVID19 impact to the claims and yield investment of the Company?
3. How many area in Chiang Mai branch? What is the Company's plan to make the land more effective?

Mr. Sukich Charanvas - Managing Director informed the meeting are as follows:

1. The reason of loss in the year 2019, as the rising number of abnormal claims occur by the company data such as Property Insurance, Marine Insurance. In addition, in the year 2020 the Company's canceled Crop Insurance and purchase insurance for excess damage (Excess of loss). For the Compulsory Insurance (PorRorBor), the Office of Insurance Commission (OIC) has announced to increase the protection for motor vehicle victim from 300,000 baht per person to 500,000 baht per person with the same premium, starting in April, 2020. As the results, the Company has a policy to reduce the number of Compulsory Insurance.
2. The outbreak of COVID-19 has decrease the number of claims but the increase of protection for motor vehicle victim, the results are not yet exactly assessable at this time. The investment has an inevitable impact, however, it is not yet estimate at this time.
3. The Chiang Mai branch has an area of 3 rai 69 square wa, the front building has 1,057 square meters of living space, the behind building has 647 square meters, the another of living space the Company has leased commercial use.

There was neither question nor comment.

The Chairman then declared the meeting closed and thanked all shareholder and Proxy Holders for attend the 2020 Annual General Meeting of Shareholders

The meeting adjourned at 4.15 p.m.

Sign Chairman
(Mr. Sapon Kluaymai Na Ayudhya)

Sign Minute Taker
(Mr. Sukich charanvas)

Managing Director and Secretary to the Board of Director